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FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

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Retrospect and Prospect

By FRED. W FIELD

WAR has brought prosperity to Canada because Mars is the dominating customer, ordering in record quantities everything we have to sell. Exhorting us to increase capacity to fill larger orders, he is requiring also that we help finance his purchases. Had Canada been able to borrow abroad in war time, as in former years, it would have sought substantial sums. The closing of the British money markets in 1914 to applications for capital, except for war purposes, turned our borrowing to New York. There we raised substantial sums until that market was closed in April last. We must depend now upon our own financial strength and resources to carry on the nation's affairs, our share of the war, and the financing of British purchases here, which are the pivot of our prosperity to-day.

War conditions have given a realization of what we can do. We know something of our investment power which hitherto we thought did not exist. We know more of the possibilities of factory and agricultural production. We know that the national muscles have successfully passed a severe test. We have much to learn, however, as to economy in production, general organization, marketing at home and abroad, and so on.

In international finance, the Dominion has cut a figure, even though small. Previously its presence in that arena was with cap, and prospectus, in hand. Then it was borrowing abroad hundreds of millions annually. Running up an adverse trade balance, we regarded apprehensively a national debt of less than $400,000,000. To-day, borrowings abroad have been reduced to a minimum. Our four war loans aggregating $450,000,000 were subscribed to the extent of $982,000,000. Credits of more than $400,000,000 have been advanced for British purchases here. At Ottawa, $1,000,000,000 of bullion has been handled since the war commenced. There the Bank of England has a gold depository. There also is one of the largest refineries in the world. We have issued over $100,000,000 of Dominion bonds to fund temporary indebtedness in England. These bonds were used as the basis of Imperial banking credits in the United States and Canada from which payments were made on this side of the Atlantic. Canadian securities have been used by the British government as part of the collateral for their large loans. After the war, Canadian investors will take an increasing share of their own securities.

It is important that we should fully realize that the nation's industrial and agricultural activities and prosperity at present depend almost entirely on war orders. To the end of 1917, the value of such orders placed in Canada by the Canadian, British and Allied governments was not less than $1,800,000,000. They include shells, flour, blankets, wheat, cheese, butter, meats, oats, canned salmon, fish, ships, all the thousand and one things required for war.

Since the outbreak of war, the Imperial Munitions Board has placed in Canada, on behalf of Great Britain, orders for $925,000,000 of munitions. The orders placed last year alone were valued at $263,000,000. Arrangements were made by the Dominion government in the fall to advance $25,000,000 monthly for munitions to the end of 1917. Thus, to date, we have received orders through the Imperial Munitions Board valued at $1,000,000,000 for shells, fixed ammunition, etc.

Our prosperous conditions cannot continue unless we save and invest every dollar possible in war loans. The loans may then be used to establish the credits which Britain needs in order to continue to make her large purchases in this country. Canada's prosperity and activities depend almost entirely upon the extent of our ability to save and invest in the war loans.

War orders are waiting for us in large volume if we can arrange to finance them. If not, the orders will have to go elsewhere, probably to our nearest neighbor, who is doing everything possible, not only to win the war, but also to supply Britain with all she needs, at the same time keeping American prosperity at its record height.

For almost three years, Great Britain has borne the heaviest part of the financial burden of the war for herself, for her allies, and for the Dominions. There is a substantial trade balance against her in the United States because of her large war purchases there. She must, at this time, resort to borrowing funds in the countries in which she is making her war purchases.

Changes in Financial Markets

When the war first broke out, Great Britain agreed to advance Canada £2,000,000 monthly for the financing of its share of the war. This continued for nearly a year when the Dominion was able to finance all its war expenditures in Canada. Britain arranged in the fall of 1916 to loan £30,000,000 for war purposes, to be drawn upon as necessary. Since then, the Imperial government has made advances to finance our war expenditures in England and at the front. The Canadian government has established credits from time to time for British war purchases here. Up to October 31st last we had advanced to Great Britain $403,000,000 and the Imperial government had advanced to us $378,584,160. Of this we repaid $107,612,029 in dollar bonds, leaving net advances to us of $270,972,130. The net amount in our favor, therefore, was $132,027,869.

Since the war commenced, our financial requirements and markets have undergone rapid changes. The British people had invested in Canada prior to the war nearly $3,000,000,000, the greater part in our securities. Upon the foundation of British capital, the Dominion of Canada was built. When the war commenced and London was closed to our borrowing for ordinary purposes, we turned to New York. In 1916, of our total bond issues of $317,000,000 the United States purchased nearly 65 per cent. Previously Britain had purchased from 50 to 80 per cent. of all the bonds we offered each year. In 1915, the United States purchased over 42 per cent. of our total bond issues aggregating nearly $342,000,000. Last year, the New York market was open to us only until April, when the United States entered the war. By special consent of the United States Treasury, the Dominion government obtained in July from New York bankers a two-year loan of $100,000,000. During the remainder of the year, we were compelled to curtail ordinary expenditures and to finance at home.

Increasing Investment Power

The experience has demonstrated the increasing investment power of the country. With the subscription of over $800,000,000 of war loans in two years, the interest payments to Canadians on these issues alone will exceed $40,000,000 annually. In 1915, for the first time, Canadian investors purchased a substantial proportion of the Dominion's bond issues, namely, 44 per cent. In 1916, the figure was 34 per cent. and last year considerably higher again.

As the war continues, the more will its business and finance occupy our attention. By October last, war loans had the right-of-way in Canada, the United States and Great Britain. Little attention was paid to other borrowing. The United States has loaned out of Liberty Loan funds, to Britain and the Allies over $3,883,000,000 since it entered the war. No advances were made to the Dominion in that way, although, as previously noted, we were able to borrow $100,000,000 from New York bankers in July.

A certain amount of borrowing by Canada in the United States is necessary in order that the balance of trade between the two countries may be reduced and exchange in New York made normal. The unfavorable trade balance is indicated by the fact that in the last fiscal year Canada bought from the United States for domestic consumption goods to the value of $654,000,000 as against $290,000,000 purchased by the United States from Canada. At the close of the present fiscal year the balance in favor of the United States will be even more marked. The situation can be remedied by loans in the United States. Canada's credit has been maintained throughout the war. Although a borrowing country when the war broke out, such has been the patriotism of the people and the largely increased value of production, that the Dominion has been able to demonstrate its lending power in a remarkable way.

The $100,000,000 loan in New York in the summer was arranged after a conference with the United States Treasury Secretary McAdoo. Realizing the desirability of Canada establishing credits in the United States to meet adverse balances, he at the same time stated that the United States would "have to keep control over our own situation by determining each foreign offering on its own merits and with reference to the financial conditions prevailing at the time." Mr. McAdoo added it was important "that our commercial and financial relations with Canada shall be conserved in every reasonable way." The $100,000,000 transaction was intended for that purpose. Canada has not obtained advances from the United States through Liberty Loan funds, but we may take it for granted that should such a request become necessary and be made during the current year or later, the United States government will respond in view of the war financing we have done already and propose to do. At the same time, every effort must be made to conserve resources here, so that we may fully subscribe our own war loans.

Government's Taxation Policy

The use of the phrase "conscription of wealth" last year caused a certain uneasiness among those whose savings constitute a vital factor in the business and industrial life of the Dominion and are so essential to the credit and prosperity upon which our efforts in the continued prosecution of the war must largely depend. Sir Thomas White, finance minister, stated last year on behalf of the government that there need exist no apprehension on the part of the public that any action of a detrimental character will at any time be taken with respect to the savings of the Canadian public. On the contrary, it will be the policy of the government in the future, as in the past, to encourage in every way possible the exercise of the thrift and economy resulting in national savings which have enabled Canada to maintain her credit and improve her economic position during the war.

Any taxation to which it may be necessary for the government to resort from time to time will be in accordance with legitimate and established forms of taxation sanctioned by the tradition and experience of British self-governing communities. Last year saw the introduction of a federal income tax which cannot be described as onerous. The government is bearing in mind that Canada is a country inviting immigration and is not likely to become a country of heavy individual taxation. The Dominion's settled policy is that in providing its war expenditure, resort will not be had to taxation upon the farms, personal effects or incomes of those engaged in our great basic industry of agriculture.

The excess profits tax ended in December, 1917. The income tax will operate this year. During 1918, corporations will pay for 1917 whichever is the larger of the two taxes. If the war continues, the government will be compelled to seek new sources of taxation. In that event the income tax may be increased, the excess profits tax renewed and other measures adopted to increase revenue.

National Financing

Canadian national financing has been carried on satisfactorily. Public works expenditures have been greatly reduced. Our debt increase is due to war expenditures. The Dominion revenues for the seven months ended October last of the current fiscal year totalled $145,719,000, an increase of 11 per cent. over the corresponding period of the previous year. The gain was largely due to customs collections which changed from $75,000,000 to $91,763,000 in the seven months period of the two years respectively. Expenditures on capital account reached $144,213,352, of which $133,254,798 was due to the war, and $10,599,242 was on account of public works. In the previous year the war expenditure for the same period was $127,487,147, and the public works expenditure $13,540,236.

Debt and War Expenditure

On October 31st, 1917, the net debt of the Dominion was $948,236,372. In 1913, before the war commenced, the debt was only $314,000,000. Thus there has been an increase of 201 per cent. in the debt. It is almost entirely due to war. The total increased by $47,000,000 in October last. At that rate, we shall have in March next a debt of over $1,000,000,000. At 5 per cent. per annum, the annual interest will amount to $50,000,000. This sum, with a substantial amount added yearly for a sinking fund, can be met, provided strict economy be practised by governments, from the future revenue of the Dominion and by the people of Canada. In national finance, if debts can be funded, the practical question is that of payment of annual interest. But while this is so, the fact must not be overlooked that debt is debt, a financial obligation and burden upon the body politic, whether owed to investors at home or abroad. Thrift, economy and greater production are three of the ways to meet the interest on this large war debt.

Our war expenditures are approximately $1,000,000 daily. Up to July 20th, last, the war expenditure in Canada was $388,627,000 and elsewhere, $234,600,000, making the total to that date, $623,000,000. Since then, the war expenditures have been approximately $167,000,000, making a grand total of $790,000,000 to the end of 1917.

Trade and Commerce

Our total trade, excluding coin and bullion imports and exports, for the 12 months ended September, 1917, was $2,424,000,000, a record which compares with $1,091,000,000 for the same period of 1913. Thus, in four years our total trade has increased 122 per cent. In the same period, our imports changed from $683,000,000 to $1,004,000,000, a gain of 46 per cent. The exports increased from $408,000,000 to $1,419,000,000, a favorable change of 247 per cent. In these four years, an adverse trade balance of $300,000,000 has been converted into a favorable balance of $415,000,000. By March, it will probably be $500,000,000. The position of the trade balance at the end of September is clearly shown in the following figures:—

	Twelve months ended September 30th. (In millions of dollars.)				
Merchandise.	1913.	1914.	1915.	1916.	1917.
Imports	683	531	417	685	1,004
Exports	408	468	517	1,052	1,419
Unfavorable balance .	275	63	...	...	...
Favorable balance ...	...	...	100	367	415

The figures relating to imports and exports of coin and bullion for the 12 months ended 1914, were $61,000,000. For the three years ended September, 1915-1917, the total was $659,000,000. The striking change in these figures is due to the operation of the Bank of England's gold depository at Ottawa. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada.

High Prices and Volume of Trade

Both high prices and volume of business account for the increase in the value of our trade. To-day, Canada is doing a foreign trade of greater monetary value and has a larger trade balance in her favor than was the case with the United States fifteen years ago. Taking the population of the United States as 100,000,000 and the population of Canada as 7,000,000, our exports were $135 per capita for the first eight months of the current fiscal year compared with $41.50 in the United States. Our favorable trade balance was $32.40 per capita against $21 in the United States in the same period last year. The reversal in the position of the Dominion from a debtor to a creditor nation is important as so much depends upon our balance of foreign trade. In periods during which Canada imports greatly in excess of her exports a debt is created to be liquidated by loans and interest charges to the detriment of domestic commerce. If the value of goods sold abroad exceeds imports, the difference accrues to the country in the shape of income. The stability of a country's prosperity is largely increased by the balance of its foreign trade. A favorable balance means prosperity, just as an adverse balance means, sooner or later, adversity. This rule may seem to be departed from in the case of Great Britain, whose imports greatly exceed exports, but the explanation is found in the fact that Britain is a creditor nation through her large investments in other countries, and receives payment of interest on these investments in goods to some extent. In the case of Canada it will be found that periods of progression and recession in business are coincident with the balance of foreign trade.

Exports of Canadian Products

Of the total exports of Canadian produce for the twelve months ended September, 1917, and valued at $1,381,000,000, manufactures accounted for nearly 50 per cent. or $632,000,000. This is a remarkable increase of $507,000,000 or 405 per cent. in two years. The exports of agricultural products have increased 214 per cent. in the same two years. Taking agricultural products and animal produce together, the total for the year ended September, 1917, was $584,000,000, an increase of 163 per cent. The following table shows at a glance how various groups of Canadian produce have contributed to our export trade during the past three years:—

Exports of Canadian Produce, Twelve Months Ended September,

	1915. $	1916. $	1917. $
The mine	55,428,149	77,436,746	80,598,252
The fisheries	21,362,398	23,274,772	24,993,156
The forest	47,241,070	53,952,950	52,989,554
Animal produce	86,179,377	111,331,332	157,415,287
Agricultural products.	136,573,766	396,455,537	427,927,335
Manufactures	125,099,041	361,381,419	632,536,835
Miscellaneous	3,035,284	8,107,248	5,057,557
	474,937,085	1,031,940,004	1,381,517,976

This large volume of trade is abnormal and not upon a permanent basis. It is unlikely to continue beyond the duration of the war. It accounts for the prevailing prosperity in Canada, and has placed the country upon a strong financial basis, but it is well to remember that the figures are inflated by passing conditions. With the conclusion of the war we must seek more permanent sources of foreign trade.

Trade With United Kingdom

With the great increase in trade, the general tendencies of its volume have not changed. For many years, the United States has had about 60 per cent. of our import trade, but the United Kingdom has been our best market. We have been borrowing money in the United Kingdom and selling most of our merchandise there, but we have been buying the greater part of our purchases in the United States. During the fiscal year ended March, 1917, of our total imports valued at $845,000,000, $664,000,000 came from the United States and only $107,000,000 from the United Kingdom. Britain's industries being mobilized chiefly for war purposes, her sales to Canada and exports generally have decreased. On the other hand, of total Canadian exports valued at $1,179,000,000, we sold to Great Britain $742,000,000 and to the United States $280,000,000. The imports and exports of Canadian produce from and to these countries for the past four fiscal years are shown at a glance in the following table:—

Imports.

Fiscal year.	United Kingdom.	United States.
1913-14	$132,070,000	$395,565,000
1914-15	90,157,000	296,632,000
1915-16	77,404,000	370,496,000
1916-17	107,096,000	664,219,000

Exports.

Fiscal year.	United Kingdom.	United States.
1913-14	$215,253,000	$163,372,000
1914-15	186,668,000	173,320,000
1915-16	451,852,000	201,106,000
1916-17	742,147,000	280,616,000

The United Kingdom is therefore by far our best customer but we buy most from the United States. The sentiment in favor of stronger trade relations between the United Kingdom and Canada is growing as the war proceeds. British firms will undoubtedly give far greater attention to the Canadian market after the war. The Canadian people are more favorable to the removal of obstacles to British trade in Canada. There are, for example, rules regarding the valuation of packages, valuation for duties, bonding and warehousing, dumping, etc., which should be modified. This can be done with strict regard to the interests of Canadian manufacturers and with advantage to British trade here as against that of foreign countries. Canada has been in the war long enough to determine that enemy trade shall have little place here when peace comes.

The great increase in the exports of our manufactures is an indication of our productive and export power. The factory production in Canada last year is estimated at $2,000,000,000. The exports of manufactures for the twelve months up to September, 1917, were $632,000,000. Our export trade during war time has not been obtained under competitive conditions. War orders have been placed here as fast as we could absorb and finance them. To some extent, this may continue when war ceases but, so far as one can see, peace orders are not likely to be placed as rapidly, in so large a volume or at such high prices as is the case now. The time will come when trading nations will have to compete keenly for their foreign business. New markets will not be opened and old ones extended by the magic of legislative action. Legislatures may be able to help pave the road to greater trade but the manufacturer must push himself along the commercial highway. The work, in the aggregate, of individual manufacturers throughout the Empire, and not legislation, will prove the most serious obstacle to the progress of enemy trade after the war.

Changes in Industrial Position

The Senate Committee appointed last year to enquire into these problems may be able to gather much information but it is largely upon the individual and collective work of manufacturers and traders that a substantial export business can be maintained.

When we were worrying a year ago as to what our munition plants would do as soon as shells were no longer needed, shipbuilding did not appear in the forecasts. Last year, with the end of the war still in the uncertain future, we commenced to pass through one of the readjustment periods so much discussed. Production in certain sizes of shells ceased and in others was reduced. The first stage of the passing of the munitions industry, which was the mainstay of industrial activity in Canada through 1915, 1916 and 1917, was marked by a minimum of disturbance, because of the initiation of shipbuilding enterprises. Many of our basic industries have been suffering from a shortage of labor and can readily absorb part of the surplus from the munition plants, with advantage to themselves and to the country at large. It is highly satisfactory that this first step in the transition from the shell-making business to the ordinary industrial activities of the country is being accomplished, and is likely to continue for some time, on a scale so gradual as to be almost imperceptible in its effects.

If present plans with respect to the building of ships, both wooden and steel, continue to expand, there is every prospect that the shell-making industry may be replaced in due time by another industry in which activity will continue long after the war ends. Its future, when peace comes, must depend largely on the efficiency which Canadian plants develop in the interval. Last year, we received orders from Great Britain for over $46,000,000 worth of ships. The passing of the munitions industry in Canada, however, will be delayed by the receipt of substantial orders by Canadian plants from the United States for shells.

Industrial concerns generally have placed themselves in a strong financial position during the past three years. Large earnings have been used to reduce obligations and to build up working capital, several companies, for example, having redeemed their outstanding bonds which were not due for several years.

Our agricultural production can be maintained largely by the proper selection and direction of immigration.

There has been waste of effort in the way we have settled the land. The settler has been expected to do pioneer work in Northern Ontario, for example, just as our settlers did 50 years ago. The time is approaching when the State will find that ready-made farms and all reasonable facilities is the quickest and cheapest way to make the new settler a substantial asset to the country. The home demand for food products is still great and as yet there is no evidence of the European demand becoming less urgent. It may be necessary for the buyers there to seek some readjustment of the terms upon which they have so far been supplied, and also to make new arrangements for obtaining credit. The importance of this aspect of the question becomes apparent upon comparing the volume of the exports of provisions (the bulk of which are to Great Britain), with that of former fiscal years. Our butter exports, for instance, have increased 917 per cent. in the past four years, exports of eggs, 7,099 per cent., of bacon, 475 per cent., of beef, 3,506 per cent., and of pork, 2,809 per cent. The exports of these five items in 1913 were valued at $39,000,000 and in 1917, $299,000,000.

Primary Production Last Year

With one arm Canada is supporting in the battlefield a worthy cause. With the other the Dominion is speeding its industrial plant to supply munitions, general equipment and supplies to Great Britain and the Allies. The business coming to Canada as a direct result of the war has acted as a pillar of strength to the Canadian industrial situation. That, taken in conjunction with the facts that liquidation of the position has been in evidence for over three years and that a large harvest of agricultural products was gathered and sold at high prices in 1916, with a good crop at good prices last year, obviously gives a wholesome appearance to the Canadian position.

Despite the scarcity of farm labor, production was large. The high prices for farm products and particularly the substantial fixed price for wheat is bringing a large sum to the country this season. Last year the value of our field crops for the first time exceeded $1,000,000,000. The field crops contributed $1,089,000,000 to the primary production of wealth in 1917. In 1914, the value of production from field crops, forests, mines and fisheries was $975,000,000. Last year, it had increased to $1,507,000,000.

The Grain Trade

The first effects of the war on the grain trade of this continent arose from the problems of ocean tonnage, marine insurance, and ocean freight rates. The export of wheat under these conditions became difficult. The British government created an agency in North America to purchase wheat for the Allies generally and Great Britain, France and Italy particularly. This wheat export company, with its vast financial resources and continuous orders for large quantities of grain, became dominant in the grain exchange markets of America, including Winnipeg. With rumors of speculation in wheat, the Winnipeg Grain Exchange investigated but found little illegitimate speculating. As prices continued to rise, however, facilities for future trading in wheat on the Wninipeg exchange were removed. While the action of our exchange did not commend itself at first to the other grain exchanges on the continent, the leading exchanges were shortly forced to take steps almost identical with those taken at Winnipeg.

Last year witnessed the beginning of drastic government regulation of the grain business. In the United States, a grain corporation was created, being the only buyer of wheat at the great terminal markets and the only distributor and seller of wheat from those markets to the American mills, the European Allies, and the neutral countries. Prices were fixed by government commission and future trading was prohibited. The mixing of grades of grain at the terminal markets was made impossible. The government took over the inspection of grain and standardized the grade. Thus the entire grain business of the United States was revolutionized.

In Canada, the government created a board of grain supervisors, its primary functions being (1) to regulate the price at which grain shall be bought and sold, (2) to regulate the distribution. Congress has guaranteed a minimum price of $2 per bushel for the wheat crop of 1918 and has given the president power, should he see fit, to impose a duty upon any wheat that might try to slip into the United States, and without right or title command the same guaranteed minimum. What effect this guaranteed minimum will have upon wheat-growing in Canada during the coming year, it is not possible to say.

Labor and Immigation Problems

Labor and immigration problems demand the serious attention of our authorities, whether we obtain few or many settlers. Time there is now to make plans for the important work of settlement. As Lord Shaughnessy has pointed out, farming should be made so profitable, by educational and financial aid, and the social conditions of rural life should be so improved, that thousands of men with natural inclinations that way will be attracted to agriculture and will succeed at it. Even when that is done, the great majority of the men will have to be provided for in other kinds of work.

Mining Industry

The mining industries of Canada were active throughout the year. The production of minerals in 1915 was valued at approximately $137,000,000. Last year, with higher prices for many of the metals, the value of the output was about $195,000,000. Exports of Canadian mining products for the fiscal year ended March, 1917, totalled $80,698,000 compared with $55,428,000 in 1915. Judging by the frequent indications of mineral wealth in the Dominion and by the records of various mining camps which have been well worked, the output of minerals is only in its beginning. Canada is the world's third largest producer of silver. That record has been accomplished with the assistance of practically one silver mining camp, Cobalt. The production of silver last year was approximately 30,000,000 ounces. This large total was assisted by recoveries from low-grade ores made financially practicable by the high price for silver. The price of 55 pence per ounce, at which silver sold in London in September, has been matched in only three months of the thirty-three past years. Those months were August, September and October, 1890, in one of which it sold at 54⅝ pence. Except for that brief movement, one must go back to April, 1884, to find the price as high as in 1917. One of the Cobalt mining companies sold in September last 200,000 ounces of silver on a basis to net the company $1.16 7/16 an ounce.

In 1916, only 5 per cent. of the raw material used in the manufacture of iron and steel in Canada was obtained from domestic sources. This means that 95 per cent. was imported. More partly manufactured materials such as iron and steel are now being imported, but our needs of copper, zinc, lead and other metals, were during 1917 met to a greater extent from our own resources. In British Columbia, refining plants are being established for handling an additional 70,000,000 pounds of copper annually. Some of these have already been installed, and similar developments are taking place with regard to other metals. Some of the metals, hitherto insignificant, have now become important items in our national balance sheet. In 1915 the zinc ore produced in Canada was valued at slightly more than $500,000, but in 1916 the value was $1,000,000 and last year it was still greater. The value of this industry to the Dominion, as in the case of nickel refining, will be greatly enhanced by treating the ore in Canada and by the development of the new processes already referred to. The output of copper in 1915 was 102,612,486 pounds as compared with 125,000,000 pounds last year, and the price in the former year was only 17¼ cents per pound, as compared with an average of 27 cents in 1916.

Future Business Conditions

No one can accurately forecast the trend of business conditions during the coming year, because every few months bring into the situation unforeseen factors, both adverse and favorable. The past year has demonstrated that we cannot depend upon the United States for our financial requirements during the war. That country has advanced to the Allies between April and the middle of December last, a period of about eight months, no less than $3,883,000,000. In addition, it is financing its own war expenditures which are increasing.

The past year has also demonstrated that Canada is prepared to finance itself during the war. This was clearly reflected in the remarkable over-subscription by $268,000,000 of the Victory War Loan of $150,000,000. For the first time, in November last, a large proportion of the population became holders of war bonds. One in ten of our people hold Victory bonds. When the next war loan is necessary, we shall probably be able to equal, if not better, that record. The habit of thrift was given an impetus by the Victory Loan, which was the first step of value towards the education of the people at large in buying government and war securities.

Now thrown upon our own financial resources, as the struggle proceeds we shall become more dependent generally upon our national resources. Just as our financial props, the London and New York markets, were removed by war conditions, so may other outside supports be gradually withdrawn by the exigencies of war. This probability is even now sufficiently outlined for immediate action by the proper authorities. National investigation and organization of resources as applied to war conditions is imperative work.

As an example, the coal problem may be cited. Mr. Arthur V. White, of Toronto, for many years has been drawing special attention to this matter. Emphasis has been given to the very serious distress that might, in any year, develop through fuel shortage. The lessons of former trying experiences of Canada in times of coal shortage, such as in 1902 and 1903, have been pointed out. The chief burden of Mr. White's efforts, however, has been to arouse the people of Canada to a due sense of the extreme seriousness of their fuel situation viewed in its broad national and international aspects. He has lost no opportunity of clearly holding this up as a prime national issue demanding prompt and energetic action on the part of the nation.

In 1910, referring to this subject, Mr. White used the following words which are equally true to-day: "Certainly the people of Canada are in better circumstances to maintain a supply of heat and power if their water-powers, including their full share of international water-powers, are reserved to themselves and not permitted to be exported, except upon terms and conditions which will conserve absolutely the present and future interests of the citizens of Canada. Not only would the water-powers of Canada provide, to a certain extent, a substitute for the coal supply of the United States as a means of furnishing light and heat and power, but control of these water-powers would secure a basis upon which negotiations for coal could be conducted in a possible day of need. Canada would be in a position to exchange, if need be, part of her electric energy for part of the coal supply of the United States. It is obvious, however, that if the United States interests should control both the coal and the water-powers, the situation of Canada would become exceedingly grave."

State Control and Regulation

As in other countries, so in Canada, the rapid growth of State control and regulation has been notable. The importation and sale of coal was placed in the hands of a fuel controller in October. A plan to establish effective control over all packing houses and their profits was announced by the government in November. A board of grain supervisors was appointed to fix the price of grain and to regulate distribution. Food control was established and a controller appointed to fix prices and to regulate supplies of newsprint and bookprint with a view to the requirements not only of Canada but also of the United States. The electric power situation in Ontario is under the jurisdiction of a government power controller. We have in addition the conscription of man power and the regulation of business profits.

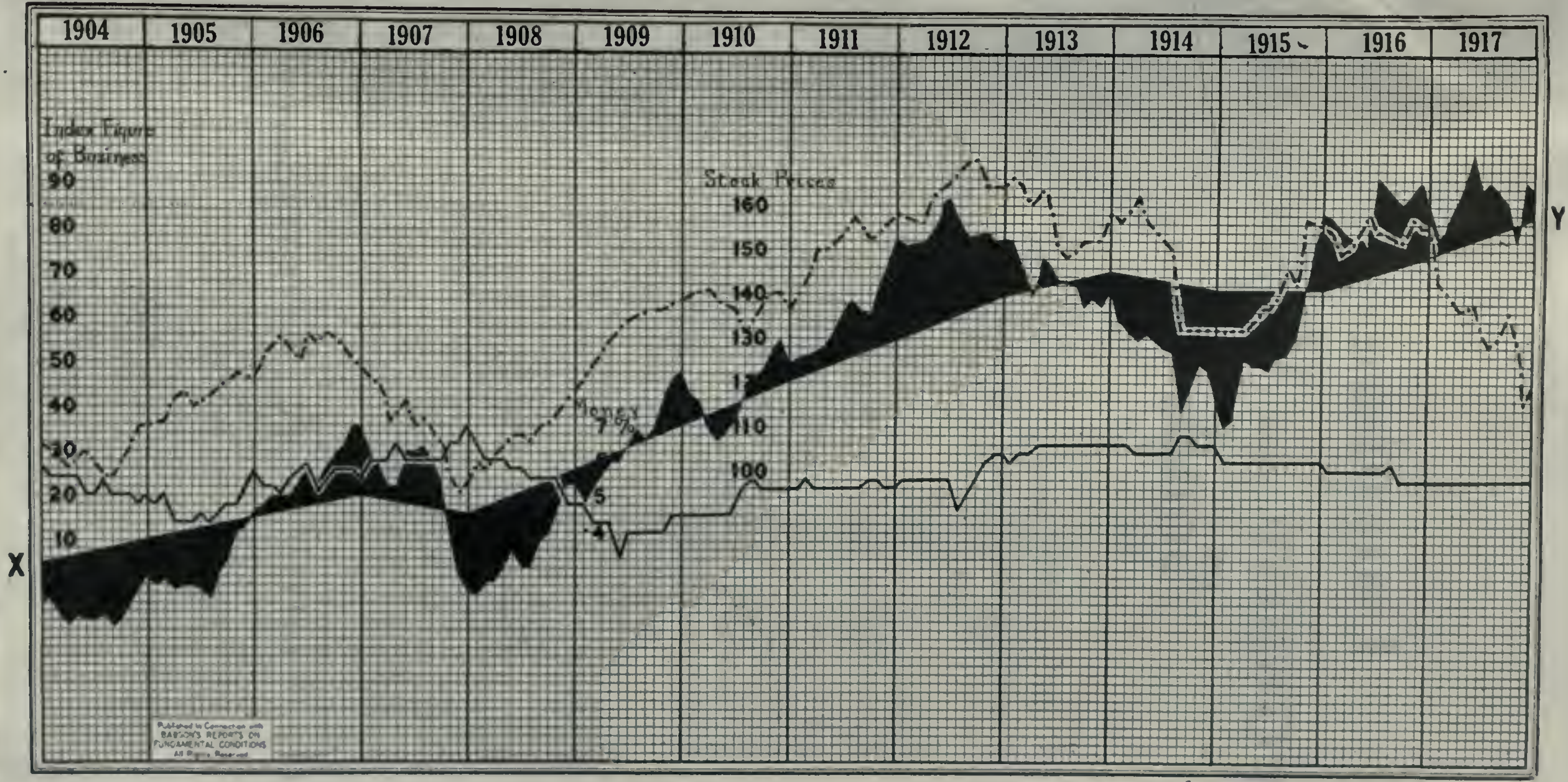
These are substantial indications of the growth of State control and regulation in the Dominion. It seems certain that this tendency will become more marked as the war progresses. Whether State control will remain an important factor in Canadian national life and business after the war is a matter on which opinions are divided. There is a general impression, however, that this factor will at least operate to a greater extent when peace comes than it did prior to the beginning of war.

Test of War

The test of war has proved Canada's mettle. Our achievements in production, war finance, banking, business and in other spheres for more than 3½ years have shown that Canada has been able to demonstrate capabilities which it was thought did not exist. With that knowledge of strength and with the Allied nations slowly crushing the Prussian menace, we may feel confident in our ability to co-operate actively in the prosecution of the war with a view to bringing it to a successful conclusion as speedily as possible. If we give practical recognition now to the vital necessity for organization, with peace as a foundation, we need not fear the problems which may then appear. With the continuance of the war and the growth of our national debt, financial problems will arise. These, in turn, will be counteracted among other things by the development of vast natural resources, increased production and the era of expansion which this country has yet to undergo.

Compositplot of Canadian Conditions, 1905-1917

(Compiled for *The Monetary Times* by Babson's Statistical Organization, Wellesley Hills, Mass.)



THE full black line represents callmoney rates in Montreal; the broken line shows increase of stock prices; the Compositplot is formed by a number of representative business subjects reduced to a common denominator. These include such subjects as bank clearings, building figures, stock prices, failures, railway earnings, commodity prices, etc. The X-Y line indicates as nearly as possible the normal line of growth in Canada.

The upward movement which recommenced at the first of 1916, has continued right through the past year and indicates that the period of great business activity has not yet ceased. However, the effect of increasing governmental restrictions and taxes, and the growing scarcity of capital are all tending to reduce the margin of profit. This has been reflected in the course of stock prices during 1917, which in November touched the lowest level seen for several years.

As in 1916, the course of business is going to depend very largely on when the war ends, although the longer the war continues the more governmental and financial restrictions will be felt in the industrial world. Certainly, neither Canada nor the United States will enjoy the tremendous profits realized during the first part of the war. At the present time, stock prices are selling below their real values and the stock line should show at least fair recovery during the early part of the year.

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The record of Canadian Municipal Securities is most satisfactory.

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Canada's Premiers Write of the Outlook

HEADS OF THE CANADIAN PROVINCES TELL OF PAST DEVELOPMENT, OF FUTURE PLANS, AND OF LINKED ARMS WITH OTHER UNITS OF EMPIRE

BRITISH COLUMBIA

British Columbia

By
Honorable
H. C. BREWSTER,
Premier

FACED by the financial stress due to the war and by obligations which the new government found on taking office, the result of an increased public debt and railway bond guarantees, a policy of economy and retrenchment has been imperative. One of the first acts of the administration last year was the framing of a budget which would enable current expenditure to be met out of revenue. Financial returns to date show that this aim is being achieved, and without any loss in the efficiency of the services rendered. Steps are being taken to ensure that the larger revenue which it is necessary to derive from taxation shall be equitably apportioned between all classes of persons and property, to the end that the greater burden shall be justly borne by all in proportion to their strength. Energetic measures are under way to stimulate and encourage settlement of the land and a greatly augmented production.

The province, though feeling the strain of war conditions, in common with the other parts of the Empire, is in a sound and healthy state. Its government and people are meeting the heavy calls upon their men and means, in complete confidence that prudent management of provincial affairs will bring it safely through the crisis to a point where its unparalleled natural resources can be fully developed and utilized. Meanwhile, special demands made by the continuance of hostilities continue to afford an enlarged market for some of her products.

Agriculture has naturally suffered by the absence of so many men from the province on active service, and the greater scarcity of farm labor, but nevertheless the industry shows a satisfactory condition on the whole.

The total area under grain in 1917 was slightly greater than that of 1916 but unfavorable climatic conditions resulted in the decrease in yield, especially in oats, which is the chief grain crop of British Columbia. Fodder crops yielded about 12 per cent. more than in 1916. Field roots show an increase of nearly 60 per cent. in acreage over 1916, but the average yield was hardly up to the standard.

The fruit crop was probably the most satisfactory in the history of that industry, the yield being equal to that of last year, and the much higher prices giving a larger profit to the growers.

Dairying and the livestock industry were generally satisfactory.

The mining activity of the province has continued throughout the year. The preliminary estimate of the output for 1917 shows a small decrease as compared with 1916. The latter period, however, showed a large increase over the preceding annual periods, and the output for the past year was 36 per cent. greater than that of 1915 and 52 per cent. more than the figures for 1914.

The output of copper as a result of the war demands continued to be a feature of the mineral activity during the year, the total output being some 78,000,000 pounds, of a value of $21,250,000, this being an increase in value of $3,500,000 on the output of 1916. The production of silver also showed an increase in value to the extent of over one-quarter of a million dollars, the quantity being 3,000 ounces.

There were mined 24,000,000 pounds of lead and 30,000,000 pounds of zinc. The output of lode-gold was cut in half, chiefly due to the shutting down of the Rossland mines for several months. The aggregate value of metals produced in ten months covered by the preliminary estimates available at this writing is in the neighborhood of $31,000,000. In addition, there was something over $9,000,000 in value of coal, coke and miscellaneous mineral productions, making a total of about $40,000,000 for ten months as compared with an output of $42,290,462 in 1916.

The decrease in the production of coal is largely due to the shortage of labor and labor troubles, and this in turn was reflected in the greatly reduced output of coke ovens and the consequent hampering of smelting operations.

There has been a remarkable increase in the lumber production of British Columbia during the past year to the extent of at least one-third over the cut of 1916. The quantity of logs scaled during ten months of 1917 was greater than that during the whole of 1916 and practically one-third greater than during the whole of 1915. The war demands for aeroplane timber has resulted in the trebling of the cutting of spruce and the doubling of the cutting of larch since the beginning of 1917, while shipbuilding demands have resulted in a large increase in the production of Douglas fir.

For ten months ended October 31st, the quantity of timber of all varieties officially scaled amounted to 1,305,625,000 feet, board measure, as compared with 1,280,263,000 feet in 1916 and 1,017,683,000 feet in 1915.

The fisheries of the province have given a satisfactory production during the past year. There has been a large demand for the inferior qualities of fish and there is every reason to believe that this demand will continue and increase.

H. C. Brewster.

MANITOBA

Manitoba

By
Honorable
T. C. NORRIS,
Premier

MANITOBA has prospered exceedingly during the year 1917 and the coming of the New Year finds us not only still ready and willing but increasingly able to bear whatever burdens the fourth year of the war may bring.

Weather conditions during 1917 were not altogether ideal. Some districts reaped the largest crops on record, others reaped but little; the average over all the province was distinctly better than for the previous year. Increased prices tell the real tale of Manitoba's new prosperity. It is conservatively estimated that the cash return from all farm products will run from sixty to seventy-five million dollars more than in 1916.

Manitoba farmers, generally speaking, have never been in better condition to carry on. Mild weather throughout the greater part of October and November allowed for a record plowing in preparation for the spring. Stock is in excellent shape and farmers everywhere are heeding the call for intensified production. It is a notable fact that they are doing this quite as much because they realize it as a war duty as because of the profits that may accrue.

There has been a further and gratifying increase in mixed farming, for which Manitoba is so admirably adapted. The increase in dairying made it possible to export over 90 car-loads of creamery butter as against some 50 car-loads in 1916. Honey production was greatly increased in spite of a rather unfavorable season. There is certain to be at least an equal increase during the coming year in all these lines as the farmers are responding splendidly to every appeal for greater effort.

Out of her prosperity Manitoba is giving lavishly toward the winning of the war. Every appeal for funds has met with quick and generous response. Subscriptions to the Victory Loan constitute a record in which every citizen may take lasting pride. The people of this province are well settled into the collar in all war effort. There is a spirit of determination, of willingness to make sacrifices, of confidence in the certain outcome, in which there is no room for pessimism. Manitoba will carry on.

There is one other matter to which I would like to refer. That is the steadily increasing interest in education evinced by all classes of the population. This has been particularly apparent during the year just closed. I doubt if any other development could offer so much promise for the future of the prairie province.

T. C. Norris

ALBERTA

Alberta

By
Honorable
C. STEWART,
Premier

JUDGED by the usual standards of business economy, the general situation in Alberta is sound and encouraging. Crops have been a good average and have been carefully and successfully harvested. It is estimated that the principal field crops will yield 155,265,000 bushels, as compared with 135,748,000 for 1916. The total crop value for last year at prevailing prices was probably $170,000,000. In addition to this, the dairy industry of the province, through systematic grading and the consequent world marketing of cream and creamery butter, has shown during the last few years increases of over 30 per cent. annually. These increased returns from field and dairy are so much fresh capital added to the resources of the province, being immediately available for a more intensive development of agriculture and the livestock industry.

That this new capital is immediately available is witnessed by the general extension of farm improvements—buildings, fences and machinery—during the last few years. Through this, our farmers are better equipped to-day to meet the demand for increased production than they have ever been, and may be depended upon to do their duty by providing the necessary foodstuffs for the good of the Empire at large.

Good crops and high prices have caused a considerable demand for farm land. Values have risen from 25 per cent. to 75 per cent., according to locality. Notwithstanding labor shortage, due to the heavy enlistment of men from the rural districts as well as from the cities and towns, no great inconvenience has followed up to the present, for, owing to the co-operation of the railway and the government, help for seeding and harvesting has been secured from Eastern Canada and the United States. Splendid weather prevailed throughout the thrashing period and extended well up to the end of November, thus enabling more than the ordinary acreage of fall plowing to be done in preparation for the crop of 1918.

The prosperity of the farming communities is reflected in the towns and cities by increased wholesale business and bank clearances. Wholesalers report increases from 20 per cent. to 25 per cent., and their collections the best in the history of the province.

Alberta being essentially an agricultural province at the present time, these conditions are a source of great gratification to our people, and no doubt will be to Canada as a whole—taking into consideration the fact that Alberta forms a no small part of the granary to which the Empire at present looks as the source of their food supply.

Chas Stewart

SASKATCHEWAN

Saskatchewan

By
Honorable
W. M MARTIN,
Premier

TO say that remarkable progress has taken place in the province of Saskatchewan during recent years is to state a fact with which every one is familiar. There is no doubt, however, that the province to-day is in a better condition financially than ever before. True, the effects of the real estate boom have not altogether passed away, but speaking generally, the farmers on the plains and the merchants in the towns are in a better financial position to-day than at any previous time.

The crop of 1917, while not so large as in two former years, is on account of the prevailing high prices worth perhaps $125,000,000 more than in any previous year, and while the production of livestock is not so great as we hope to see in a very few years, it is worthy of note that there were in 1916, four times as many horses, two and one-half times as many cattle and four times as many hogs in the province as in 1906.

The people of the province have been very active in every patriotic effort; in fact there is no province in the Dominion which has done better work for everything in connection with the war than has the province of Saskatchewan. The Patriotic Fund has been self-sustaining. In 1916, the people here contributed a larger amount in cash per capita for Red Cross purposes than any province in Canada; as a matter of fact, one-quarter of the total cash contributions in Canada in 1916 to the Red Cross, came from the province of Saskatchewan, and there are to-day in the province one-third of all the organized branches of the Red Cross in Canada.

Saskatchewan is also proud of the fact that its allotted share of the Victory Loan was oversubscribed by several million dollars. This is the more remarkable when it is remembered that the contribution is made up almost altogether of small subscriptions, for we have no accumulation of wealth such as exists in the cities of the province of Ontario; and, moreover, our rural population, comparatively speaking, is much larger than that of any other province.

Our people are industrious and progressive. While we have in some portions of the province a mixed population, education and scientific methods are making rapid strides and we are looking forward with every confidence to a glorious future and the development of a people on the central plains of Canada, of which the whole Dominion and the British Empire will have every reason to be proud.

WmMartin

NOVA SCOTIA

Nova Scotia

By
Honorable
G. H. MURRAY,
Premier.

AFTER three years of war it cannot be said that industrial conditions in Nova Scotia have been adversely affected to a serious degree. In agriculture the season has been, on the whole, favorable. The hay crop was an average one, while fair yields of roots and potatoes are reported from an increased acreage. The pastures were excellent throughout the main portion of the season, and the dairying industry continues to make progress. Farmers are placing an increased value on the presence of livestock on the farm and more animals are being kept. The apple crop was larger, proportionately, than elsewhere in Canada and is being shipped principally to consumers in Ontario.

Our fishermen have had one of the best years in the history of the industry. Not only was the catch greater than that of 1916 but prices ruled higher. Both inshore and bank fishermen fared exceedingly well. The bait supply was regular and there was a gratifying decrease in the dog-fish pest.

In the lumber industry cutting was reduced owing to scarcity of labor and the lack of shipping. Prices ruled about the same as in the previous year but the export was under that of 1916.

The total output of coal was below the production of 1916 owing, principally, to the scarcity of tonnage and the lack of skilled labor. For these reasons shipments up the St. Lawrence declined somewhat heavily. The production of limestone was about equal to that of the previous year, while the output of gypsum was lower.

The manufacturers report a favorable year with a strong demand for all their products. In certain lines a sufficient supply of raw material was difficult to obtain regularly and a shortage of labor was also felt. In general, however, conditions are satisfactory owing to the variety of our resources and to the fact that there is no vital interdependence among our manufacturing industries. A large amount of war material was manufactured during the year.

It is realized that if we are to supply our share of the silver bullets that will ultimately win the war the business of the country has to be maintained. We must supply not only the men necessary to uphold our fighting strength at the front but also the supplies that will render their presence there effective. Nova Scotia endeavors to do her part in both directions.

G. H. Murray

PRINCE EDWARD ISLAND

Prince Edward Island

By
Honorable
A. E. ARSENAULT
Premier

THE foremost productive industry of Prince Edward Island is farming, upon which three-fourths of our people are mainly dependent for their livelihood. Mixed farming is carried on, of which the raising of field crops, the production of butter and cheese, of beef, pork, eggs and poultry are the main branches. Our farmers have had a good year, notwithstanding the drawbacks of a late spring and a scarcity of farm labor, the latter mainly due to the enlistment of about 3,000 of our young men in military service. Under the stimulus of high prices and patriotic motives approximately the usual acreage was under cultivation, resulting in a full average of production which commanded higher prices than ever before, making the field crop of 1917 the most valuable that was ever produced on the Island. The crop reports of the department of agriculture show that the season's production was valued at $12,390,600.

The urgency of high prices and the desire to increase production led to the cultivation of small plots in the city and towns of the province. The estimated value of these small-plot crops is from $85,000 to $90,000. Regretably, no statistics are at present available to show the quantities and values of beef, mutton, lamb, pork, poultry, eggs, butter, cheese potato, starch or farm, or farm and factory production. The season was a most favorable one for pasturage, but the reports show a slight falling off in the milk production. Eggs are known to have been produced in larger quantity and sold at higher prices than ever before, while poultry has fallen off in quantity, though commanding unprecedented prices. In consequence of the war, nearly all farm livestock has been enhanced in value, but statistics are wanting to show what the value produced, or the increase or decrease in numbers has been. An exception to the general rule is horses, for which this province has been famous in past years, but for which stationary or lower prices than in former years, now prevail, owing to the prevalence of motor cars diminishing the demand for horse flesh abroad.

Closely related to the farming industry and forming a branch of the livestock branch is the silver fox breeding industry. The food for the foxes comes from the farmers, the ranches are located on the farms and farmers are the most numerous class of shareholders in the many fox companies. Very few of the companies have paid any dividends since the first year of the war, but they have been adding to the number of their breeding animals and carrying on production all of the time. A rough estimate of the living foxes sold for breeding purposes during the year would be 50 pairs, at an average price of $750 per pair and ranging from $400 to $2,000 per pair, say, $37,500. It is thought that 1,500 pelts may be taken off and sold, a less quantity than last year but of decidedly better quality, owing to the weeding out of the inferior and less profitable animals, which took place last year. These, at present rising prices and the good demand existing, should realize an average of $300 each or $450,000. Prices obtained for last year's fox pelts ranged from $100 to $1,400 each, but averaged about $250. About 1,500 young silver foxes were born and reared during the season. A fair estimate of the value produced in our fox ranches in 1917 would be about $500,000.

The value of our dairy products, as set down in the census of 1911, was $1,639,475, and of animals sold and slaughtered, $2,411,252, making a total of $4,050,727. These classes of farm products do not vary greatly in quantity, from year to year, but prices have greatly advanced since 1911. In like manner, the value of poultry slaughtered in this province in the census year was $694,144. It is a moderate estimate that the classes of farm products named in this paragraph, at the present high price, would total $5,500,000 to $6,000,000.

We have, then, this summary of farm production in 1917: Value of field crops, $12,390,600; dairy products, eggs, poultry and animals sold and slaughtered, $6,000,000; production of fox ranches, $500,000; a grand total of $18,890,000.

Without including the foxes, this gives an average production of over $1,300 per farm for each of the 14,369 farms, many of which are small, in this province. In the last census year the average produced value per farm of field products, animals and their products, and fruits, was, in Prince Edward Island, $885; in New Brunswick, $584; and in Nova Scotia, $460. Two important improvements have contributed to the prosperity of our farmers this year and cannot fail to be of increasing utility and value in the future. The car ferry between Port Borden, Prince Edward Island and Cape Tormentine, N.B., has been recently put in operation by the Dominion government as a freight carrier and already has transported hundreds of carloads of farm products en route to the markets of the world. It will be of increasing value in the months to come when ordinary navigation will be obstructed by the ice. When this enterprise is made complete by the broadening of the gauge of the Prince Edward Island Railway to the continental standard, it will save the cost and delay of twice transhipping produce from cars to steamer, and from steamers to cars; it will give to Island producers and shippers the use of heated freight cars in winter, and of refrigerator cars in summer for perishable products, hitherto denied them; it will double the frequency of mails to and from the mainland; it is hoped to constantly guarantee constant daily steam communication across the straits during winter and summer, in place of the serious interruptions caused by the ice in past winters; it will largely facilitate tourist travel; it should enable manufacturing industries to be established and profitably maintained on this side of the straits where such were hitherto impossible owing to the want of dependable transport in winter; and finally, it will make Prince Edward Island an integral part of the Dominion in a sense that it has never been.

The provincial government, some years ago, constructed and equipped at Midgell a plant for the dredging and shipping of mussel mud, a most valuable fertilizer, of which there exists a very large deposit there. This fertilizing material is delivered at cost to the farmers, on the railway cars, or on scows for water transport, and is being shipped to many points covering two-thirds of the area of the province. The demand has, from the first, greatly exceeded the yearly increasing supply, and should the last weeks of the open season for this work prove favorable, the output for the past year will total 1,500 carloads.

It will be seen from the above recital why the farmers of Prince Edward Island are more prosperous than ever before and with a brighter outlook toward the future. They form so large a proportion of our population that their prosperity means a like measure to many others, especially the mercantile class. At the same time, the high cost of living, the cost of food and coal, is severely felt by those living in the towns and villages who are dependent upon salary or wages.

Next to farming, our fisheries constitute our most valuable asset, the production usually being from $1,000,000 to $1,200,000 yearly. Lobster fishing and canning usually makes up from one-half to two-thirds of this total. During 1917 the spring fishery of lobsters was not as productive as usual and fall fishing was permitted, with the result of a considerable additional catch, but still the total will come short of some previous years. A fair estimate of the value of our fisheries production this year would be about a million dollars.

Trade has been, and is, good; money fairly plentiful. There is no want of employment and it is felt on all sides that the province is on a solid basis of material prosperity.

A. E. Arsenault

ONTARIO

Ontario

By
Sir WILLIAM HEARST,
Premier

In three great branches of production, namely, agriculture, mining and lumbering, the past year has been one of more than ordinary activity in the province of Ontario. Early in the year fears were entertained that the agricultural yield would fall below the average, although every consideration of interest and patriotism required that production should be maintained at the highest possible standard. The farmer had to contend with the difficulty of obtaining labor, and with the scarcity of seed in certain varieties, as well as the increased cost in all. It was necessary, therefore, to take immediate steps to maintain our food production. This was done, first of all, through patriotic appeals to the farmers; secondly, by arranging for loans to them; thirdly, by securing and supplying seed; fourthly, by enlisting the support of labor from urban centres and distributing it among the farmers; and fifthly, by encouraging the use of traction machinery throughout the province. These efforts met with a most encouraging response. Not only was the food production of the province maintained unimpaired, in spite of adverse circumstances, but it was materially increased. We have under cultivation to-day in Ontario 300,000 more acres of land than we had during the years immediately preceding the war. Last year we were fortunate in having field crops much above the average and in some instances new records were established. Our reports indicate that the income of the farmers last year from these sources will be at least $50,000,000 better than in an ordinary year. It is very satisfactory to know that Ontario has an ample supply of fodder, thus assuring the prospects for the live stock and dairy industries. Altogether, our experience during the past year has vindicated the policy of stimulating farm production. I need not point out what this means to the general prosperity of the province, as well as to keeping down the cost of living, but I would earnestly commend it as a real contribution to the cause of liberty, and I emphasize that fact not merely as a source of satisfaction to Ontario but rather in the hope that it will be an incentive to the farmers of this province to maintain and increase our productiveness during the critical times that are still ahead of us.

I have indicated that our mining activity has been well maintained. In this respect the war has created a greater demand and has also imposed a special duty. Our production has been increased by the necessities of the Allies for nickel and copper and there has been an exceptional demand for silver. The result is that the production of these metals for the first nine months of 1917 was at least $2,000,000 in advance of the same period for 1916. The production of gold has been affected by the increased cost of mining without any compensating advantage in price and has consequently fallen slightly below its previous record. Figures that we have obtained for the first nine months of 1917 show that the mineral output of Ontario exceeded $43,000,000.

Another important industry is that of lumbering, which was considerably restricted by the early war conditions. We find now that this industry has largely recovered and is again in a satisfactory condition. The highest bids ever made for pine and pulpwood areas were realized last year and there is a good demand for the output of our mills at satisfactory prices.

Besides these three great sources of wealth, which I have specially mentioned because they come more directly within the sphere of the provincial government, we have our great manufacturing concerns which have been maintained up to the limit of available labor and raw material. Altogether, therefore, Ontario has done well during the past year and has every reason for hopefulness and confidence in the future. If there is a danger in our outlook, it is that in our prosperity we may forget the conditions that prevail elsewhere, and perhaps fail fully to realize how solemn and binding is our obligation to bear our full share of the burden of the great struggle through which the world is passing.

W. H. Hearst

QUEBEC

Quebec

By
Sir LOMER GOUIN
Premier.

NOTWITHSTANDING the industrial development of the province of Quebec, agriculture always remains its first and principal industry. The prosperity of the agricultural class is both the essential condition of general prosperity and an excellent barometer for indicating the economic situation. Thanks to the excessively high prices of food supplies, farmers are in the receipt of handsome incomes and enjoy an enviable ease. They are prosperous and they are equally patriotic. They know that with their scythes and with their ploughs they can be useful to the Allies and assist in the triumph of the great cause for which they fight. They recognize the importance of largely increased production and since last spring they have been resolutely at work. They have largely made up for the scarcity of labor by the persistency of their own work and thus succeeded in cultivating a much more considerable extent of land than ever before.

Unfortunately, this generous effort did not produce all the good results which were hoped for, and irreparable damages were caused to the crop by the torrential and continued rains. Nevertheless, the harvest was still very satisfactory, of which there can be no better proof than savings which the farmers have realized and which they have placed in the banks. I see another proof of their prosperity in the fact that the Canadian banks continue to open new branches in our country districts where they are certain to find any number of well-filled purses.

At this time, when complaints are made almost everywhere of the transportation service, the government for the purpose of facilitating the circulation of traffic, has vigorously continued the policy which it inaugurated several years ago, of improving our carriage roads. We have to-day several main arteries connecting the principal centres of the province, and in the course of last season we have been able to finish the Quebec-Montreal road and have commenced a new route between Three Rivers, Grand Mere and Shawinigan. We are now studying several projects which we shall endeavor to carry out in the near future. In short, we are now supplying the province with a system of roads which may well be its pride and which already contributes to its prosperity.

The industrial future of the province of Quebec is mainly to be found in its forests and its water powers. Nowhere else are there such favorable opportunities for the manufacture of paper. We possess these incalculable riches—motive power and raw material in abundance. Since 1910, the date at which we prohibited the export of wood cut on the Crown domain, several companies have established workshops here which are to-day extremely important, and the consumption of pulpwood manufactured into pulp or paper in this province has increased from 340,000 tons in 1910 to nearly 1,000,000 tons in 1916. The pulp and paper industry is now enjoying with us an era of prosperity. In order to enable this industry to develop itself and to manufacture cheaply by utilizing its water powers under the best possible conditions, the government has constructed important dams at the head of two of our principal rivers to regulate the flow of the waters. These dams will soon be finished, when that of the St. Maurice will be the largest reservoir in the world, its capacity being about four times that of the famous Assouan Dam in Egypt, which was built by the Imperial government several years ago at the cost of many millions of dollars.

In short, the possibilities of our province are as immense as its resources and when we recall the fact that Quebec forms but a part of Canada, we may surely be permitted to be optimistic and in no sense to despair of our country's future, notwithstanding the dark days through which we have been passing since 1914, and despite the large amount of the national debt.

Lomer Gouin

NEW BRUNSWICK

New Brunswick

By
Honorable
W. E. FOSTER,
Premier

THE spirit of determination which prompted our people and public men in the past to build for the future, to establish good government, and to struggle for democratic principles, animates their descendants to-day, when between twenty and thirty thousand men from New Brunswick have or are taking a part in the struggle in France and Flanders to preserve the liberty of the world and to oppose the aggression of the German foe and his allies.

With such an army at the front, in training or inscribed on the roll of honor as killed, wounded or missing, New Brunswick has every right to expect to share in the fullest measure in that development which will come after the war, particularly when, as we hope and expect, in the flood of immigration from the Old Country there will be plans for the settlement of soldiers upon the land, which should be one of the greatest features of the work of reconstruction. The government of New Brunswick, while grappling with present-day problems, is looking ahead to these larger possibilities in the future.

Through the energy of our forefathers we found that railway development in our province had been amply provided for. There is no portion of the Dominion better served by railways, so far as mileage goes at least, than the province of New Brunswick. We are looking forward to the day when the branch lines, which are so important in developing the interior of the country, which mean so much to the transcontinental roads, will be considered as part of a greater railway system. It is of the greatest importance that the people in those sections affected by the many branch lines in this province should at as early a date as possible have some assurance for the continuance of the system.

Definite objectives have been marked for the agricultural department. Increase in livestock, encouragement of wheat growing, institution of creameries, getting in touch with wider markets, all form part of the programme of the minister of agriculture. Agricultural education is receiving more attention in the school system.

Establishments of such plants as the new mill of the Bathurst Lumber Company and of Frasers Limited, at Edmundston, goes to show that the future holds much for one of New Brunswick's greatest industries though lumber operators and manufacturers are handicapped just now by the shortage of shipping. To supply this tonnage shrinkage should be one of our first duties and there are already indications that public-spirited men are awake to this need with the formation of several ship-building companies and keels already laid at St. John, once queen of shipbuilding ports.

Total trade of $220,000,000 passing through St. John in one year indicates the great importance of that city as one of the gateways of the Empire. Back of this gateway lies a rich and fertile province, resources yet undeveloped, possibilities yet untouched.

W. E. Foster

War Finance and the Allies' Economy

Canada and United States Must be Economical Assets of the Allied Nations—Japan's Army, Asia's Labour—The Relation of the Kaiser to High Prices—How the Tonnage Question Will Stand This Year

By JOHN STUART THOMSON.

IN my article in *The Monetary Times* Annual, January, 1916, I urged that the most economical assistance to the Allied cause that the United States could render, would be to loan Great Britain even up to the sum of twenty billions. *The Monetary Times* wrote an editorial calling attention to my plan, in issue of April 13th, 1917, I beg to repeat my suggestion. It is the quickest and most economical method of winning the war. Britain can then finance Japan, and probably some of the neutrals and bring the war to a prompt and victorious close.

I stated that this plan would be more effective than taking millions of mechanics from the industrial field and sending them over the Atlantic as combatants to choke the Commissariat's present difficulties. I saw no military or economical objection to sending 700,000 United States troops to the French front. I have no Pacificism "up my sleeve" in my economical advice. If it is finally necessary that every one of us shall go over, I believe in thoroughly crushing the Teuton. All my own family near and far are in the war, either in the Anzac, Canadian, British or American armies, and I am "fighting with my mouth" as Lord Roberts said, which the army doctors tell me is the best way, after my campaigns for civilization in the tropics.

Help of Economists.

Cool economists must and will win this war. Britain will require during twelve months, 12,000,000 tons of food, and 20,000,000 tons of munitions and supplies from the western side of the Atlantic. Italy also will need supplies. I quote Lord Northcliffe, who writes in New York World, October 2nd, 1917: "Sir Joseph Maclay, the British controller of shipping, has stated that unless the United States constructs 6,000,000 tons of shipping annually (not one-third of this is apparent), the military efforts of the United States will be crippled from the start. Nothing less will supply a million over-sea troops against the growing submarine menace."

The British controller of shipping's report reads as follows:—"It is reasonable to expect that Germany will destroy by next spring (Mrach, 1918), 200 vessels more than can be built in the meantime. The question the United States must face is whether it will be possible for her to send any substantial force to France next spring without such a drain on the world's shipping as will subtract just that much from the fighting strength of the other allies, as her own forces will add. However large and powerful the army which the United States trains during the winter, it may be rendered absolutely useless as an addition to the fighting forces, if there are no ships to transport it, except at the cost of stopping the flow of vital necessities to the present armies."

Assets of Allies.

It is essential that Britain shall maintain the United States and Canada as economical assets of the allies. How the United States is measuring up as a foil to Germany is illustrated as follows. In 1914 the United States exported $27,000,000 of dyes, drugs and chemicals. In 1917 the figures were $185,000,000. In explosives the comparative figures were six millions against one billion. In tonnage the United States should one year hence have four or five million against two million in 1914. In gas and hydro-electric power, the jump forward is similar. he United States budget for 1917 is as follows:—

Dr.

Loan, allies	$7,000,000,000
Army	6,890,019,661
Navy	1,605,098,458
Aviation	694,000,000
Shipping	1,040,000,000
Draft	8,658,413
Food control	173,846,400
Insurance	176,250,000
Emergency fund to President	100,000,000

Cr.

Bond bill, April 24	$7,000,000,000
Bond bill, September 24	8,538,000,000
War revenue bill	2,500,000,000
Regular revenue	1,333,000,000
Total	$19,371,000,000

After waiting patiently for several years to see if the allied strategy could conquer the submarine (I myself offered plans of a sleuth-sub) or win a military decision, I finally came out in *The MonetaryTimes* of November 10th, 1916; *The Monetary Times* Annual of 1917, and in the press generally in the United States, and urged that the policy of attrition be now cast away and a military decision be sought, through the use of Japan's army and Asia's labor. The long period of operation of the deadly submarine has brought costs up so high that the matter must be solved, if the opinion of the peoples in democratic countries is considered an asset.

Germany's Bankruptcy.

When Germany reached a debt of 23 billions (which she has already) she reached bankruptcy, repudiation, and a financial state whose foundation is hollow paper. When through high costs, Germany shall force the United States to create a debt of 40 billions, she will accomplish the practical strangulation of the allies' war banker, and manager of war supplies. Let us by wise councils defeat her every effort.

The sought for economical Moses, who will find quick victory for the allies, will, I believe, throw back to production much of the skilled labor and superintendence now in United States camps and restore it to the allies supply market. The British made this error in the first year of the war. Millions of United States troops cannot be supplied overseas in addition to the allied armies now there. Italy's military representative also expressed this view on page 1, magazine section of New York Times, September 23rd, 1917.

Safe Pacific Seas.

I urge the use of the safe Pacific sea lanes; the prompt use of Japan's and Italy's full army force; the abundant use of Asia's cheap labor, to maintain Russia; with these forces to crack Austria, and encourage Hungary, Bohemia, Poland and neutrals to join the allies, as more of the world's policemen against the German rioter, pirate and brigand.

Here is the proof that the allies must listen to an economical Moses to save the cause. Silver to-day is over par. That means that the Kaiser is making the allies pay over one dollar for a piece of silver that costs 50 cents when the war began. Coke has risen from $1.50 to $14.50 in the general market. Cotton was 6 cents a pound in 1914; to-day it is 25 cents. Shipping tonnage was $50 a ton in 1914; today it is $300, although the United States government holds the Steel Trust down to $65 a ton for government steel.

Increase of Costs.

Coal, bread, 'aeroplanes, shoes, sugar, powder, medical supplies, skilled and unskilled labor,—everything is rolling up, and bringing the allies' war banker (the United States) day by day nearer to financial distress and social discontent, for it must be remembered that the United States is fighting for no territorial gains. A debt of 40 billions in the United States will spell economical disease, and therefore revenge for the Kaiser. Criticism is growing. Hear the New York World (an administration organ), September 22nd, 1917: "No wonder American consumers watch with misgiving some of the prices which the government, influenced by producers and handlers, is putting upon indispensable commodities. To-day on all sides, war earnings are furnishing a precarious basis for over-capitalization and pyramiding of profits. The burden thereby placed upon the shoulders of American consumers grows heavier at an alarming rate. The country cannot carry it. Prosperity will presently crumple beneath it." I will interrupt here to say, that price fixing by the government will not be a success, if the government does not also become distributor to a sufficient degree to control the unpatriotic distributor, who is generally a foreigner, in the large cities.

The submarine has been the factor in this troubled economical and strategical history. But the United States and Canada must be economically saved before Britain's problem is looked into. During Britain's wars, you must maintain the dollar before you worry about the value of the pound sterling. It will never do to let the Kaiser ruin our war bankers on the western side of the Atlantic. If the United States is saved through a more efficient and economical policy, then Britain can be economically saved after the war, because she can throw the German colonies into the credit side of the scale, and again become the world's leading banker.

The captured German colonies must be retained by Britain, every acre of them. The United States will not tolerate Imperial German Colonies hereafter, or the Imperial pirate flag in any port. Moreover, Britain, France, Japan and the United States must see that Russia remains our economical and political ally, or economical hardship and another war with Teutonic Europe are ahead of all of us. Only the use of Japan's army can bring this about, as we in Canada and the United States are fully cognizant of the fact that the Germanic north-Russians have betrayed us and are surrendering balances for the German's use on the peace table. The political and economical fight now is not only to conquer Germany. It is to hold Asia and Russia to our side after the war, until solvency, rehabilitation and permanent peace are achieved.

After the War.

Britain's economical troubles will come after the war. I mean as a publicist in the United States to support her retention of the German colonies, so as to save her post-war finance on behalf of the allies, to whom she has loaned, or will loan, 10 billion dollars.

The leadership required during the battles of post-war taxation will call for genius and honesty not inferior to any military leadership that the war has evolved, in the respect that it is easier to spend money than to find it. The massing of classes will involve more men than any army has held. One of the most conspicuous problems is the taxing of war profits and income, in which the United States is less drastic than any of the allies. Britain's tax is much higher. The people will seek a leadership, which will change both of these policies. Britain will require more capital to develop the German colonies. Therefore, she will reduce taxation of profits and incomes. America will find that she must provide larger sinking funds for her debt, and she will be compelled to tax profits, skilled labor and incomes more heavily than she is doing. However, I realize that both the United States and Canada are developing countries, and capital must be encouraged to remain here. American politics have always surrendered to excessive skilled-labor charges. Britain has controlled her labor charges, sometimes rather too drastically.

Steps Taken by United States.

The nationalization of industries, transportation, raw material, coal and food supply, and special munitions in the United States is one of the most remarkable economic features of our finance. Tens of thousands of cars have been saved in the daily shortage. There was a 22 per cent. gain in tonnage carried per car, and only 3 per cent. increase in equipment. Freight is routed by the National Railway Director to the most available terminal. Formerly the individual railways fought for the long haul; or the shipper, seeking cheaper steamship rates, demanded a popular port. The steamships, too, preferred a popular passenger port. Both together glutted one terminal and left a score of others not fully employed.

In various industries, including shipbuilding, the government sometimes guarantees cost, plus 10 per cent. This is an old system of elastic construction contract instituted by the Erie Railroad decades ago. The government under this plan practically guarantees no strikes. But private finance in the United States is unalterably opposed to government ownership during peace times, the activities of politicians being hated and distrusted more than in any other nation. The de-nationalization of many industries will, therefore, ensue in the United States with the close of the war. If the large shipping tonnage is de-nationalized, then America must provide a subsidy to enable private ship owners to equalize the cheaper wages paid in Japan, and other countries.

Government's Achievements.

The United States government has cut private charters on the Atlantic down to $5.75 a deadweight ton a month, from a figure twice to three times that price. The United States also assesses on excess profits. Soft coal has been cut from $6 and more, to $2 at the mine; copper from 30 to 23. Its pre-war price was 13. The United States government is endeavoring to mobilize in the Federal Reserve Bank (which answers to the Bank of England and the Bank of France) the nation's three billions of gold, and 12 billions of banking resources. Only half of these resources are at present nationalized.

The United States government has therefore mobilized 262,000 miles of railway; has practically nationalized 27,000 factories; has nationalized advertising and most of the periodical press; has partially nationalized public opinion through the censor; has nationalized women's and boys' clubs; has diverted women to men's work, and therefore suspended during the war the domestic and cultural life of the nation, to that extent. The United States government, at date of writing this article, is the only government to-day which is running the war as a party war, its war cabinet representing only the Democratic party. To strengthen the conduct of the war, I am one of the publicists who recommend the admission of all parties on a pro-rata basis to the war cabinet, as in Britain, Canada, France, etc.

As to Tonnage Losses.

The concealment of tonnage losses is an error, for we must maintain confidence in our home countries, which are democratic, and fight better when they know the truth and all the truth, no matter how harsh it may be. The Anglo-Saxon has hated doctored, concealed and colored opinion since the days of Runnymeade. The Kaiser knows all about the tonnage losses. If he did not know, the tonnage price would tell that archfiend, namely, $50 per ton as the pre-war rate; $250 per ton, present charges. This means that Britain has lost over one-quarter of her tonnage, and she is not building over 2½ million tons a year. Japan, too, knows Britain's losses. President Matsumura, of the Osaka Shosen Kaisha (Steamship Company), recently wrote in the Japan Advertiser: "Great Britain has lost nearly 45 per cent. of her tonnage, i.e., nearly 9,000,000." I disagree with this, as these figures are excessive. Lord Northcliffe in the New York World of October 2nd, 1917, says: "The whole system of publishing the figures of submarine sinkings, is misleading. I do not believe that any substantial progress has been made in stopping the submarine depredations."

Britain is a glorious fighter martially and economically. She will close the war as a leader in merchant marine, and with the most economical opportunities for maritime rehabilitation. She will have two new great allied maritime assistants. The tonnage record will probably be as follows:—

	1914.	Close of war (1918.)
Britain	22,000,000	17,000,000
America	5,000,000	7,500,000
Japan	2,000,000	4,000,000
Germany	5,000,000	2,000,000

More than navies or armies, economy wins in war and peace, and that is why in *The Monetary Times* of December 3rd, 1915, I eagerly supported Britain's suggested blockade of neutrals. Had it been put in then, the war would have been over now.

(Continued on page 29)

Prices During and After the War

Inflation has Appeared in Every Belligerent Country—National Debt Increases—Present Purchasing Power and High Prices May Remain for Years After War

By W. W. SWANSON.

THE price problem is of surpassing importance to the industrial and economic life of the nation. Men of affairs are prone to become impatient in dealing with what they consider theoretical discussion, but theory must be understood if right practice in business life is to be pursued. Theory, in fact, is little more than analysis of right practice; and at this juncture of events there is no question that stands so much in need of searching analysis as price movements and their effects upon present and future industry. The present article will deal briefly with the probable tendency of prices at the close of the war, and the bearing of this tendency upon the economic interests of labor and capital in Canada.

A nation's place in the world of trade depends upon its efficiency in production, whether in manufacturing or agriculture. Efficiency, in its simplest terms, is a matter of costs, and cost study has been made the basis, therefore, of every thorough-going plan for securing the highest production at the lowest possible expense. It must not be thought, however, that high money costs are the deciding factor in industrial supremacy. The United States and Canada pay as high wages to labor as are given anywhere in the world; and yet the Republic has rapidly pushed its way to the forefront in commerce and trade, and Canada, considering its resources in materials, labor and capital, has made scarcely less progress. Not high wages, but high production in proportion to capital expenditures, is the key to supremacy in commercial competition in the open markets of the world.

Canadian and American workmen have been efficient, more than holding their own with poorly-paid labor in Europe because of their high standard of living. It has been proved beyond peradventure, both before and during the war, that the labor force which is permitted to retain its resiliency through right working conditions, both of hours and wages, gives the most effective results. We are not so much concerned here, however, with hours of labor as with wages, because it is upon the latter that the standard of living depends. Unfortunately, in several of the leading financial journals on this continent, veiled threats have been made against labor to the effect that wages will be deeply cut into at the close of the present struggle.

The whole argument is based upon problematical conditions in international trade after the war, in which it is asserted that cut-throat competition will be in evidence as never before. Wages, it is said, must fall sharply to permit Canadian and American producers to hold their own against Europe. In our judgment there could not be a more short-sighted policy—unless prices also decline in the same proportion. This, we propose to show, will not likely be the case. High prices for food, raw materials and manufactured products will obtain at the close of hostilities; and in that event labor must receive a fair reward in terms not only of money, but of actual income, if the Dominion and the United States hope to achieve material success.

And Canada ought to be in a position to pay decent wages as well as to increase its economic efficiency, when Armageddon shall have become history. At the outbreak of war this country was indebted to Europe and the United States to the extent of not less than 3,000 million dollars. The national debt will have been increased by the end of 1917 by 1,000 millions. Nevertheless, it must not be forgotten that the Dominion, as far as the national debt is concerned, is much better off than at the outbreak of hostilities. High prices for agricultural and manufactured products always favor the debtor, whether the debtor be an individual or a nation. Now, it is a matter of undisputed fact that commodity prices have advanced at least 90 per cent. since August, 1914; and, therefore, with half the effort previously required in production—the only way in which any debt can be paid—our obligations to Europe and the United States may be met. We shall be worse off, economically, only with a serious decline in prices after the war; and to the writer materially lower prices are not in sight for a decade at least.

Turning for a moment to the present labor situation on this continent, it is clear that the apparently high price of labor is deceptive. The mass of the people, while fortunately fully employed, are having a struggle to make ends meet. This aspect of the problem is dealt with by a leading New York brokerage concern as follows:—

"It is because we think that prices have about reached the breaking point, and because we think that high prices are paralyzing industry, and the high cost of living is maddening the poor people and making them turbulent and rebellious that we are ceasing to be bullish, even on most of the industrial stocks. The strain on our industrial and economic mechanism is becoming so great that some important part will almost surely give way soon. . . . Millions of workers are eating less food because they cannot buy the usual quantities. Real estate in our greatest centres has become almost unsaleable. Something, besides the war, is going to happen soon. This is no time to be poor."

The statement is over-pessimistic, but it contains much of truth. Food prices, in particular, have gone skyrocketting to such an extent that the pinch of living is felt severely by the working classes. It is time to consider whether the shibboleth, "supply and demand," will longer suffice as an answer to those who ask an explanation for the underlying causes of the present prices of food. Certainly, during a war where the entire material and spiritual forces of the nation must be mobilized for victory, price manipulation of food supplies can have no moral or social sanction. Men may play in the stock market if they wish, but not with human life.

High Prices and Stagnant Industries.

On the other hand, let no one imagine that high prices have brought sudden wealth to all Canadian manufacturers, or even to a large proportion of them, popular conceptions to the contrary notwithstanding. High prices have paralyzed many peace industries. The building trades are stagnant, railway construction is dead. The sensational decline in railway securities, even of seasoned stocks and bonds of such premier roads as the Pennsylvania, proves conclusively that capital has suffered no less than labor because of the war. The high cost of materials, increased wages, and the enormously enhanced cost of rolling stock have laid a crushing burden upon carriers, both in the United States as well as in Canada. Rates and prices must, therefore, advance, as far as the peace industries are concerned, before such enterprises can be completely rehabilitated and yield a profit to those whose energy and capital have been invested in them. Simply stated, a sharp and sudden decline in prices would lay industry and commerce prostrate. Price changes must be adjusted over a comparatively long period if economic stability is to be maintained and regained.

Turning directly to an examination of probable price movements, it is evident that no clear-cut conclusion can be drawn without discovering the fundamental factors that operate in the field of prices at the present time. What are those factors? The loss of a considerable percentage of the world's shipping is one factor in the situation. And yet, the loss of world tonnage—taking replacements into consideration—is scarcely more than 10 per cent. up to the present time. It should not be overlooked that ocean transportation, in any event, has no bearing upon the price of food products in America, so far as imports are concerned.

On the other hand, it is certainly not so much the decrease in tonnage as the shortage of food suppllies among the European belligerents that has raised the prices of agricultural products in Canada. Land transportation has had little or no effect on prices, as the railroads of this continent are more efficient than ever. Taking one year with another, the world's output of cereals and foods has been as great since 1914 as in the years immediately preceding the struggle. True, some 25,000,000 men are in the field engaged in destruction instead of production, and supported by an army of workers in the home countries of at least equal size. Nevertheless, the unusual energy of labor, both of men and women, in the factories and fields of the belligerent countries has more than made good the wastage of labor caused by the war; and capitalistic enterprises are keyed up in efficiency as never before. Obviously, the usual reasons advanced by way of explanation of high prices will not do. We must look elsewhere for the cause.

Small Fortune for a Hat.

The clue that leads out of the labyrinth is found in the fact that prices were advancing from 1895 to 1914; and that every previous great war, under which similar conditions obtained, marked advancing prices. These conditions were an increase in the circulating media of the nations at war and an increase in the volume of credit in general. The fundamental fact in the period, 1905-1914, was the enormous increase in the world's output of gold—an increase that outdistanced demand, and led to a lowering of the value of the yellow metal. In the Napoleonic struggle prices rose in all European countries, including the United Kingdom, because of large issues of paper money, not immediately convertible into gold.

Every student of history will recall the bizarre prices that marked economic life in the American Revolutionary War, when the printing presses of the colonies were set busy turning out continental notes. As these notes depreciated in value prices shot skyward, and the phrase, "Not worth a continental," became proverbial. Both in the Northern States, as well as in the Confederacy, "promises to pay" were freely emitted, with resultant chaotic conditions, due to high prices, in trade and commerce. If one lives in Mexico to-day, it costs a small fortune in paper money, to buy so much as a hat.

The leading index numbers of the world—including those of the London Statist, Bradstreet's, the United States department of labor, and that of our own deparment of labor—indicate, although constructed after different principles and of different lists of commodities, a surprising uniformity in their interpretation of general price movements. This goes to show that the operative factors are not merely local, but world-wide in their scope.

Inflation is Everywhere.

Inflation has appeared without exception in every belligerent country, due not only to the increased volume of currency in circulation, but to enormously augmented debts. The total gold money in circulation in the forty principal countries of the world, for example, increased from $3,827,000,000 in 1895 to $8,560,000,000 in July, 1917. Silver coinage and circulation showed a slight decrease, there being $3,825,000,000 in circulation in 1895 as against $2,600,000,000 in 1917. Silver will be, probably, more largely used as currency after the war—but that is another story. "Uncovered paper" increased from $2,178,000,000 in 1895 to $13,500,000,000 in July, 1917. It is important to observe that the total volume of money in circulation for the leading forty countries of the world increased from 1895 to 1917 150 per cent., while the world's population, during the same time, increased only 13 per cent.

There has been a great increase in the issue of "uncovered paper" during the four years of the war. In 1913 paper money issues stood at $2,799,000,000, while by July, 1917, they amounted to $13,500,000,000. The increase in gold and silver circulation has been small since the outbreak of hostilities, while paper money issues have increased 400 per cent.; and the end is not yet. Paper issues among the leading European belligerents in the years 1913 and 1917 are given in the following table:—

Country.	1913.	1917.
United Kingdom	$115,000,000	$ 660,000,000
Germany	262,000,000	1,613,000,000
France	326,000,000	2,900,000,000
Italy	182,000,000	661,000,000
Russia	....	4,285,000,000

It is quite easily seen from a study of this table why, among other things, the mark has fallen in Germany and the rouble in in Russia.

Increase of National Debts.

But inflation has come about from another direction and has been occasioned by an even more potent force—the increase of national debts among all belligerents. The total debts of the world for successive periods from 1895 to 1917 are seen in the following table:—

Year.	Amount.
1895	$ 28,750,000,000
1913	43,840,000,000
1915	56,904,000,000
1916	96,950,000,000
1917 (July)	106,000,000,000

It has been estimated by the Mechanics' and Metals' Bank, of New York, recently that for every month the war lasts not less than $5,000,000,000 is added to the debt of the world, and that by August, 1918, the total world debt will stand at the staggering sum of $150,000,000,000. It may be recalled, in this connection, that interest upon the debt of the world in August, 1914, required for its payment $2,000,000,000, while by the end of 1917 for that purpose not less than $5,000,000,000 will be needed.

It is evident that bonds and stocks, created for war purposes, pass current among financial concerns as cash; but, much more, they may be pledged at the banks as a basis for loans against which cheques may be drawn. We are unable to believe that this volume of actual and potential purchasing power will be materially diminished within a decade after the close of the war; hence, high prices will prevail.

Coal Problem of Canada Demands National Action

A Solution of a Vital National and International Question Outlined — Our Natural Resources Not Inexhaustible — Canada's Present Dependence Upon the United States for Coal — The Dominion Possesses Independent Fuel Resources Which Must Be Developed

By ARTHUR V. WHITE

SO much has been said, drawn from seemingly authoritative sources, respecting the "unbounded extent of the natural resources of Canada," that it is little wonder the popular view is entertained that Canada's resources are practically unlimited, and perpetual prosperity only waits upon their fuller development. For Canadians, however, to hold and be governed by such a view is to live in a "fool's paradise."

Little more than a decade ago, a large majority of the people of the United States believed that the natural resources of their country were unbounded, and that there was hardly any limit to material progress based upon their development. Even in that country, however, there were many who did not share these views, and through their efforts special investigation was made respecting the actual conditions of the natural resources of the nation.

Natural Resources of United States Exhaustible

The President called for a conference of the governors, leading officials and experts of all the States of the Union.

Addressing the conference on the 13th of May, 1908, the President stated:—

> "This nation began with the belief that its landed possessions were illimitable and capable of supporting all the people who might care to make our country their home; but already the limit of unsettled land is in sight, and, indeed, but little land fitted for agriculture now remains unoccupied save what can be reclaimed by irrigation and drainage. . . We began with an unapproachable heritage of forests; more than half of the timber is gone. We began with coal fields more extensive than those of any other nation and with iron ores regarded as inexhaustible, and many experts now declare that the end of both iron and coal is in sight. . . . The enormous stores of minerals, oil and gas are largely gone. . . . Our natural waterways are not gone, but they have been so injured by neglect and by the division of responsibility and utter lack of system in dealing with them that there is less navigation on them now than there was fifty yars ago. Finally, we began with soils of unexampled fertility, and we have so impoverished them by injudicious use and by failing to check erosion that their crop-producing power is diminishing instead of increasing. In a word, we have thoughtlessly, and to a large degree, unnecessarily, diminished the resources upon which not only our prosperity, but the prosperity of our children and our children's children must always depend."

Canada's Natural Resources also Exhaustible

No country possesses, within its own borders, more varied and extensive resources than the United States, yet it is now recognized that many of these are within measurable distance of exhaustion. This fact was so clearly demonstrated that prompt action by the trustees of the nation became imperative. So far as one can judge, natural resources from the 49th parallel to the Gulf of Mexico are better situated, geographically, and must always be more desirable than those from the 49th parallel to the Arctic ocean; thus, by reason of situation. Canada's usable natural resources are in variety and extent less than those of the United States.

Those who have observed the rapid disappearance of many of the natural resources of Canada and the present alarming rates at which some are being consumed, realize that the situation, as a whole, is one of great gravity. Consequently, true conservation in Canada is as great, if not greater, a necessity than in the United States.

On the 6th of December, 1917, at the annual meeting of the Bank of Montreal, its president, referring in hopeful terms to Canada, said: "Our natural resources are unbounded and our credit is irreproachable."

Now, as a matter of fact, our resources are not unbounded, and our very credit is involved in the use we are making, and shall make, of the resources at our disposal. Many of these, as just stated, at present rates of depletion, and without proper methods of conservation being rigidly applied, are within measurable distance of exhaustion. By way of illustration: There was a time—and not so very long ago either—when the buffalo and the carrier pigeon existed in the United States and Canada in countless millions. To-day they are gone.

Resources Must be Wisely Used and Conserved

It is true that some resources, such as minerals—perhaps more especially coal, oil and gas—if used, must in time, necessarily become exhausted. On the other hand, such resources as the soil, plant growth, waterways and ground waters, may be conserved and transmitted to posterity unimpaired, or at least unabused, just as a good husbandman passes on his farm in an improved condition to that in which he received it. The policies advocated by the Commission of Conservation of Canada have aimed at passing on to succeeding generations in an improved condition the heritage of the natural resources of this country.

By intelligent and thrifty use, the natural resources of Canada may beneficently serve the needs of a large population. If, however, Canadians become really dependent upon necessary commodities supplied them by other countries, they must be prepared to accept the circumstances in which they may suddenly find themselves if the supply of such commodities is cut off. Such circumstances will be aggravated by any abuse of our assets.

Coal Scarcity and Coercion

There is, apart from food, raiment and shelter, perhaps no single commodity which has been found so necessary for the maintenance of life and for the carrying on of commerce and transportation as fuel—chiefly coal. During the past few months the public interest has been keenly aroused respecting the nation's fuel supply and increasing dependence upon hydro-electric energy. The present war conditions are going to drive home to Canadians as never before the tremendous gravity of their position with respect to fuel.

Countries like Norway and Sweden, Denmark, Holland and Switzerland—countries, indeed, which are neutral—are practically dependent upon the warring nations for coal, and have found themselves seriously curtailed in obtaining this commodity. They have been forced to recognize the momentous fact that the countries which possess coal are able, absolutely, to dictate the terms upon which coal will be supplied to others.

Norway and Sweden are short of coal. Both Great Britain and Germany have released coal to these countries in exchange for food. Britain has required European neutral ships calling for coal to bring cargoes of foodstuffs or other desirable commodities. Holland must get its coal from Germany, which consents to supply it only in return for large quantities of food, especially vegetables and meat raised on Dutch soil. Holland at present has open to her no other market in which to secure coal. From Switzerland, Germany demands cash at the rate of 40,000,000 francs monthly for nine months at five per cent. in return for a monthly delivery of 200,000 tons of coal; and within the last month it has been reported that Germany has liberated some hundreds of agents instructed to secure control of the hydro-electric resources in Switzerland, so that, with these under their direction, and in control, also, of the coal supply, Germany would more completely dominate Switzerland. One of the chief factors which has existed in connection with Alsace-Lorraine has been that Germany wishes to maintain this outlet for her coal and in return derive from these areas the supply of iron which she herself lacks. The necessities of life—not the precious metals—are the real arbiters of exchange.

Portion of Canada Dependent Upon United States for Coal

Now, a very large portion of Canada—and for this one may hold in mind much of the populated territory extending, say, from Quebec to Winnipeg—has become increasingly dependent for its fuel supply upon the coal fields of the United States, and absolutely dependent upon that country for its annual supply of some 4,500,000 tons of anthracite coal.

In addition to the use of imported anthracite coal for fuel for heating and domestic purposes, large quantities of bituminous coal—some 10,000,000 to 14,000,000 tons—are also imported from the United States, largely for power purposes.

The known anthracite coal fields of the United States are within measurable distance of exhaustion. Upon this point there seems little difference of opinion. The time during which the supply will last, at rates of consumption existent prior to the war, is placed at about one hundred years. Doubtless, in the near future, the United States will feel compelled to conserve this valuable commodity, and the exportation of it may be largely restricted, if not entirely cut off.

There are available scores of examples, arising out of the present war conditions, where the United States has found it necessary to place stringent embargoes upon natural and manufactured products.

If Canada is to be in a position to command special consideration under possible restricted conditions, she must realize the value of her own resources and have them strictly under national control in order that she may be enabled to deal on a basis of *quid pro quo*. When the commodities of commerce are exchanged there must, of course, be a substantial basis for barter. When Germany demanded gold from Switzerland she offered to exchange coal. Suppose that the United States, in the conduct of her commerce, concluded that it was in the general interest of her citizens only to *barter* coal for certain commodities which she specially required, what desirable commodities has Canada to barter?

Canada an Exporter of Electrical Energy

Other than the products of her agricultural lands, mines and forests, there are certain resources in Canada of unique and special value. One of these is the hydro-electric energy which may be developed from Canada's waters, including her equity in international waters. At the present time the United States is importing from Canada about 275,000 horsepower years of electrical energy.* Many factors, of course, enter into the determination of the equivalent of this electrical power in terms of anthracite coal. Electric power has great advantage for many purposes over steam. Speaking in round figures, and taking cognizance of some of these special factors, the electrical power now imported by the United States would be the equivalent of probably not less than 3,000,000 tons of coal—it may be a quantity substantially greater.

Canada has been richly endowed with water-powers, although those serviceable from the standpoint of present economic development should be carefully conserved so that they may be used in the general public interest.

Any estimate for the water-powers of Canada must be presented and considered with a due appreciation of its limitations. The following table representatively sets forth the water-power situation in Canada. By no means may **all the** water-powers be economically developed:—

Estimate of Water-Power Resources of Canada **

Province.	Total possible horse-power.	Developed horse-power.
Ontario	5,800,000	760,000
Quebec	6,000,000	640,000
Nova Scotia	100,000	26,000
New Brunswick	300,000	15,000
Prince Edward Island	3,000	500
Manitoba	....	76,000
Saskatchewan	3,500,000	33,000
Alberta		
North-West Territories...		
British Columbia	3,000,000	250,000
Yukon	100,000	12,700
Total	18.803.000	1.813.200

Men far-sighted in the fields of industry and finance have foreseen the extent to which present and future generations will be increasingly dependent upon power, whether it be steam or hydro-electric.

Concentration of Control

In the United States, for many years past, special efforts have been made to concentrate control of water-powers. Most of the water-powers which are more readily capable of economic development in Canada, as well as in the United States, either have been already developed or are privately controlled. Concentration of ownership is a noticeable feature of this control. It has been authoritatively published that in the United States, in 1913, about 6,300,000 horse-power was controlled by ten groups of interests. This concentration is still going on. Owing both to provincial and federal legislation, it has not been possible for interests so readily to obtain control of water-powers in Canada. Efforts, however, are continually being made to secure the rights for such desirable water-powers as are yet vested in the Crown. The efforts made by the powerful financial interests behind the Long Sault Development Company to obtain control of the almost unequalled power rights at the Long Sault rapids, on the St. Lawrence River, are still in mind.†

Power Monopoly

The public cannot be too well informed respecting the extent to which they may be compelled to pay tribute to those concentrating hydro-electric powers, by reason of the control which such interests have over the distribution and supply of electrical energy.

In this connection no words are better fitted to express what is going on than those of Mr. Gifford Pinchot when he states:—

> "And whoever dominates power, dominates all industry. Have you ever seen a few drops of oil scattered on the water, spreading until they formed a continuous film, which put an end at once to all agitation of the surface? The time for us to agitate this question is now, before the separate circles of centralized control spread into the uniform, unbroken, nation-wide covering of a single gigantic trust. There will be little chance for mere agitation after that. No man at all familiar with the situation can doubt that the time for effective protest is very short. If we do not use it to protect ourselves now we may be very sure that the trust will give hereafter small consideration to the welfare of the average citizen when in conflict with its own."

Respecting the water-powers of the United States and the attempt to create a monopoly of same, Mr. Roosevelt, in accurate, prophetic terms, as true for Canada as the United States, has stated that:—

> "The people of this country are threatened by a monopoly far more powerful, because in far closer touch with their domestic and industrial life, than anything known to our experience. A single generation will see the exhaustion of our natural resources of oil and gas, and such a rise in the price of coal as will make the price of electrically transmitted water-power a controlling factor in transportation, in manufacturing, and in household lighting and heating. Our water-power alone, if fully developed and wisely used, is probably sufficient for our present transportation, industrial, municipal and domestic needs. Most of it is undeveloped, and is still in National or State control. To give away without con-

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*Respecting various phases of this subject, consult an article by Arthur V. White on the "Exportation of Electricity," which appeared in the *University Magazine*, October, 1910, pages 460 *et seq.* Consult, also, *Toronto World*, March 18th, 1912; also, "Exportation of Electricity—An International Problem: Relation of a Possible Coal Embargo by United States to a Curtailment or Stoppage of Canada's Electric Power," by Arthur V. White, in *The Monetary Times* of January 5th, 1917, pages 21 *et seq.* Consult, also, *Annual Reports of Commission of Conservation*, Ottawa.

**See *Conservation*, Ottawa, for December, 1917.

†For a review of the water-power situation on the St. Lawrence River, consult report of recent annual meeting of the Commission of Conservation, Canada; also *Electrical News*, Toronto, 15th December, 1917.

ditions this, one of the greatest of our resources, would be an act of folly. If we are guilty of it, our children will be forced to pay an annual return upon a capitalization based upon the highest prices which 'the traffic will bear.' They will find themselves face to face with powerful interests entrenched behind the doctrine of 'vested rights' and strengthened by every defence which money can buy and the ingenuity of able corporation lawyers can devise. Long before that time they may, and very probably will, have become a consolidated interest, dictating the terms upon which the citizen can conduct his business or earn his livelihood, and not amenable to the wholesome check of local opinion."

This prophecy of the ex-President is daily in process of fulfilment. In view of all the exigencies facing her—both national and international—Canada cannot afford to have great water-powers, like those of her boundary waters, pass into the hands of powerful private interests, but must retain full command of all the nation's resources.

Common Aims and Aspirations a Great Asset

Nothing is further from the thought of the writer than to suggest that it is, or that it would become, the arbitrary desire of the United States to deprive Canada of the coal which at present is so necessary to life in Canada. It is important, however, to take cognizance of the fact that a nation, pressed by the demands of its own people, may be compelled, under certain conditions, to deprive other nations—in part, at least—of even the necessaries of life until the needs of its own citizens are met. No country can be expected to send out of its confines that which is essential to the very existence of its own people.

Canada is, indeed, exceedingly fortunate in being neighbor to a country whose national aims and sympathies are so akin to its own. Our great Ally to the south has extended to Canada specially generous consideration in the present coal shortage. Dr. H. A. Garfield, United States Fuel Controller, has announced that recognition will be given to Canada's needs for coal as though she were one of the States of the Union.

No one can contemplate the hearty efforts made to relieve the suffering begotten of the Halifax catastrophe without placing the greatest value upon the readiness of our neighbors to co-operate where assistance is really needed. In response to the distress of Halifax the governor of Massachusetts telegraphed assuringly: "The people of the Commonwealth of Massachusetts are ready to answer any call that may be made upon us. Massachusetts stands ready to go the limit in rendering every assistance you may be in need of." The governor of Maine telegraphed: "Any help Maine can give is yours," while many others sent corresponding messages. Sentiments like these, however, cannot better be summed up than in the inspiring message sent by President Wilson to:—

> "His Excellency the Governor-General of Canada:
>
> "In presence of the awful disaster at Halifax the people of the United States offer to their noble brethren of the Dominion their heartfelt sympathy and grief, as is fitting at this time, when to the ties of kinship and community of speech and of material interests are added the strong bonds of union in the common cause of devotion to the supreme duties of national existence."

Obviously, so long as such sentiments govern men's actions, the people living on the North American continent cannot be deprived of that which is essential to their existence; nevertheless, with the growing scarcity of coal, the United States, no matter what her goodwill or desire for exchange of commodities, may not be able to cope with the prevailing need, and Canadians must be prepared to help themselves by the development of their own fuel resources in a way that they have never done before. There is no doubt that if this effort is made, the United States, in the spirit and disposition recently manifested in the statements above quoted, will see that Canada is fairly dealt with. We should not, however, trespass unduly upon friendly accommodation.

Coal Resources of Canada

The alternative open to Canada, and it is this to which special attention is directed, is to develop, and that as rapidly as possible, her own fuel and power resources, and by co-ordination of transportation and other cognate agencies to provide for the early annual distribution, including reasonable reserves, of fuel to all communities in the Dominion. In some respects it is more important to move coal and have it adequately stored and distributed throughout Canada than it is to move the grain out of the country.

The coal fields of Canada may conveniently be divided into four main divisions:—

(1) The bituminous coal fields of Nova Scotia and New Brunswick.

(2) The lignites of Manitoba and Saskatchewan, and the lignites, sub-bituminous and anthracite coal fields of Alberta and the eastern Rocky Mountain region.

(3) The semi-anthracite and bituminous fields of Vancouver Island, Queen Charlotte Island and the interior of British Columbia, and the lignites of Yukon.

(4) The low-grade bituminous and lignites of the Arctic-Mackenzie basin.

The coal areas and estimated quantities for the different provinces are shown in the following table. There should, of course, for practical consideration, be a substantial reduction made in these quantities, due to waste in mining operations:—

Estimated Coal Resources of Canada*

PROVINCE	Area of Coal Lands Square miles.	Semi-Anthracite Tons.	Bituminous Tons.	Sub-Bituminous Tons.	Lignite Tons.
Nova Scotia .	521		10,691,000,000		
N. Brunswick	121		166,000,000		
Ontario	10				27,500,000
Manitoba	48				176,000 000
Saskatche'an	13,406				65,793 000,000
Alberta	81,878	845,900,000	217,918,000,000(*a*)	932,053,000,000	29,095,000,000
Brit. C'l'mbia	6,045		77,923,000,000 *a*)		5,715,500,000(*b*)
Yukon	2,840		275,000,000(*a*)		5,159,000,000(*b*)
Northwest Territories	300				5,280,000,000
Arctic Islands	6,000		6,600,000,000		
Tota	111,169	845,900,000	313,573,000,000	932,053,000,000	111,256,000,000

(*a*) Includes some anthracite coal. (*b*) Includes some sub-bituminous coal.

*Consult "Coal Situation in Canada" by W. J. Dick, in *Transactions of the Canadian Mining Institute*, 1916.

Canada's coal and coke production in 1916 was as follows*:—

	1916 Short tons
Nova Scotia	6,912,140
New Brunswick	143,450
Saskatchewan	281,300
Alberta	4,559,054
British Columbia	2,584,061
Yukon	3,300
Total	14,483,395
Distribution of coal production:	
Sold for consumption in Canada	10,701,530
Sold for export to United States	1,451,075
Sold for export to other countries........	284,513
Total sales	12,437,118
Used by producers in making coke, etc..	804,814
Used for colliery operation and by workmen	1,241,463
	2,046,277

Peat Resources of Canada

Respecting the peat bogs of Canada, Dr. Eugene Haanel, Director of Mines, Canada, from time to time, has strongly urged the necessity of developing our peat resources, and at the recent annual meeting of the Commission of Conservation of Canada he gave an able, forceful and serious address upon this subject which the people of Canada cannot too carefully consider. Dr. Haanel again affirmed the commercial and economic practicability of peat production. Throughout

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*From figures issued by Mr. John McLeish, B.A., F.S.S., Chief of Division of Mineral Resources and Statistics, Ottawa.

Canada there have already been discovered areas of peat bog estimated to aggregate 37,000 square miles. According to a broad estimate by Dr. Haanel, and assuming an average depth of bog of six feet, this area corresponds to over 28,000,000,000 tons of peat, having a fuel value equivalent to over 16,000,000,000 tons of good coal. Manitoba, Ontario, Quebec and New Brunswick have peat bog areas aggregating 12,000 square miles.

Canada Must Bestir Herself Respecting Her Fuel Resources

Anthracite coal as a fuel is a luxury. Within the last twenty-five years many farmers and citizens especially in outlying communities who formerly utilized only wood, now use anthracite coal. It became easier and more convenient for the farmer to haul his coal from the railroad siding than to go into the bush and chop his year's supply of wood Now, what opinion would be expressed respecting a farmer who allowed his family to suffer great privation, through failure in the supply of anthracite coal, if within ready access was a wood lot from which ample fuel supply could be obtained? Obviously, the opinion expressed would be that the farmer had better take up his axe and make available such fuel supply as was within his reach and control.

This illustration is not offered by way of suggestion that farmers and many others may find full relief by resorting again to "the woodpile." It is, however, applicable to Canada at large. A great portion of this Dominion, like the farmer, has become dependent upon others for coal. If this supply is gradually, but seriously, curtailed, or even finally cut off, there is no more excuse for Canada remaining unsupplied with fuel than for the farmer in the case of our illustration. We have already cited the extensive character of the undeveloped fuel resources of this Dominion.

Canada, even though she may regret being deprived of the luxury of clean-burning anthracite coal or the easily-delivered bituminous coal, must, nevertheless, arouse herself and bestow the necessary intelligent labor upon her own fuel resources in order to make them available for her national needs. Absolutely, no time is to be lost. Governments—both federal and provincial—in Canada should utilize to the fullest possible extent the results of research and investigations already made, the knowledge of which is possessed by able members of a number of government departments.

It is not the intention again to emphasize the distress which is at present upon the country in connection with its *annual* fuel supply from the United States. Canada has had repeated warnings in this respect. The lessons of the coal shortage of 1902-1903 were soon forgotten. The indications in 1915 were unmistakable for a shortage in 1916; conditions in 1916 indicated a worse state of affairs for 1917; and present conditions forebode increasing distress for 1918. Let it be appreciated that Canadians need never expect to have electrical energy replace coal and other fuel for heating purposes except to a relatively limited extent.

The present coal shortage, with its perplexing difficulties, is being ably and conscientiously dealt with by Canada's Fuel Controller, Mr. C. A. Magrath. Hence it is more the purpose of this statement to draw attention to the fuel and power situation in its broad national and international issues.

Fuel Problem Can be Solved

Once a broad national policy has been determined, financial and other assistance should be promptly rendered to enable sane and businesslike development of Canada's lignite, peat and other fuel resources for the benefit of the nation, to be carried out by competent technical officials entrusted with this great and honorable responsibility.

There is no need to start again learning the A. B. C. of this fuel problem. Officials of the government of Canada, such as those in the Geological Survey, Department of Mines, the Commission of Conservation and other organizations, have knowledge of existing conditions and of practical means by which much of the stress may be relieved. To carry out these measures of relief and to place Canada in a reasonably independent position with respect to fuel will take time; but there is no doubt that if matters are dealt with in a broad, statesmanlike manner, and the necessary encouragement of financial and other assistance is given to those who are competent to handle same, Canada will, at a minimum of effort and expense, be relieved of a menace with respect to her coal supply which threatens not only her economic life, but the physical life and well-being of a large proportion of her citizens.

Statements to the effect that we cannot afford to produce and transport our peat or our lignites, because the cost may be even a few dollars more a ton than imported coal, are simply ridiculous. Anthracite coal, due to war conditions, is now practically unobtainable in the countries of Western Europe. In the winter of 1916, for such coal as was available, France was paying about $40 per ton and Italy $50 per ton. Recent reports from these countries state that coal at present is selling at $60 per ton. Now, Canada imports annually about four and one-half million tons of anthracite from the United States. Suppose that circumstances prevailed for a year such as would make the citizens of Canada willing to pay even a fraction of the advance in European countries —say, $10 advance—this would amount to about $50,000,000. When one thinks in such terms of increased *yearly* outlay, surely a million dollars, or even a few millions of dollars if necessary, placed at the disposal of technical officers, assisted by men of sound commercial judgment, in order to get our own lignite and peat resources under national development, constitutes so intrinsically small a sum in comparison to the results as to be practically unworthy of debate.

From the foregoing we clearly perceive that there is no need for Canada, with her vast resources of fuel and water-power, to go cold or to have her industries throttled by reason of power shortage; but Canada may have a sore trial in both these respects unless every possible effort is speedily made to deal with the fuel and power situation in a comprehensive manner.

Shall it weakly be said, "There is a lion in the way"? or, with confidence in Him to Whom belongs "the earth and the fullness thereof," and Who ever guides men in all honest effort, will Canadians forthwith assume the responsibility of this fuel question and unite in energetic action until this great national problem is satisfactorily solved?

Number of Subscribers to Canadian, British and other War Loans

The number of subscribers to the Canadian war loans was as follows:—

Date.	Amount.	Number of subscribers.
November, 1915	$100,000,000	24,862
September, 1916	100,000,000	34,526
March, 1917	150,000,000	40,800
November, 1917	150,000,000	802,000

The number of subscribers to various war loans has increased in most countries, with the exception of Germany, as the war has progressed. The following table shows the results of Great Britain's three large war loans in this respect:—

Date.	Amount.	Number of subscribers.
November, 1914	£ 350,000,000	100,000
July, 1915	616,000,000	1,100,000
February, 1917	1,000,312,950	8,000,000

Of the total number of subscribers to the third British war loan, 5,911,000 represented purchases of war saving certificates.

The number of subscribers to the second Liberty Loan of $3,000,000,000 (oversubscribed by $1,617,532,300) was 9,400,000.

The number of subscribers to the first Liberty Loan of the United States of $2,000,000,000 was 4,000,000.

The subscribers to German war loans have been as follow:—

Date.	Amount.	Number of subscribers.
September, 1914	$1,115,000,000	1,177,235
March, 1915	2,264,000,000	2,694,063
September, 1915	3,025,000,000	3,966,418
March, 1916	2,678,000,000	5,279,645
September, 1916	2,674,000,000	3,810,696

Primary Production in Canada Last Year Was Valued at $1,507,687,000.

THE value of production in Canada last year from field crops, forests, mines and fisheries was approximately $1,507,687,000, compared with $1,275,734,812 in 1916.

The details for the past four years are printed at the foot of the page, the figures for 1917 being necessarily to some extent estimates of government departments and of *The Monetary Times*, but well within the mark, as previous estimates have shown:—

Production Doubled Since 1908.

The value of production (field crops, mines, fisheries and forest products) each year since 1908 has been as follows:—

	Total.
1908	$ 703,590,000
1909	816,274,000
1910	701,085,000
1911	901,709,000
1912	909,358,000
1913	907,311,000
1914	975,379,706
1915	1,071,219,879
1916	1,275,734,812
1917	1,507,687,000

For the first time on record, in 1917 the value of Canada's field crops was over $1,000,000,000. This was due to the high prices prevailing. Details are printed in the crop stories in the Industrial Section of this issue.

Mineral Prices High.

The prices of many mineral products during 1917 were higher—in some cases much higher—than the ruling prices of 1916. In other instances lower prices prevailed, as in the case of zinc. Taking all features into consideration, Mr. John McLeish, chief of division of mineral resources and statistics, Ottawa, tells *The Monetary Times* that the total value of the mineral production during 1917, compiled on the the usual basis, will probably exceed, and possibly considerably exceed the value for 1916. This will not mean, necessarily, however, that the mining industry has contributed more to our national requirements. In fact, we might have a smaller production of every important product, which, on account of higher prices would in the aggregate show an increased value of production in the mining industry. There was probably not any very great change in respect to the quantities of metals produced last year from Canadian sources except possibly in the case of zinc.

Amongst non-metallic mineral products generally, there was not a startling increase in any particular commodity, but in many products prices were higher. On the whole, it may no doubt be said that the mining industry had under the circumstances a very successful year in 1917.

Labor was difficult to obtain and the efficiency of labor was considerably depreciated because of the war's withdrawals. The strikes amongst the miners of Southern Alberta in the spring of the year will be somewhat reflected not only in the coal output but also in the production of metalliferous ores in British Columbia.

Output of Fisheries.

It is not possible yet to make a close estimate of the total marketed value of the fisheries production for 1917, but the indications in November pointed to a very considerably greater value than in 1916, is the statement to *The Monetary Times* of Mr. G. J. Desbarats, deputy minister of the naval service, Ottawa. For example, the value of the various kinds of sea fish at the point of landing on the Atlantic and Pacific coasts for the six months' period, April to September, 1917, was $19,325,547 against $12,493,143 for the same period in the preceding year.

The value of forest products for the three years, 1914-1916, are as follows:—

Forest Products.	1914.	1915.	1916.
Lumber, lath and shingles	$ 67,500,000	$ 69,750,000	$ 66,075,000
Firewood	60,500,000	60,650,000	62,000,000
Pulpwood	15,500,000	15,750,000	19,975,000
Fence-posts and rails	9,500,000	9,000,000	8,000,000
Cross-ties	9,000,000	3,500,000	3,750,000
Square timber exported	400,000	480,000	185,000
Cooperage	1,900,000	1,400,000	1,250,000
Poles	700,000	500,000	575,000
Logs exported	850,000	1,325,000	850,000
Tanning materials	22,000	170,000	140,000
Round mining timbers	500,000	680,000	750,000
Miscellaneous exports	300,000	175,000	280,000
Miscellaneous products	10,000,000	9,500,000	9,000,000
Total	$176,672,000	$172,880,000	$172,830,000

Mr. R. H. Campbell, director of the Forestry Branch, Ottawa, who has supplied *The Monetary Times* with the above figures, writes: "As regards 1917, it is much too early for any exact figures of the values. I think, however, in the absence of any very definite information on the subject that these would probably run at about the same figures as those of 1916."

Primary production.	1914.	1915.	1916.	1917.
Field crops	$ 638,580,000	$ 825,370,000	$ 886,494,900	$1,089,687,000
Forests	176,672,000	172,880,000	172,830,000	173,000,000
Mines	128,863,075	137,109,171	177,201,534	195,000,000
Fisheries	31,264,631	35,860,708	39,208,378	50,000,000
	$ 975,379,706	$1,071,219,879	$1,275,734,812	$1,507,687,000

WAR FINANCE AND THE ALLIES' ECONOMY

(Continued from page 23)

He who in Britain, Japan, United States, the colonies and France can jump into leadership in solving the problems of politics, taxes, labor charges, tonnage, industry and finance, will save the cause of civilization and also of his nation. If any pseudo-leader proposes to place the returned heroes (who have disengaged their breasts from the tyrannous bayonets of the Teuton and Turk) under the bondage of the debt-usurer, he will not long remain a leader of that kind of finance or politics.

While I am a territorial expansionist, I am Gladstonian enough to say that this war must be paid off as soon as reasonably possible. Russia, Poland, Hungary, Bohemia, Serbia, Belgium, Roumania, and Holland must be economically retained by the allies to help pay off the war. Tariffs must be erected against German goods, not only to pay off the war but to hasten German democratization. The German must learn that it pays in pocket to keep his bond. The Teuton must be forced to emigrate where we can watch him and de-militarize him. The Latin, Asiatic and colored races, nations and countries, must be fitted in better to meet the cogs of allied economics, so as to help pay for the war, which the allies largely fought on their behalf against their plotting Hun enslaver.

The total expenditures by all nations for 3 years of war is 90 billion dollars, fighting 20 million men. The total expenditures of the United States in a year will be 20 billion dollars, of which 7 billion is a loan to the fighting allies.

Great Britain has fought 4,000,000 soldiers and 1,000,000 sailors and 20,000,000 tonnage for 3 years; has loaned her allies 6 billion dollars; her total cost for a little over 3 years being 25 billion dollars; 6 billions coming from revenue, and 19 billions being additional debt.

This is the most magnificent spectacle of war that the world has ever seen or will see. Instead of the war solving all problems, it will have solved two great racial and dynastic problems, but will have created hundreds of other problems worthy of the great character and metal developed in the allied ranks by the war.

The increased number of bonds now uniting the English-speaking nations in particular and the allies in general, are decidedly the promise and the guarantee of the world's peace and redemption from past woes.

Army, Navy and America.

Canada has proved that she can raise and fight an army of half a million men much more economically than the United States can. The future military defensive arm of this hemisphere should, therefore, be left mainly to Canada, and the United States should make a specialty of the naval arm,—both nations working in unison in international peace work.

As America is a greater exporter than Britain during the war, the American dollar rules the world's money markets, but the British pound sterling will regain its exchange supremacy finally, especially if Britain retains Germany's colonies. America's exports are now running near 9 billions, and her imports 2½ billions of dollars. Many problems and their needed solutions in Canada and America are similar. We are like as two peas in the economical pod; just as we are brothers of the blood and of the new international bond.

CROP FINANCING ON FIXED PRICES

Canadian Millers and the British Government Have Practically Bought the Whole of Our Wheat

The last stage of the 1916-1917 wheat crop movement was financed with prices fixed, the basic price for No. 1 Northern being $2.40 per bushel; and for the whole of the 1917-1918 movement the fixed price of $2.21 per bushel is apparently to prevail. While these prices have been satisfactory on the whole, notes of criticism are sounded from time to time in the West, as some agriculturists there are of the opinion that a higher level should obtain. In fixing the prices the Canadian government evidently followed the lead of the Washington authorities. Critics have pointed out that inasmuch as Canada exports a larger proportion of her total yield, she is not interested, to the same extent as the United States in keeping down the price. Another point of criticism is that as the western farmers during the early fall were obliged to devote their time to plowing and other work in preparation for the 1918 seeding, they were unable to get the 1917 wheat to market as promptly as they wished, and thus they lost money in interest, etc., on the carrying of the grain. So it was claimed that the fixed price should rise so much per month to cover the carrying charges. However, most people are agreed that the price that has been set gives Canadian farmers, and the western farmers especially, a very good profit; and it is the general feeling that we should not endeavor to levy an exorbitant toll on the hard pressed consumers of the mother country who are bearing a much heavier war burden than we are called upon to shoulder.

Changes in Financing.

Naturally the fixed price has caused some changes in the methods of financing the crops. The price fixing has been accomplished by other regulating activities on the part of the government. Under the arrangement that has prevailed during the season, practically the whole of Canada's surplus production goes to Great Britain. Canadian millers are allowed to fill their requirements, and nearly all the rest of the grain is bought by the British purchasing agents. The British government sees to it that the European allies are provided with such foodstuffs as they need; but to avoid competition the supplies purchased in America are taken by practically the one organization. This means that there are only the two buyers for the grain deliveries of the farmers—the millers and the agents of the British government. As the prices are fixed, competition is reduced to a minimum. Also as there is no prospect of speculative profit through holding the stuff back, the aim of the farmers has been to get rid of their produce as quickly as possible so as to save interest and other carrying charges.

There was no startling change in the personnel of the grain buyers at country points. In most cases at a given point the buying would be done by the same local millers, outside millers, and elevator companies, as in previous years; but the elevator companies not in the milling business would be virtually buying on commission for the British agents or for millers not otherwise represented there. The banks would be obliged to ship currency as usual to the various buying points in the country—owing to the extraordinary price level they would require to send unusually large amounts of currency. Also at banking points where such arrangements prevailed, the local buyers would draw on their principals at Winnipeg or other centres, from day to day, for the funds they needed to take up the daily deliveries. The local shippers would be continually turning in their sight on demand drafts on Winnipeg with bills of lading attached.

At the Big Centres.

The great changes in crop financing methods occurred at the centres—Winnipeg, Toronto and Montreal, particularly at Winnipeg. The grain itself moved as rapidly as possible to the milling centres and to the seaports; while the drafts and credit instruments representing the produce converged heavily on the principal financial centres. Every day during the grain season each bank in Winnipeg having an important branch system in the wheat fields, would receive from its branches scores of grain drafts, many of them for large amounts. Practically all of these drafts would be collected through sending them via the clearing house, into the banks carrying the principal shares of the credit to the British government and the banks carrying the accounts of the big milling companies. So the loans to the British agents and to the big millers would speedily reach large amounts. To counterbalance this there would be a striking decrease in the credits granted to the elevator companies or grain firms ordinarily doing a large export business. These latter concerns, though buying actively, would turn the stuff over immediately and keep their own loans down to the minimum. Also the loans at country branches to farmers and local dealers would be considerably less than in normal years.

Payment of Bank Loans.

Apparently the new arrangement did not permit of realization on exports quite so expeditiously as in former years. Ordinarily when the grain is placed on board the lake carrier at Fort William or Port Arthur, it is open to the bank to send the demand draft and shipping bills at once to New York for negotiation, and the bank thus got its money back very quickly. The present arrangement provided for the payment of the bank loans by the British government on arrival of the grain at the seaports. It is said that the sharp movement of the American exchange in Canada's favor towards the end of September was largely due to the action of Canadian banks in bringing home their New York balances for the purpose of carrying the special grain credit during the preliminary or intermediate stage.

In connection with produce loans during a normal season or year, it has been customary for the banks to lend up to a certain percentage of the value of the merchandise assigned as security. A margin of 10 per cent. or more was considered necessary as protection against falling prices. With this contingency removed it would be practicable to lend closer to the actual value—providing that the banker knew the loan would not be carried for a long term. Of course if there were a prospect of a standing loan, the bank would keep down the percentage advanced, so as to leave an ample margin for taking care of the interest storage, insurance, etc. But in case of the ordinary short produce loan which would be paid off within a month or six weeks, and in case of which the grade or quality of the grain has been officially established, it would be practicable to lend an amount close up to the value—because the banker could rest assured that at the end of a month, or two months, the value of the grain would be unchanged.

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NEW YORK	National Bank of Commerce.
NEW YORK	National Park Bank.
NEW YORK	Hanover National Bank.
PHILADELPHIA	Fourth Street National Bank.
ST. LOUIS	The Mechanics-American National Bank.
BOSTON	The Merchants National Bank.
CLEVELAND	The First National Bank of Cleveland.
PITTSBURG	The Bank of Pittsburg, N.A.
DETROIT	The First and Old Detroit National Bank.
BUFFALO	The Manufacturers' and Traders' National Bank.
SAN FRANCISCO	First National Bank of San Francisco.
SAN FRANCISCO	The Anglo and London-Paris National Bank.
MINNEAPOLIS	Northwestern National Bank.
SEATTLE	Seattle National Bank.
ST. PAUL	First National Bank of St. Paul.

FOREIGN AGENTS

PARIS	Credit Lyonnais.
PARIS	Comptoir National d'Escompte de Paris.
PARIS	Credit Commercial de France.
INDIA, CHINA & JAPAN	Chartered Bank of India, Australia and China.
INDIA, CHINA & JAPAN	Hong Kong and Shanghai Banking Corporation.
AUSTRALIA & NEW ZEALAND	Bank of New South Wales.
AUSTRALIA & NEW ZEALAND	Queensland National Bank.
AUSTRALIA & NEW ZEALAND	Union Bank of Australia.

SOUTH AMERICA

ARGENTINE REPUBLIC	London and River Plate Bank, Ltd.
BOLIVIA	W. R. Grace & Company.
BRAZIL	London & Brazilian Bank, Ltd.
BRITISH GUIANA	Colonial Bank.
CHILI	W. R. Grace & Company.
PERU	W. R. Grace & Company.

Canada Is Now Dependent Upon Resources

Our Inability to Borrow Abroad Will Probably Prove a Blessing in Disguise —Relation of Misuse of Borrowed Money to Economic Troubles—Financially, Canada is "on Her Own."

By SIR FREDERICK WILLIAMS-TAYLOR, LL.D.

THE past year has shown that as the war proceeds, we are being made to depend to a greater extent upon our own resources. Prior to the war, Canada was a heavy borrowing country. Among the early effects of world-wide belligerent conditions, was the closing of the London, and later, New York money markets. Thus this young nation, with a well defined habit of borrowing abroad, was suddenly confronted with the loss of the only two available markets. For the first time since Confederation, therefore, the Dominion is cast upon its own financial resources. In passing, we may note, too, that as the war continues, we will be compelled to develop more rapidly certain of our natural resources. The United States is restricting various exports to Canada, because of war conditions and we will be required, for similar reasons, to depend more upon our own stores for supplies for our part in the successful prosecution of the war.

Thrown upon their financial strength, largely an unknown quantity, the people of Canada have proved themselves equal to the severe test. The subscription of the Victory Loan, to the extent of $418,000,000 by 802,000 subscribers, is an outstanding proof of this.

As I recently pointed out, the cessation of the flow of British and foreign capital to this country, for the present, at least, will have far-reaching consequences. On the one hand, industrial development will be checked, but, on the other hand, the inability to borrow may prove a blessing in disguise, once we have adjusted our affairs to the changed conditions. It is well for us to learn to do without financial assistance, especially as the country at large already has a debt abroad, the interest on which runs into the great sum of about $500,000 per day. So long as the stream of money flowing into the country was uninterrupted, it was difficult, if not impossible, for our people to see the necessity for economy. Personal extravagance is still conspicuous in many directions, but presently economy will become general—from high motives, we hope; if not, then from stern necessity.

I have pointed out in *The Monetary Times* and elsewhere on several occasions that our misuse of borrowed money is in great measure responsible for some of the chief economic evils that have come upon us. I refer especially to the inflation which before the war started the increase in the cost of living, and to the creation of debt unrepresented by productive investment. Now that the inflow of money is suspended, we must practise economy, till the soil, produce to a greater extent the manufactured goods we require for our own use, until we emerge a wiser and a better people in a sounder economic position.

We must admit that the present Dominion of Canada has been built largely upon the foundation of British capital. Our development could never have reached its present stage but for moneys borrowed abroad. Canada, consequently, is grateful, first, to Great Britain, and secondly, to the United States, for the assistance they have thus given to the remarkable progress which our country has made, particularly during the past twenty years.

Our country abounds in natural wealth. We have an industrious and virile population. With the proper combination of courage and caution, capital and labor, energy and ideals, we shall be successful in recovering our economic balance and demonstrating to the world that we have profited materially from the lessons of experience.

WHERE OUR BANK BRANCHES ARE SITUATED

BANK	Ontario	Quebec	Nova Scotia	New Brunswick	P. E. I.	British Columbia	Manitoba	Saskatchewan	Alberta	Yukon	U. S. A.	England	France	Newfound'l'd	Mexico	West Indies	B. Honduras	British Guiana	Costa Rica	Venezuela	TOTAL
British North America	21	7	1	5	....	16	9	24	4	1	2	1	....	....	....	....	....	....	....	....	91
Commerce	92	79	16	4	5	42	23	61	50	2	4	1	....	1	1	....	....	....	....	....	381
Dominion	61	4	....	....	....	2	10	4	5	....	....	1	....	....	....	....	....	....	....	....	87
Hamilton	59	....	....	....	....	8	25	22	10	....	....	....	....	....	....	....	....	....	....	....	124
Hochelaga	15	90	....	....	....	....	3	4	4	....	....	....	....	....	....	....	....	....	....	....	116
Home	27	3	....	....	....	2	6	7	1	....	....	....	....	....	....	....	....	....	....	....	46
Imperial	74	2	....	....	....	15	3	18	14	....	....	....	....	....	....	....	....	....	....	....	126
Merchants	103	30	2	1	....	8	19	22	52	....	1	....	....	....	....	....	....	....	....	....	238
Molsons, The	50	39	....	....	....	3	2	....	4	....	....	....	....	....	....	....	....	....	....	....	98
Montreal	60	37	13	10	1	26	7	10	9	....	3	2	....	3	1	....	....	....	....	....	182
Nationale	2	77	....	....	....	....	....	....	....	....	....	....	1	....	....	....	....	....	....	....	80
Northern Crown	25	....	....	....	....	7	22	55	4	....	....	....	....	....	....	....	....	....	....	....	113
Nova Scotia	64	10	30	33	7	3	2	5	4	....	3	....	....	19	....	12	....	....	....	....	192
Ottawa	63	13	....	....	....	1	8	9	1	....	....	....	....	....	....	....	....	....	....	....	95
Provinciale	10	68	....	6	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	84
Royal	123	52	54	19	5	38	4	37	28	....	1	1	....	6	....	47	1	3	2	4	425
Standard	98	1	....	....	....	1	2	1	14	....	....	....	....	....	....	....	....	....	....	....	128
Sterling	43	1	....	....	....	....	4	2	....	....	....	....	....	....	....	....	....	....	....	....	50
Toronto	68	9	....	....	....	4	8	21	9	....	....	....	....	....	....	....	....	....	....	....	119
Union	89	9	1	1	....	7	46	96	54	....	1	2	....	....	....	....	....	....	....	....	306
Weyburn Security	....	....	....	....	....	....	....	19	....	....	....	....	....	....	....	....	....	....	....	....	19
TOTAL	1147	531	117	79	18	183	203	428	267	3	15	8	1	29	2	59	1	3	2	4	3100

Three Years' War Cost: $100,000,000,000

All the Belligerents Combined Are Spending At the Rate of at Least $100,000,000 Daily —Canada, One of the Youngest Participants, is Putting $890,000 Daily Into the War—Interesting Estimates Made During the Past Year.

By the middle of July Canada's expenditures on account of the war had totalled $623,000,000. Our daily war costs are $890,000. To the end of 1917, therefore, our war costs were approximately $693,000,000. These figures do not include expenditures made by the various provincial governments, municipal corporations, or private individuals.

"Our war expenditure is very heavy, and is growing from day to day," said the finance minister in the House at Ottawa, on July 25th. "I have had a statement prepared by the assistant deputy minister of finance, showing the outlay since April 1 of the present year. The statement I have received as to the period from April 1, 1917, to July 20, 1917, shows that our total revenue was $78,276,000 and our total expenditure (ordinary, capital and special), $40,800,000, leaving a balance of $37,000,000 for war expenditure. In other words, since April 1 of the present fiscal year we have paid our way in respect to ordinary, capital and special expenditures, and we have $37,000,000 to the good. The figures may not be mathematically accurate, but they represent a close estimate.

Total War Outlay.

The total war expenditure of Canada to July 20 this year in Canada was $388,627,000, and the total war expenditure elsewhere than in Canada, including maintenance of troops in France, from September, 1916, to July 20, 1917, based on 117,000 troops, was $234,000,000, or a grand total on account of war expenditure of $623,000,000."

The finance minister added that war expenditure in Canada from April 1 to July 20, 1917, amounted to $39,702,000.

Vast War Expenditures.

Here is a statement of Great Britain's expenditure since war began, and an estimate for the year to March 31, 1918. As far as possible the items under the head of votes of credit are as announced from time to time in the House of Commons. Interest, both on pre-war and war debt, represents actual payments made during the periods specified. As regards "ordinary supply services," etc., the actual local taxation and other consolidated fund payments have been taken for the different periods and have added thereto the due proportions of the total expenditure for ordinary supply services for the respective years:—

	War Expenditure		Other Expenditure	
Period,	Expended from votes of credit.	Interest on war debt.	Interest on pre-war debt, ordinary supply services, etc.	Grand aggregate of expenditures.
1914-15.	£	£	£	£
240 days, August 4, 1914—March 31, 1915	573,167,000	2,172,000	81,976,000	657,335,000
Per day	**2,388,100**	**9,050**	**341,700**	**2,738,900**
1915-16:				
366 days	1,399,652,000	39,911,000	119,595,000	1,559,158,000
Per day	**3,824,000**	**109,000**	**326,800**	**4,259,800**
1916-17:				
365 days	1,973,665,000	107,467,000	116,981,000	2,198,113,000
Per day	**5,407,300**	**294,000**	**320,500**	**6,022,200**
1917-18:				
35 days to May 5	261,000.000	6,088,000	12,403,000	279,581,000
Per day	**7,457,000**	**174,000**	**357,000**	**7,988,000**
330 days to 31 March, 1918	1,714,000,000	188,412,000	108,388,000	2,010,800,000
Per day	**5,194,000**	**571,000**	**328,000**	**6,093,000**
Total for 1917-18 (est.)	1,975,000,000	194,500,000	120,881,000	2,290,381,000
Per day	**5,411,000**	**533,000**	**331,000**	**6,275,000**

Great Britain's War Bill.

According to The London Statist, Great Britain's war bill is as follows:—

		Met out of				
Year.	War expenditure (a).	Revenue.	Per cent. of war exp.	Loans.	Total revenue and loans.
	£	£	%	£	£
1914-15*	575,339,000	81,996,000	14.2	565,778,000	647,774,000
1915-16*	1,439,563,000	217,172,000	15.1	1,165,319,000	1,382,491,000
1916-17*	2,081,132,000	456,447,000	31.9	1,627,188,000	2,083,635,000
	4,096,034,000	755,615,000	18.5	3,358,285,000	4,113,900,000
1917-18, April 1 to May 5*	267,088,000	38,105,000	14.3	204,135,000	242,240,000
Total to May 5, 1917	4,363,122,000	793,720,000	18.2	3,562,420,000	4,356,140,000
1917-18, May 6 to March 31†	1,902,412,000	479,614,000	25.2	1,447,646,000	1,927,260,000
Probable total March 31, 1918	6,265,534,000	1,273,334,000	20.3	5,010,066,000	6,283,400,000

(a) Includes loans and advances to Allies and Dominions.
*Actual. †Estimated.

Total Cost of War.

The cost of the war to the belligerent nations, from the beginning to August 1, 1917, has been figured at a slightly lower total by chairman Fitzgerald of the appropriations committee of the United States House of Representatives at Washington, than by The Wall Street Journal, and decidedly more economically than the calculations of the Manchester Guardian.

According to chairman Fitzgerald, total expenditures of all belligerents, exclusive of the United States, was $86,047,400,000 to August 1. The Manchester Guardian placed the aggregate cost at $107,500.000,000, omitting United States expenditures; while The Wall Street Journal figured more modestly at $89,721,500,000, after allowing for advances by some of the entente nations to others, and by Germany to its satellite nations, but including $1,629,000,000 expenditures by the United States.

As Mr. Fitzgerald may have authoritative sources of information which makes his figures of special interest, his estimates are reproduced here alongside those of the Manchester Guardian and The Wall Street Journal (last three ciphers omitted):—

Country.	Chairman Fitzgerald.	The Wall Street Journal.	Manchester Guardian.
United Kingdom	*$18,500,000	$26,705,000	*$ 27,500,000
Germany	21,300,000	19,750,000	25,000,000
Russia	15,000,000	14,250,000	17,500,000
France	15,327,400	16,530,000	15.000.000
Austria-Hungary	12,800,000	9,700,000	12.500.000
Italy	3,120,000	5,050 000	5.000 000
Other belligerents	....	6,329,000	5.000,000
Total	$86,047,400	$98,314,000	$107.500,000
Less advances	....	8,592,500	....
Net cost	$86,047,400	$89,721,500	$107,500,000

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*British Empire. The Wall Street Journal's figures are for the United Kingdom only, war expenses of the overseas dominions being included in "other belligerents."

Advances by Nations.

Estimates by the Manchester Guardian contain nothing to indicate whether it includes in its British figures advances to Allies. The Wall Street Journal's estimates include these advances. Mr. Fitzgerald has made allowance for such advances, but, on the other hand, he includes the expenditures of the overseas dominions, which makes his figures appear a bit low; that is, if Washington press dispatches quote him correctly in making his figures apply to the British Empire.

Apparently the figures of the Guardian and The Wall Street Journal relating to Italy are rather high. Since these estimates were originally published, Washington dispatches have referred to official reports from Rome placing Italy's war costs, up to July, at $3,500,000,000. Mr. Fitzgerald has probably erred as much on one side in this case as the two publications have on the other in estimating up to August 1.

It is interesting to note that while the tabulations of Mr. Fitzgerald's estimates placed the total at slightly over $86,000,000,000, he said in the course of his speech that "the total expenditure by the nations engaged in war since it began three years ago is approximately $90,000,000,000."

Discussing Mr. Fitzgerald's estimate, The London Statist said:—"If we add the expenditure which has been incurred since, we shall not be far out if we further estimate the total at practically 20,000 millions sterling. It has to be remembered that these figures are estimates, because while the information regarding the war expenditure of Great Britain leaves a good deal to be desired, it is far more comprehensive than is the case with the other belligerents. The figures given in the following table may be taken as approximately accurate so far as the Great Powers now engaged in the struggle are concerned:—

Entente Powers.

Great Britain	£ 4,910,000,000
France	2,820,000,000
Russia	3,630,000,000
Italy	1,160,000,000
	£12,520,000,000

Central Powers.

Germany	£ 4,700,000,000
Austria-Hungary	2,580,000,000
	£ 7,280,000,000
Aggregate total cost	£19,800,000,000

Smaller Powers Left Out.

"We have left out the smaller powers, because Great Britain on the one hand, and Germany on the enemy side, are financing them to a large extent, and to include what little information is obtainable would probably result in counting the same figures twice over. From the figures before us it would appear that the war is costing the whole of the belligerents combined, roughly, 20 millions sterling a day. This does not include the expenses of the United States, which, according to a treasury statement issued in September, amounted during the month of August to nearly five millions a day, bringing up the grand total to about 25 millions sterling for every day the war continues. The total for Great Britain amounts to 4,910 millions sterling, which includes all expenses rightly chargeable to this war, of which an advance of 1,100 millions sterling to the Allies and Dominions forms part, but excludes the peace expenditure on the army and navy. Of this amount, some 670 millions sterling will be provided out of taxation, the balance by means of loans."

Of war expenditures by other nations, The Statist says:—"The estimated amount paid and to be paid into the French treasury from the beginning of the war to the end of September, 1917, is £3,220,000,000, from which has to be deducted a total of 640 millions sterling, being the normal peace expenditure for the period. In addition, it is understood that France has given credits mainly to the smaller allied powers who have obtained supplies in connection with the war amounting to about 240 millions sterling. Deducting this from the peace expenditure, we get a sum chargeable to expenses incurred purely in connection with the war of 2,820 millions sterling.

Russia's War Credit.

"The only means we have of getting at the actual cost of the war to Russia is a statement of the minister of commerce at the recently held National Conference at Moscow, when the minister stated that the cost of the war during the first three years of its continuance amounted to 34,500 million roubles, and taking the rouble at the par of exchange, this would amount to 3,630 millions sterling. Of this amount, about 670 millions sterling is understood to be represented by loans to Russia from her allies.

"As far as we are able to ascertain the figures, the total war expenditure of Italy, deducting the normal peace figures, during the first three years of the war amounted to 1,160 millions sterling.

"Of the enemy powers it is naturally exceedingly difficult to obtain reliable information. It is, in fact, only obtainable from neutral sources. As far as we are able to gather the facts, Germany appears to have spent up to the present time about 4,700 millions sterling and Austria-Hungary 2,580 millions. It will be seen from the table published above that the aggregate war expenditure of all the belligerent powers, excluding that of Japan and the United States, amounts to practically 20,000 millions sterling. In addition, it will be noted that we have not included various allied states as, for example, Brazil, which is assisting in the policing of the South Atlantic. But these states, although incurring considerable expenditure, are not, of course, spending at the rate of several millions a day. It will have been noted that M. Klotz, the French Minister of Finance, in September, in proposing a further vote of credit, stated that the total votes would amount at the end of 1917 to over 4,000 millions sterling. This sum, it will be seen, largely exceeds the figure in our table, but it includes expenditure which has not yet been tabulated, and which was, therefore, not accessible to us when the table was made up, and in addition large advances to the allied powers, part of which, but not the whole, is included in the table."

War's Cost, £20,500,000,000.

A week later, discussing its own estimate of £20,000,000,000, The London Statist said:—

"The French estimate was below the actual cost by some 2,000 millions, owing to the fact that the figures were only partially available at the time we drew up the table. In addition, we made no calculation of the expenses of the smaller powers; and, particularly, we omitted those powers which, while rendering assistance to the common cause, have not their armies actually represented at the various fronts. Bearing these facts in mind, we shall not be far wrong if we estimate the total cost of the war to all the powers engaged at roughly 25,000 millions sterling:—

Entente Powers.

Great Britain	£ 4,910,000,000
France	2,820,000,000
Russia	4,350,000,000
Italy	1,160,000,000
	£13,240,000,000

Central Powers.

Germany	£ 4,700,000,000
Austria-Hungary	2,580,000,000
	£ 7,280,000,000
Aggregate total cost	£20,520,000,000

The following table of The New York Post estimates the world's war costs as they were incurred from the day of the war's beginning, August 1st, 1914, to the day of the third anniversary, August 1st, 1917:—

	Total military costs.
1914 (August 1 to December 31)	$ 7,900,000,000
1915	26,200,000,000
1916	35,650,000,000
1917 (January 1 to August 1)	27,700,000,000
Total, three years	$97,450,000,000

Per Capita Expenditures.

Entrance of the United States into the conflict occurred in April, 1917, and expenditures of that nation have increased so rapidly that the average expenditures for the early part of 1917 have given way to a much higher average. The Entente Allies, with the United States, are now spending in excess of $110,000,000 daily in prosecuting the war. The Central Allies are spending nearly $45,000,000. The disparity is explained by the different conditions under which the embattled groups are fighting, by the needs of the Allies to spend large sums in keeping their navies and mercantile fleets at sea, by the different system of pay in the armies, by manufacture and transportation. War's money is now largely expended in the laboratory, the foundry, and the machine shop, and, in the case of the Allies, an important part is expended in costly steamship and railway transportation.

Pro-rated over the entire population, the cost of the war means much more to Great Britain than any other belligerent. France is second on the list, Germany third, the United States fourth, and Russia last. If we take simply the figures of direct military costs, without making allowances for loans made or received by any government, we find that the war is costing Britain $270 yearly for each inhabitant. It is costing France $180 for each inhabitant, Germany $144, the United States $103.

The following is an estimate of the United States treasury department (issued on October 9th last), of the cost of the war to August 1st, 1917:—

Entente Allies.

Expenditures.	Aggregate.	Present daily.
United Kingdom	$26,705,000,000	$25,000,000
France	16,530,000,000	18,500,000
Russia	14,250,000,000	15,000,000
Italy	5,050,000,000	7,000,000
United States	1,629,000,000	19,100,000
Other allies	3,250,000,000	5,000,000
Total	$67,414,000,000	$99,600,000
Less advances to their allies and dominions	$ 7,992,500,000	$22,900,000
Net total	$59,421,500,000	$76,700,000

Teutonic Alliance.

Germany	$19,750,000,000	$25,000,000
Austria-Hungary	9,700,000,000	13,000,000
Bulgaria and Turkey	1,450,000,000	2,000,000
Total	$30,900,000,000	$40,000,000
Less advances to their allies and dominions	600,000,000	....
Net cost	$30,300,000,000	$40,000,000

Grand Total.

Entente allies	$59,421,500,000	$76,700,000
Teutonic allies	30,300,000,000	40,000,000
	$89,721,500,000	$116,700,000

United States War Cost.

Exclusive of loans to the Allies, it is estimated by the United States treasury department that there will be spent for war purposes $10,735,807,007 during the present fiscal year (to end June, 1918). Ordinary government expenditures will run this up to $11,651,193,993.

Adding loans, which, it is estimated will reach $7,500,000,000 before the end of the fiscal year, the grand total is brought to $19,151,193,993. Nearly one billion of this is for ordinary expenditure and will be taken care of by taxes now in force. The grand total for war purposes, including loans to the allies, might be figured at $18,235,807,007.

The Russian finance minister issued in September a statement of the financial position of Russia, showing that the expenses of the war up to September 14th, had amounted to 41,000,000,000 ruble. (Par value of ruble is equal to 51.2 cents). The war costs are still further increasing, owing to the demand for higher wages and the increased price of necessaries.

The direct expenditure on the war by European governments is estimated as follows by an English writer who has made a special study of the subject:—

British Empire	$ 27,500,000,000
Germany	25,000,000,000
Russia	17,500,000,000
France	15,000,000,000
Austria-Hungary	12,500,000,000
Italy ....: ..	5,000,000,000
Other belligerents	5,000,000,000
Total	$107,500,000,000

Total lives lost in the war	9,750,000
Total wounded	23,500,000
Total permanently disabled	12,000,000
Total loss of population	14,250,000
Total prisoners	4,250,000
Total direct war expenditure	$107,500,000,000
Total property destruction	$6,000,000,000
Total tonnage destroyed	9,500,000
Total tonnage compulsorily laid up..	8,500,000

Cost of Other Wars.

The cost of wars to other nations have been as follows:—

Dates.	Countries engaged.	Cost.
1793-1815	England and France	$ 6,250,000,000
1812-1815	France and Russia	450,625,000
1828	Russia and Turkey	100,000,000
1830-1840	Spain and Portugal (civil war)..	250,000,000
1830-1847	France and Algeria	190,000,000
1848	Revolts in Europe	50,000,000
1854-1856	England	371,000,000
	France	332,000,000
	Sardinia and Turkey	128,000,000
	Austria	68,600,000
	Russia	800,000,000
1859	France	75,000,000
	Austria	127,000,000
	Italy	51,000,000
1864	Denmark, Prussia, and Austria...	36,000,000
1866	Prussia and Austria	330,000,000
1864-1870	Brazil, Argentine, and Paraguay..	240,000,000
1865-1866	France and Mexico	65,000,000
1870-1871	Germany	954,400,000
	France	1,580,000,000
1876-1877	Russia	806,547,489
	Turkey	403,273,745
1900-1901	Transvaal Republic and England.	1,000,100,000
1904-1905	Russia and Japan	2,500,000,000

Expense of wars, 1793-1860	$ 9,243,225,000
Expense of wars, 1861-1910	14,080,321,240
Total	$23,323,546,240
The cost of the Balkan wars	1,264,000,000

The following is an estimate of the New York Annalist of the direct cost of the war for four years from August 1st, 1914, to August 1st, 1918, provided the war continues:—

DIRECT WAR EXPENSES—AUG. 1, 1914, TO AUG. 1, 1918, PROVIDED WAR CONTINUES.

Direct cost to—	1914, Five months, Aug. 1 to Dec. 31.	1915, Twelve months.	1916, Twelve months,	1917, Seven months, Jan. 1 to Aug. 1.	Twelve months, Aug. 1, 1917, to Aug. 1, 1918.	Four years, total direct cost.
United States	....	....	....	$ 2,200,000,000	$10,800,000,000	$ 13,000,000,000
Great Britain	$ 900,000,000	$ 5,250,000,000	$ 7,600,000,000	7,000,000,000	13,250,000,000	34,000,000,000
France	1,600,000,000	4,600,000,000	6,600,000,000	3,800,000,000	7,200,000,000	23,800,000,000
Russia	1,300,000,000	4,400,000,000	5,600,000,000	3,700,000,000	6,500,000,000	21,500,000,000
Italy	....	650,000,000	2,300,000,000	1,700,000,000	2,850,000,000	7,500,000,000
Belgium, Serb, Rumania, Portugal	600,000,000	1,500,000,000	1,650,000,000	1,000,000,000	1,850,000,000	6,600,000,000
Entente Allies	$4,400,000,000	$16,400,000,000	$23,750,000,000	$19,400,000,000	$42,450,000,000	$106,400,000,000
Germany	2,200,000,000	5,400,000,000	6,800,000,000	5,200,000,000	9,900,000,000	29,500,000,000
Austria-Hungary, Turkey, Bulgaria	1,300,000,000	4,400,000,000	5,100,000,000	3,100,000,000	5,800,000,000	19,700,000,000
Central Allies	$3,500,000,000	$ 9,800.000,000	$11,900,000,000	$ 8,300.000,000	$15,700,000,000	$ 49,200,000,000
Total, all	$7,900,000,000	$26,200,000,000	$35,650,000,000	$27,700,000,000	$58,150,000,000	$155,600,000,000

INTERNATIONAL BANK IS PROPOSED

It Would Handle Post-Bellum Financial Problems—Explanation of the Scheme

An international bank to handle the financial problems that will arise after the war is a project that has been suggested in France. The plan was proposed last year by M. Andre Citroen, a well-known manufacturer of war material. He says:—

"Among the many problems which will have to be solved by the representatives of the belligerent nations at the close of hostilities will be the balancing of the world's financial accounts, and the means I suggest for doing this are that a bank of the nations should be created with the power of issuing an international and compulsory currency throughout the world, or at least in the belligerent countries, victorious and vanquished.

"This bank will have the sole right to issue and fix the value of the new money and decide the quantity of notes to be issued. This new money will not have its counterpart in gold as formerly, for the war has shown that without a counterpart in gold it is possible to issue a certain quantity of bank notes, the value of which is based on the credit of the fighting nations.

"In this new system the value of the newly created bank note, which we will call the simplex, will be based not on the credit of one country alone, but on all the nations. One could fix its approximate value, however, in relation to gold, which will still remain a product of international exchange. It will be decided, for example, that three simplex represent a gramme of gold, thus bringing the value of a simplex note down to about the value of a franc. Each nation will receive a number of simplex notes corresponding to the sacrifices made by her in the war, such as the amount of money spent, the cost of reconstruction, and pensions for widows, orphans, and invalided soldiers. From their total allotment of notes the vanquished nations will have deducted an amount corresponding to the war indemnities which will be fixed according to the wrongs committed.

Withdraw Notes Issued During War.

"The financial difficulties of the warring countries will be solved with the help of these international bank notes, and by the withdrawal from circulation of all those notes which have been issued during the war, such as rentes, defense bonds, bank notes, etc., and these will be replaced solely and simply by the international currency. As soon as this operation has been completed no country will have any war debts, and consequently no more war charges, and this will thus obviate one of the greatest and most important difficulties—namely, the crushing of the taxpayer when the war is over by taxes which will absorb the greater part of the revenue of a country.

Effect of New Currency.

"The second phase of the operation will consist in utilizing and in placing this formidable quantity of paper currency. The holders of rentes and bonds will no longer have revenues represented by coupons, but will have in their hands this international money. It will be necessary that they should utilize it in investing in shares capable of bringing them interest. There will be a decrease in the rates of interest on money. Shares which brought in 5 or 6 per cent. will rise in value, but the interest will be reduced to 3 or 4 per cent., to the prejudice of the holders, but to the profit of the workers. Then there will be the capitalization of new issues. Industries which seek to develop themselves will be able to go to a public loan department and obtain the necessary money.

Create Large Companies.

"These two categories will absorb a great deal of the new money, but it is the third category which will be the most important. This category will allow the creation of enormous companies which will be formed with the consent of the State. One has never found in France the formation of companies on a very large scale to settle the interesting problems of one country as a whole or of districts as a whole. Immense tracks of electrified railways, the construction of canals, the construction of roads for automobiles, central heating departments for towns, the development of electric lighting, the development of the telephone service, and such enterprises have not been able to be carried out owing to lack of capital. The affluxation of new capital will permit of their being constructed, and the interest on the loans will help to bring the circulation fiduciary within normal limits."

The author of the scheme recognizes that the selling of the products, higher wages to workmen, higher cost of living resulting from such a system will have to be taken into consideration, and that offices will have to be set up for exchanging the old money for the new.

BANK NOTES IN CIRCULATION

Record of Fluctuations Last Year and in 1916 — Excess Circulation Allowed

The financing of the crops last year on fixed prices is discussed in another article. The crop movement is reflected in the banks' circulation figures. The record of the greatest amount of notes in circulation at any time during the month in 1916 and in 1917 to the date for which the latest statistics are available is as follows:—

1916.	Greatest amount of notes in circulation during month.	1917.	Greatest amount of notes in circulation during month.
January	$123,224,868	January	$149,425,864
February	115,301,997	February	142,589,098
March	119,037,046	March	149,950,596
April	123,457,733	April	155,576,568
May	121,932,399	May	151,414,829
June	124,850,455	June	157,886,938
July	129,225,475	July	161,762,871
August	129,824,206	August	162,696,039
September	135,438,550	September	178,139,958
October	147,132,673	October	189,852,907
November	156,971,068		
December	161,599,987		

Excess Circulation Allowed.

An increase in circulation occurs automatically every fall. For this movement excess circulation has been allowed from September 1st to the end of February. Special war legislation now allows additional issue from March 1st to August 31st. Additional circulation, therefore, is at present available all the year round. A bank may issue its notes to an amount not exceeding 15 per cent. of the combined unimpaired paid-up capital and reserve fund. Interest not exceeding 5 per cent. per annum has to be paid to the government on the excess circulation. Comparatively little use has been made of this provision.

Under the provisions of the Finance Act of 1914 advances may be obtained by the banks from the government in Dominion notes upon approved collateral. When the crops are large and war conditions prevail in the money markets, the crop movement is likely to be slow and the financial demands in that connection more prolonged. While the Canadian banks are still in a strong liquid condition and probably able without assistance to handle the situation, as the demands of grain customers might result in curtailed banking accommodation to other sections of the community, the banks have been asked not to hesitate to avail themselves of the privileges of the act. As Dominion notes issued against grain bills are retired from time to time as the crop is sold there is no reason to apprehend a redundancy of note circulation should the banks freely avail themselves of this provision. With abundance of funds available for the crop movement, there is less likelihood of its being pressed for sale, at least against the desire of producers and dealers.

The British government has appointed a special committee to prepare for financial arrangements to be made after the end of the war. Sir Richard V. Vassar-Smith, of Lloyd's Bank, is chairman. The committee will also facilitate conversion of works and factories now engaged in war work to normal production and to meet the exceptional demands for raw materials arising from the depletion of stocks.

Forgeries in Canada Are Not Very Frequent

But the Dominion Has Had a Few Expert Forgers on a Small Scale—Details of Some Interesting Cases and Their Legal Aspect—Doctrine of Estoppel Is Very Technical

By M. L. HAYWARD, B.C.L.

IN Canada forgery is not so fine and frequent an art as in some of the more advanced nations, but Canada has produced a few expert forgers on a small scale, and in several instances their handiwork passed through different Canadian banks, giving rise to some rather important legal problems. One of these forgers, Wallace by name, was a rather clumsy artist, but was responsible for one of the most important cases which ever came before the Canadian Courts, the facts of which are rather interesting.

In this case Wallace was the manager of the Thomas Phosphate Company, of Toronto, and on August 14th, 1900, finding that the company was in need of current cash, he forged the name of William Ewing and Company—a firm of seed merchants of Montreal—to a four months' note for $2,000, payable to the Thomas Phosphate Company, at the Dominion Bank at Toronto. The next day he discounted the forged note at the bank and placed the proceeds to the credit of the company. On the same day the bank notified Ewing and Company giving the particulars of the note, and requesting them to pay the same when it fell due, and on the same day Wallace checked out part of the proceeds, leaving $1,611 to the credit of the company at the close of the day's business. On the morning of the 16th Ewing and Company received the notice from the bank, and by the 18th Wallace had checked out practically all the amount to the credit of the Thomas Phosphate Company.

Wired to Forger.

When Ewing and Company received the notice from the bank on the 16th, they wired to Wallace demanding an explanation, and on the same day Wallace wired them stating that he was coming to Montreal and would explain matters fully. On the 18th Wallace wired to Ewing and Company stating that he would see them on the 19th, and on that day Wallace went to Montreal, confessed his forgery, promised to retire the note, and asked Ewing and Company not to say anything to the bank about it. For the next three or four months Wallace kept making promises to retire the note, and Ewing and Company were continually urging him to do so, but nothing was done, and on December 4th the bank again notified Ewing and Company of the maturity of the note. On the 10th, for the first time, Ewing and Company wrote the bank stating that they had not made the note in question. On the same day, Ewing and Company wrote Wallace that they had informed the bank of his forgery, and Wallace left the country before the note matured.

When the note matured Ewing and Company refused to pay, and the bank brought suit against them. There was no question about the note having been forged by Wallace, but the bank raised the point that even if Ewing and Company had not made the note they were still bound to pay it on the ground of estoppel.

Doctrine of Estoppel.

This doctrine of estoppel is a very technical one, but an estoppel may be defined as a rule by which a party is precluded from denying the existence of some state of facts which he has formerly asserted. For instance, a landlord leases certain premises, and in the lease covenants that he is the owner of the premises leased. The landlord will be permitted, in a suit between him and the tenant, to assert that he (the landlord) did not have title to the premises, as he is said to be "estopped" from denying the title which he had asserted in the lease.

Estoppel may arise by deed or record, but generally arises by conduct, and an estoppel by conduct, has been stated as arising as follows: "where one by his words or conduct wilfully causes another to believe the existence of a certain state of things and induces him to act on that belief so as to alter his own previous position, the former is concluded from averring against the latter a different state of things as existing at the same time.

It is also held by the courts that the conduct which will raise an estoppel may be by negligence, omission, or even silence, where there is a duty cast upon the purchaser to disclose the truth.

In the Wallace case, it was argued by the bank that Ewing and Company by their silence and their failure to notify the bank of the forgery, were estopped from denying the genuineness of their signature to the note, as their silence had enabled Wallace to check out the proceeds or part of the proceeds of the note.

On the other hand, it was contended by Ewing and Company, that their silence was not, under the circumstances, sufficient to raise an estoppel against them on the following grounds:—

1. That the bank knew that the Thomas Phosphate Company was financially worthless.
2. That the bank had never had any dealings with Ewing and Company before, and no knowledge of their signature, and that they acted on the representations of Wallace, without making any inquiries as to the financial standing of Ewing and Company or as to the genuineness of their signature.
3. That, while Ewing and Company were a Montreal firm, the note was in two different handwritings and on a Toronto form.

Confession of Forgery.

4. That the bank in their notice to Ewing and Company had not led them to believe that they (the bank) would be prejudiced by Ewing's failure to repudiate the note, and that Ewing and Company were not bound to assume that a forgery had been committed until their interview with Wallace on the 19th, and his confession that the note was a forgery; and that by that time the damage had been done and the proceeds of the note had been withdrawn from the bank.

The decision of the Supreme Court of Canada was that Ewing and Company, by their silence, were estopped from denying that they were the makers of the note, and that they were bound to pay the bank the amount called for by the note.

"The case appears to me," said one of the Judges, "to come directly within the principle upon which silence under certain circumstances gives rise to an estoppel. The bank directly notified the defendants that their note would fall due at its office on a certain date and requested them to provide for the same. This distinctly implied that the bank had an interest, either of its own or on behalf of some one else, in the payment of the note and in its genuineness. While there was no intimation that the bank had acquired or was proposing to acquire the note for value, the defendants, as men of business, would know that the bank might have discounted the note and have the proceeds still at the customer's credit, or that it might make advances upon it. They would know that an immediate repudiation would enable the bank to withhold payment of any portion of the proceeds not actually paid out or of any sums not already advanced. They knew that they had made no such note, that they had given no authority for the signature. They could at once repudiate it, and they did so in their telegram to Mr. Wallace. No further information was necessary for that purpose. While the bank manager placed the proceeds to the credit of the customer without inquiry, and took no precaution against their being paid out before he could hear from the defendants, the bank did act upon the defendants' silence in the sense that it did what, it should properly be inferred. it would not have done if the defendants had at once denied the signature; it allowed the balance of the proceeds to be withdrawn."

The result of this decision was not received with favor by the legal profession or the banking and commercial interests of Canada. As a prominent member of the Canadian Bar said at the time:—

"The case seems a particularly hard one on the Ewing Company. They were brought, not by their own seeking or concurrence, into unpleasant relations with the bank and one of its customers. When the notice referred to reached them, on the morning of August 16th, the damage complained of had in part been done. When, on August 19th, they first learned from the lips of Wallace that their signature to the note in question had been forged by him, the whole damage had been done. And yet, in consequence of subsequent silence, they were compelled to pay the note in full, and thus make full reparation for the entire damage."

The decision, however, was by the highest Court in Canada, and leave to appeal to the Privy Council was refused, so that the rule laid down may be considered as established law in Canada, and is binding on all the Courts.

The result, therefore, is, that the party who receives a notice from a bank stating that they hold the note purporting to be signed or endorsed by him, and the party knows or has reasonable grounds for believing that the note is a forgery, he must immediately notify the bank of that fact, otherwise he may be compelled to pay the note and interest just the same as if it were a genuine note.

Story of a Wholesale Forger.

Wallace was merely a retail forger, and in a very small way at that, but in the following year—1901—Abondeus Martineau, a clerk in the department of militia and defence at Ottawa, went into the forgery game wholesale and strong.

The Bank of Montreal was the banker for the Dominion government and the government checks were drawn on that bank. Martineau filled up the official check forms of the militia department for a total of over $70,000, forged the names of the proper officials, endorsed them in the names of the fictitious payees, and cashed them at the Ottawa branches of the Quebec, Sovereign and Royal banks. The cashing banks then put the forged checks through the Ottawa clearing house and they were paid by the Bank of Montreal.

At that time the "militia and defence account" at the Bank of Montreal was a very active one, and the bank very frequently—often daily—sent to the accountant of the department what were called "pass-book sheets," together with the original checks. At the end of each month a complete statement was sent showing all checks paid during the month, and the letters of credit and moneys received during the month by the bank and the balance at the credit of the department. With this monthly statement was sent a blank form of receipt to be signed by the accountant acknowledging that he had received the checks entered in the statement and had examined the same and found the balance to be correct.

The accountant of the department assigned to Martineau (the forger of the checks in question) the duty of comparing these statements with the checks and the books of the department, and on his reporting them to be correct the accountant or his assistant was in the habit of signing the receipt and returning it to the bank. Martineau was, of course, on the lookout for the forged checks as they were sent up from the defendant's bank, and immediately destroyed them, but, as they were included in the pass-book sheets, he reported them along with the genuine checks as being duly vouched and they were accordingly receipted for by the accountant along with the genuine checks. The balances for each month which were thus acknowledged to be correct during the period in question included and charged against the militia department the forged checks.

Forgeries Were Discovered.

In 1902 the forgeries were discovered and the government brought action against the Bank of Montreal for the amount of the forged checks, and the bank set up the defence that by the course of dealing between the bank and the department the government was estopped from setting up the forgery.

The Supreme Court of Canada decided that the bank was liable on the ground that an estoppel could not be invoked against the Crown.

"The natural and logical legal basis for such a defence," said Judge Davies, "is the principle of estoppel and, indeed, Mr. Gormully invoked the application of this principle on the facts proved as a good defence. The trial judge, however, held that estoppel could not prevail against the Crown; the Appeal Court of Ontario sustained that ruling and then an ingenious attempt was made by defendant's counsel to shift the ground of the defence and it was argued that by accepting the pass-book sheets and acknowledging their receipt and by acknowledging the correctness of the monthly balances shown by the defendants, a contractual relation was established by implication and that the plaintiff was bound by the signature of the accountant of the department as by a settled account.

"I agree with the Courts below that the ordinary doctrine of estoppel cannot be invoked as against the Crown in any such case as this and on any such facts as are proved here.

"With regard to the argument that a contractual obligation arose between the Crown and the bank out of the officer's signature to the acknowledgment of the correctness of the pass-book sheets as rendered, I am quite unable to appreciate it apart from the doctrine of estoppel.

"Why the signature as to the correctness of these pass-book sheets should have a different effect from the signature of settlement to any ordinary account so as to prevent it being re-opened in case of the discovery of a mistake, I am at a loss to understand. The officer signing the account as correct was deceived into doing so by a clever forger. The same forger deceived the bank by the forged signatures. If the circumstances under which the accounts were acknowledged to the bank could be held to be an estoppel, well and good. But the doctrine cannot be applied as against the Crown and outside of it I cannot find any contract settling the accounts as between the government and the bank and prohibiting their being re-opened in case of mistake."

The Bank of Montreal then attempted to recover the amount of the forged checks from the other banks on whose endorsements they had been cashed by the Bank of Montreal, but the Supreme Court of Canada held that the Montreal Bank could not recover on the ground that it was incumbent on them to know the signatures of their customers and that any negligence in the case was on their part.

Quoting from an old English case, the Court said:—

" 'It was incumbent upon the plaintiff to be satisfied "that the bill drawn upon him was the drawer's hand," before he accepted or paid it; but it was not incumbent upon the defendant to inquire into it. Here was notice given by the defendant to the plaintiff of a bill drawn upon him; and he sends his servant to pay it and take it up. The other bill, he actually accepts; after which acceptance, the defendant innocently and bona fide discounts it. The plaintiff lies by for a considerable time after he has paid those bills, and then found out "that they were forged"; and the forger comes to be hanged. He made no objection to them at the time of paying them. Whatever neglect there was, was on his side. The defendant had actual encouragement from the plaintiff himself, for negotiating the second bill, from the plaintiffs having without any scruple or hesitation paid the first: and he paid the whole value, bona fide. It is a misfortune which has happened without the defendant's fault or neglect. If there was no neglect in the plaintiff, yet there is no reason to throw off the loss from one innocent man upon another innocent man.' "

Cheque was Raised.

The case of the Imperial Bank vs. Bank of Hamilton should be compared with the above—a case where one Carl Bauer had an account at the Hamilton Bank and at no time did his credit balance exceed the paltry sum of $10. He drew a $5 check payable "to cash," had it certified, raised it to $500 and cashed it at the Imperial Bank, which put it through the Toronto clearing house and it was paid by the Hamilton Bank.

When the latter bank discovered the error they demanded the $500 from the Imperial Bank, and, on their refusal to pay, entered suit against them.

The Supreme Court of Canada and the Privy Council decided in favor of the Hamilton Bank, holding that there was nothing to take the case out of the ordinary rule that money paid by mistake may be recovered back.

In this case the check as certified was as in the following form:—

No. 136. Toronto, Ont., January 25th, 1897.
To the Bank of Hamilton.
Pay to Cash ....or bearer $
Five .... /100 Dollars.
(Signed) Carl Bauer.

The altered check read as follows:—

No. 136. Toronto, Ont., January 25th, 1897.
To the Bank of Hamilton.
Pay to Cash ....or bearer $500.00.
Five hundred and ....xx/100 Dollars.
(Signed) Carl Bauer.

On this point the Court said:—

"I never supposed that there is a duty on his part to guard against crime; that evidently concerns the law-maker; but I certainly thought that he should not facilitate its commission by others and that, at least, he should be prudent, and that having occasioned damage by not filling the blanks which were the immediate cause of the fraud upon the holder in due course, he, and not the latter, ought to suffer. Negligence by the bank on which a check is drawn, is especially recognized by sections 78, 79 and 81 of the Bills of Exchange Act, as an important element of responsibility to the holder in the negotiation of crossed checks. Why not apply the same principle to the action of the bank negligently certifying a check, especially if we consider that there is no obligation on its part to accept or certify, but merely to pay. The principle of negligence seems to rule over all the operations of business men, whether under the common law, the law merchant, or any other law. A decision holding the bank so acting responsible to the holder would be more in accord with the notions of right and wrong I have learned from the writings of that great jurist, Pothier, which led to the ruling in Young v. Grote, and also in a case still more in point decided unanimously by the Court of Appeal of the province of Quebec; I refer to Dorwin v. Thomson. In my humble opinion, that ruling is the mere application of the elementary principle that every person is responsible for the damage caused by his fault to another, whether by positive act, imprudence, neglect or want of skill. I have always been under the impression that this principle was held good in every country, in England as well as everywhere else, in commercial as well as in civil matters. But after much conflict of opinion, the House of Lords in Schofield v. The Earl of Londesborough, has held that it did not apply to a case where a drawer of a bill of exchange availed himself of spaces, which he had purposely left, to raise the amount of an acceptance from five hundred pounds to three thousand five hundred pounds, and that the acceptor, who had not filled the spaces, was not liable to a holder in due course. Rightly or wrongly, the highest tribunal of the empire has overruled Young v. Grote, in so far as the general principle of negligence can be applied, because, observe their Lordships, it was founded upon the civil law and the authority of Pothier, which, they add, form no part of the mercantile law of England."

Forgery Skilfully Done.

In the case of Dominion Bank vs. Union Bank, the facts were as follows:—

The Manitoba government issued a check upon the Union Bank, respondent, signed by the officials authorized to draw such checks, in favor of the Consolidated Stationery Company for the sum of $6.

Jones, a clerk of the company, obtained possession of the check, misappropriated it, and fraudulently erased both the payee's name and the amount for which the check was drawn, and inserted instead the name of William Johnson and the sum of $1,000.

The forgery was very skilfully done, so much so that no ordinary care could have discovered it.

Jones, pretending to be Johnson, presented the check to the drawee, the Union Bank, for payment, but, being unknown and unidentified, payment was refused.

He then took the check to one of the branches of the Dominion Bank, the manager of which, without requiring identification, took the check, paid the forger $25 and placed the balance to his credit.

The Dominion Bank then indorsed the check and passed it through the clearing house to the Union Bank, which paid the amount of the check as forged.

Before the crime was discovered, but after the Union Bank had honored the check, the Dominion Bank paid to the forger Jones $800 of the amount standing to his credit.

On the return of the check to the drawer the forgery was discovered and the forger was at once arrested, tried, convicted and sentenced.

Under these circumstances the Union Bank sued to recover back the money paid by it to the Dominion Bank on the forged check, on the ground that it was paid by mistake, and as to the $800 paid out to the forger after payment of the check to them by the Union Bank and before discovery of the forgery the Dominion Bank contest their liability.

It is conceded that neither bank can be charged with negligence in not detecting the forgery by mere inspection of the check, but the respondent bank submitted that there was negligence on the part of the Dominion Bank in cashing such a check without first having had the person asserting himself as the payee identified.

The man turned out to be a forger and a thief, he was unknown to the manager, was not required to be identified, and was successful in obtaining some $825 which it seems to me would have been prevented had the usual banking business precautions been insisted upon.

The Union Bank on the other hand cannot be charged with negligence. It had declined in the first instance to pay the check to the alleged payee until he satisfied them of his identity, and only paid it when it came to them through the clearing house with the name of the Dominion Bank stamped across it. No negligence whatever can be imputed to the respondent bank; the names of the officials authorized to draw checks for the government were genuine and proper inspection would not and did not enable them to discover the forgery of the body of the check.

What the Court Said.

The Supreme Court of Canada decided in favor of the Union Bank. It was argued that the decision of the Court in the Martineau case was an authority in favor of the Dominion Bank, but the Court distinguished the two cases on the following grounds:—

"In the late case of the Bank of Montreal v. the King, we had a somewhat analogous case before us, and we there held that the Bank of Montreal, the drawee of the check, could not recover back the moneys paid by it to another bank for a forged check and which moneys the receiving bank had paid out to the forger before it had any notice or knowledge of the forgery.

"The great and broad distinction between that case and the one now in appeal, at any rate in the opinion of the majority of the Court, was that the name of the drawer of the check had been forged and that the payee by paying the check had represented to the receiving bank that the drawer's signature was genuine and was consequently disabled from recovering back the money, the signature being a forgery and the receiving bank having acted on the faith of such representation and paid away the money to the forger.

Cannot be Compelled.

"The ground upon which I based my judgment in that case as between the disputing banks, was that by paying the checks to the persons presenting them the Bank of Montreal represented to them that the checks had in fact the genuine signatures of the drawers and if upon the faith of that implied representation the holders of the checks received the moneys, as I think they did, and subsequently paid them away to the person who deposited the checks with them or otherwise had their positions altered to their prejudice respectively in consequence of such implied representations and in ignorance of the forgeries, they cannot be compelled subsequently by the drawee who paid the money, on discovering that the checks were forgeries, to pay back the money.

"In this case now before us the signatures to the check were genuine. It was only the body of the check which had been altered and forged. There was no representation expressed or implied made by the respondent bank to the appellant bank other or further than as to the genuineness of the drawer's signatures, and the ground and reasoning on which it was held the Bank of Montreal could not recover does not here apply. This case is more analogous to that of the Imperial Bank v. the Bank of Hamilton, the distinction between them being that in the latter case the payment of the money to the forger by the receiving bank was made before the paying bank had paid over the money to the receiving bank.

On Ground of Mutual Mistake.

"The question here is whether the single fact that the receiving bank did not pay over the $800 in dispute until after the paying bank had paid the check to them can avail to prevent the paying bank from recovering the money back on the ground of mutual mistake.

"That question it seems to me must be answered by determining whether the paying bank by paying the check made any representation as to its genuineness other than the representation of the genuineness of the drawer's signatures and whether the receiving bank was or was not a mere agent to receive and pay over the money. If it was such agent merely and the fact was or ought under the evidence to have been known to the paying bank they cannot recover the money back."

THE ROYAL BANK OF CANADA

INCORPORATED 1869

CAPITAL AUTHORIZED	$25,000,000	RESERVE FUNDS	$14,324,000
CAPITAL PAID-UP	$12,911,700	TOTAL ASSETS OVER	$310,000,000

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Grenada—St. Georges.
Jamaica—Kingston.
Montserrat—Plymouth.
Nevis—Charlestown.
St. Kitts—Basseterre.
Tobago—Scarborough.
Trinidad—Port of Spain and San Fernando.

BRANCHES IN CENTRAL AND SOUTH AMERICA:

British Honduras—Belize.
British Guiana—Georgetown, New Amsterdam and Rose Hall.
Costa Rica—San Jose, Limon.
Venezuela—Caracas, Cuidad Bolivar, Maracaibo and Puerto Cabello.

GREAT BRITAIN:

LONDON—Bank Buildings, Princes St., E.C.
T. R. WHITLEY, Manager. JAS. MACKIE, Joint Manager.

UNITED STATES:

NEW YORK—Corner William and Cedar Streets
F. T. WALKER, C. E. MACKENZIE and R. L. ELLIS, Agents

PRINCIPAL CORRESPONDENTS:

GREAT BRITAIN	Bank of England. London County and Westminster Bank, Ltd. Bank of Scotland London City and Midland Bank, Ltd.
UNITED STATES	New York—Chase National Bank. " First National Bank. " National Bank of Commerce. " National City Bank. Boston—National Shawmut Bank. " First National Bank. Chicago—Continental & Commercial National Bank. Philadelphia—Philadelphia National Bank.
UNITED STATES	Minneapolis—First & Security National Bank. San Francisco—First National Bank. Buffalo—Manufacturers & Traders National Bank. New Orleans—Canal Bank and Trust Co.
SOUTH AMERICA	London and Brazilian Bank, Limited.
FRANCE	Crédit Lyonnais, Comptoir National d'Escompte. Société Générale.
SPAIN	Crédit Lyonnais, Garcia-Calamarte & Co.
ITALY	Credito Italiano.
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AUSTRALASIA	Bank of New South Wales.

THREE YEARS' WAR FINANCING

Great Expansion of Credit Everywhere—Conditions of European Banks

The best guide the people of this country can have as to the effects of the war upon business, says the National City Bank, of New York, and the practicability of repeatedly raising large sums for war loans, is to be found in the experience of the European countries. Few people believed at the outbreak of the conflict that it could possibly last for so long a period as three years. It was the common view that, if for no other reason, peace would have to come before that length of time from inability of the governments to continue the expenditures. That this was wide of the truth is now evident, and even after three years those most competent to judge feel but little better able to set a date when the end must come through financial exhaustion than they were at the beginning.

In the three years Great Britain's war expenditures, including interest on the war debt and ordinary appropriations for the army and navy, amounted to approximately $23,000,000,000, of which roughly $4,000,000,000 was provided by revenue and the remainder by loans. About $5,000,000,000 of this has been advanced to allies.

The amount of revenue raised by the other countries for war purposes is not at hand, but it is known that Great Britain has done more in this respect that they have attempted. The amount of indebtedness created by the several countries is difficult to trace because of the variety of forms in which it exists. Germany is now raising its seventh public loan, the six preceding having aggregated about $14,000,000,000. The loans of the other countries are smaller, and altogether probably do not exceed the total of Great Britain and Germany, but are quite as great in proportion to their wealth.

Conditions of European Banks.

The condition of the central banks of Great Britain, France, Russia and Germany on the dates nearest to August 1, 1914, 1916 and 1917, for which public statements have been available, were approximately as shown below:—

Bank of England.

	1914.	1916.	1917.
Gold coin and bullion	$190,000,000	$270,000,000	$250,000,000
Gold for exchequer notes	....	142,000,000	142,000,000
Loans and investments	290,000,000	585,000,000	800,000,000
Deposits	335,000,000	680,000,000	865,000,000
Bank note circulation .	145,000,000	183,000,000	200,000,000
Exchequer notes	....	635,000,000	805,000,000

Bank of France.

	1914.	1916.	1917.
Gold coin & bullion—			
In vault	$ 825,000,000	$ 958,000,000	$ 650,000,000
Held abroad .	....	....	400,000,000
Discounts and advances	640,000,000	618,000,000	590,000,000
Advance to state for the war ..	....	1,600,000,000	2,100,000,000
Treasury bonds representing advances to foreign governments	....	244,000,000	550,000,000
Deposits	260,000,000	430,000,000	535,000,000
Bank note circulation	1,335,000,000	3,200,000,000	4,000,000,000

Imperial Bank of Germany.

	1914.	1916.	1917.
Gold coin and bullion	$ 338,000,000	$ 615,000,000	$ 600,000,000
Discounts and advances	200,000,000	1,635,000,000	2,780,000,000
Deposits	235,000,000	595,000,000	1,460,000,000
Bank note circulation	470,000,000	1,755,000,000	2,210,000,000
Treasury and loan bank notes ..	21,000,000	240,000,000	1,220,000,000

Bank of Russia.

	1914.	1916.	1917.
Gold coin and bullion	$ 800,000,000	$ 770,000,000	$ 645,000,000
Loans	380,000,000	2,440,000,000	6,620,000,000
Deposits	530,000,000	980,000,000	1,650,000,000
Bank note circulation	815,000,000	3,405,000,000	6,820,000,000

Expansion of Bank Credit.

These statements show a great expansion of bank credit everywhere. The situation is naturally worse in Russia, where the unsettled internal conditions have interfered with the collection of revenues and the placing of loans, throwing the government back upon the state bank for means of meeting current expenditures. The rapid increase of its paper issues has been reflected in the price of Russian exchange. In all of these countries the increased issues of paper have been in part required to take the place of gold withdrawn from circulation, and the high prices of war times have also been a factor, as we know even in the United States. In Great Britain, as in the United States, credit expansion naturally appears in bank deposits, and the great volume of exchequer notes is explained as entirely due to the replacement of gold and the increased amount of money needed in circulation. These notes were originally issued, like the Aldrich-Vreeland currency of the United States, at the outbreak of the war, to the banks for counter money and to enable them to meet any unusual demands from depositors. They proved popular, and increasing amounts have been absorbed in circulation. They are redeemed in gold on presentation at the Bank of England.

The banks of England other than the Bank of England are not required to publish statements, but it is customary for them to do so at the close of each calendar year, and some of them publish a mid-year statement, as of June 30th. Thirteen of the principal institutions, whose business is probably typical, on June 30, 1917, showed a total of loans (bills and advances) at that date aggregating $2,334,936,375, against $1,915,393,260 on the same date of 1916; investments, $1,127,841,810, against $1,186,446,330 in 1916; deposits, $4,348,539,425 against $4,001,480,880 in 1916. It should be recalled in this connection that in March last the great Victory Loan, of over $5,000,000,000, was closed. The banks loaned freely to subscribers but did not subscribe themselves, it being an agreed policy to keep the banks as liquid as possible. The result is seen in the increase of their loans to the public and a reduction of their own investments. The increase of only $474,000,000 in loans under the circumstances is a good showing. The Bank of Liverpool reports that it made loans amounting to £9,000,000 for subscription purposes, and that one-third had since been repaid.

An Indefinite War.

There is nothing in the condition of these British banks to indicate that the war may not go on indefinitely.

We have no similar statements for the unofficial banks of either France or Germany. The advances of the Bank of France to the French government aggregate about $2,100,000,000, against $1,600,000,000 at the corresponding date in 1916; besides it is carrying loans to foreign governments, allies, aggregating $530,000,000, against about one-half as much last year. The note circulation, at $4,000,000,000, is very high, but it is to be considered that the note circulation was always high relatively, the notes of the Bank of France being the popular currency in France. The circulation is approximately three times what it was at the outbreak of the war, and the increase in paper currency has been proportionately greater in both England and Germany. We give the gold holdings as they appear in the bank's statements, but we understand that the holdings abroad are in the form of gold credits and not in metal.

Although all of these figures are high it cannot be safely predicted that they may not go much higher before having any effect in themselves upon the termination of the war. Prices are high, and this is a symptom of currency depreciation, but there are other influences upon prices, notably scarcity, which is responsible for very high prices in the United States. When industry is resumed after the war we will be able to form some idea of the extent to which the expansion of the currency has been caused by high prices and to what extent the high prices are due to the currency. As prices fall so much of the currency as is actually redundant will probably find its way back to the banks.

The Canadian Bank of Commerce

Established 1867 HEAD OFFICE, TORONTO

Paid-Up Capital - - - -	$15,000,000
Rest - - - - - -	$13,500,000
Total Assets over - - -	$344,000,000

— BOARD OF DIRECTORS —

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London, 2 Lombard St., E.C. 3

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The Bank conducts every description of Banking Business.

Insatiable Demand for Currency

Remarkable Expansion Last Year — Government Issues Backed by Ample Gold — Banks and Central Gold Reserves — Currency Contraction Later on Can Be Easily Met

By H. M. P. ECKARDT

A YEAR ago, in *The Monetary Times* Annual, attention was drawn to the great expansion of Canada's currency in 1916. In the fall of that year the circulation of bank notes and government notes among the general public reached a volume never before recorded. Those high-record figures of 1916 were in turn surpassed by the unprecedented figures of 1917. Throughout 1917, the paper money actually in the hands of the public ran from $23,000,000 to $50,000,000 higher than in the corresponding months of 1916. From October, 1916, to September, 1917, the currency in use averaged about 24 per cent. greater than in the preceding year.

It is perhaps advisable to repeat the explanation given a year ago regarding the method of calculating the amount of paper currency in actual use, apart from the bank holdings. By taking the amount of Dominion notes outstanding and deducting therefrom the amount of Dominion notes held by the banks and the amount deposited in central gold reserves, the amount held by the public is arrived at. Similarly, by deducting from the total of bank notes outstanding the amounts held by banks other than the issuers, both items being shown in the monthly bank return, the amount of bank notes held by the public results; and by combining the two, we get the approximate amount of currency actually in use in the hands of individuals, firms and companies other than banks. As we have scarcely any gold coins in circulation, and as the circulation of foreign money and of subsidiary Canadian coins does not represent a large item, practically the whole of our currency is represented in these two forms; and on studying the figures of the table, we obtain an accurate reflection of trade conditions.

Bank and Government Notes Held by the Public.
(Thousands Omitted.)

1914—	Bank notes.	Government notes.	Total.	Increase or decrease same month preceding year.	Per cent. of increase or decrease.
January	$ 84,600	$18,952	$103,552	— $ 900	— .9
February	85,088	18,840	103,928	— 3,303	— 3.1
March	83,977	18,068	102,045	— 9,213	— 8.3
April	80,959	17,763	98,722	— 19,373	—16.4
May	83,311	19,065	102,376	— 10,367	— 9.2
June	84,911	19,518	104,429	— 11,104	— 9.6
July	81,975	19,827	101,702	— 6,678	— 6.2
August	99,758	20,660	120,418	+ 4,409	+ 3.8
September	106,884	21,117	128,001	+ 9,207	+ 7.7
October	108,426	21,019	129,445	+ 2,678	+ 2.1
November	100,554	19,654	120,208	— 6,314	— 5.0
December	92,907	19,139	112,046	— 1,833	— 1.6
1915—					
January	86,079	17,812	103,891	+ 339	+ .3
February	86,885	17,751	104,636	— 708	— .7
March	85,869	17,593	103,462	+ 1,416	+ 1.4
April	85,594	18,101	103,695	+ 4,973	+ 5.0
May	85,778	18,637	104,415	+ 2,039	+ 2.0
June	88,058	18,896	106,954	+ 2,525	+ 2.4
July	88,066	19,473	107,539	+ 5,837	+ 5.7
August	87,295	19,368	106,663	— 13,755	—11.4
September	93,822	19,371	113,193	— 14,808	—11.6
October	108,569	20,741	129,310	— 135	— .1
November	110,012	20,909	130,921	+ 10,713	+ 8.9
December	107,097	22,083	129,180	+ 17,134	+15.3
1916—					
January	96,830	20,201	117,031	+ 13,140	+12.6
February	99,220	20,342	119,562	+ 14,926	+14.3
March	101,983	20,190	122,173	+ 18,711	+18.1
April	104,132	20,501	124,633	+ 20,938	+20.2
May	101,297	20,479	121,776	+ 17,361	+16.6
June	109,368	21,842	131,210	+ 24,256	+22.7
July	107,442	21,933	129,375	+ 21,836	+20.3
August	108,879	22,470	131,349	+ 24,686	+23.1
September	120,013	23,069	143,082	+ 29,889	+26.4
October	127,478	23,517	150,995	+ 21,685	+16.7
November	132,001	24,658	156,659	+ 25,738	+19.6
December	129,084	24,457	153,541	+ 24,361	+18.8
1917—					
January	119,004	21,993	140,997	+ 23,966	+20.4
February	122,466	22,011	144,477	+ 24,915	+20.8
March	130,727	22,957	153,684	+ 31,511	+25.8
April	125,299	26,228	151,527	+ 26,894	+21.6
May	125,296	25,405	150,701	+ 28,925	+23.8
June	142,620	27,311	169,731	+ 38,721	+29.5
July	134,785	23,588	158,373	+ 28,998	+22.4
August	139,488	27,982	167,470	+ 36,121	+27.5
September	157,694	24,026	181,720	+ 38,638	+27.0
October	169,562	31,853	201,415	+ 50,410	+33.4

The fact that the Canadian public required from $40,000,000 to $72,000,000 more currency to finance or carry the day-to-day transactions of 1917 than was needed for similar work in 1915, must certainly be taken as remarkable. The unprecedented expansion in 1916 was to some extent attributable to the enormous wheat crop of the preceding fall; but the western wheat yield in the fall of 1916 was disappointing and it did not furnish so much traffic to be completed in 1917. However, the range of prices for wheat, and other raw and manufactured products was much higher in 1917. It took more currency to finance a given unit or quantity of produce. Also the munition factories and other industrial concerns were very actively employed throughout the year—their wage payments and other cash outlays were in numerous instances greater than in 1916. Bankers say that the cheque tax has caused a number of manufacturers and other large employers of labor to pay their employees in currency instead of by cheque—and this caused an additional demand for bank and government notes.

So far as the government issues are concerned they are backed by what is regarded as an ample reserve of gold. The following table shows the amount of notes outstanding throughout 1916 and 1917, with the amount and percentage of gold reserve held against the notes.

Dominion Note Circulation.

1916—	Outstanding.	Gold reserve.	Percentage.
January	$179,301,003	$115,147,985	64
February	179,523,993	115,318,081	64
March	177,943,131	115,743,094	65
April	175,680,987	114,243,788	65
May	175,679,782	114,172,696	65
June	175,497,175	114,071,032	65
July	174,807,743	113,877,073	65
August	174,533,077	113,759,013	65
September	174,302,958	113,690,728	65
October	174,634,619	113,687,359	65
November	178,840,064	114,172,586	64
December	181,047,531	114,131,731	63.
1917—			
January	185,032,291	114,105,144	62
February	182,323,382	114,101,617	63
March	183,248,986	113,110,154	62
April	187,872,336	113,139,691	60
May	177,833,324	113,137,678	64
June	178,568,009	119,110,113	67
July	181,841,576	120,006,568	66
August	182,100,624	119,978,567	66
September	192,377,969	119,877,149	62
October	229,063,856	114,616,227	50

NOTE.—While the percentage of gold reserve held against the Dominion note circulation shows a sharp decline on October 31st, 1917, it is to be remembered that the finance department then held approved securities against $53,000,000 of Dominion note issues, in accordance with the Finance Act, 1914. The understanding is that these special issues of Dominion notes represented short loans to the banks to help move the crops and carry the special grain credits. They will doubtless be cleared off or greatly reduced early in 1918 when the crop financing is completed.

In connection with the bank note issues, it was expected that a considerable part of the expansion during the fall of 1917 would be in the form of the so-called emergency currency, which is uncovered by specific security and subject to tax at 5 per cent. In 1916 the extra currency for crop moving purposes was provided nearly altogether by means of bank issues against deposits of gold and legal tender Dominion notes in the central gold reserves. Only in one month of 1916—October—did the uncovered and specially taxed excess issues of the banks rise above the $1,000,000 level. The following table shows that while the taxed excess notes in 1917 reached larger figures than in the preceding year, they still represented but a small proportion of the excess issues covered by gold and legal tender deposits.

THE BANK OF NOVA SCOTIA

(INCORPORATED 1832)

CAPITAL PAID-UP
$6,500,000

RESERVE FUND
$12,000,000

Total Assets Over $120,000,000

GENERAL EXECUTIVE OFFICES: TORONTO

H. A. RICHARDSON, General Manager J. A. McLEOD, Asst. General Manager

	Dec 31st, 1911	*Dec. 31st, 1914*	*Sept. 30th, 1917*
CAPITAL PAID-UP - -	**$ 3,984,790**	**$ 6,500,000**	**$ 6,500,000**
RESERVE FUND - -	**7,474,447**	**12,000,000**	**12,000,000**
DEPOSITS - - -	**47,773,873**	**69,502,764**	**92,721,713**
TOTAL ASSETS - -	**63,271,190**	**95,733,670**	**123,662,297**

BRANCHES IN CANADA

30 in Nova Scotia	**7 in Prince Edward Island**	**33 in New Brunswick**
10 in Quebec	**64 in Ontario**	**14 in Western Provinces**

NEWFOUNDLAND

Bay Roberts, Bell Island, Bonavista, Bonne Bay, Brigus, Burgeo, Burin, Carbonear, Catalina, Channel, Fogo, Grand Bank, Harbor Grace, Little Bay Islands, Old Perlican. St. John's, East End St. John's, Twillingate, Wesleyville.

WEST INDIES

CUBA—Havana PORTO RICO—San Juan

JAMAICA—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, St. Ann's Bay, Savanna-la-Mar, Spanish Town.

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FRANCE—Credit Lyonnais

UNITED STATES—The Bank of New York, N.B.A., New York; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Merchants National Bank, Boston; Citizens National Bank, Baltimore; First and Security National Bank, Minneapolis; Canadian Bank of Commerce, San Francisco; First National Bank, Seattle

Special facilities for making prompt collections in Canada, Newfoundland and the West Indies

Bank Circulation.

	Excess issues.	Covered by deposits in central gold reserves.	Subject to tax at 5 per cent.
1915—			
September	$ 4,438,239	$ 3,496,942	$ 941,297
October	12,837,039	11,122,001	1,715,038
November	13,202,829	11,453,414	1,839,415
December	11,523,136	10,197,315	1,325,821
1916—			
January	5,333,120	5,104,792	228,328
February	6,863,784	6,578,018	285,768
March	8,814,226	8,456,865	357,361
April	11,150,446	10,516,718	633,728
May	8,569,032	8,440,532	128,510
June	14,056,328	13,538,863	517,465
July	14,132,506	13,578,852	553,654
August	13,886,269	13,424,681	461,588
September	23,553,740	22,697,457	856,283
October	32,029,379	30,821,079	1,208,300
November	34,906,083	34,150,019	756,064
December	35,680,490	35,088,664	591,826
1917—			
January	22,451,726	22,367,353	84,373
February	27,079,212	26,118,762	960,450
March	36,694,225	33,436,859	3,257,366
April	34,328,376	33,689,310	639,066
May	31,469,381	30,839,093	630,288
June	45,120,594	41,484,249	3,636,345
July	44,150,334	43,086,958	1,063,376
August	46,302,806	45,245,520	1,057,286
September	66,028,747	61,684,768	4,343,979
October	76,628,658	72,245,713	4,382,945

On that portion of their circulation which is covered by deposits in the central reserves, the banks make no profit. It is in no sense whatever a "loan from the public." On the other hand they might conceivably make a small profit, after paying the 5 per cent. tax, through lending the proceeds of "emergency" note issues for short dates to western farmers at 7½ or 8 per cent. Over and above the tax and the expenses incidental to the issue and redemption of the notes, there might be a small margin. However, while the banks' policy of keeping their extra issues of notes well covered by cash in central reserves does not directly yield them profits, there is no doubt that it contributes importantly to prevent inflation and keep the Canadian currency sound. The Bank Act gives them authority to issue something like $34,000,000 of excess notes subject to the 5 per cent. tax, without pledging security. Up to the end of September they had only used $4,343,979 of such issues.

On carefully considering the general subject of the currency expansion, one is led to the conclusion that when the inevitable contraction ensues, after the present abnormal conditions have passed away, the banks can meet it easily and comfortbly if they continue to have a large proportion of their extra issues represented by deposits in the central gold reserves.

Large Advances Made by Canada to Great Britain

Since the Outbreak of War to Date the Total Exceeds $400,000,000—Money Was Used to Purchase Here Munitions, Cheese, Meats, Etc.

According to a statement furnished to *The Monetary Times* by the department of finance, Ottawa, in November, the following was the position of our account with Great Britain on October 31st last:—

Advances Made to Imperial Government by the Dominion of Canada from August, 1914, to October 31, 1917.

Advances made to Imperial Munitions Board, Ottawa	$350,000,000.00
Advances made by the various departments for hay, oats, fish, harness and saddlery, ship construction, cheese, etc., "outstanding".	53,000,000.00
	$403,000,000.00

Advances Made by Imperial Government to Dominion of Canada in London.

Deposited in Bank of Montreal London	$378,584,160.27
Converted into dollar bonds	107,612,029.53
	$270,972,130.74
Net amount in favor of the Dominion	$132,027,869.26

Cheese and Bacon.

Not only is the Dominion government supplying money to the Imperial treasury for the production of munitions in Canada, but it is by reason of the action of the Dominion treasury in financing the Imperial treasury that the dairymen of Canada to-day are able to sell their cheese to the British cheese commission. For many years the cheese industry of Canada has been built up by reason of the export market which existed in Great Britain. If the Dominion government had not undertaken to supply the $40,000,000 which represents the value of Canada's export cheese, the dairy farmers of this country would not to-day be able to sell their cheese in Great Britain, and there is no market to-day for that cheese in the United States. The dairy farmers of Canada, by reason of the action of the Dominion government in furnishing that $40,000,000, are deriving over 21 cents per pound for their cheese. The Dominion treasury, therefore, since July, 1917, has undertaken to furnish $25,000,000 per month and more for munitions, and in addition has undertaken to supply $40,000,000 for the purchase of cheese by the British cheese commission in Canada, and some $10,000,000 additional for purchases made for the War Office account by the department of agriculture. The British government may also require some assistance in connection with the purchase of Canada's bacon.

How the Account Stands.

It is not sufficient to say that these operations are a set-off to the expenditures made by Great Britain for Canada in respect of our troops overseas. Canada has been able since the beginning of this war not only to pay her own way, but to give Great Britain a sum exceeding $100,000,000 towards the prosecution of the war, through the purchase of munitions and supplies in this country. Since the outbreak of this war, as noted above, the Dominion government has advanced in cash and securities, which securities were pledged in New York and furnished the basis of an Imperial credit there, over $400,000,000. The Canadian government issued to the Imperial treasury about $100,000,000 of 3½ and 4 per cent. securities maturing in 1928 and 1945, in liquidation of advances made by the Imperial government. The Imperial government pledged those securities in New York and used them along with other securities as the basis of a large loan which they raised there in the period preceding the entry of the United States into the war.

We have given them the securities, and we pay the interest because the securities are given. There is an adjustment of interest on both sides. We charge interest here, and they charge interest there. Canada had advanced in cash and securities to October, 1917, $132,000,000 more to Great Britain than Great Britain has advanced to Canada since the outbreak of this war. So far as the munitions industry is concerned, the Dominion government was furnishing last fall more money per month than it had furnished since the war began.

Advances Arranged in October.

At the end of September, arrangements were completed by the government with the banks for advances of $100,000,000 for wheat purchases. The banks advanced the money for the payment of the wheat at western points of delivery, and held the wheat as security until it reaches the seaboard. At the seaboard the British government, through the Wheat Ex-

The Merchants Bank of Canada

HEAD OFFICE - MONTREAL

PAID-UP CAPITAL - -	*$7,000,000*
RESERVE FUNDS - -	*7,421,292*
TOTAL DEPOSITS - -	*92,102,072*
TOTAL ASSETS - - -	*121,130,558*

BOARD OF DIRECTORS

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F. ORR LEWIS
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A General Banking Business Transacted

236 Branches and Agencies in Canada
Extending from the Atlantic to the Pacific

Savings Department at all Branches
Deposits received and Interest allowed at best current rates

NEW YORK AGENCY : 63 and 65 WALL STREET

The Standard Bank

OF CANADA

Established 1873

Capital Authorized - -	$ 5,000,000.00
" Paid up - - -	3,413,820.00
Reserve Fund and Undivided Profits	4,567,413.00
Total Assets - - - over	73,000,000.00

130 BRANCHES THROUGHOUT THE DOMINION

Head Office
15 KING STREET WEST
TORONTO

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General Manager

J. S. LOUDON,
Asst. Genl. Manager

Buy and Sell Foreign Exchange and Cable Transfers.
Issue Commercial and Travellers' Credits and Cheques, negotiable in all countries.
Make Collections in all the Provinces, United States, Europe and the Orient, at most favorable rates.
Assure prompt and efficient service.

Savings Bank Department at all Branches

Correspondence Invited

port Company, accepted the wheat and repaid the banks. The credit thus advanced was a short-term one, lasting until December, 1917, and gradually relieving the strain on the banks during the heavy financing period of the crop movement. Advantage was taken of the increased circulation allowed the banks under the bank act.

Later, when the deposits begin to flow into the banks again from the farmers who have realized on their crops, the banks will be in a position to advance further credits, and the Canadian government may then be able to meet the wishes of the Imperial government and relieve it of the necessity of paying cash for wheat when delivered at the seaboard.

The temporary arrangement for partial financing of wheat purchases in Canada was agreed to by Lord Reading, representing the British government, during a conference with Sir Thomas White in Washington.

Strain on the Banks.

Commenting on these special wheat credits, Mr. Victor Ross, the Toronto financial writer, said at the time:—"The special credits to the agents and representatives of Great Britain would to a considerable extent replace the loans and advances ordinarily made to their regular customers. When consideration is given to this point the proposed credit does not appear quite so burdensome. Local grain dealers and the big elevator companies will handle the produce in some respects exactly as in previous years. That is to say, they will buy it from the farmers, pay cash for it, and ship it to the terminals.

"These operations will thus necessitate banking credits, but the credits will likely be nearly altogether in the form of sight and demand drafts on Winnipeg and other centres of the grain trade. The total amount outstanding in this way will undoubtedly be much less than the aggregate of grain loans usually carried by the ordinary customers during the active season. So if the stuff moves promptly forward by export and if the special credits are then liquidated, the banks should be able to carry the load in satisfactory manner.

Packing Products and Cheese.

"The same considerations would apply more or less to the credits for British purchases of packing house products, cheese, butter, etc. If the loans are concentrated on the name of the British government there will be a large reduction in the amount of loans carried by the packing houses and wholesale dealers in and exporters of dairy products. Probably under the new system the interest rates applying to the bank loans will be lower than usual. The government demands the finest rates, whereas the ordinary customers pay the market rates obtaining in the localities or centres where they operate. The rate of discount applying to the accounts of the smaller operators would be sensibly higher than the government's rate.

Last fall, millers stated that the most serious obstacle to be overcome in their trade was the securing of sufficient funds to buy flour to meet Britain's needs. The mother country is unable to pay cash for the commodity, and while American capital could probably be furnished with facility, millers stated this would be supplied only for wheat exported to the United States and ground in American mills. In view of the large credits which the banks have already advanced for the movement of the grain crop and the purchase of produce and provisions, in addition to the war needs which the Canadian public furnished in connection with the November war loan, the providing of additional capital to take care of the export of flour was considered a serious problem.

How it is Done.

When the war commenced, funds for its conduct, so far as Canada was concerned, were advanced by the British government, £2,000,000 monthly. This continued for about seven months. It was intended to issue long-term loans in London at a later date to repay these war advances, but a different arrangement was formulated in August, 1916.

When the national revenue commenced to improve early in 1915 and loans were successfully floated on this side of the Atlantic, the Dominion became able to finance its war expenditure in Canada, and also to assist the British government in financing here its purchases through the Imperial Munitions Board. Since then, the Dominion finance department has borrowed from the Imperial treasury only the amount represented by our expenditures in Great Britain and at the front.

Then an arrangement was made by which the Dominion government will pay off from time to time its temporary indebtedness to the British government by the issue to the Imperial treasury of Dominion bonds bearing the same rate of interest and having the same maturities as the issues of the Imperial government from the proceeds of which the advances have been made. The amount of the bonds will be calculated, having regard to the issue price of the imperial securities. In other words, the Dominion government is, without any flotation expenses, funding its temporary indebtedness by the sale of its bonds to the Imperial treasury, bearing interest at the favorable rate at which the Imperial government has been able to borrow in the London market since the outbreak of the war. The Dominion government bonds will be payable in dollars, and all necessary adjustments of exchange will be made.

The finance minister had in view the purpose of clearing up by the issue of permanent securities the floating indebtedness of the Dominion and at the same time providing the Imperial government with the best of collateral for banking advances. The Dominion securities will not be sold, but will continue to be owned by the Imperial government. In this way, very close financial relations have been established between the two governments.

As to the Future.

This financing plan raises interesting speculations. Apparently the bonds are given to the Imperial treasury, and the Bank of England charges up to the Imperial government account the temporary loan originally made to the Canadian finance department. The original loan was in pounds sterling, but the long-term bonds substituted therefor are in dollars. This arrangement will materially reduce loans shown by the Bank of England. As the newly-issued bonds are drawn in dollars, the intention probably is ultimately to find a market for them on this side of the Atlantic instead of placing them in the hands of British investors at the conclusion of the war. Meantime they will be in convenient form for use in New York. It is not improbable that when conditions suit London, New York and Ottawa, the bonds will be partly distributed in the American investment field.

Bankers suggest also that the Dominion bonds which were taken by the Imperial treasury last year may be used to some extent to offset or cancel a like amount of British treasury bills held by the finance department here and by the Canadian chartered banks.

During the fall of 1915, an arrangement was made with the British government for a total authorized loan of £30,000,000 to be availed of, if necessary, at the rate of £2,500,000 a month during 1916. That arrangement ensured financial stability for the year, but the government used this provision to a very slight extent.

A new Swiss loan of $30,000,000 at 5 per cent. will be issued in January. The cost of Swiss mobilization to date amounts to $250,000,000.

We have no data as to the banking situation in Germany beyond the statement of the Imperial Bank. It shows that the note issues of the bank have gone up from about $470,000,000 at the outbreak of the war to $1,300,000,000 in 1915, $1,700,000,000 in 1916 and $2,100,000,000 in 1917.

An Amsterdam dispatch says that Swedish merchants are taking advantage of premium on Stockholm exchange in Amsterdam by making large purchases of Dutch shipping shares. The gold supply of the Bank of Netherlands has increased from 162,000,000 guilders at the outbreak of the war to 700,000,000 guilders.

For the convenience of subscribers to the Victory Loan and of the banks handling the large transaction, the finance department agreed that payments due on January 2nd, 1918, could be made at any time up to and including January 11th. The extension of time was given in order that subscribers might not be unduly detained waiting their turn in making their payments. It is particularly requested that subscribers will not wait until January 11th, or a day or so before, and thus create the situation sought to be avoided. For the convenience of subscribers banks will remain open on the evenings of Thursday and Friday, January 3rd and 4th, and in the afternoon of Saturday, January 5th. Evening hours from 7.30 to 9.30; Saturday afternoon from 2 until 6 o'clock.

ESTABLISHED IN
1836

THE

INCORPORATED BY ROYAL
CHARTER IN 1840

Bank of British North America

Paid-up Capital, $4,866,666.66 **Reserve Fund, $3,017,333.33**

HEAD OFFICE: 5 Gracechurch St., London, E.C. 3—Capt. JACKSON DODDS, Secy. W. S. GOLDBY, Mgr.

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J. H. BRODIE E. A. HOARE FREDERIC LUBBOCK Major C. W. TOMKINSON

HEAD OFFICE IN CANADA: St. James Street, Montreal.—H. B. MACKENZIE, General Manager

ADVISORY COMMITTEE IN MONTREAL:—SIR HERBERT B. AMES, M.P.; W. R. MILLER; W. R. MACINNES.

J. ANDERSON, Supt. of Branches. O. R. ROWLEY, Supt. of Eastern Branches, Montreal. J McEACHERN, Supt. of Central Branches, Winnipeg.
A. S. HALL, Inspector of Branch Returns, J. H. GILLARD and N. V. R. HUUS, Inspectors.

BRANCHES IN CANADA

Agassiz, B.C.
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Belmont, Man.
Bobcaygeon, Ont.
Bow Island, Alta.
Brandon, Man.
Brantford, Ont.
Bromhead, Sask.

Cainsville, Ont.
Calgary, Alta.
Campbellford, Ont.
Ceylon, Sask.

Darlingford, Man.
Davidson, Sask.
Dawson, Yukon
Duck Lake, Sask.
Duncan, B.C.

Edmonton, Alta.
Esquimalt, B.C.
Estevan, Sask.

Fenelon Falls, Ont.
Fredericton, N.B.

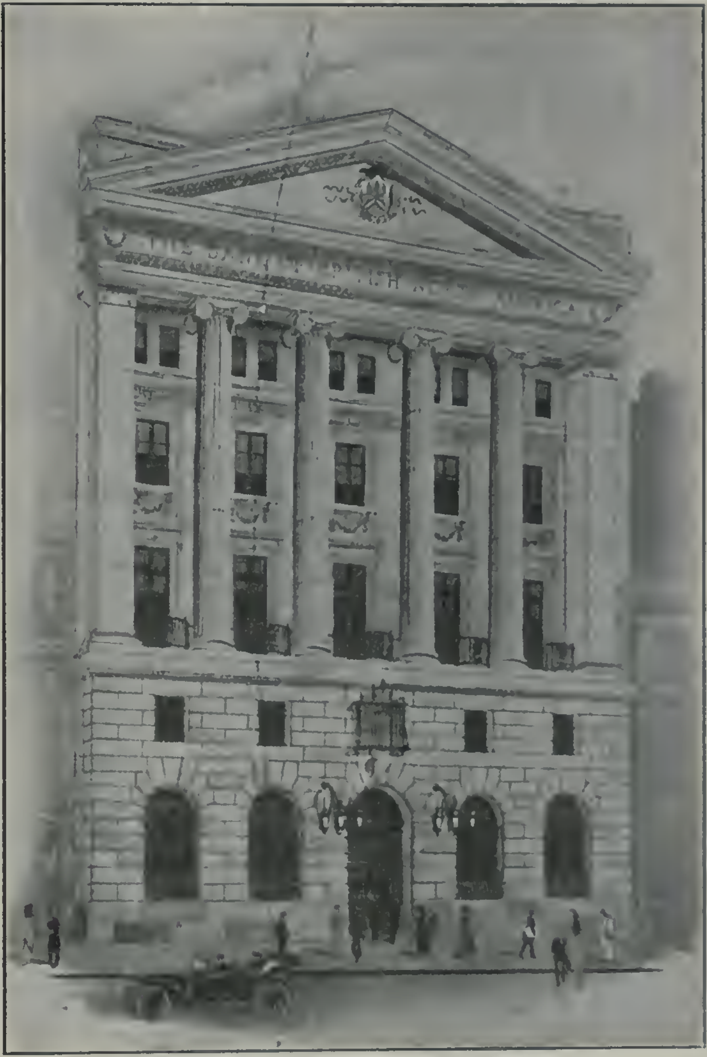
Girvin, Sask.

Halifax, N.S.
Hamilton, Ont.
" Victoria Ave.
" Westinghouse Ave.
Hedley, B.C.

Kamsack, Sask.
Kandahar, Sask.
Kaslo, B.C.
Kelliher, Sask.
Kerrisdale, B.C.
Kingston, Ont.

Lampman, Sask.
Lillooet, B.C.
London, Ont.
London, Market Sq.
Longueuil, P.Q.

Macleod, Alta.
Midland, Ont.
Montreal, P.Q.
Montreal, Rosemount
Montreal, St. Catherine Street



BRANCHES IN CANADA

North Battleford, Sask.
North Vancouver, B.C.

Oak River, Man.
150 Mile House, B.C.
Ottawa, Ont.

Prince George, B.C.
Prince Rupert, B.C.
Punnichy, Sask.

Quebec, P.Q.
Quebec, St. John's Gate

Raymore, Sask.
Regina, Sask.
Reston, Man.
Rhein, Sask.
Rossland, B.C.
Rosthern, Sask.

St. Catharines, Ont.
St. John, N.B.
St John, N.B., Haymarket Square
St. John, N.B., Union St.
St. Stephen, N.B.
Saltcoats, Sask.
Saskatoon, Sask.
Selkirk, Man.
Semans, Sask.

Toronto, Ont.
Toronto, Ont., Bloor and Lansdowne
Toronto, Ont., King and Dufferin Sts.
Toronto, Ont., Queen St. E. and Beech Ave.
Toronto, Ont., Royce Ave.
Trail, B.C.

Vancouver, B.C.
Verdun, P.Q.
Victoria, B.C.
Wakaw, Sask.
Waldron, Sask.
Weston, Ont.
West Toronto, Ont.
Winnipeg, Man.
Winnipeg, McGregor and Selkirk Ave.
Wynyard, Sask.

Yorkton, Sask.

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BOSTON—Merchants National Bank.
MINNEAPOLIS—Scandinavian-American National Bank
ST. PAUL—First National Bank.
CLEVELAND—Union National Bank.
SAN FRANCISCO—264 California St.—A. G. Fry & A. S. Ireland, Agents
CHICAGO—Merchants Loan and Trust Co.
SEATTLE—Dexter Horton National Bank.
PORTLAND, ORE.—Ladd & Tilton, National Bank.

FOREIGN AGENTS

LONDON, Eng.—The Bank of England and Messrs. Glyn & Co.
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SCOTLAND—National Bank of Scotland, Ltd.
IRELAND—National Bank, Ltd.; Provincial Bank of Ireland, Ltd
AUSTRALIA—Bank of New South Wales; Union Bank of Australia, Ltd.
NEW ZEALAND—Bank of New South Wales, Union Bank of Australia, Ltd.
SOUTH AFRICA—Natal Bank, Ltd.; National Bank of South Africa, Ltd.; Standard Bank of South Africa, Ltd
SOUTH AMERICA—London & River Plate Bank, Ltd.; British Bank of South America, Ltd.
FRANCE—Credit Lyonnais.
INDIA, CHINA & JAPAN—Mercantile Bank of India, Ltd.; Hong Kong and Shanghai Banking Corporation.
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SAVINGS DEPARTMENT AT EVERY BRANCH

METRIC SYSTEM ADVOCATED

Present Complexities Cause Confusion and Errors and Help Fraud

BY HENRY LYE.

The metric system involves the use of decimals in all computations and statements of weights, measures and measurements. It is founded upon a unit of length, termed the metre or measure, from which the units of mass (gram) and capacity (litre) are derived. It has been the subject of investigations and recommendations by legislators, commissions and economists for more than two hundred years. It is now legalized by more than two-thirds of the civilized nations of the world. It must be learned by all those who attempt to trade with foreign peoples, or who wish to understand the day-by-day news of foreign countries. We, however, are not yet fully reclaimed from the barbarous usages of our predecessors, because we never effect any reforms until they are forced upon us.

It is about sixty years since the present currency of dollars and cents was introduced in Canada. We have not advanced any further in simplifying our dealings with other people or amongst ourselves, but are being overwhelmed by the independent accounting of every new invention in mechanics or discovery in science.

Confounded by Simplicity.

We are confounded by the simplicity of the metric system and its natural adaptation to every requirement of weights, measures of capacity and measurements of length or mass. We prefer that our medical men adhere to their dog-Latin and their antiquated forms of prescriptions. We look with awed admiration upon the fe-fo-fums of our law courts, with their fiery faces, their nicey-pry-into-us and other terms as absurd as were their wigs. We send representatives to parliaments, which, instead of law and equity, give us statutes requiring continuous amendments, so called, until they are finally repealed. We have as many varieties of bushels as we have of farm products, as many different gallons as we have of liquids to fill them. We measure our horses by "hands," regardless of the differences between those of my lady and those of her man-servant or maid-servant. We are confused by our coal dealers, who give us 2,000 pounds instead of the 2,240 pounds of our tons. We still hear the prices of some of our purchases as being "two bits," and have not fully emerged from the era of York shillings. We still subscribe guineas, although the corresponding coins are obsolete. We still take three barley-corns as the unit of length. Our land surveyors, whilst using the chain of 100 links, still give us "acres," roods, perches and feet and inches. Our artizans and mechanics have yet to struggle with duo-decimals, whilst lumber and shingles are sold by the thousand. Everywhere we are met by different forms of computations, because we prefer ruts to roads. Not only do these complexities cause confusion and errors, but they give opportunities for frauds and deceptions, which are, too often, perpetrated at our expense. The "errors" are not always unintentional in ordinary business matters, but we stolidly submit to a state of affairs which ought to be abolished.

Most of our school books appear to have originated in jobbery and corruption, and to have been compiled for the purpose of preventing the proper education of our children. Every year we suffer our children to be loaded with books containing refinements and reductions as absurd as those of the schools of Salemo as described in the Golden Legend, whilst the poor students are wearied by "home work" and prevented from healthy recreations by involutions and convolutions, for which neither teachers nor scholars can find practical uses, and which will be altogether forgotten in after years. We are acting the part of Rehoboam in allowing this state of affairs, with its temptations to compilers and publishers, whilst we know that good, old Lindley Murray sufficed for our most famous scholars in the study of grammar.

Every child should learn the multiplication table to 100 × 100, and should be taught so thoroughly as to comprehend the relation of subtraction to addition and of division to multiplication as being obverse (the writer learnt the multiplication table to 1,000 × 1,000, enabling him to save years of work in investigation of accounts, inventories and invoices, as well as to check erroneous statements in evidences, which, being corrected whilst the witnesses were in the box, prevented the success of falsehood and perjury). This course of arithmetic, in conjunction with neat writing, correct punctuation and the correct reading and pronunciation of the poems of Tennyson and Longfellow, should suffice for the ordinary requirements. All further education should be for adaptation in the special avocations to be followed in life. The pupils, from childhood to youth, should be freed from incumbrances, which, by taking up time, hinder their proper and necessary education. These incumbrances would no longer exist if we adopted the metric system in all our dealings in respect to weights, measures and measurements.

Utility is true beauty. That which is not useful is either a luxury or a burden, which should not be imposed upon anybody. The useful should be furnished to everyone, so that each one may be fitted for the stern warfare of life for the general good. Therefore, the metric system, so simple in form and so universally applicable, should be at once established among us, and all the useless absurdities and complications of our present system (sic) of weights, measures and measurements abolished. We would then know the prices of everything we buy or sell and would look to the quality more closely.

Commissions of Inquiry.

This is a matter for our honest business men—for parents and guardians. Legislators have been fooling with commissions of inquiry for the last two hundred and fifty years, but have shirked their plain duty in the matter, contenting themselves with expediencies and emergencies, except some special matter is forced upon them and an election is in sight, or, seeing that so many abuses could be shattered by one blow, they make excuses of difficulties which do not exist in fact, forgetful of the dicta of Abraham Lincoln, who dispelled the perplexities of the financiers and commissioners met for the purpose of discussing the resumption of specie payments after the Civil War in the United States by the remark that "the proper way to resume is to resume."

Why do we lag behind nations and peoples whom we are apt to regard as our inferiors? Is it because we are really less competent, or less honest, or unable to comprehend that which is so simple as not to need abstruse complexities? We are enjoined to be economical and efficient, but are not freed from the hindrances which waste our time and money.

RATIO OF METALLIC RESERVE TO NOTE ISSUES

Since the outbreak of the war the volume of circulating notes issued by the world's leading banks has greatly expanded, and, although the stock of gold held against the obligations has likewise increased in most cases, the ratio of metallic reserves to note issues has been steadily declining. In the case of the banks of neutral countries, the ratio has greatly increased. The following table gives the percentages for 1914 (at the outbreak of the war), for 1916 and for 1917:—

	Per cent. 1914.	Per cent. 1916.	Per cent. 1917.
Bank of England	75.3	61.1	61.5
Bank of France	71.3	30.4	27.5
State Bank of Russia	102.6	22.8	12.7
Bank of Italy	56.4	30.7	21.3
German Reichsbank	52.5	34.7	31.4
Bank of Netherlands	54.8	84.7	82.8
Riksbank, Sweden	48.0	...	44.2
Norges Bank, Norway	43.9	49.5	44.2
National Bank of Copenhagen, Denmark	61.7	59.5	64.8
Bank of Spain	66.5	85.4	93.4
Swiss National Bank	46.2	80.5	72.6
Bank of Japan	61.1	75.5	94.5

Upon the average, fire occurs every year in one out of every eighty buildings in cities and towns. Fire prevention is concerned, therefore, not only with the erection of new buildings, but with what is of equal or even greater importance—correction of the worst faults in existing buildings so that they may be less liable to destruction.

ESTABLISHED 1875

IMPERIAL BANK
OF CANADA

CAPITAL PAID-UP, $7,000,000 **RESERVE FUND, $7,000,000**

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127 Branches throughout Canada

A Complete Banking Service for Farmers, Grain and Cattle Dealers, Merchants, Manufacturers, Municipalities

AGENTS IN ENGLAND AND SCOTLAND:

Lloyds Bank, Limited and Branches
Commercial Bank of Scotland, Limited and Branches

Agents and Correspondents in all principal cities in United States.

Sterling Exchange Bought and Sold.

Savings Bank Department—Deposits received and Interest Allowed at Highest Current Rates.

Municipal and other Bonds and Debentures Bought and Sold.

NET PROFITS AND DIVIDENDS OF CANADA'S BANKS

BANK	1907 Net Profits	Dividend	1908 Net Profits	Dividend	1909 Net Profits	Dividend	1910 Net Profits	Dividend	1911 Net Profits	Dividend
	$	%	$	%	$	%	$	%	$	%
(1)Bank of Montreal	1,980,138	10	1,957,659	10	1,826,167	10	1,797,993	10	2,276,519	10
§Quebec Bank	300,011	7	281,057	7	252,771	7	278,926	7	276,392	7
Bank of Nova Scotia	681,709	12	559,577	12	604,123	12	662,302	12	815,519	13&14
(2)Bank of British North America	596,740	7	417,669	7	494,705	7	554,942	7	632,117	8
Bank of Toronto	586,635	10	582,156	10	579,471	10	589,656	10	677,964	11
The Molsons Bank	544,038	10	612,646	10	493,479	10	602,694	10	712,539	11
La Banque Nationale	252,360	7	279,121	7	266,661	7	257,917	7	262,513	7
3)Merchants Bank of Canada	961,660	8	738,597	8	831,159	8	1,057,140	8 & 9	1,179,581	9 & 10
Banque Provinciale du Canada	119,466	5	121,599	5	124,143	5	149,062	5	184,398	5
(4)Union Bank of Canada	642,748	7	401,013	7	407,541	7	451,620	7	662,437	8
Canadian Bank of Commerce	1,752,350	8	1,627,333	8	1,510,696	8	1,838,065	9	2,305,409	10
(5)Royal Bank of Canada	742,034	10	746,775	10	838,306	10	951,336	11&12	1,152,249	12
(6)Dominion Bank	635,235	12	641,318	12	620,927	12	659,300	12	704,045	12
Bank of Hamilton	384,708	10	360,308	10	382,332	10	422,090	10	443,506	11
(7)Standard Bank of Canada	186,097	12	283,065	12	342,258	12	373,208	12	381,601	13
(8)Banque d'Hochelaga	449,794	8	381,387	8	360,821	8	417,697	8	415,000	9
(9)Bank of Ottawa	443,288	10	429,879	10	421,065	10	532,353	10½	595,228	11
(10)Imperial Bank of Canada	719,029	10&11	721,175	11	743,524	11	702,508	11	841,692	11&12
(11)Home Bank of Canada	78,030	6	95,411	6	83,957	6	95,832	6	121,041	6
(12)Northern Crown Bank	....	.....	130,324	5	193,464	5	258,144	5	285,694	5 & 6
(13)Sterling Bank	50,091	5	64,146	5	92,832	5	96,825	5	107,876	5
(14)Weyburn Security Bank	....	.....	....	.....	....	.....	....	.....	26,682	2½

BANK	1912 Net Profits	Dividend	1913 Net Profits	D vidend	1914 Net Profits	Dividend	1915 Net Prnfits	Dividend	1916 Net Profits	Dividend
	$	%	$	%	$	%	$	%	$	%
(1)Bank of Montreal	2,518,409	10+2	2,648,403	10+2	2,496,452	10+2	2,108,631	10+2	2,200,471	10+2
§Quebec Bank	294,804	7	309,228	7	296,659	7	233,420	7	....	....
Bank of Nova Scotia	970,544	14	1,210,774	14	1,196,117	14	1,220,057	14	1,252,038	14
(2)Bank of British North America	678,506	8	689,745	8	536,577	8	328,595	7	546,346	7
Bank of Toronto	835,787	11+1	* 1,050,693	11+1	829,538	11+1	663,074	11	730,954	11
The Molsons Bank	684,779	11	694,356	11	608,196	11	556,193	11	582,356	11
La Banque Nationale	293,564	7	302,304	8	319,903	8	333,207	8	417,662	8
(3)Merchants Bank of Canada	1,338,844	10	(A) 533,653	10	1,218,694	10	995,431	10	950,713	10
Banque Provinciale du Canada	185,165	6	190,126	6	194,214	7	196,355	7	203,983	7
(4)Union Bank of Canada	706,832	8	750,095	8	712,440	8+1	659,688	8+1	651,183	8+1
Canadian Bank of Commerce	2,811,806	10+1	2,992,951	10+2	2,668,233	10+2	2,352,035	10+2	2,439,415	10+2
(5)Royal Bank of Canada	1,527,324	12	2,142,100	12	1,886,142	12	1,905,576	12	2,111,307	12
(6)Dominion Bank	901,529	12+2	950,402	12+2	925,364	12+2	805,123	12	893,502	12
Bank of Hamilton	495,860	11	498,273	12	485,265	12	424,274	12	442,525	12
(7)Standard Bank of Canada	462,079	13	555,095	13	621,463	13	563,401	13	580,230	13
(8)Banque d'Hochelaga	481,616	9	534,700	9	566,614	9	530,237	9	546,011	9
(9)Bank of Ottawa	640,220	11¾	706,740	12	620,691	12	531,268	12	591,205	12
(10)Imperial Bank of Canada	1,004,340	12	1,125,971	12	1,236,984	12	1,031,359	12	1,003,960	12
(11)Home Bank of Canada	140,030	6 & 7	167,125	7	163,929	7	133,406	5	217,059	5
(12)Northern Crown Bank	291,094	6	281,167	6	201,289	6	100,789	Nil	128,761	5
(13)Sterling Bank	113,400	6	114,200	6	115,111	6	145,290	6	161,270	6
(14)Weyburn Security Bank	63,135	5	54,917	5	48,354	5	53,844	‡10	82,149	5

(1) Prior to 1904 the Bank of Montreal's year ended in April. The profits during 1911 include $708,800 expended in premises and those of 1912, $511,000; in previous years these expenditures were deducted. 2% bonus since June, 1912.
(2) Figures for 1912 are from Jan. 1st to Nov. 30th inclusive.
(3) Profits for 1908 are for year ending Nov. 30th; previous years ended May 31st. 1913 figures are for 5 months ending 30th April. 1915 figures are for year April, 1915. Net profits for year ending April, 1916, $970,713. Dividend, 10%.
(4) 1907 figures are for 18 months from June 15th, 1906 to Nov 30th, 1907.
(5) 1912 figures are for 11 months; financial year changed.
(6) 1903 figures for 6 months ending Dec. 31st.
(7) 1908 figures are for 9 months only; date of financial year changed.
(8) 1905 figures for 18 months; 1907 figures include $175,000 premium on new stock.
(9) The financial year of the Bank of Ottawa ends on Nov. 30th.
(10) 1906 figures for 11 months ending 30th April, 1906. All other figures for year ending 30th April.
(11) Began business under name of Home Bank of Canada in 1906 and held first annual meeting in June of that year.
(12) 1912, profits are for 11 months.
(13) Sterling Bank has only been doing business since 1906.
(14) Weyburn Security Bank commenced business only in 1911.
‡ 5% cash dividend and 5% stock dividend.
* Including $200,000 debts recovered.
§ The Quebec Bank was purchased by the Royal Bank of Canada on Dec. 31st, 1916, and did not issue a statement showing the result of its business for that year. Dividends amounting to $191,450, being at the rate of 7% per annum, were paid during the year.
(A) Result of business for 5 months only.

REGULATION OF NEW SECURITIES ISSUES

An order-in-council was passed in December, 1917, under the authority of the War Measures Act upon the recommendation of the minister of finance by which new issues in Canada of bonds, debentures or other securities of any provincial, colonial or foreign government, municipality, commission, local government, institution, corporation or incorporated company can only be made or sold with the approval of the minister of finance by his certificate in writing.

The regulation also applies to any new issues or offering of shares, whether preferred or common, of any incorporated company.

It is expressly provided that nothing in the order-in-council shall affect the trading in bonds, debentures, securities or shares of capital stock heretofore issued and placed upon the market. In other words, the order applies only to issues made from this time forward. Provision is made whereby any issue or sale in contravention of the prohibition of the order may be restrained, and heavy penalities are provided for violation of the regulation.

The object of the order is to conserve the Canadian financial market for the issues of the Dominion government and to prevent the issues being made for purposes which may well be deferred until the end of the war.

MAXIMUM NAMED FOR MILLERS' PROFITS

After November 1st, 1917, the net profits of Canadian millers were limited to a maximum average of 25 cents on the milling of sufficient wheat to make a barrel of flour of 196 pounds and the offals produced in connection therewith, according to a regulation of the Canadian food controller. Mills are licensed and required to manufacture one or more of three standard grades of flour, which represent a higher percentage extraction than the white flour formerly in general use in Canada. Cash prices for these standard grades will be set from time to time. Mr. W. Sanford Evans is supervising the carrying out of the arrangements, co-operating with a special advisory committee of the millers.

THE DOMINION BANK

ESTABLISHED 1871

HEAD OFFICE, TORONTO

Capital Paid Up	$ 6,000,000
Reserve Fund and Undivided Profits,	$ 7,500,000
Total Assets, ...	$100,000,000

Sir Edmund B. Osler
President

W. D. Matthews
Vice-President

C. A. Bogert
General Manager

A. Pepler
E. A. Begg
Assistants to the General Manager

HEAD OFFICE OF THE DOMINION BANK

Corner King and Yonge Streets, Toronto

CHANGES IN COMPANIES ACT

Review and Analysis of the Amended Legislation Last Year

BY THOS. MULVEY, K.C.

In regard to recent amendments to the Dominion Companies Act, the various sections of the amending act may be readily grouped for the purposes of discussion as follows, reference being made to the sections of the principal act amended:—

1. Sec. 5—Interinsurance authorized.
2. Sec. 7A—Provisions for the creation of corporations without share capital.
3. Sec. 7B—Provisions for the creation of companies with shares without nominal or par value.
4. Sec. 13—Amendment limiting the required advertising of incorporation to one issue of the Gazette.
5. Sec. 43—Prospectus clauses.
6. Sec. 54—Reduction of capital.
7. Sec. 69—Registration of mortgages and charges.
8. Sec. 75—Consent to use name of a proposed director.
9. Sec. 92—Amendment of provision for investigation.
10. Sec. 94A and 105—Audit, annual meeting and annual statement to shareholders.
11. Sec. 106—Annual statement to department.

1. Interinsurance is a modern method of mutual insurance. It is usually brought about by a contract between persons or companies in the same class of business whereby the parties to the agreement agree to bear the loss which any of them may suffer by fire or other calamity. Under such a contract the parties insure each other. It is a contract of insurance. Section 5 prohibits a company incorporated under Part I. of the act to carry on the business of insurance. It can scarcely be said that one contract of interinsurance or several can be such as to be deemed the business of insurance. The question has, however, been raised in litigation in British Columbia and at least one of the Western States. This amendment is intended to set at rest any doubt of the capacity of a company under Part I. of the act to enter into this class of insurance. By section 15 of the amending act the capactiy of companies incorporated by act of parliament to which Part II. of the act is applicable is similarly dealt with.

Without Share Capital.

2. The Companies Act was drawn to provide only for the creation and control of business and profit-making enterprises. Charitable, philanthropic, professional, sporting and similar associations carrying on their purposes throughout the Dominion could be created by parliament alone. This was a cause of delay and expense. The large prospective numbers of war charities and returned soldier movements gave the impetus which produced the section. The main provisions are the following: Associations within the section are limited to these (a) carrying on operations in more than one province (b) without pecuniary gain, and (c) having objects of a national, patriotic, religious, philanthropic, charitable, scientific, artistic, social, professional or sporting character, or the like. Unlike business companies, corporations under this section must file by-laws controlling their operations. Such provisions of the by-laws as the applicants desire may be incorporated into the charter. All the by-laws are subject to the approval of the Secretary of State. By-laws incorporated in the charter may be changed only by supplementary letters patent, and other by-laws may not be amended or varied until the amendments are approved of by the Secretary of State. The necessity of this control is evident when it is considered that many of the associations created under this section are of a quasi-public character. It should be pointed out that the filing of bylaws has an important effect on the manner in which these corporations may deal with the public. By-laws, when filed in the department, are public documents, and public notice of them is thereby given.

Persons dealing with these corporations will be deemed to have notice of all such by-laws, and will be bound thereby. On the other hand, a company under the provisions of the act is not required to file by-laws, and no constructive notice of them can affect a contract of such a company. For instance, if the by-laws of a corporation under this section require a certain quorum of directors or trustees, a resolution at a meeting where there is not a quorum cannot bind the corporation. There would be no similar result if a company's by-laws required a quorum. On account of the control of these corporations being required to be set out in filed by-laws, many of the sections of the act are made inapplicable to corporations under this section. Existing corporations created by private act may be brought under this section.

Shares Without Par Value.

3. Section 7B introduces what may be considered a new class of companies. Heretofore the authorized capital of a company was required to be divided into shares of a specified amount. Take a company with a capital of $100,000 divided into 1,000 shares of $100 each. Each share is supposed to represent a value of $100. Under one possible circumstance is this true. In the usual case it is not true. It is a technical misrepresentation. The true value is one thousandth part of the value of the assets of the company after deducting liabilities. This section adopts the true value, and provides that no value is to be shown on the share certificate. The certificate indicates only the number of shares authorized to be issued and the number which it represents. The price at which they are issued is provided by the charter or by the by-laws of the company.

Beyond the advantage indicated there is this further. When a fresh issue of capital is required it is a business matter to determine what should be paid for each share. Under existing conditions a company is bound to sell its shares at par—a discount is illegal. For that reason an issue of fresh capital frequently necessitates a reorganization of the company by reduction of the capital to the value of its assets, or compels the issue of preferred shares. Similarly in an increase of the number of shares, they may be sold at an amount equivalent to the actual value of existing shares.

Companies with shares without par value have been created for many years past under the laws of several countries of continental Europe. In America the first suggestion on the subject was made by Mr. Francis Lynde Stetson, a prominent New York corporative lawyer, in the year 1892 at a meeting of the New York Bar Association. The method was included in the draft of the Federal Companies Senate Bill of 1910. The subject was discussed by Victor Muracett in the Hansard Law Review, 1913.

Par Value Not Essential.

This subject was dealt with in the report prepared for the president of the United States by the committee presider over by President Arthur T. Hadley, of Yale University, for the investigation of railway securities, and is discussed as follows:—

"We do not believe that the retention of the hundred dollar mark, or any other dollar mark, upon the face of the share of stock is of essential importance We are ready to recommend that the law should encourage the creation of companies whose shares have no par value, and permit existing companies to change their stock into shares without par value whenever their convenience requires it. After such conversion any new shares could be sold at such price as was deemed desirable by the board of directors, with the requirement of publicity as to the proceeds of the sale of such shares, and as to the disposition thereof, giving to the old shareholders, except in some cases of reorganization or consolidation, prior rights to subscribe pro rata, if they so desired, in proportion to the amount of their holdings.

"As between the two alternatives of permitting the issue of stock below par, or authorizing the creation of shares without par value, the latter seems to this commission the preferable one. It is true that it will be less easy to introduce than the other, because it is less in accord with existing business habits and usages; but it has the cardinal merit of accuracy. It makes no claims that the share thus issued is anything more than a participation certificate.

"The objections to the creation of shares without par value are two in number: First, that their issue will permit inflation by making it easy to create an excessive number of shares; and second, that it will produce a division of roads into two classes, those whose shares have a par value and those whose shares have not. The second of these objections does not appear to be a very serious one. There are

BANK OF HAMILTON

HEAD OFFICE : : HAMILTON

Capital Paid Up....................... $3,000,000 | Reserve and Undivided Profits $3,500,000

BOARD OF DIRECTORS

SIR JOHN HENDRIE, K.C.M.G., President. CYRUS A. BIRGE, Vice-President.
C. C. DALTON ROBT. HOBSON W. E. PHIN
I. PITBLADO, K.C. J. TURNBULL W. A. WOOD

Record of Progress—Statement to the Dominion Government (condensed) on Nov. 30th.

ASSETS	*1916*	*1917*
Cash on hand and in banks, etc.	$10,312,954	$13,816,189
Call Loans	3,844,635	3,199,104
Government Bonds, Debentures and Investments	7,846,777	14,273,309
Loans to Municipalities	1,187,505	1,345,010
Other Loans and Discounts	30,986,651	31,788,658
Premises, Real Estate, Mortgages and other Assets	2,865,092	2,903,714
Liabilities of Customers under Letters of Credit, as per contra	119,730	73,127
	$57,163,344	$67,399,111

LIABILITIES	*1916*	*1917*
Circulation	$ 4,409,351	$ 6,164,921
Government Balances	1,429,662	240,951
Bank Balances	635,935	447,630
Deposits	44,059,109	53,934,894
Acceptances under Letters of Credit, as per contra	119,730	73,127
To the Shareholders :—		
Capital, paid up	3,000,000	3,000,000
Reserve and Surplus Profits	3,509,557	3,537,588
	$57,163,344	$67,399,111

J. P. BELL, General Manager.

The Traders Trust Company

HEAD OFFICE - WINNIPEG

Authorized Capital - $500,000.00
Subscribed and Paid Up $131,000.00

J. B. NICHOLSON, President D. E. WILLIAMS, Vice-President
J. W. CAMPBELL, Secretary W. S. NEWTON, Treasurer
C. H. NEWTON, Director

Assignees, Executors, Administrators and Financial Agents

An Official Assignee for the Province of Manitoba

BANKERS : MERCHANTS BANK OF CANADA

Branch Office : BRANDON. A. A. Evans, Manager

(Empowered by Executive Council of Saskatchewan to act as an Assignee in that Province)

listed on the stock exchanges to-day, side by side with one another, shares of the par value of one hundred dollars, shares of the par value of fifty dollars, shares with very much smaller par value, and a few, like the Great Northern ore certificates, with no par value at all. The share sells in each case simply for what the public supposes it to be worth as a share. The danger of inflation deserves more serious consideration. We believe, however, that it is more apparent than real, because shareholders will be jealous of permitting other shareholders to acquire shares in the association except at full market value, and will not permit the issue of such shares to themselves at prices so low as seriously to impair the market or other value of their holdings. Shares, either with or without par value, and whether sold at par or above par or below it, should, except in cases of consolidation and reorganization, be offered in the first instance to existing shareholders pro rata.

Offers Special Facilities.

"The issue of stock without par value offers special facilities for consolidation and reorganization.

"Where two roads have consolidated whose shares have different market values, it has been the custom to equalize the difference by the issue of extra shares of the consolidated company to the owners of the higher-priced stock. This practice has always tended to produce increase of capital issues, and may readily cause the new stock to be issued for a consideration less than its par value. The only alternative was to scale down some of the old stocks; and this often involved serious difficulties, both of business policy and of law. By the simple expedient of omitting the dollar mark from the new shares the number can be adjusted to the demands of financial convenience without danger of misrepresentation or suspicion of unfairness to anyone.

"In the case of reorganization, the advantage of shares without par value is even more obvious. It is here that the necessity and justice of getting money from stockholders is greatest. It is here that the impossibility of getting them to pay par for new shares is most conspicuous. We believe that in such cases the public interest would be subserved and the speedy rehabilitation of the roads promoted by requiring the conversion of the common stock and encouraging the conversion of the preferred stock into shares without par value, the certificates simply indicating the proportionate or preferential claims of the holders upon assets and upon such profits as might from time to time be earned.

"All of these considerations seem to apply with equal force to the securities of railroads under state incorporations, and we believe the laws of the several states could with advantage be modified so as to provide for the issuance of stock without par value."

The section follows, with a few verbal changes, the amending act of the State of New York, 1912. Similar legislation has been adopted in Maryland, Delaware, California, Maine and, it may be, in several other states.

Advertising.

4. Under the act before amendment the incorporation of a company was required to be advertised in two issues of the Canada Gazette and four issues of a local paper. The latter advertising appears to have been a relict of former legislation. When the application for incorporation was required to be advertised by four insertions of a notice in a local newspaper before the petition was filed, there may have been a useful purpose in advertising. It is difficult to see the purpose of advertising afterwards. Section 13 is repealed and re-enacted so that one notice is required to be inserted in the Canada Gazette, and no further advertising is required.

Clauses in Prospectus.

5. The well-known prospectus clauses were first adopted in the Companies Amendment Act of the United Kingdom in 1900, improved in 1907, and consolidated in 1908. Similar clauses have been adopted in Ontario, British Columbia, Alberta and Saskatchewan. However, the clauses relating to the certificate to entitle the company to commence business and requiring a statutory meeting have not been included. Companies under the act may be divided as follows: (a) Private companies—that is, those restricting the right to transfer shares, limiting the number of shareholders, and prohibiting any invitation to the public to subscribe for shares or debentures. To such the clauses do not apply. (b) Companies which do not offer shares for public subscription. These companies are required, if they allot shares after January 1st, 1918, to file a notice in lieu of prospectus. (c) Companies which offer shares for public subscription. This last class must file a propectus as required by the clauses. Undoubtedly the clauses prohibiting a company commencing business until the minimum subscription is taken up and a certificate to do business issued were well intended; but the Canadian investing public does not appear to insist on compliance with them. They are, in common parlance, "side-stepped" in Ontario to such an extent as to be useless. The most important sections under this head are those which provide adequate responsibility by directors and others for statements made in the prospectus. Many of the provinces have enacted legislation requiring a prospectus to be filed by all companies, and respecting the right to recover damages which may be sustained by reason of untrue statements in such prospectus, and in some quarters it is suggested that such legislation applies to prospectuses issued on behalf of Dominion companies. There is reasonable doubt of the correctness of this suggestion. This amendment, however, adopts provisions similar to those of the provinces, and no doubt will supersede the provincial legislation.

Prior to the amendment a defrauded subscriber to shares or bonds was obliged to resort to an action for deceit, in which the defendant is liable for untrue statements, upon which the plaintiff acted to his damage. The rights of the plaintiff were limited both in the subject of his claim and the persons against whom the action could be brought. This amendment enlarges these rights of action and places the responsibility upon (a) directors at the time of the issue of the prospectus; (b) persons named as directors in the prospectus, or who have agreed to become directors; (c) promoters; and (d) persons who authorized the issue of the prospectus.

Reduction of Capital.

6. A difference of opinion arose in interpreting the sections of the act authorizing a reduction of paid-up capital. A doubt was expressed by an English judge in discussing the act of the United Kingdom of 1867 whether that act permitted a reduction where capital was repaid to shareholders. It was subsequently held in discussing the extent of authorized reductions that where capital was lost the authorized capital might be reduced, but not where capital was returned. It was further suggested that adequate protection was not afforded creditors where capital was repaid. The result of these doubts and differences of opinion was that companies were obliged to reorganize where unnecessary capital was found to be on hand. In order to allay these doubts the sections of the act of 1908 were adopted with verbal changes to harmonize with other provisions of the Dominion act with this exception.

Under the act of 1908 the application for authorization of a reduction of capital is required to be made to the courts. Under the amendment the application is to the Secretary of State. Adequate machinery for full protection of creditors is provided by directing that a list of all creditors must be disclosed with the application. If names of creditors are withheld, penalties are provided and rights preserved. Where the application provides for the repayment of capital to shareholders, the Secretary of State may direct that, pending the application, the words "and reduced" must be added to the name of the company whenever used, so that in the dealings of the company during that period due notice may be given that the authorized capital of the company is being reduced.

An important consequence of this amendment is that provisions may now be made for the redemption of preferred shares. This method of financing was first adopted under the Ontario act in 1907. It has been found to meet business requirements and to be more satisfactory than to provide capital by the issue of bonds.

Registration of Mortgages.

7. One of the most important provisions of the amendment is that which provides for the registration of certain charges and mortgages. This section follows verbatim the corresponding section of the act of 1908 with this exception, that the classes of mortgages and charges are more limited. The act of 1908 requires registration of the following:—

(a) A mortgage or charge for the purpose of securing any issue of debentures; or

THE MOLSONS BANK

INCORPORATED 1855

Capital Paid up - $4,000,000
Reserve Fund - 4,800,000

98 Branches
in Canada

A General Banking
Business Transacted

Savings Bank
Department

BOARD OF DIRECTORS:

WM. MOLSON MACPHERSON, *President* S. H. EWING, *Vice-President*
GEO. E. DRUMMOND WM. M. BIRKS F. W. MOLSON
W. A. BLACK E. J. CHAMBERLIN
EDWARD C. PRATT, *General Manager*

ESTABLISHED 1874

THE BANK OF OTTAWA

Head Office, Ottawa, Ont.

94 Branches in Canada

CAPITAL PAID UP $4,000,000
REST 4,750,000

Board of Directors:

Hon. George Bryson, President. John B. Fraser, Vice-President
Russell Blackburn Sir Henry H. Egan Alexander Maclaren Hon. Sir Geo. H. Perley
Sir George Burn Hon. George Gordon M. J. O'Brien E. C. Whitney
D. M. FINNIE, General Manager H. V. CANN, Assistant General Manager W. DUTHIE, Chief Inspector

Principal Correspondents:

LONDON
Parr's Bank Limited

NEW YORK
Bank of Montreal
National Bank of Commerce

BOSTON
First National Bank
National Shawmut Bank
Commonwealth Trust Co.

PHILADELPHIA
Girard National Bank

CHICAGO
Merchants Loan and Trust Co.

(b) A mortgage or charge on uncalled share capital of the company; or

(c) A mortgage or charge created or evidenced by an instrument which, if executed by an individual, would require registration as a bill of sale; or

(d) A mortgage or charge on any land, wherever situate, or any interest therein; or

(e) A mortgage or charge on any book debts of the company; or

(f) A floating charge on the undertaking or property of the company.

Book Debts to Banks.

The amendment omits (c), (d) and (e). Clause (c) is unnecessary in Canada. The provincial laws in all cases require registration in order to preserve priority. The same comment applies to (d). The omission of (e) is of doubtful expediency. No doubt the bulk of assignments of book debts in Canada are made to banks, and it would be a great hardship if assignments to a bank as collateral of book debts and accounts upon which drafts are made should be registered. There is undoubted need of clause (f). It has been decided by the Ontario courts that floating charges need not be registered either under Bills of Sale and Chattel Mortgage Acts or Land Registry Acts, and grave frauds could readily be carried out in this way. These mortgages and charges must be registered within thirty days. Where the property charged is out of Canada this period is extended by the time required for the ordinary despatch by post. Where through oversight, ignorance or accident charges or mortgages are not registered, the Supreme Court of the province of the head office of the company may give relief. The register of mortgages in the State Department is open to inspection, and the company itself must also keep a register of mortgages for inspection. Notice of the appointment of receivers under charges or mortgages must be given to the department. The priority of certain preferred clauses which obtain under the Winding-up Act are given in cases of receivership. Severe penalties are provided for impractice of the provisions of these sections. These sections are not operative until after January 1st, 1918.

Use of Names as Directors.

8. A frequent method of fraud is the naming of prominent persons as directors when it may be that they have not agreed to act, or agreed to do so only if the flotation is successful. To avoid this it is provided that a person named as a director in a prospectus or a notice in lieu of prospectus cannot be capable of acting in that capacity unless he is an incorporator of the company, or has signed a contract filed with the Secretary of State to take the qualificative shares, or has signed a consent similarly filed to act as a director.

Inspection.

9. These sections of the act respecting inspection of companies have been largely modified, and follow more closely the act of 1908. In that act, however, the holders of 10 per cent. of the issued share capital are required to petition the board of trade for the inspection. Under this amendment the petition may be made by such proportion of the shareholders as in the opinion of the Secretary of State warrants the application. The act as it formerly stood required the petition to be made by 25 per cent. to the court. The proportion of shareholders petitioning and the fact that the proceeding was in the nature of litigation rendered these possessions of little assistance to the minority shareholders.

Audit Annual Statement.

10. Under the act before amendments a company was not required to hold an annual meeting, nor to have a periodic audit of its accounts. If a meeting were held, a financial statement was required; but such a statement could be readily prepared to cloak rather than disclose the true financial condition of the company. Under this amendment an annual audit is required, and must be made by an auditor appointed at a shareholders' meeting. The annual financial statement must show a series of accounts. A comparison of the annual statements, having regard to each item of the account, should show from year to year the changes in the financial position of the company. These sections have been taken from the Ontario act passed in 1907. The items of the accounts required in the financial statement were suggested by the Ontario Institute of Accountants, and have met with general approval.

11. Under the act as it stood companies were not required to make annual or other periodic returns. Under section 106 the Secretary of State could ask for a return which, in very few instances, afforded information which was required. Once a charter had been issued from the department there was no official means of knowing whether the company had organized or gone into business. The names of directors or officers or adequate information of the corporate activity could not be obtained. The amendment requires annual returns to be filed in the state department showing certain defined statements regarding its position with respect to the issue of shares, bonds and debentures on the preceding 31st of March, and the names of directors and officers must be disclosed. This latter date is no doubt taken so that in any statistical compilations which may be preferred the period of the return may correspond to the fiscal year of the Dominion. The first return required must be made before June 1st, 1918.

The return is not so onerous as is required under similar sections of other jurisdictions. The list of shareholders is not required. Such a list is of little practical use. If the names of shareholders and the control of the company are desired to be kept secret, the ready means is at hand of placing the shares in trust or making transfers the day before the return is required or of issuing share warrants. If a creditor requires the information, it can be readily obtained in an examination of the judgment debtors. The filing of a financial statement seems to be purposely omitted. Such a statement should be for the shareholders only, and that is provided for. It would hamper business to require the copy of a balance sheet to be placed on a public file. Persons entering into a business transaction with a company are in a position to ask for a financial statement. This is the time it should be asked for, and when so demanded it gives legal rights which are not otherwise acquired. Penalties for neglectng to file this statement are enforced summarily by a magistrate and not by the ineffective *qui tam* action.

The amendments are an advance to a uniformity of company law approximating the act of 1908.

DOMINION NOTES CIRCULATION

Changes in the Law Since War Commenced—How the Figures Have Varied

In the war session of parliament of August, 1914, the power of issue of Dominion notes was increased by providing that the finance minister should hold gold to the amount of 25 per cent. of the Dominion notes issued up to a total issue of $50,000,000, and in regard to Dominion notes issued in excess of that amount, gold to be held equal to such excess. This legislation, which authorized an increase of Dominion notes from $30,000,000 to $50,000,000 without limitation or condition, left it open to the government to avail itself of the legislation at the time it was passed or at any later time. In other words, there was an integral change made in the Dominion Notes Act.

Denomination of Notes.

As regards denomination, notes of any denomination may be issued to make up the amount named. It may be wholly in ones, twos, or in fives or large legals, but it will be a combination of all. It is desirable that the total amount of free Dominion notes that should be outstanding at any time should not be materially in excess of the amount of notes of small denominations in the hands of the public. In other words, in order that the Dominion may be able to retire its notes in gold there should not be outstanding a larger amoun than is required from time to time by the community for its purposes. There is, however, a safeguard against any difficulty on that score. In the Bank Act there is a provision that the chartered banks of Canada must hold 40 per cent. of their cash reserves in Dominion notes. That being so, the amounts which the banks must hold under that legislation cannot come in for redemption.

The following table shows the course of the Dominion note circulation since a month before the outbreak of war.

National Trust Company

Limited

Executor **Administrator** **Trustee**
Guardian **Assignee** **Liquidator**

CAPITAL PAID-UP, $1,500,000 RESERVE, $1,500,000

President, SIR JOSEPH FLAVELLE, Bart.
Vice-Presidents, Z. A. LASH, K.C., and E. R. WOOD
W. E. RUNDLE, General Manager

BOARD OF DIRECTORS

Hon. Mr. Justice Britton
George H. Watson, K.C.
Chester D. Massey
Elias Rogers
Alexander Bruce, K.C.
H. C. Cox
H. H. Fudger
H. B. Walker
J. H. Plummer
Hon. Sir Edward Kemp, K.C.M.G.
Hon. F. H. Phippen, K.C.
Henry J. Fuller
F. W. Molson
T. B. Macaulay
W. M. Birks
E. M. Saunders
Sir John Aird
J. W. Woods
J. Harrington Walker
Thomas Findley

Head Office: 18-22 KING STREET EAST, TORONTO

Montreal Winnipeg Edmonton Regina Saskatoon London, England

THE

TORONTO GENERAL TRUSTS CORPORATION

This Corporation, established in 1882, has experienced a steady growth in Assets under Administration. Thirty-six years experience with a conservative financial policy has made it a strong and trustworthy institution. Authorized to act as

Executor **Administrator**
Trustee **Financial Agent**
Guardian **Transfer Agent**

Capital Paid-up, $1,500,000.00 Reserve, $1,850,000.00

Assets under Administration, $77,180,513.62

Let us Send You our Booklet, "A Talk with a Business Man."

The Toronto General Trusts Corporation HEAD OFFICE,
83 BAY STREET, TORONTO

Branches :— OTTAWA WINNIPEG SASKATOON VANCOUVER

The amount of gold held for redemption of the notes is also included, the figures being those at the end of the month:—

	Dominion notes outstanding.	Gold held for redemption of Dominion notes.
1914.		
June	$114,182,100	$ 92,663,575
July	112,793,838	91,735,584
August	114,866,864	89,133,510
September	136,505,324	89,249,876
October	148,792,222	89,354,392
November	160,964,599	89,284,216
December	162,395,231	89,317,018
1915.		
January	159,547,501	89,313,966
February	158,228,477	89,356,206
March	157,056,118	89,400,705
April	157,118,864	89,446,038
May	152,101,372	89,408,804
June	152,120,734	89,573,041
July	152,116,726	89,734,638
August	152,133,310	89,840,440
September	153,039,153	90,803,649
October	164,714,231	102,540,796
November	172,010,113	108,020,156
December	178,780,682	115,118,861
1916.		
January	179,301,003	115,147,985
February	179,523,993	115,318,081
March	177,943,131	115,743,094
April	175,680,987	114,243,788
May	175,679,782	114,172,696
June	175,497,175	114,071,032
July	174,807,743	113,877,073
August	174,533,077	113,759,019
September	174,302,958	113,690,728
October	174,634,619	113,687,359
November	178,840,064	114,172,586
December	181,047,531	114,131,731
1917.		
January	185,032,291	114,105,147
February	182,323,382	114,101,617
March	183,248,986	113,130,154
April	187,872,336	113,139,691
May	177,833,324	103,137,678
June	178,568,009	119,110,113
July	181,841,576	120,006,568
August	182,100,624	119,978,567
September	192,377,969	119,877,149
October	229,063,856	114,616,227

The Finance Act, passed at the war session held in 1914, provided for the issue of Dominion notes against a deposit of approved securities. The banks have availed themselves of this privilege. The amount of notes issued and outstanding under this heading, for example, on September 30th, 1917, amounted to $11,450,000, and on October 31st, 1917, to $53,620,000.

BANK LOANS ON LIVE STOCK

Legislation was introduced by Sir Thomas White at Ottawa last year amending the provisions of the Bank Act in regard to banks' loans to farmers on the security of live stock. Legislation of this nature was passed in 1916, but the machinery thus provided was found to operate unsatisfactorily and new methods were introduced accordingly. The legislation of 1916 required farmers to give as security for cattle loans either bills of sale or chattel mortgages, registered according to the laws of the provinces in which they were given. It was found in practice that many farmers objected to giving chattel mortgages, and, moreover, the drawing and registration of such instruments involve a certain amount of expense. The new legislation of 1917 permits the banks to make loans on live stock and take assignments of such stock in simple form. Any province may make provision for the registration of these liens by having them filed with the officials who file mortgages or bills of sale. Where the provinces do not take action to this end, the liens will, of course, be in the nature of secret liens. Sir Thomas White explained at the time that he had hesitated to extend the principle of secret liens, but the farmers had been asked to increase production and steps must be taken to help them.

FIFTY MILLIONS FROM TOURIST TRAFFIC

Before the War, It was Our Fourth Industry in Point of Value—Scope for Government Action

BY JOHN F. PIERCE

Under normal conditions the tourist traffic from the United States into Canada represents an industry of some fifty million dollars. Outside of the money which the tourist leaves with the transportation companies there are his hotel bills, incidental expenses, purchases from our merchants, which run into considerable money, more than one would ordinarily think, for the reason that $100 worth of wearing apparel may be taken back duty free, and in addition often elects to take back a considerable quantity of goods on which he is willing to pay duty as there are many articles which may be purchased in Canada at a great deal better value than it is possible to obtain them in the United States.

Added to this is the rolling stock that has to be arranged for and the outfitting of passenger steamers each year, so that altogether, it is a safe prediction to state that in good times fifty million dollars is spent in Canada in connection with the United States tourist industry, which was, prior to the advent of munitions, our fourth largest industry.

Fluctuations of Traffic.

This business, unfortunately, is subject to as many vicissitudes as the grain crop. Since the commencement of the war it has required most careful nourishing. During the seasons of 1911-1912-1913 travel was very heavy, and was also fairly heavy until the outbreak of the war in 1914. In 1915 it was cut almost to nothing because of the propaganda spread in the United States that it was necessary to procure passports. This was fostered largely by interests unfavorable to Canada, and also, it is firmly believed, as part of the German propaganda. However, with the help of our immigration department and strenuous efforts on the part of the transportation lines we were able to combat this, so that in 1916 travel was heavy The past year has been below our biggest years on account of the United States entering the war and the uncertainty as to the draft. However, one pleasing feature is the fact that Canadians have begun to appreciate their own scenic attractions, and to a large extent the shortage of the United States traffic was compensated for by the extra travel on the part of Canadians.

One of the greatest sources of revenue from United States tourist business is through the movement of large party organizations, such as the Shriners, Elks and Knights of Columbus, who all hold their conventions during the summer months. The large cities of Canada are neglecting golden opportunities in not making a concentrated effort to get after this business. The city of Philadelphia employs a convention manager, whose business is to do nothing else but solicit conventions to be held in Philadelphia. As an example: The Shriners have had as many as 50,000 people at their conventions, and there are several cities in Canada capable of handling them. Just to give an idea of the revenue in it, the Unitarian conference took place in Montreal during the latter part of September. There were 800 delegates present, and allowing for railroad fare, hotel bills, etc., an average of $100 spent by each delegate meant $80,000 brought into the country that would not have otherwise been spent.

Scope for Government Action.

It is felt that if the government would take some official action in encouraging this tourist business to come to Canada, that inasmuch as Europe is closed to the tourist, it would mean a large migration into Canada. The government spends large sums to encourage immigration, which is very desirable, but a still further sum should be spent to encourage the United States tourist industry. The transportation companies do all they can, but their efforts are looked upon, more or less, as mercenary and do not carry the same weight as government action would. The transportation companies are doing their part. The officials, while realizing that their first duty is to secure revenue for the organizations which they represent, feel that beyond this they are doing their bit towards cementing the friendship between the two great nations. They like to feel that they are in the front line trenches of the international boundary line of goodwill, realizing that Canada and its people will be judged to a

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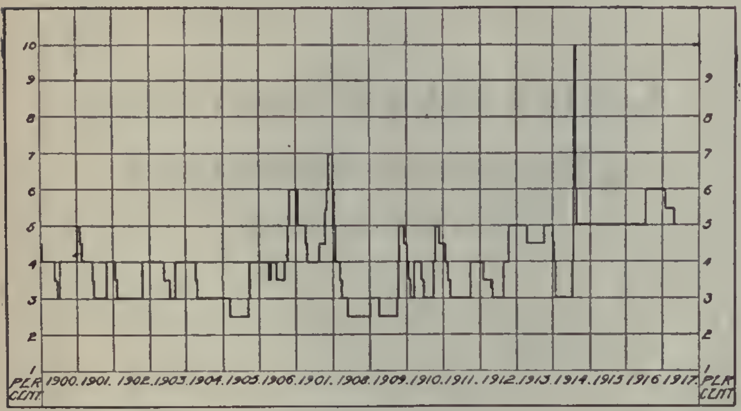
considerable extent by the treatment the tourists receive when coming in or going out, by its carriers. They are not alone, however, in this action, as there are many organizations in Canada to-day who are doing their best to entertain and look after the stranger within our gates, to see that he goes back with a proper impression of our great and growing country.

There is no doubt that Canada has more attractions to offer to the tourist than any one country in the world. There are countries in Europe that have certain specific attractions that are household words, but Canada, with a combination of mountains, rivers, lakes and cataracts, offers vacations of from an hour to a week's duration unequalled at a most moderate cost, even in these days of inflated values. Furthermore, these attractions should not be overlooked by our own people. It is all very well to say we have seen the Alps, or to talk about the Danube or the fjords of Norway, but if we are asked if we have seen the Rocky Mountains, Niagara Falls, or the Saguenay canyon, and have to admit that we have not, it is rather a reflection upon our own country. When an organization of Texas bankers, numbering 150, come all the way from Texas to view the scenic attractions, or a Maharajah from far-off India, there is not much excuse for our own people not taking advantage of the opportunities right at their door. I emphasize this point particularly, as during the summer months 75 per cent. of the tourist travel in and about Canada comes from the United States.

BANK OF ENGLAND RATE

Only Two Changes Were Made Last Year—Record of Changes Since 1899

The Bank of England rate was lowered from 6 per cent. to 5½ per cent. on January 18th, 1917, and again to 5 per cent. on April 6th. The rate was changed only once in 1916 from 5 to 6 per cent. This change was made on July 13th, and was the first since August 8th, 1914, when the rate was reduced from 6 to 5 per cent. The reduction of ½ per cent. in the bank's official rate of discount last January was due to the desire of British treasury authorities to aid the flotation of the new British war loan. The second change was due to the prospective financial assistance of the United States to the allies, no longer necessitating maintenance of high bank rates as a protective measure.



The following table compiled for *The Monetary Times*, gives the number of changes in the Bank of England rate for a series of years:—

Year.	Times lowered.	Times raised.	Total changes.
1917	2	.	2
1916	.	1	1
1915	.	.	.
1914	4	3	7
1913	1	1	2
1912	2	2	4
1911	1	3	4
1910	6	3	9
1909	2	4	6
1908	6	.	6
1907	3	4	7
1906	2	4	6
1905	1	2	3
1904	2	.	2
1903	2	1	3
1902	2	1	3
1901	5	1	6
1900	5	1	6

The Bank of England discount rate was raised in 1914 to 10 per cent. on Saturday, August 1st, three days before the war, having been raised from 4 to 8 on Friday, and from 3 to 4 on Thursday. The rate had stood at 3 since January 29th, 1914. These increases were made to conserve the gold holdings of the bank. The 10 per cent. rate had been equalled previously only on two occasions—in 1857 and 1866.

The fluctuations in order of severity from 7 per cent. to 5 per cent. at the Bank of England, have been as follows, the figures being in order, year, lowest rate per cent., highest rate and fluctuation: 1914, 3, 10, 7; 1866; 3½, 10, 6½; 1873, 3, 9, 6; 1858, 2½, 8, 5½; 1847, 3, 8, 5; 1861, 3, 8, 5; 1863, 3, 8, 5.

Details of Changes.

The following table gives details of the changes in the rate from 1899 to date:—

	Per cent.
1917—April 6	5
January 18	5½
1916—July 13	6
1915—No changes.	
1914—August 8	5
August 6	6
August 1	10
July 31	8
July 30	4
January 29	3
January 22	4
January 8	4½
1913—October 2	5
April 17	4½
1912—October 17	5
August 29	4
May 9	3
February 8	3½
1911—September 21	4
March 9	3
February 16	3½
January 26	4
1910—December 1	4½
October 20	5
September 29	4
June 9	3
June 2	3½
March 17	4
February 10	3
January 20	3½
January 6	4
1909—December 9	4½
October 21	5
October 14	4
October 7	3
April 1	2½
January 14	3
1908—May 28	2½
March 19	3
March 5	3½
January 23	4
January 16	5
January 2	6
1907—November 7	7
November 4	6
October 31	5½
August 15	4½
April 25	4
April 11	4½
January 17	5
1906—October 19	6
October 11	5
September 13	4
June 21	3½
May 3	4
April 5	3½
1905—September 28	4
September 7	3
March 9	2½
1904—April 21	3
April 14	3½
1903—September 3	4
June 18	3
May 21	3½
1902—October 22	4
February 3	3
January 23	3½
1901—October 31	4
June 13	3
June 6	3½
February 21	4
February 7	4½
January 3	5
1900—July 19	4
June 14	3
May 24	3½
January 25	4
January 18	4½
January 11	5
1899—November 30	6

After the war, trade and commerce will be for a time disorganized and new conditions will have to be met. In addition to conserving our present trade in natural and manufactured products, efforts must be made to increase Canadian trade in foreign markets, having particular reference to the markets of those countries with which we are at present allied. The senate last year appointed a committee to inquire into and report upon the best methods of conserving and increasing our domestic and overseas trade, to the end that our present prosperity may not unduly suffer when the stimulus resulting from orders for munitions and other war supplies is removed. The following is the committee: Hon. Messrs. Beaubien, Edwards, McLennan, Dandurand, Gillmor, and Frederic Nicholls.

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TWELVE MONTHS' BANK FIGURES (COMPARED)

	Circulation			Deposits on Demand			Deposits after Notice			Deposits Abroad		
	1914	1915	1916	1914	1915	1916	1914	1915	1916	1914	1915	1916
	$	$	$	$	$	$	$	$	$	$	$	$
November	114,767,226	124,153,685	156,971,068	350,884,153	406,735,171	459,277,454	665,994,852	714,219,286	836,593,269	91,278,495	132,029,108	162,207,247
December	105,969,755	122,199,582	161,599,987	349,909,953	423,690,384	458,208,417	662,830,037	720,990,267	845,006,717	98,901,413	134,650,183	162,860,614
	1915	1916	1917	1915	1916	1917	1915	1916	1917	1915	1916	1917
January	97,192,699	111,029,572	149,425,864	329,916,730	387,002,926	427,308,526	666,960,482	714,264,486	864,163,344	91,807,007	120,534,966	159,494,048
February	97,789,392	113,528,237	142,589,098	331,415,179	389,825,667	430,331,801	671,088,613	728,242,609	880,456,637	92,092,034	116,675,028	156,498,668
March	96,666,544	114,804,604	149,950,596	339,514,286	389,165,388	448,151,528	676,875,790	738,169,212	888,765,698	97,737,998	120,678.959	170,253 362
April	96,288,398	119,233,330	155,576,568	347,325,937	402,060,955	471,312,285	686,075,124	748,359,957	874,948,724	104,210,620	192,041,591	183,022,686
May	99,125.136	114.847,323	151,414,829	347,346,119	412,301,481	443,839,847	691,891,287	765,064,041	892,562,657	96,912,047	187,415,780	206,682,376
June	99,625,426	123,373,395	157,886,938	349,057,351	428,117,340	449,689,670	683,761,432	767,598,130	900,510,552	112,242,504	176,922,950	177,974,187
July	100,412,424	123,530,451	161,762,871	340,950,215	431,958,188	450,849,356	691,731,719	789,363,919	929,442,340	98,762,226	171,167,615	183,846,718
August	99,610,962	122,656,083	162,696,039	334,022,174	443,317,275	439,997,259	692,580,626	806,774,687	952,591,821	128,109,996	140,789,100	186,651,653
September	105,798,618	135,285,031	178,139,958	359,315,280	454,148,049	451,749,532	693,339,851	816,374,171	965,393,541	128,271,771	149,744,985	180,535,043
October	122,782,233	145,031,667	195,298,212	392,042,193	489,230,234	495,058,449	701,336,850	814,297,404	985,790,850	111,236,345	166,200,928	181,799,457

	Current Loans in Canada Including loans to municipalities.			Current Loans Abroad			Call Loans in Canada			Call Loans Abroad		
	1914	1915	1916	1914	1915	1916	1914	1915	1916	1914	1915	1916
	$	$	$	$	$	$	$	$	$	$	$	$
November	838,975,275	818,227,113	813,791,947	42,966,275	53,240,955	76,087,370	63,394,407	83,203,787	89,395,370	74,459,643	135,530,562	183,250,389
December	824,291,325	806,395,975	820,378,557	43,413,760	58,479,739	76,396,720	68,511,653	84,228,155	82,569,983	85,012,964	137,157,869	173,878,134
	1915	1916	1917	1915	1916	1917	1915	1916	1917	1915	1916	1917
January	806,071,716	790,515,863	830,966,420	43,987,270	61,986,845	85,989,511	66,154,891	82,584,659	79,737,064	85,796,641	134,248,552	155,747,476
February	810,073,111	796,023,096	839,424,041	43,661,379	56,099,719	86,944,450	67,591,769	81,949,125	78,786,535	89,890,982	139 138,651	162,344,556
March	810,366,332	808,888,988	872,932,377	41,745,737	52,705,827	83,551,225	68,245,261	81,747,512	76,478,708	101,938,685	141,889,989	161,616.735
April	805,963,211	822,035,732	916,455,893	37,705,039	57,008,965	86,058,220	68,599,095	82,527,448	82,737,417	121,522,971	147,146,443	159,156,054
May	804,579,549	807,160,953	874,680,780	36,375,658	59,600,342	98,993,197	71,516,953	84,826,636	78,514,798	136,098,835	163,406,059	168,692,675
June	806,823,970	794,243,573	882,113,455	39,273,120	60,081,584	93,150,083	73,628,187	86,776,474	76,085,220	124,604,875	182,757,015	159,309,133
July	802,378,963	782,425,837	873,549,907	41,784,633	62,356,259	90,253,882	71,168,233	87,355,648	71,376,788	117,821,174	177,121,733	151,875,676
August	804,363,465	779,821,324	836,429,670	44,968,445	66,556,371	82,082,847	71,855,565	86,351,216	71,204,351	120,607,677	171,380,353	178,610,625
September	815,015,088	791,254,501	855,306,953	49,147,877	69,949,215	87,265,325	71,578,886	88,145,851	72,421,187	135,108,412	173,877,586	166,480,004
October	826,467,984	812,541,752	883,986,860	49,612,985	79,459,621	93,821,865	74,574,270	90,412,023	71,653,719	120,681,624	189,346,216	151,018,747

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Somerset
Souris
Strathclair
The Pas
Virden
Waskada
Wawanesa
Wellwood
Winnipeg—8 offices

SASKATCHEWAN
Abbey
Adanac
Alsask
Arcola
Asquith
Assiniboia
Bounty
Bruno
Buchanan
Bulyea

SASKATCHEWAN—*cont.*
Cabri
Canora
Carlyle
Craik
Cupar
Cut Knife
Dinsmore
Dummer
Eastend
Esterhazy
Estevan
Eyebrow
Fillmore
Gravelbourg
Guernsey
Gull Lake
Hatton
Hazenmore
Herbert
Hughton
Humboldt
Indian Head
Jansen
Kelfield
Kerrobert
Kindersley
Landis
Lang
Lanigan
Lawson
Leader
Lemberg
Loverna
Lumsden
Luseland
Macklin
Macrorie
Major
Maple Creek
Maryfield
Melfort
Milestone
Moose Jaw
Moosomin
Morse
Netherhill
Neudorf
Ogema
Outlook
Oxbow
Pennant

SASKATCHEWAN—*cont.*
Pense
Perdue
Piapot
Plenty
Prince Albert
Qu'Appelle
Regina
Rocanville
Rosetown
Salvador
Saskatoon
Sceptre
Scott
Shaunavon
Simpson
Sintaluta
Southey
Strassburg
Swift Current
Tessier
Theodore
Togo
Tompkins
Vanguard
Viceroy
Vidora
Wapella
Watrous
Wawota
Webb
Weyburn
Wilkie
Windthorst
Wolseley
Yorkton
Zealandia

ALBERTA
Airdrie
Alderson
Alix
Barons
Bashaw
Bassano
Bellevue
Blackie
Blairmore
Bowden
Bow Island
Brooks
Bruderheim

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Cardston
Carseland
Carstairs
Cereal
Chinook
Clairmont
Claresholm
Cluny
Cochrane
Consort
Cowley
Didsbury
Edmonton
Elnora
Empress
Etzikom
Foremost
Fort Saskatchewan
Grand Prairie
Grassy Lake
Hanna
High River
Hillcrest
Innisfail
Irvine
Jenner
Lacombe
Langdon
Lethbridge
MacLeod
Medicine Hat
Okotoks
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Spirit River
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CENTRAL GOLD RESERVE

It Has Been in Operation Over Four Years Now—Its Record

The central gold reserve at Ottawa has now been in operation a little over four years, it having become available to the chartered banks in September, 1913. The purpose of this reserve is to extend the banks' circulation facilities, which had hitherto proved insufficient. Deposits may be made therein either in current gold coin or in Dominion notes.

The following record, compiled for *The Monetary Times*, shows the deposits in the reserve for each month since its inauguration:—

1913.	Deposits in Central Gold Reserve.
September	$ 3,350,000
October	7,373,977
November	8,100,000
December	7,597,066
1914.	
January	3,500,000
February	3,000,000
March	3,500,000
April	3,250,000
May	3,550,000
June	3,050,000
July	4,400,000
August	4,150,000
September	10,950,000
October	13,000,000
November	10,800,000
December	9,700,000
1915.	
January	6,950,000
February	5,250,000
March	5,550,000
April	5,800,000
May	5,900,000
June	5,500,000
July	6,350,000
August	6,550,000
September	7,850,000
October	11,750,000
November	15,100,000
December	17,360,000
1916.	
January	11,860,000
February	10,460,000
March	12,010,000
April	14,410,000
May	14,810,000
June	17,710,000
July	19,010,000
August	20,860,000
September	24,010,000
October	35,660,000
November	43,300,000
December	43,700,000
1917.	
January	32,050,000
February	30,050,000
March	35,200,000
April	41,150,000
May	39,500,000
June	43,450,000
July	50,220,000
August	53,320,000
September	64,870,000
October	80,770,000

The banks have made increasingly greater use of the central gold reserves, a new high record having been established last year. During the first year of its operation their deposits in the reserve did not reach $10,000,000, whereas in 1916 they exceeded $35,000,000 and in 1917 $50,000,000.

How the reserve works is shown in the following hypothecal example: Suppose we have a bank with a paid-up capital of $12,000,000, a reserve of a like amount, $10,000,000 of gold and $10,000,000 of Dominion notes. Such a bank would primarily be able at all times to issue and keep in circulation $12,000,000 of notes, or an amount equal to its paid-up capital. Moreover, from the beginning of September to the end of February it would be able temporarily to augment its circulation by 15 per cent. of its paid-up capital and reserve, namely, 15 per cent. of $24,000,000, or $3,600,000. Under special legislation of 1914, this can now be done all the year round. Further, suppose that it keeps in the central gold reserve only one-quarter of its holdings of gold and Dominion notes. It can then issue at any time extra notes to the amount of $5,000,000.

GERMAN WAR LOANS

The following table, compiled by *The Monetary Times*, gives particulars of Germany's seven war loans to date:—

Issued.	Rate.	Issued at	Amount reported subscribed
September, 1914	5.	95	865,000,000
September, 1914	5	97.50	250,000,000
March, 1915	5	98.50	2,071,000,000
March, 1915	5	98.50	193,000,000
September, 1915	5	99	3,025,000,000
March, 1916	5	98.50	2,678,000,000
September, 1916	5	98	2,674,000,000
March, 1917	5	98	3,192,000,000
September, 1917	4½ & 5	98	3,107,000,000

NATIONAL DEBT NEARLY BILLION DOLLARS

War Has Increased National Debts to Record Figures——Debt of United States

In 1913, before the war commenced, our net national debt totalled $314,000,000. In June, 1915, it had risen to $450,000,000; in July, 1916, to $635,000,000; and in August, 1917, to $864,000,000. If our war expenditures during the last seven months of the current fiscal year (which will end in March next) average what they did for the first five months (namely, $51,000,000), we shall have a national debt in March, 1918, of approximately $934,000,000.

Britain's Debt Over £5,000,000,000.

At $1,000,000,000, our national debt would be about one-twenty-fifth part of Great Britain's debt. In the Imperial House, on October 30th, 1917, Chancellor Bonar Law stated that Britain's national debt on September 29th, 1917, was £5,000,000,000. A report of the select committee of the House of Commons on national expenditure, issued on October 6th, 1917, said that, excluding £1,321,000,000 owed by Great Britain's Allies and Dominions, the national debt up to September 30th had been added to by approximately £3,000,000,000. The accretion to the debt, the report said, tends to become more rapid, and, roughly speaking, each six months of the war will necessitate a gross addition of £1,000,000,000, or, excluding loans, a net addition of £750,000,000.

With interest at 5 per cent. and 1 per cent. for the sinking fund, the gross addition to the debt charge consequent upon each six months of the war, on the present scale of expenditure, would be about £60,000,000, and, deducting payments due by the Dominion and the Allies, £45,000,000.

Despite the entry of the United States into the war, the report continued, the advances to the Allies showed no tendency to diminish.

The variations in Britain's debt are shown in the following table:—

National Debt.

Debt in	Principal.
1775 (before American War)	£ 128,583,000
1783 (Peace of Versailles)	249,851,000
1802 (Peace of Amiens)	520,207,000
1816	885,000,000
1857	836,000,000
1899	635,000,000
1903	798,000,000
1914 (March 31st)	707,000,000
1915 (March 31st)	1,165,802,000
1917 (September 29th)	5,000,000,000

Per Capita Debts.

The following are the per capita debts of the belligerent nations, compared for the first three years of war:—

	August 1		
	1917.	1916.	1914.
Great Britain	$422.60	$306.40	$74.50
France	475.00	371.25	162.50
Russia	76.85	60.00	26.25
Italy	140.30	119.50	77.75
Entente nations	$192.45	$147.45	$58.40
Germany	277.95	211.00	76.45
Austria-Hungary	175.50	140.60	70.75
Turkey	44.20	40.00	30.00
Central Allies	$204.55	$158.40	$67.40
Grand total	$196.60	$151.60	$61.35

Debt of United States.

All of the above figures contrasted with a per capita indebtedness for the people of the United States of about $10.82, but the entrance of the United States into the struggle and its vast loans to the Allies have caused a very rapid increase in the national debt of that country. Interest-bearing public debt of the United States in September was $4,902,346,015. This includes receipts from the first Liberty Loan and outstanding treasury certificates of indebtedness, issued in anticipation of the second Liberty Loan. Notwithstanding the large debt augmentation that has taken place since the

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entrance of the United States into the war, per capita distribution of public debt, at $40.21, is considerably below what it was for a long period subsequent to the Civil War. As late as 1874 the per capita debt exceeded the present figure. On June 30th, 1866, interest-bearing debt stood at $2,332,331,208, with per capita at $65.82. At that time the population of the United States was about one-third what it is now. The per capita has been in close proximity to $10 for a number of years, while interest-bearing debt has remained well under a billion dollars since 1901.

CALL LOANS ABROAD

Totals Were Not Unduly High Last Year—Record Since War

When war broke out, our banks had over $125,000,000 of call loans in New York, which amount, during the world-wide financial crisis, was rapidly reduced and without trouble to about $74,000,000 in November. With improving conditions, a smaller crop to finance, and less demand for funds in Canada, the total call loans abroad reached the high total of $189,346,216 in October, 1916. Since then, and throughout 1917, the total was considerably less. War between Great Britain and Germany commenced on August 4th, 1914, and at the end of that month, Canadian banks had withdrawn $29,000,000 of their loans from abroad, despite the fact that critics were positive that the banks could not recall these loans in a hurry during the crisis. Between June and November, 1914, the Canadian banks withdrew loans amounting to $63,000,000. Between the autumn of 1914 and May, 1915, there was a gradual increase in these loans until they reached $136,000,000, a total within a million dollars of the high mark in June, 1914. The figures were large in 1916, especially during the latter part of the year. Last year, the tendency was for smaller totals.

No Reason for Complaint.

The usual complaint regarding call loans is that Canadian banks are loaning their funds in New York to the detriment of the business community in Canada. As the late Mr. Alexander Laird, former general manager of the Canadian Bank of Commerce, once put it: "Notwithstanding all that financial critics have written about the Canadian banks sending to New York moneys needed in Canada, in order to take advantage of the high rates occasionally prevailing there, such a thing as a bank curtailing its commercial loans in Canada for a purpose of this kind is absurdly improbable."

This particular business between Canadian banks and New York has been going on for half a century. The results have been satisfactory to Canada, because they have yielded a steady profit to the banks, have strengthened their position and have enabled them to lend to their Canadian customers on more favorable terms than perhaps would have been possible otherwise. The larger portion of these loans are carried in New York at 24 hours' call, and are practically as readily available as cash. Except on rare occasions, New York call loans bear a lower rate of interest than Canadian mercantile loans. Therefore, the Canadian banks aim to carry such an amount on call in New York as will constitute, with the cash carried in Canada, a reasonable reserve of cash and immediately realizable funds.

Excessive Rates are Seldom.

Only occasionally during the past 20 years have excessive rates for call money prevailed in New York for more than a few days in a year. Obviously, a Canadian banker would not sacrifice prominent business connections in Canada for such a temporary advantage. Selfish reasons alone would be sufficient to prevent the banks from lending Canadian funds outside of the Dominion except to the extent that is necessary for the purposes of their cash reserve.

By carrying call loans abroad, disturbance or inflation of the home markets in Canada is avoided and funds lying in New York can be utilized gradually to meet Canada's external obligations for merchandise imported, and the interest and principal of foreign-held securities.

The course of call loans abroad and largely in New York, for the period beginning two months before the declaration of war is of interest and is shown in the following table, compiled by *The Monetary Times*:—

	1914.	1915.	1916.	1917.
January	....	$ 85,796,641	$134,248,552	$155,747,476
February	....	89,890,982	139,138,651	162,344,556
March	....	101,938,685	141,889,989	161,616,735
April	....	121,522,971	147,146,443	159,156,054
May	....	136,098,835	163,400,659	168,692,675
June	$137,120,167	124,604,875	182,757,015	159,309,133
July	125,545,287	117,821,174	177,121,733	151,875,676
August	96,495,473	120,607,677	171,380,353	178,610,625
September	89,521,859	135,108,412	173,877,586	166,480,004
October	81,201,671	120,681,624	189,346,216	151,018,747
November	74,459,643	135,530,562	183,250,389	....
December	85,012,964	137,157,869	173,878,134	....

BANK LOANS TO MUNICIPALITIES

Total was High During Greater Part of the Year—Figures for Past Four Years

Since only August, 1913, have the chartered banks' loans to municipalities been shown separately in the government bank statement. Previously, these advances were included in the figures representing current loans and discounts to business generally. The following table, compiled by *The Monetary Times*, gives the bank loans to municipalities since August, 1913, to the latest month last year for which figures are available:—

The following table, compiled by *The Monetary Times*, shows the volume of bank loans to municipalities since January, 1914, to October, 1917:—

	1914.	1915.	1916.	1917.
January	$29,301,620	$35,952,805	$32,015,371	$24,487,272
February	30,372,854	38,437,903	35,149,915	26,121,324
March	31,890,843	41,227,449	38,649,462	29,877,911
April	30,168,812	43,031,360	44,371,050	35,931,996
May	33,689,577	43,948,436	43,924,036	39,790,191
June	37,260,571	46,889,816	46,773,032	42,757,673
July	36,372,334	44,029,446	42,385,096	43,989,207
August	39,664,534	46,020,730	39,882,811	43,940,176
September	44,338,873	43.928,331	38,708,745	42,721,563
October	47,316,076	45.682,230	37,613,530	41,204,781
November	44,706,055	41,064,550	32,945,963	....
December	38,256,947	30,878,028	24,056,797	....

Fluctuation in Amount.

Three years ago, these loans were at their highest point in October, the total being $47,316,076. In 1915, the highest total was $46,889,816 in June. In 1916, the largest sum was $46,773,032 in June. The loans during the fall months of 1916 were generally lower than for the previous two years. At the end of 1916, the total of $24,056,797 was the lowest on record since the returns were published separately. The figures remained at comparatively small totals early last year, but commenced to increase materially by midsummer. In July, for example, they were $43,989,207, a gain of about $20,000,000, or 83 per cent. over the record of January. By that time, war loans had the entire right-of-way in the world's money markets, and municipalities were unable to market their securities. This accounted for the high figures during the latter part of 1917. From midsummer onward last year, the loans exceeded $40,000,000.

At the end of August last the "index number" of average English prices for forty-five commodities, reckoned on the Sauerbeck system, was 175¾. This compares with an average of 189, computed by Professor Jevons for 1809 at the climax of rising prices in the Napoleonic wars.

The stock of gold in the United States, as estimated by the treasury, reached its low point during the war at the end of 1914, and its high point at the end of June, 1916. From $1,887,200,000 on August 1st, 1914, it declined to $1,815,900,000 on January 1st, 1915: rose to $3,090,600,000 on July 1st, 1917, and stood on October 1st, 1917, at $3,035,300,000.

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Head Office, BRANDON, Man.

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Subscribed Capital - 600,000

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MONEYS COINED BY CANADA'S MINT

During the past ten years, the branch of the Royal Mint at Ottawa has coined for issue 139,517,849 moneys, with a total value of $17,329,518.93. The details are given in the following table, covering the period from January, 1908, to October, 1917, and supplied to *The Monetary Times* by Dr. James Bonar, deputy master of the Royal Mint at Ottawa:—

	Jan. 1, 1908-Dec. 31, 1916.	Jan. 1, 1917-Oct. 31, 1917.	Total, Jan., 1908-Oct., 1917.
Gold.			
Number	952,175	....	952,175
Value	$6,457,280.40	....	$6,457,280.40
Silver.			
Number	72,801,711	10,784,355	83,586,066
Value	$8,814,099.55	$1,508,342.90	$10,322,442.45
Bronze.			
Number	46,289,151	8,690,457	54,979,608
Value	$462,891.51	$86,904.57	$549,796.08

Part of the metal used in the Ottawa Mint was purchased in Canada and part in the United States.

During the ten months of 1917, to October 31st, the Ottawa Mint issued coins as follows:—

Gold	$ 910.07
Silver	1,358,200.00
Bronze	80,400.00

The only gold coins issued were sovereigns.

The Canadian Bank Act revision in 1913 established central gold reserves for the securing of issues made above the paid-up capital of the issuing banks. The Ottawa Mint, however, has more direct concern with the statutory reserve of the Dominion's finance department, held against Dominion notes and (in small part) against deposits in Dominion savings banks.

Japan had loaned $550,000,000 to the Allies up to November 1st, 1917.

CANADIAN BANK CLEARING HOUSES

No additional bank clearing houses were opened last year. Two were opened in 1916, one at Kitchener, Ont., on January 10th, and one at Sherbrooke, Que., on February 11th. Three clearing houses were estabilshed in 1910, one each at Brandon, Lethbridge and Saskatoon. Three, Moose Jaw, Brantford and Fort William, were established in 1911; two, New Westminster and Medicine Hat, in 1913; and one, at Peterborough, in 1914. No new clearing houses were opened in 1915.

The following table, compiled by *The Monetary Times*, shows where the 25 bank clearing houses are situated:—

Clearing house.	Commenced business.
Halifax, N.S.	1886, 1 July.
Montreal, Que.	1889, 7 January.
Hamilton, Ont.	1891, 15 June.
Toronto, Ont.	1891, 21 July.
Winnipeg, Man.	1893, 4 December.
St. John, N.B.	1896, 1 May.
Vancouver, B.C.	1898, October.
Victoria, B.C.	1898, 2 November.
Quebec, Que.	1901, 1 May.
Ottawa, Ont.	1901, 9 September.
London, Ont.	1902, 1 June.
Calgary, Alta.	1906, 18 April.
Edmonton, Alta.	1906, 11 July.
Regina, Sask.	1909, 1 October.
Brandon, Man.	1910, 1 April.
Lethbridge, Alta.	1910, 1 September.
Saskatoon, Sask.	1910, 15 October.
Brantford, Ont.	1911, 1 January.
Moose Jaw, Sask.	1911, 9 February.
Fort William, Ont.	1911, 2 October.
New Westminster, B.C.	1913, 2 January.
Medicine Hat, Alta.	1913, 1 May.
Peterborough, Ont.	1914, 16 June.
Kitchener, Ont.	1916, 10 January.
Sherbrooke, Que.	1916, 11 February.

FINANCIAL VALUES LAST FALL, DURING WAR AND BEFORE

		September 24 1917	1916	1915	1914	1913
†Average price of 20 industrial stocks		84.82	98.51	102.16	Closed	81.56
†Average price of 20 railroad stocks		86.71	108.76	95.33	Closed	106.13
†Average price of 40 bonds		80.60	87.01	82.72	Closed	87.93
Bradstreet's index number	*	16.6441	11.7803	9.8213	8.7087	9.0115
Money supply of U. S	*	$5,505,761,456	$4,580,411,501	$4,061,659,127	$3,819,916,263	$3,733,765,111
Gold supply of U. S.	*	3,060,991,378	2,548,241 473	2,056,732,138	1,844,602,682	1,881,440,176
Gold holdings Fed. Res. banks		1,364,783,000	550,709,000	302,242,000	....	....
Rediscounts for member banks		168,217,000	27,527,000	31,373,000	......	....
Fed. Reserve notes in circulation		644,567,000	179,409,000	16,562,000	....	....
N. Y. bank surplus reserve		82,754,520	114,134,130	220,373,000	§22,761,000	13,184,000
Gold imports, year to date		510,000,000	353,216,000	265,839,000	39,941,000	46,199,000
Gold exports, year to date		275,000,000	86,000,000	12,936,000	157,656,000	74,079,000
Country's iron production, tons	*	3,247,947	3,203,713	2,779,647	1,995,261	2,545,763
Unfilled orders, U. S. steel	*	10,407,049	9,660,357	4,908,455	4,213,331	5,223,468
Call money, New York	§	6	3	2	8	3½
Sixty-day loans, New York		5 @ 6	3	2½	6 @ 8	4½
Mercantile paper, New York		6	3½ @ 4	3½	6 @ 8	5¾
Time loans, Chicago		5½ @ 6	4¼	4	7	5½
Time loans, Boston		5½ @ 5¾	3¾	3	6	6
Discount rate, London		3¾	5½	4⅝	3	3$\frac{15}{16}$
Discount rate, Paris		5	4	5	4	3¾
Discount rate, Berlin		4⅝	4⅝	3⅜	6¾	5⅜
Sight sterling, New York		4.75½	4.75¾	4.68	4.92¾	4.85⅝
Exchange on Paris		5.78⅝	5.86⅛	5.82	Nominal	5.18⅛
Exchange on Petrograd		17.50	31.90	34.50	35.75	Not quoted
Exchange on Denmark		30.70	28.60	27.85	25.95	Not quoted
United States 4s, 1925		105½	109½	109	109½	109½
New York City 4s, 1957		93¾	101	95	99⅝	94¾
British Consols		55½	60	65	69½	73$\frac{15}{16}$
French rentes		62.30	64.00	67.25	74.00	89.35
Bar silver, London, per ounce		55d.	32½d.	23½d.	23$\frac{9}{16}$d.	28$\frac{5}{16}$d.
Wheat, per bushel		$2.28	$1.59½	$1.28	$1.23	$0.97½
Cotton, cents per pound		21.80	15.60	10.80	11.00	13.20
Copper, cents per pound		27.50	28.12½	18.00	12.50	15.40
Lead, cents per pound		08.75	7.10	4.50	3.87½	4.75
Steel, per ton		$65.00	$45.00	$26.00	$21.00	$25.00
Tin, per ton		61.50	38.50	33.37½	30.95	41.60

New York Stock Exchange quotations. * Figures for month of August. § Highest rate for week quoted. ‡ Deficit. "New York Post" compilation.

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BANKRUPTCY ACT FOR CANADA

Some Suggestions as to Form and Procedure—System of Voluntary Assignments

BY H. P. GRUNDY.

A Federal bankruptcy act is a much-needed reform and has become a live issue in Canada. Without doubt a bill will be presented to the Dominion parliament either at the next or following session for commercial interests, both wholesale and retail, have expressed their desire for immediate bankruptcy legislation.

The principal objects to be sought by a Federal act and which are lacking in our present insolvency laws are shortly as follows:—.

1. Uniformity throughout Canada in bankruptcy or insolvency matters.
2. Involuntary bankruptcy, or procedure whereby the creditors can force an insolvent debtor to turn over to a trustee his assets for pro rata distribution among creditors.
3. Procedure for the discharge of an honest debtor carefully safeguarded from laxity and fraud.
4. Ratification by the court of composition and extension agreements when signed by 75 per cent. of creditors thereby making them binding on minority creditors.
5. Safer and more businesslike methods of administering insolvent estates.

As to Court Procedure.

These objects are all very desirable and necessary, but the question worrying the business man is,—can they be obtained without subjecting the winding up of insolvent estates to greater expense and delay than under our present provincial acts.

The legislatures of countries such as Great Britain, the United States and Australia have adopted as a basic principle that court procedure and supervision are necessary in the administration of bankrupt or insolvent estates. The bills which were submitted from time to time to the Dominion parliament, during the past twenty years, contained somewhat similar procedure. The necessity of court supervision is now being advocated in some quarters of Canada. (1)

What Does Business Man Find?

He makes enquiries in Great Britain and the United States and ascertains quite readily that commercial interests complain of "expense and delay" in administering estates through court procedure, and that such interests endeavor to keep estates out of the bankruptcy court by inducing the debtors to turn over their assets to private trustees for distribution. This is an unsatisfactory state of affairs, for both debtor and creditor lose the more important benefits and safeguards of the act.

He finds that in the United States there is now an agitation on foot to simplify the bankruptcy act by eliminating court procedure therefrom, but the American business man is met with the difficulty that *once a system is established, courts formed, officers appointed, forms prepared and government fees fixed it is a difficult matter to make a change.*

The business man also notes with some apprehension the results obtained in the winding up of insolvent companies under "The Dominion Winding-up Act," the procedure in which is not more complicated or expensive than that of the English bankruptcy act.

The chief argument advanced for court administration is that some trustees or official assignees in the past have proved to be dishonest or rapacious, but this is more the fault of our provincial acts in not providing a more careful method for the appointment of official assignees or trustees, and in not providing for adequate bonds, taxing of accounts and for penalties where overcharges and infractions of the act occur.

We should have a Federal act as soon as practicable to replace our present confusing insolvency system which is now based on nine separate provincial acts. Such Federal act should, however, retain the system now in force in most of the provinces whereby a debtor makes an assignment direct to a trustee. This system should be retained not only because of the "expense and delay" of court procedure, but because it is the system used and understood by the majority of Canadian business men. *Legislation should not disturb existing laws and usages more than is necessary.*

The system of voluntary assignments should be made safer and more businesslike to creditors by having the trustees appointed under the act, first recommended by resolution of the Chamber of Commerce, or Board of Trade, of the particular district to which they are appointed; each trustee should give to the government a general bond for, say, $20,000, and creditors should have power to require an additional bond in any particular estate; trustees' accounts should be taxed when necessary and trustees should be liable to severe penalties for all overcharges or other infractions of the act.

System of Voluntary Assignments.

The system of voluntary assignments should be made attractive to debtors by simplicity of proceedings, less expense and delay in winding up estates, by giving the assignors the right to apply for a discharge and by not placing them under the same handicaps and restrictions as the debtors who force creditors to take involuntary proceedings in bankruptcy.

Procedure for involuntary bankruptcy should be provided giving the right to a creditor or creditors, when an act of bankruptcy is committed, to present a petition to the court asking that the debtor be declared bankrupt and his assets turned over to a duly appointed trustee for administration. This procedure should be simplified by eliminating further court procedure after the receiving order is made vesting the debtor's property in the trustee. Involuntary bankruptcy, however, would very rarely occur for under this procedure the debtor will be declared a "bankrupt," his estate will be subject to a certain amount of additional expense, his after acquired property will, until he obtains a discharge, become the property of the trustee, and it is suggested that until honorably discharged he should be disqualified from holding all public positions of trust, such as member of parliament, mayor, reeve, councillor, school trustee and like offices. A further moral handicap will be that, although it is not suggested, his discharge should depend upon the consent of his creditors or of any percentage thereof, still this discharge will always depend to a certain extent upon the good will of the creditors which will more readily be obtained by a debtor who makes a voluntary assignment.

The act should further contain procedure for the discharge of an honest debtor. It is suggested that this procedure should be based upon the English act and practice, for enquiries show practically no dissatisfaction under that act, while in the United States this right appears to be insufficiently safeguarded against fraudulent or dishonest debtors.

Procedure should also be established for the ratification of composition and extension agreements where signed by say 75 per cent. in number and amount of creditors, and where the judge is of opinion that the composition or extension is for the benefit generally of creditors. Past experience in Canada has shown that the minority creditors can often force payment in full by refusing to enter into these agreements and by threatening to set the same aside.

Application of Act.

The involuntary procedure should not apply to the following classes:—

(a) Companies, liquidation of which is provided for by the Dominion "Winding-up Act";

(b) Farmers and persons engaged chiefly in the tillage of the soil, to whom bankruptcy proceedings would in some years be manifestly unfair, and

(c) Wage earners whose yearly income does not exceed say $1,500 or $2,000.

The voluntary procedure should, however, apply to all persons, firms and corporations.

This article has not dealt with the many strong reasons why Canada should have a Federal bankruptcy act for these have been fully discussed and considered during the past twenty years, both in and out of parliament, and the writer has assumed that all business men realize the absolute necessity for this legislation.

The object of this article is to point out the need for simplicity in matters of procedure and to advocate the passing of an act which will in actual practice be satisfactory to and have the hearty support of all commercial interests.

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(1) See article on "A Canadian Bankruptcy Act," by S. W. Jacobs, K.C., in August number, Vol. 37, Canadian Law Times.

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Review of Conditions in the Mortgage Loan Field

Payments of Principal and Interest Good—Maturities and New Money—Experience With Foreclosures Varied—Demand for Money is Small—Moratorium Acts Unsatisfactory—Values Are Well Maintained—Future of Interest Rates.

The usual annual investigation has been conducted by The Monetary Times in regard to conditions in the Canadian mortgage loan field. The results are summarized in the following articles:—

DEMAND FOR MONEY IS SMALL

Rural Credits Schemes—Loans on Western Farm Securities

A small demand for mortgage money is the general report of the companies. The general manager of the Huron and Erie Mortgage Corporation, of London, Ont., for example, says that the demand for funds during the past year has been extremely light, and "we have no substantial reason to believe that there will be any great demand for mortgage loans in the immediate future. So far as city loans are concerned, the reason is obvious, little or no building activity. It is difficult to determine the chief reason the farmers are not seeking loans, but it seems to us that prosperity is the answer. This applies particularly to the old established farming districts, where the farmers are experiencing very little difficulty in negotiating temporary loans.

"In Saskatchewan and Manitoba the government loaning to farmers is no doubt having an effect on the number of applications being offered to loaning institutions, but the fact that there is little demand for funds in Alberta, where the government has not yet commenced loaning, would seem to indicate that the demand in the West is, generally speaking, small. True it is that Saskatchewan and Manitoba have received numerous applications under their rural credits schemes, but it must be borne in mind numbers of such emanate from districts not favored by corporate lenders."

Fairly Good in Ontario.

Mr. D. M. Cameron, treasurer of the Hamilton Provident and Loan Society, Hamilton, Ont., reports that the demand for funds in Ontario has been fairly good, but very limited in Manitoba and Saskatchewan.

In Quebec province the Trust and Loan Company of Canada reports the receipt of a fair number of applications for loans, but only a small number of these materialize. There appears to be a good deal of local money seeking investment at 7 per cent. or less on desirable security.

Outlook in the West.

Mr. W. A. Windatt, managing director of the Home Investments and Savings Association, Winnipeg, says: "Owing to the very light immigration and the continued absence of so many of our young farmers at the war, the demand for money has been very light and investments by way of mortgage loans difficult to secure. What loaning has been done has been practically all on farm securities as building developments in the cities and towns in the prairie provinces are largely at a standstill. There is no doubt but that the loaning business will be quiet until after peace is declared and conditions return to normal. I have great confidence in the prosperity of the western provinces when this period arrives. Our immense areas of untilled land of the best quality cannot but attract the attention of great numbers of people in Europe who have become well acquainted with the name of Canada through the heroic achievements of our overseas forces, and a large movement to this country is certain as soon as conditions make it possible."

Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, of Toronto, says that the demand for money on mortgage account has declined considerably, and applicants for loans on western farms expect a reduced interest rate.

MATURITIES AND NEW MONEY

Higher Rates Had to be Paid — Experience with Sterling Debentures

The loaning companies' experience in regard to maturities and new money last year has varied. The demand for new money generally was light. A company doing business in the maritime provinces reports that most of their debentures last year were renewed, but they had to pay an increased rate. "We are paying for debentures 5 per cent. to 5½ per cent.; 5 per cent. for debentures running for one year; 5¼ per cent. for debentures running for two years and 5½ per cent. for debentures running three to five years. We have got no new money from the other side of the Atlantic and very little new money from this side. Our debenture account is about stationary. The new money coming in about balances the debentures we have to pay off. The debentures not renewed and the deposits withdrawn have largely gone into the Dominion war loans."

Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, London, Ont., reports that debentures maturing were practically all renewed and some new money received for investment.

The Trust and Loan Company of Canada states that in Manitoba they have been quite successful in obtaining renewals.

In Quebec Province.

In Quebec generally, borrowers were quite prepared to renew, provided the rate is not over 7 per cent. "Where we ask a higher rate than this, the borrower is likely to endeavor to do better before deciding to renew with us." In Saskatchewan, the same company's experience is, that borrowers showed less readiness to renew and that the demand for new money was light.

"Our sterling debentures were fairly well renewed," says Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, Toronto, "but at an increased interest rate, and very little new money was obtained."

Renewals of maturing sterling debentures, or an equal amount of new money, could have been secured without difficulty, had the company been prepared to pay the high rate of interest demanded by lenders in Great Britain, reports Mr. D. M. Cameron, treasurer of the Hamilton Provident and Loan Society, Hamilton, Ont.

Renewed at Five per Cent.

"Our records show that our Canadian debentures maturing during the past year have been renewed equally as well as in former years," writes the general manager of the Huron and Erie Mortgage Corporation, of London, Ont. "Early in the year our directors decided against increasing the rate offered for renewal of sterling debentures, as it was thought unwise to attempt to compete against the very attractive rate being offered by the British government. As a matter of fact it is surprising to note that about 30 per cent. of our maturing debentures in May have been renewed at a 5 per cent. rate. Perhaps the outstanding feature of our borrowings during the year (including both the Canada Trust Company and the Huron and Erie) is the increase in Canadian borrowings, which more than offsets the heavy repayments made to Scottish investors. When one remembers that bonds of the Dominion and of the various provinces can be purchased to yield a higher interest return than we offer, this substantial increase in our Canadian borrowings can be more fully appreciated. The great campaign in connection with Canada's Victory Loan will, of course, materially affect the borrowings of financial institutions."

Another company writes: "We really have made very few loans of the mortgage type during the year, our investments being to a great extent confined to bonds. As regards maturities, our business being of a limited extent, our personal experiences have hardly been sufficient to warrant an opinion as to general conditions. We have had one or two loans, however, paid off before their maturities, by parties who, being commercially interested, had done sufficiently well in their business to permit them to pay off their loans.

"As regards new money, our own experience would indicate but a small demand for it. We have always been prepared to consider any favorable applications in this district, but have had very few. We have discontinued making new mortgage loans in Manitoba since the war started, and even though in Saskatchewan we have good machinery for the handling of farm loans, we have only had one or two applications within the last six or eight months. These features, together, of course, with the necessity of keeping ourselves in a strong, liquid condition, are responsible for our having directed our moneys so extensively to various types of bonds which have been offering exceptional yields."

PAYMENTS OF PRINCIPAL AND INTEREST

High Prices of Farm Products Has Helped to Make Good Record

Payments of principal and interest during the past year were good. One company, for example, reports a perceptible improvement in payments. Their loans are distributed throughout western Ontario, including Toronto, and the provinces of Manitoba (principally in and about Winnipeg), and Saskatchewan, the latter consisting of a few loans in Regina and Moose Jaw, taken three or four years ago, and a number of farm loans taken within the last year. Business conditions in Ontario being rather favorable, the effect on interest payments has been such as to leave little to be desired. Practically all of this company's Ontario loans are of a class which insures rather prompt attention in the matter of interest, covering, principally, urban properties. "We have not been asked, unexpectedly, to accept any great amount of principal moneys, which might be experienced by some of the other companies whose loaning operations were more or less centred on farm properties.

"Apart from Ontario, possibly the larger proportion of our other loans are in Winnipeg, and as mentioned before, a perceptible improvement is noticed, although a number of our loans covering properties of a more or less smaller type do not, perhaps, show so noticeable an improvement as is experienced by companies whose loans cover more expensive real estate properties or business structures, whose owners' ability to meet the interest and principal payments depend more on the commercial prosperity. A number of our loans are on workmen's houses, and for some time there were considerable vacancies in tenancies, leaving the owners in more uncertainty as to their ability to pay, than in the other type of loan referred to. Now, however, we have practically no property untenanted, and that when real estate conditions improve beyond their present conditions, and when houses become more and more scarce, the cheaper type of workmen's homes such as we refer to, and a few of which we have mortgages against, will become more in demand, and should easily bring, as our western correspondents lead us to believe, purchase prices considerably in excess of the mortgage amounts against them. Generally speaking, we notice a marked improvement in this respect."

In Western Canada.

Speaking for western Canada, Mr. W. A. Windatt, managing director, Home Investments and Savings Association, Winnipeg, says: "The payments on account of farm loans have been very satisfactory and those on account of mortgages on city and town properties as much so as could be expected under the circumstances."

The manager of another company doing business in the west, says: "Payments of interest have been met about as well as in the previous year. We had to carry a number of farmers over for their interest on account of the crop failure in many districts in Manitoba during 1916." In Quebec province he says that payments of principal and interest have not shown any indication of irregularity. In Saskatchewan, the same company's experience has been normal payments of interest. Payments of principal have been unusually large.

Lower than Average.

Mr. C. V. Smith, general manager of the Saskatchewan Mortgage and Trust Corporation, Regina, reports that payments on mortgages last season were regular and in most cases, especially on farm mortgages, payments of principal and interest were promptly made. Borrowers on city securities were able to meet their interest rates regularly, but the return of principal was lower than the average.

The general manager of the Huron and Erie Mortgage Corporation, London, Ont., says: "Our experience during the past year, shows that maturing payments (both principal and interest) have been met with more regularity than at any time since the outbreak of war in 1914. This very satisfactory condition is particularly noticeable in connection with the farm loans, and is explained by the fact that the farmers have been receiving high prices for their products. Heretofore, a rural borrower has been struggling along under a heavy floating indebtedness, but the prevailing high prices of farm products has enabled the farmer to reduce, and, in many cases, to discharge fully such obligations. This has directly affected the loaning institutions as the ability of the farmer to meet maturing mortgage payments has been correspondingly increased.

In Good Standing.

"We venture the statement that maturing payments in connection with city loans have also been met more regularly than at any time during the past three years, although we realize the experiences of some other institutions may differ from ours. So far as the province of Ontario is concerned, we believe the majority of representative loaning corporations will agree that city loans are in satisfactory shape. Our loans on city property in the prairie provinces are in good standing, but we have only a limited amount invested in this manner."

MORATORIUM ACTS AND LOANING

They are Apt to Defeat the Purpose for Which Framed

"Fortunately we have no moratorium laws in our province, and we have refused to loan in any province where a moratorium law exists." That is the statement of the manager of one of our loan companies and really typifies the antipathy of the loaning corporations to the unfair legislation which exists in some of the provinces.

"Our only experience with the moratorium laws has been in Manitoba, and we have two or three instances in connection with our Winnipeg properties," writes another manager. "While every measure should be taken to protect the men who offer their services for their country, and to protect their dependants at home, it would appear to us that in some cases, at least, the moratorium act in Manitoba, which is really the only one that of which we can speak from experience, is more apt to defeat the very purpose for which it was originated, and cause hardship rather than benefit to the mortgagor. In some cases men will return from the front, and after the lapse of the interval protecting them against proceedings, will be confronted with considerable burdens attached to the properties in which they have previously been interested, and unless property values have taken a very marked advance over the present, the owners will be unable to realize sufficient to meet the mortgage and the accumulated charges, and will possibly be confronted with personal covenant obligations as well. If they are worth insufficient to meet any differences to the mortgagees between the accumulated charges and the selling prices, the mortgage companies will naturally lose money, and the mortgagors themselves, if they are worth anything, will lose, so that, applying the problem to certain instances, we would judge that no benefit will arise as a result of the moratorium.

"Of course this position is aggravated the longer the war continues. We have no doubt that some precautions were necessary, but we believe that some conditions that exist at present might be changed to the benefit of both parties. As they do stand, it might have been possible for a company whose loaning operations had been confined almost exclusively to, say, the province of Manitoba, to have found themselves, as a result of the war and moratorium acts, descending from a state of strength and security to one of insecurity, by reason of their inability to collect payments from those interested in the properties, that had enlisted for service. This might be an extreme reference, but not an impossibility. We believe that, as a general rule, the loan corporations have not experienced the volume of trouble which, possibly, they had anticipated when the acts were first made."

Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, of London, Ont., reports that there does not seem to be as great a desire on the part of borrowers to take advantage of the moratorium act in Ontario.

Is Bad Legislation

That the provincial moratorium laws have been bad and the longer the war lasts, the more serious will be this legislation, is the opinion of Mr. C. V. Smith, general manager of the Saskatchewan Mortgage and Trust Corporation, of Regina. "It is true," he says, "that amendments have been made from time to time which have somewhat improved the situation, nevertheless, there are loans upon city property especially where no interest can be collected and no return can be obtained whatever until new legislation is introduced or the mortgagor voluntarily gives assistance."

Mr. W. A. Windatt, managing director of the Home Investment and Savings Association, of Winnipeg, thinks the moratorium laws in Manitoba and Saskatchewan are, as fair as legal acumen can make them, though there are always some undeserving people who take shelter under the protection of a law made for those entitled to relief. "Conditions in Alberta are unsatisfactory," he adds. "The practical wiping out of the personal covenant in a mortgage which formed part of the security (and often no inconsiderable part) at the time the loan was made, was unjust. Besides this, the delays and obstructions met with at every turn a loan company encounters in the courts of that province are very discouraging."

Without Sufficient Forethought.

The general manager of the Huron and Erie Mortgage Corporation, of London, Ont., writes: "We do not appear to be suffering materially as a result of the various moratorium laws in force in the provinces in which we are operating, with the exception of the Volunteers and Reservists Relief Act of Alberta. Articles that have appeared in *The Monetary Times* have shown that that paper recognizes this piece of legislation as being iniquitous, and it is, therefore, quite unnecessary for me to comment on this act. Of course, occasionally one finds a borrower who endeavors to take an unfair advantage under moratorium laws, but such cases are isolated. All of these laws protect a soldier's property until one year after the war. Some borrowers have been known to transfer an interest in mortgaged property in order to gain protection, but as stated before such cases are isolated.

"We quite appreciate the fact that it is a very difficult matter to construct legislation that will provide full protection for those it is designed to protect and at the same time leave no loop-holes for unscrupulous borrowers. However, it is an acknowledged fact that the moratorium laws in the western provinces were prepared without sufficient forethought, and for one reason or another some of our legislators in western Canada are disinclined to support the necessary amendments. At the present time great pressure is being brought to bear upon the members of the Alberta legislature, and it is confidently expected they will amend the Volunteers and Reservists Relief Act at their next session, in order that it will, as was originally intended, protect only the bona fide soldier."

Are Very Objectionable.

That provincial moratorium laws in the western provinces "are very objectionable and a serious bar to loaning operations," and that little difficulty has been experienced in Ontario, is the report of Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, of Toronto.

Mr D. M. Cameron, treasurer of the Hamilton Provident and Loan Society, makes a similar report. "In the west," he says, "the moratorium laws and the many other provincial enactments, have given endless trouble to lenders, and have not, in our opinion, in any way assisted the deserving borrower."

VALUES ARE WELL MAINTAINED

Farm Values Helped by War Prices—City Properties Remaining Firm

"Farms are not likely to decrease in value while farm products command war prices. City properties do not find ready purchasers at former prices. There does not appear to be much money seeking investment in Montreal real estate at the present time." This is the report of the Trust and Loan Company of Canada, so far as Quebec province is concerned. The same company reports that in Saskatchewan there has been very little change in values of farm and city properties during the past year. In Manitoba, there has been very little change in the value of farm property. In the city of Winnipeg conditions remain about the same, though the encouraging features are that there are not many vacant houses, that there has been a slight increase in rents, and that the demand for suites in apartment buildings is keen.

"The conditions surrounding property values in city properties show a distinct improvement," reports Mr. W. A. Windatt, managing director of the Home Investment and Savings Association, Winnipeg. "The fact that at a recent unrestricted sale of vacant lots in the best residential district in Winnipeg, every parcel was sold and at prices, though not top notch, still at good figures, and the fact that the total amount realized was in excess of half a million dollars indicates the confidence in the future held by the one hundred and thirty odd purchasers of these lots."

Values of City Properties.

The general manager of the Huron and Erie Mortgage Corporation, London, Ont., says: "The trend of farm property values has been decidedly upward, particularly in the prairie provinces where farm land has been, and still is, valued at reasonable figures. In Ontario, city property values have, generally speaking, remained firm. A couple of years ago, there were numerous vacant dwellings in our Ontario cities with the result that values were commencing to drop. To-day, on the contrary, there is a brisk demand for city dwellings, hence, the values are remaining firm. Unfortunately, the city property values in some of our western cities were placed at unreasonable figures in pre-war days, and those who allowed their enthusiasm to get the better of them are now suffering the consequences. The municipal debts of some of our western cities are causing some anxiety these days, but those responsible for the present conditions have learned their lessons well, and we feel confident that they will all eventually make good."

In Ontario Cities.

Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, Toronto, reports as follows: "Farm properties in the western provinces are maintaining their value, and there is not much change from last year, and the same conditions prevail in Ontario. City of Toronto property maintains also about the same value as in 1916, but rents are increasing. Other cities in Ontario report an improvement in values. Cities in the western provinces are in about the same position as to property values and rentals as Toronto."

A similar report comes from Mr D. M. Cameron, treasurer of the Hamilton Provident and Loan Society, Hamilton, Ont., who says: "Values of good farm lands both in Ontario and the west, and centrally situated city properties in Ontario, have not depreciated to any extent. There has been a depreciation in some western cities and towns where values were unreasonably high."

Are Below Normal.

Another Ontario loan manager writes: "As regards farm properties, real estate in western Ontario has remained more or less steady for some time. As a matter of fact, but few farms change hands around here, as compared with some other districts. We have an excellent type of farmer in Waterloo County, for example, and it can easily be said that we have one of the best cultivated farming districts in the province. The prices of same remain fairly stable. As regards property values in the urban centres here, real estate operators state that a noticeable improvement is appearing, more particularly as regards the cheaper and medium-sized houses. We have very few for rent, and there are more changing hands than there have been for the last two or three years, although of course conditions are still below normal in real estate lines."

In the city of Halifax values of real estate have increased. This, no doubt, has been caused by that city being the base of naval operations in the North Atlantic. Farm values have shrunk a little in that district. The value of town property outside of Halifax has increased in value owing largely to the increased cost of building.

Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, of London, Ont., writes: "Our operations are confined largely to loans on city properties. Values have slightly decreased, although in one or two of our loaning points prices of real estate have actually increased and even at this increased price ready sales are being made."

FUTURE OF INTEREST RATES

Effect of War Loans on Mortgage Companies' Business—Views of Some Officials

"There is such a variety of opinion as to the probable future trend of interest rates, that we hesitate in hazarding any personal expressions on the matter," writes the manager of a loan company. "Undoubtedly, the duration of the war will have a considerable bearing, and as none of us are sufficient prophets to be able to forecast the final ending of hostilities, the question is more or less problematical. The longer the war, the greater the government borrowing for war purposes, and as a Canadian government bond should be our premier security, and as each offering to the people is made at a slightly higher yield, the effect on the minor securities is obvious. They cannot be expected to maintain their normal status, and consequently their prices are cheap, and interest yield considerable. These conditions are reflected in the mortgage interest rates. Bonds are easier to handle, and so, if good municipals and even provincials can be purchased at prices yielding 6 per cent., and better, mortgage rates will likely tend a half to one per cent. higher."

May be Further Increase.

That interest rates will continue as at present with a probability of a slight increase on city property, is the opinion of Mr. C. V. Smith, general manager of the Saskatchewan Mortgage and Trust Corporation, Regina. "We do not regard the various legislation made by the provincial governments with reference to securing cheaper money as a detriment to loaning operations by mortgage companies in this country. It is not probable that the governments will be in a position to loan money much more cheaply than the mortgage companies. They will, undoubtedly, experience difficulty in selling their bonds at 5 per cent. and we do not consider the Saskatchewan greater production loan has been offered at a very opportune time. We believe that if money is available for bond investment to-day, it should be placed in Dominion war bonds and used for the purpose of carrying on the war successfully."

Supply and Demand.

Discussing the future interest rates, the general manager of the Huron and Erie Mortgage Corporation, London, Ont., writes: "At times we endeavor to figure this problem on theory, and deceive ourselves into believing that interest rates will take a sudden drop along with the prices of many commodities, just as soon as peace is declared. We cannot, however, figure this out purely on a theoretical basis, but must adhere to the old practical basis of supply and demand. The enormous demand for funds to-day for the purpose of carrying on the war is being met most admirably by the financial institutions of the country, and in spite of the fact that investments in bonds have been exceptionally heavy, the supply of funds available for mortgage loans is now much greater than the demand. However, the demand at present is extremely light.

"If there is great commercial and industrial activity in Canada immediately following the cessation of hostilities in Europe, as we prefer to hope, there will likely be an enormous demand for money, with the result that the amount available for investment in mortgage loans will be limited, and will create a stiffening in rates of interest. Some may argue that the government rural credits will compel loaning corporations to reduce interest rates, but we do not anticipate this. In the western provinces, the adverse legislation renders a reduction in rates, almost prohibitive; in fact it has had, and is having, the effect of driving capital out of the country. When mortgages are reinstated to their original standing as first charges, and the confidence of mortgagees consequently restored, there will be a great deal less discrimination between the east and west in the matter of rates of interest.

Increase and Decrease.

Although money obtained on debenture and deposit is dearer, interest rates on mortgages are somewhat decreasing, especially in the western provinces. These conditions, in the opinion of Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, Toronto, will not change till the ending of the war.

"Interest rates," says Mr. D. M. Cameron, treasurer, the Hamilton Provident and Loan Society, Hamilton, Ont., "are in a rather peculiar position, for while the rate on borrowed capital continues to increase, the rate obtainable on first-class investments is decreasing all the time. The rate obtainable on Manitoba mortgages is practically the same as that prevalent in Ontario."

"Owing to the present high prices for materials and the scarcity of labor the demand for loans will be considerably decreased." Such is the opinion of Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, London, Ont. "Again, the Victory War Loan offered to the Canadian investing public absorbed a great deal of money which might otherwise have been invested in buildings and mortgage loans and, indeed, the offering of such war loans necessitates loan companies in carrying very much larger cash reserves to provide for their depositors withdrawing to invest in war loans."

FORECLOSURE EXPERIENCE VARIED

Most Companies, However, Were Satisfied—Leniency to Borrowers

That the number of foreclosures has not been at all exceptional, and successful sales have been made, is the report of Mr. D. M. Cameron, treasurer, Hamilton Provident and Loan Society, Hamilton. This is the general experience.

"We have made," says another correspondent, "possibly seven or eight foreclosures this year, in several cases properties in Winnipeg, and in the other cases two or three properties in Regina. In one or two cases we have been successful in making transfer without loss. In the other cases, we have no reason to expect losses, with the exception of possibly two or three properties against which we happen to hold additional securities which should protect us. The amounts are so small, however, as not to give us any concern."

Borrowers Got False Impression.

Mr. A. A. Campbell, managing director of the People's Loan and Savings Corporation, London, Ont., writes: "The number of sale proceedings taken last year were less than the preceding year and there seems to be more of a disposition among borrowers to make an effort to keep up their payments. The Borrowers Relief Act gave the borrowers a false impression and, in many cases, had a tendency for borrowers to procrastinate and put off, when by making a little effort they would have been quite able, in the majority of cases, to keep up their payments. They appeared to be possessed of the idea that by deferring payment on their mortgages they would have more money on hand for their general living expenses.

"Sales were not effected when properties were put up for sale by public auction but over 50 per cent. of the properties so offered for sale, were subsequently purchased privately."

Here is another eastern company's experience: "We had four foreclosures last year; two of them sold under foreclosure brought more than we had against them, the other two were for smaller amounts and we had to bid them in, but probably will sell them for the amount we have against them. The foreclosures last year were smaller than usual."

The Trust and Loan Company of Canada reports that in Manitoba the number of cases in which properties were brought to sale and in which the company foreclosed, were rather larger last year, but they were fairly successful in making sales. "It is difficult to sell properties in the city of Winnipeg even at greatly reduced prices." In Saskatchewan, the same company had fewer foreclosures last year and the sales were good.

In Quebec, the Trust and Loan Company of Canada reports that the number of sales by the sheriff was exceptionally large and the prices were not satisfactory. In most cases the property passed into the hands of creditors.

Mr. C. V. Smith, general manager of the Saskatchewan Mortgage and Trust Corporation, Regina, reports that a number of foreclosures last year was small and in each case a successful sale was made, especially on farm property and small modern city residences. Where the entire principal of a mortgage became due, the company had no trouble in securing a renewal of the mortgage.

Leniency to Borrowers.

"Contrary to expectations, the number of foreclosures during the past year has been exceptionally small," writes the general manager of the Huron and Erie Mortgage Corporation, London, Ont. "During the first two years of the war many borrowers were unable to meet maturing payments, and, like other loaning institutions, we were compelled to face what was apparently a serious situation. We, however, decided on a policy of consideration and leniency toward the borrower, and consequently took sale proceedings only in those cases where it was apparent the mortgagor was involved beyond hope of redemption. This course has been fully justified, as many of our delinquent borrowers have paid arrears in full and are now in good standing. Sales of good farms have been made without difficulty, and in the east the few city properties which came into our hands were promptly disposed of without loss."

Mr. V. B. Wadsworth, manager of the London and Canadian Loan and Agency Company, Toronto, reports that foreclosure proceedings were less than in 1916, and sales thereunder were quite satisfactory and generally exceeding the mortgage claim.

WAR SAVINGS CERTIFICATES

Canada Sold Over $12,000,000 Last Year—Other Countries Selling Them

War savings certificates were first offered in Canada in January, 1917, the lowest denomination then being $25. In August, $10 certificates were issued. Up to December 1st last, 189,020 certificates, valued at $12,226,340.50 had been sold, a splendid record. The details have been supplied to *The Monetary Times* by Mr. S. T. Bastedo, superintendent of the government annuity department, Ottawa, as follow:—

War Savings Certificates Issued by Finance Department to December 1st, 1917.

Denominations.	Number of certificates.	Amount.
$10	3,587	$ 30,848.20
$25	32,146	691,139.00
$50	13,484	579,812.00
$100	93,745	8,062,070.00
Total	142,962	$9,363,869.20

Issued at Post Offices.

Denominations.	Number of certificates.	Amount.
$10	1,453	$ 12,495.80
$25	11,357	244,175.50
$50	5,896	253,528.00
$100	27,352	2,352,272.00
Total	46,058	$2,862,471.30
Total number of certificates issued		189,020
Total amount received therefor		$12,226,340.50

The certificates are issued in four denominations—$10, $25, $50, and $100—and run for three years from the date of purchase. The prices are $8.60, $21.50, $43, and $86 respectively—that is to say, for every $8.60 lent to the government now, a certificate entitling the holder to $10 at the expiration of three years is received. The discount is equivalent to an interest rate of over 5 per cent. compounded half-yearly. Individual purchases are limited to $1,500. The following table shows the return to investors:—

Amount lent now.	Becomes in 3 years.
$ 8.60	$ 10.00
21.50	25.00
43.00	50.00
86.00	100.00
430.00	500.00
860.00	1,000.00
1,290.00	1,500.00

May be Surrendered.

The certificates may be surrendered at any time before the end of the three years, if the money is needed, on the following basis:—

Certificate of	$10	$25	$50	$100
During first 12 months at	$8.60	$21.50	$43.00	$86.00
After 12 months but within 24 months at	8.90	22.25	44.50	89.00
After 24 months but within 36 months at	9.30	23.25	46.50	93.00

Each certificate is registered at Ottawa in the name of the buyer, and if lost or stolen, is valueless to anyone else.

In Great Britain.

The sale of war savings certificates has been adopted in Great Britain and the United States, the former country probably being the first belligerent to sell them. A feature of these certificates was made in Britain's Victory Loan campaign in February, 1917, when 5,911,000 subscribed to these securities, purchasing a total of £19,300,000, or about $96,500,000. Substantial sales are made every week. During the first week of October last, for instance, the sales totalled £850,000, or approximately $4,250,000. In England, the sale of war savings certificates has proved remarkably successful, not only in raising considerable funds for the government, but in fostering the habit of thrift among the people. Up to October 31st, 1917, about $450,000,000 had been raised there through the sale of certificates. This is in addition to other sums advanced to the government by small investors. From the outbreak of the war to the close of 1916, the sums invested with the British government by small investors, excluding war savings certificates, amounted to $600,000,000. There are over 35,000 war saving associations in England alone.

In the United States.

The bond bill passed by the United States Congress in September, 1917, provided for the issue of $2,000,000,000 war savings certificates. These certificates are issued from time to time, run for five years, and are sold in denominations as small as $5. They can be bought at the treasury, subtreasuries, post offices, internal-revenue offices, customs offices, and through such other agencies as may be designated from time to time by the secretary of the treasury. The plan of distribution comprehensively covers the entire country, and the certificates are available in every city and town in the United States. It was proposed to develop the plans in such a way that savings may be made through the purchase of stamps of small denominations which can be carried in books issued for the purpose, and accumulated until a sufficient amount has been saved to purchase a war savings certificate of, say, $5, bearing interest at the rate of 4 per cent. compounded quarterly on the purchase price, payable at maturity. A similar innovation was introduced in Canada last year.

The United States government will redeem the war savings certificates at any time before maturity upon request of the holder, allowing interest at a less rate than 4 per cent. The certificates will be issued on the basis of $4.12 for a certificate redeemable in five years for $5.

At Compound Interest.

The first certificates were issued on December 1st, 1917. The decision to issue war savings certificates at $4.12, redeemable in five years for $5, means that the certificates will bear interest at the rate of 4 per cent. per annum, compounded. Great Britain is selling her war savings certificates at 5 per cent. compound interest. The British certificates are sold at 15s. 6d., and are redeemable in five years at £1

Analysis of 70 Leading Stock Issues

Essential Facts Which Should Be Known by Investors Before Purchasing—Ratio of Assets to Liabilities and of Working Capital to Par Value of Stock—Average Income Applicable to Stock

By RUSSELL D. BELL

COMPANY	1 Stock Outstanding 000's omitted	2 Ratio Current Assets to Current Liabilities	3 Ratio Net Working Capital to Par Value of Stock	4 Average Net Income Applicable to Stock for last five Years	5 Percentage Earned on Stock in Last Fiscal Year	6 Percentage of same on Market price of Stock	7 Approximate Market Price as of Dec. 6.	8 Dividend Rate	9 Income Yield	10 Dividend Dates	11 RANGE OF MARKET PRICE			
											*1917		1916-1913	
											High	Low	High	Low
Preferred Stocks	$	%	%	%	%	%		%	%					
Ames-Holden-McCready, Ltd..	2,500	210	70	5.6	7.8	16.7	47	*a*	..	....	60	48	80	52
Asbestos Corp. of Can.........	4,000	1003	25	(4) 2.7	5.3	11.9	45	4	8.8	Feb. 15 Q.	53	44¾	60	14
Can. Car & Foundry Co........	7,500	134	22	7.2	4.7	9.4	50	*b*	..	....	89	49½	126	63
Canada Cement Co......	10,500	181	21	11.9	16.9	18.8	90	7c	7.7	Feb. 15 Q.	95	90	99	88
Canada Steamship Lines, Ltd.	12,500	151	9	(3) 7.5	19.1	25.1	76	7c	x9.2	Jan. 1 Q.	93¾	75¾	95½	59
Canadian Cottons, Ltd........	3,661	215	31	12.2	16.2	21.3	76	6	x7.8	Jan. 4 Q.	80	75½	82½	70½
Canadian Locomotive Co......	1,500	128	19	17.6	32.2	38.0	85	7c	8.2	Jan. 1 Q.	69½	84½	95	78
Dom. Canners, Ltd............	2,290	110	14	11.1	24.3	34.2	71	7c-*g*	9.8	Jan. 1 Q.	65	65	..	..
Dominion Coal Co.......... .	3,000	*f*	*f*	41.3	114.1	120.1	95	7c	7.3	Feb. 1 S.A.	96¼	88	112½	93
Dom. Iron & Steel Co.........	5,000					129.6	88	7c	7.9	Apr. 1 S.A.	94	88	105	68
Dominion Steel Corp	7,000	691	195	53.2	128.4	149.3	88	6c	6.9	Feb. 1 Q.	87	84	..	..
Dominion Textile Co....... .	1,940	128	55	34.1	47.0	47.0	100	7	7.0	Jan. 15 Q.	102	100	106½	99
Illinois Traction Co...	7,135	136	3	11.2	11.2	14.0	80	6c	x7.5	Jan. 1 Q.	87	83½	91	87
Lake of the Woods Milling Co.	1,500	243	94	29.6	34.3	28.5	120	7c	5.8	Mar. 1 Q.	116	116	122	115
Mackay Companies............	50,000	*d*	*d*	8.5	9.2	14.1	65½	4c	6.1	Jan. 1 Q.	67⅞	65	73½	63
Maple Leaf Milling Co.........	2,500	145	57	19.6	23.1	20.8	111¼	7c	6.3	Jan. 18 Q.	95	94¾	..	.
Montreal Cottons, Ltd..	3,000	277	72	12.3	14.8	14.8	100	7c	7.0	Mar.15 Q.	103	101½	105½	97¼
Nova Scotia Steel & Coal......	1,000	221	419	89.3	210.4	186.2	113	8c	7.0	Jan. 15 Q.	105	105	125	110
Ogilvie Flour Mills Co.........	2,000	193	125	45.7	67.9	60.3	112½	7c	6.2	Mar. 1 Q.	114	111	122	105
Penman's, Ltd.................	1,075	261	185	42.6	69.0	84.1	82	6c	7.3	Feb. 1 Q.	81⅞	80	90	79
Riordan Pulp & Paper Co......	1,000	202	97	(4) 45.6	133.1	144.6	92	7c	7.6	Mar.31 Q.	94½	90	96	92
Sherwin-Williams Co. of Can..	3,100	629	92	16.5	20.4	20.6	99	7c	7.0	Mar.31 Q.	99½	99	104	95
Smart-Woods, Ltd............	1,546	234	60	(4) 17.8	27.4	31.8	86	7c	8.2	Jan. 1 Q.	80	80	94	84
Spanish River Pulp & Paper..	5,699	193	17	(4) 4.8	7.5	15.1	50	*e*	..	....	59¼	49½	97½	30
Steel Co. of Canada.	6,496	382	126	24.3	57.3	66.6	86	7c	8 1	Feb. 1 Q.	97	85¼	108	69
Tucketts Tobacco Co..........	2,000	3568	86	9.4	9.3	11.6	80	7c	8.7	Jan. 15 Q.	83½	80	101	90
Common Stocks—Public Utility and Miscellaneous														
Bell Telephone Co. of Can.....	18,000	463	15	9.9	10.6	8.1	130	8	x6.1	Jan. 15 Q.	150	130	173	138
Braz. Tract., Lt. & Power. . .	106,289	146	2	(3) 7.1	4.5	14.1	32	..	..	....	47¾	32	101	43
Canadian Pacific Ry...........	260,000	401	19	16.3	17.5	13.2	132	10	x7.5	Mar.31 Q.	165	130⅛	266½	139¾
Canada Steamship Lines, Ltd.	12,000	151	10	(3) 0.5	12.6	31.5	40	..	..	....	45⅝	29¾	45	5⅞
Civic Invest. & Ind. Co...	63,717	214	3	3.7	*f* 5.2	*i* 7.5	69	4	5.8	Feb. 15 Q.	82⅞	68½	83¼	76½
Detroit United Ry. Co.........	15,000	*j* ‡ 49	..	17.0	23 0	21.9	105	8	7.6	Mar. 1 Q.	128	104¾	128½	62
Illinois Traction Co............	12,251	136	2	3.3	3.0	8.6	35	3	8 5	Feb. 15 Q.	35	35	68½	44
Mackay Companies	41,380	*d*	*d*	5.4	6.3	8.6	73	6	8.2	Jan. 1 Q.	90	81¾	89	64½
Ottawa Lt., Ht. & Power......	3,483	‡81	..	9.7	6.4	9.2	69	6	8.7	Jan. 1 Q.	90	77	192	92
Quebec Ry., Lt., Ht. & Power.	9,999	‡34	..	1.4	2.1	14.0	15	..	..	....	35	14¾	45	9½
Shawinigan Water & Power...	15,000	409	15	8.0	8.8	8.2	107	7	6.5	Jan. 10 Q.	130½	107	149½	110
Toronto Railway..............	12,000	‡40	.	12.0	11.1	18.5	60	8	13.3	Jan. 1 Q.	90½	60	148½	73
Twin City Rapid Transit......	22,000	171	4	8.0	9.2	13.1	70	6	6.9	Jan. 1 Q.	94⅝	70	109⅛	93⅜
Winnipeg Electric Ry. Co	9,000	‡31	..	9.9	4.9	10.2	48	..	..	....	81	42	110	90
Common Stocks—Industrial														
Ames-Holden-McCready, Ltd..	3,500	210	50	..	0.6	4.0	15	..	..	....	23¾	12	35	6
Asbestos Corp. of Can.........	3,000	1003	33	..	..	..	15	..	..	.. ..	20	12	24	5
Brompton Pulp & Paper Co....	7,000	516	21	..	*h* 14.3	35.7	40	5	12.5	Feb. 7 Q.	58	38	73	46
Can. Car & Foundry Co........	4,186	134	39	0.4	..	2.1	19	..	..	....	46½	17	120	32
Canada Cement Co............	13,500	181	16	3.8	7.7	13.5	57	6	10.5	Jan. 15 Q.	69	57	72¾	25¾
Canadian Cottons, Ltd.........	2,715	215	42	8.4	13.7	27.4	50	4	8.0	Jan. 4 Q.	54½	46½	70	24
Canadian General Electric....	8,000	490	82	12.3	13.0	12.7	102	8	7.8	Jan. 1 Q.	114½	100⅝	132	91
Canadian Locomotive Co......	2,000	128	15	7.9	18.9	32.6	58	6	10.3	Sep. 20 Q.	64	52½	67½	29¾
Cons. Mining & Smelt. Co.....	5,805	144	9	12.3	17.1	17 1	25	10	10.0	Jan. 1 Q.	35¼	25	43	30
Dom. Bridge Co......	6,500	246	35	(4) 21.2	42.4	33.1	128	10	7.8	Feb. 15 Q.	170	127	237	107
Dom. Canners, Ltd............	2,791	110	11	3.9	14.2	59.2	24	..	..	....	26	20	86	11
Dom. Steel Corp...............	37,097	691	37	8.5	26.7	50.4	53	4	7.5	Jan. 1 Q.	71½	52	82	19⅞
Dominion Textile Co...........	5,000	128	21	10.4	15.5	19.1	81	7	8.6	Jan. 1 Q.	89	76½	90	64
Laurentide Co.................	9,600	273	40	10.5	10.5	6.9	152	10	6.5	Jan. 1 Q.	195	152	233	140
Lake of the Woods Milling Co.	2,100	243	67	16.1	19.5	16.1	121	8	6.6	Mar. 1 Q.	129½	120	147¾	121½
Lyall (P.) & Sons Constr.......	1,750	‡73	..	10.1	*l* 5.02	8.0	62	8*k*	12.9	Oct. 15 Q.	80	53	93	16
Macdonald (The A.) Co........	3,000	148	29	(4) 2.3	3.1	22.1	14	..	..	....	15½	8	60	7
Maple Leaf Milling Co.	2,500	145	57	12.6	16.1	15.9	101	10	9.9	Jan. 18 Q.	115	96	122	108½
Montreal Cottons, Ltd.........	2,949	277	73	5.3	8.0	16.0	50	4	8.0	Mar.15 Q.	58	50	63	50
Nova Scotia Steel & Coal......	7,500	221	56	12,3	33.7	51.1	66	5	7.5	....	126	67	151	39½
Ogilvie Flour Mills Co.........	2,500	193	100	30.9	48.7	34.8	140	10	7.1	Jan. 1 Q.	158	137	152	107
Penman's, Ltd.......	2,150	261	92	18.3	31.5	48.5	65	x4	6.1	Feb. 15 Q.	73¼	65	78	48
Price Bros. & Co.	5,000	361	33	7.2	16.1	13.4	120	x6	5.0	Jan 1 Q.	134	115	132	60
Riordan Pulp & Paper Co	4,500	202	21	(4) 8.5	28.0	23.7	118	x6	5.0	Feb. 15 Q.	127	106	150	59
Sherwin-Williams Co. of Can..	4,000	629	71	7.2	10.5	17.5	60	.	..	....	60	58	65	45
Smart-Woods, Ltd............	1,718	234	54	(4) 10.0	18.4	34.1	54	5	9.2	Mar. 1 Q.	61	43	70¼	18
Spanish River Pulp & Paper..	8,000	193	12	..	0.4	3.0	13	..	..	....	19	13	72⅞	3
Steel Co. of Canada....	11,500	382	71	9.8	28.4	56.8	50	x4	8.0	Feb. 1 Q.	71½	49½	88	8½
Tucketts Tobacco Co...	2,500	3568	69	2.2	1.8	10.0	18½	..	..	....	22½	18½	62	22
Wayagamack Pulp & Paper...	5,000	171	8	5.1	10.2	20.4	50	..	..	....	97	50	112⅛	21
	1	2	3	4	5	6	7	8	9	10	11			

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a Regular rate 7% cumulative. In arrears since July 1, 1914. *b* Regular rate 7% cumulative. In arrears since July 25, 1914. c Dividend is cumulative. *d* Detailed balance sheet not given. *e* Regular rate 7% cumulative. In arrears since July 1, 1913. *f* See Dominion Steel Corporation. *g* Dividends from April 1st, 1915, to January 1st, 1917, in arrears. *h* On basis of last 6 months' earning statement. *i* On basis of last 9 months' earning statement. *j* As December 31, 1916. Company has now excess of current assets through sale of $2,500,000 common stock at par. *k* Initial dividend declared September 10. *l* Company earned 40.7%, but appropriated $62,500 for the amortization of its munitions plant and equipment. (3) Average earnings for three years only. (4) Average earnings for four years only. ‡ Excess of current liabilities over current assets. * To Nov. 24th, 1917. x Company also paying a bonus.

The following information is given in regard to each issue:—

(1) The amount of stock outstanding.

(2) The ratio of current assets to current liabilities. Current assets include all those items on a company's balance sheet which do not represent a permanent investment and which can be converted into cash readily. The items include cash, bills and accounts receivable, goods and material on hand for current working purposes, investments in saleable stocks and bonds, etc. Current liabilities are those debts which have not a definite far-off maturity, and which a company is being or may be called upon to pay at any time. They include bills and accounts payable, accrued interest and dividends due during the current period, bank loans and early maturing notes and other obligations. Every company should always have a large excess of current assets over current liabilities. If the ratio of current assets to current liabilities is less than 100 per cent., it is evident that the company owes more in current obligations than it has in current resources. In other words, it has no working capital, and is faced with the necessity of doing more financing or of building up its working capital out of earnings.

(3) Ratio of working capital to par value of stock. This item gives some measure of the amount of working capital owned by a company in proportion to the issue of stock considered.

(4) Average income applicable to stock for last five years. This income is figured after all prior deductions for all obligations senior to the particular issue considered have been deducted. Too many stock purchases are made on a basis of current earnings only. Equal attention should be given to the average of earnings over a period of at least five years wherever possible, as a company's prosperity may be merely due to temporary conditions.

(5) Percentage earned on stock in last fiscal year. This is the same item as that considered in (4), and is taken from the latest earning statement made public by the company.

(6) Percentage earned on market price of stock. Items (4) and (5) represent earnings in percentage on the par value of the stock. This item represents earnings in percentage on the market value. As one is buying a stock at its market value and not at its par value, it is obviously illuminating to know the earnings as compared to the price which one is to pay.

(7) Approximate market price. This represents the approximate price at which the stock could be bought on the market at the time this analysis was issued. This price is subject to change.

(8) Dividend rate. The amount in dollars per share per annum which the company is currently paying in dividends.

(9) Yield on market price. The actual income per annum in percentage of the amount invested per share.

(10) Dividend dates. One month is given with the sign "Q.", indicating quarterly, or "S. A.", indicating semi-annually. Thus, if the dividend date is given as January 1st, Q., it means that the dividend is payable January 1st and succeeding quarters, i.e., April 1st, July 1st and October 1st

(11) Range of market price. These columns give the highest price and the lowest price at which transactions were made on the stock exchange. The first column is for the year 1917 to the date of the compilation of this analysis. Second column shows the highest and lowest registered at any time during the years 1913 to 1916, inclusive.

These statistics are compiled from sources which are considered reliable, but they are not necessarily guaranteed.

Authorities are divided as to the future of interest rates. Briefly, one view is, "that wealth is being consumed and destroyed abroad in enormous volume, and that the longer the war keeps up the greater will be the impoverishment of the European nations, and because of the destruction of property and wealth in Europe there is bound to be an enormous demand for capital for reparation. Consequently, there will be a tendency toward higher interest rates, which tendency will be maintained for an indefinite period." The other view is, "that the quiet, but extensive, liquidaton which has been going on in recent years, the cessation of new enterprises and the marked caution followed in every direction in the matter of improvements and new developments are all having a most vital influence in lowering the average interest rate, and that this condition is likely to continue, regardless of whether or not we witness a fair revival in industrial activity."

DOMINION LOAN IN UNITED STATES LAST YEAR

Canadian Government Has Raised $215,000,000 There Since War Commenced

The Dominion government loan floated in the United States in August, 1917, a loan of $100,000,000. This was the only such loan made in that market last year, and was the third made there since the beginning of the war. Our federal loans in the neighboring market to date have been as follow:—

Issued in	Amount.	Term, years.	Rate %	Issue price.
July, 1915	$25,000,000	1	5	Par
July, 1915	15,000,000	2	5	99½
March, 1916	25,000,000	5	5	99.56
March, 1916	25,000,000	10	5	97.13
March, 1916	25,000,000	15	5	94.94
August, 1917 ..	100,000,000	2	5	98

Prior to the war, the Canadian government had not financed in the United States. Since that country's entry into the struggle, it has been possible to market only very few of our issues there, as the United States war loans have been practically dominating the situation since April last. The loan to Canada last year was the first foreign government transaction undertaken since the entrance of the United States into the European war. It was first thought that the United States might make advances to Canada just as it had given credits to Great Britain, France and other enemies of Germany, but when it was found that the government at Washington was not disposed to lend money to Canada, New York bankers were asked to do the financing. They readily consented, but pointed out that in the circumstances it would be necessary to obtain United States Treasury Secretary McAdoo's consent.

Attitude of United States.

After conferences between Sir Thomas White, finance minister, and Mr. McAdoo, in July, Mr. McAdoo stated that in view of the fact that the balance of trade between the United States and Canada was running strongly in favor of the United States, he realized that it was desirable for Canada to establish credits in the United States markets to meet the adverse balances. Therefore, he said, there would be no objection on the part of the United States government to the proposed offering, but that the United States government would have to keep control over their own situation by determining each foreign offering on its merits, and with reference to the financial condition prevailing at the time. It was important, he added, that commercial and financial relations with Canada should be conserved in every reasonable way. The transaction was for that purpose.

Cost of Loan.

As the financing was in effect a credit for the purpose of facilitating purchases by Canada in the United States the rate demanded was regarded by some as unduly high, but the pressure on the New York money market was acute, and Canada had to enter into competition with other borrowers. Secretary McAdoo had just intimated to financial New York that he would require $5,000,000,000 more money for war purposes, and both in prices of goods and of capital the tendency of manufacturers and bankers of the United States was obviously to give a preference to home demands. However, it was thought by some that Canada which during the last fiscal year purchased from that country for domestic consumption goods to the value of $664,000,000, as against only $200,000,000 purchased in return by the United States, was entitled to a measure of preferential treatment. On the other hand, United States investors who subscribed $2,000,000,000 of the Liberty Loan on a 3½ per cent. basis might perhaps reasonably object to advances made to Canada out of those funds while Canadian investors were obtaining more than 5 per cent. on their war loans.

The loan cost Canada approximately 7 per cent. The net proceeds of the $100,000,000 issue were $96,250,000. Purchasers netted 6.077 per cent. Commission and other charges amounted to about 1¾ per cent.

SIX PER CENT. MUNICIPALS

Factors of Our City and Town Borrowing and the Outlook

By H. M. P. ECKARDT.

The Canadian investment world has found the six per cent. municipal bonds an interesting subject for discussion. In numerous cases parties who formerly confined their investments largely to Ontario farm mortgages at around 5½ per cent. have turned to the issues of eastern city and county bonds yielding 6 per cent. or better. So far as security is concerned these bonds are all that can be desired and the business of investing in them and collecting the interest involves the minimum amount of expense, trouble or inconvenience. In certain respects they have decided advantages over farm mortgages yielding about the same rate. Apart altogether from the matters of security and promptness of interest payments, the bonds in selected instances give the investor assurance of receiving the stipulated annual return for periods of ten, fifteen, or twenty years, whereas the mortgage contract runs, as a rule, for a much shorter term.

Cost to Municipalities, 7 Per Cent.

The municipal bonds bearing interest at 6 per cent. and over have a great significance for the borrowing corporations. When the commissions and other expenses incidental to the marketing of the bonds are provided for, the net cost of the money to the borrowing city or town may be 7 per cent. or more; and such a high annual interest cost acts directly on the tax levies. If the amount borrowed is considerable, the seven per cent. interest cost leads straight to an increased taxation rate, unless the increase in annual interest outgo can be offset by economies elsewhere. With wages and prices of commodities high and rising under war conditions, it is difficult if not impossible to effect compensating economies in other departments of the municipality's expenditure. Then, when the taxpayers have it forcibly brought to their attention that the new loans are playing an important part in increasing their municipal tax rate, they naturally begin to question the necessity of the loans; and they see to it that the municipality does not embark on fresh projects requiring borrowed money unless the expenditures are absolutely necessary and cannot be postponed.

Winnipeg Water Board Flotation.

Following the flotation of the Winnipeg Water District at midsummer on a yield basis of 6¼ per cent., the interest rate on municipal bonds tended steadily upwards in the second half of 1917. This resulted directly from the entrance of the United States into the war. Prior to April, 1917, the American investment public took considerable amounts of our provincial and city issues, and the American financial houses participated with our own dealers in bidding for the successive new offerings. All this was suddenly changed when President Wilson declared a state of war with Germany, and the American government began to borrow heavily from its own people for the purpose of lending to the European allies and financing its own warlike activities.

Some of our provinces and cities did not at once realize the significance of what had happened; and they went on with various projects confidently believing that the bond market would soon recover. They provided for their immediate requirements through negotiating temporary loans with the banks, and the aggregate of these loans, as shown in the monthly bank returns, rose rapidly. An end came to this, however, when governmental pressure for special war credits forced the banks, to require liquidation of the temporary provincial municipal advances. As the American market was still practically closed, with no immediate prospect of re-opening, the only way this could be done was through offering the bonds to Canadian investors at specially attractive prices. Thus the special loans were reduced, and from time to time issues of new bonds, to cover expenditures that could not be postponed were successfully made. Attractive prices were in evidence on some of the older issues also—as the bond houses naturally desired to clean house in preparation for the fourth war loan and for the new year.

Assuming that the war continues with unabated violence in 1918, the prospect apparently does not indicate any material easing up of the stringency in the bond market. Evidently the American government will be obliged to continue borrowing heavily from the investment public and from the banks to finance the great military operations it has undertaken. As the American army grows and as its activities increase, the war outlays of the government will enlarge; and if the loans to the allies are kept up, American investors will be required to supply such vast amounts to their own government as to leave them little or nothing available for investment in foreign securities.

So far as our banks are concerned, it is clear that their resources will be very fully taken up with the special war credits to the Dominion government, and to the government of the United Kingdom in connection with British purchases of our foodstuffs and munitions. These special credits show a tendency to increase steadily, and even in 1917 they had crowded out some of the credits ordinarily granted to the commercial and industrial customers of the banks. The banks were obliged to ask their regular customers in many cases, to cut down their requirements. If the war credits continue to rise in 1918, the same pressure on mercantile borrowers will perhaps be more or less in evidence; and, under the circumstances, the banks will not be in condition to give large temporary loans for indefinite periods to municipalities and provincial governments, when such loans are caused by new construction work or other projects. The work may be necessary, but it is nevertheless a capital expenditure, properly covered by sale of bonds. The bankers will be obliged, of course, to provide the municipalities with the ordinary short-term credits for current expenses in anticipation of tax collections. Also probably they will have funds available for short loans on new bond issues for which a sale has been definitely arranged.

Thus it appears that new issues of bonds will require to be sold promptly in the home market at prices yielding investors good returns. No matter how carefully they conduct their finances some cities and towns will be forced to borrow by way of bond issues, and thus ensure fresh appeals to the market from time to time.

BRITISH CONSOLS RECORD

British Consols have been the centre of interesting events since the outbreak of war. Last year the highest price was 56¼ and the lowest 51. The highest price in 1916 was 61¾ in June, and the lowest 55 in December.

In 1914, the price of Consols declined on July 30th to 69, the lowest figure since 1821, when a sale was made at 68¾. The highest price in 1915 was 68⅝, and the lowest 57, reached in November after the minimum price fixed by the London Stock Exchange committee, was removed. British Consols (2½ per cent. consolidated stock) are redeemable only by purchase in the open market.

When the big British war loan was issued in July, 1915, an opportunity was given to the holders of Consols to convert their holdings into the new war loan. Consols then stood at the minimum price of 66½, fixed by the London Stock Exchange committee. The government said to the holder of Consols, "If you apply for £100 of the new loan we will allow you to convert £75 worth of Consols into £50 of the new war loan." The government thus made Consols exchangeable at a price of 66⅔. The holder had the advantage of being able to apply to the new war loan and the government relieved the holder of a security which he would inevitably have had to write down and which would probably be almost unsaleable. The government gave him instead a highly marketable security. Consol holders who wished to convert had to buy £100 of the new loan, in order to secure the option of exchanging £75 of Consol stock for £50 of the new loan.

Towards the end of June, 1915, the London Stock Exchange committee, at the instance of the British treasury, lowered the minimum price of Consols from 66½ to 65.

For the eight months ended November 30th, 1917, of the fiscal year which will close on March 31st, 1918, Canada's trade was valued at $1,855,157,821. During the eight months period of 1916 the total trade of the Dominion was $1,499,255,942. For the month of November, 1917, our trade totalled $268,541,563. For November, 1916, it was $186,066,351.

WARNING TO CREDIT MEN

Now is the Time to Make Careful Survey of Accounts and Ascertain Financial Standing of Customers

By W. A. SADLER.

In talking the other day to the credit manager of a large manufacturing company, which has a due date for a certain line of special goods it manufactures, on October 15th each year, he stated that in some years they had as high as 50 per cent. of their drafts, drawn on the above date, returned unpaid. This year only the comparatively insignificant amount of 10 per cent. were so returned.

Towards the end of November last, a large eastern cattle buyer in Winnipeg, who had just completed his summer and fall operations in western Canada, was discussing the present financial condition of the smaller towns and rural municipalities in the west. He said that about a month previously, in a small village in western Alberta, he had paid $45,000 in one day, through the local branch of the bank, to cover his purchases of livestock in that vicinity. About ten days afterward, he returned to the village, where he again met the local bank manager, who told him that $41,000 of the $45,000 had remained on deposit. He added: "That is just a fair example of what is taking place throughout the entire western country."

Farmers in the West.

Farmers in the west have been receiving high prices for grain and cattle, due to war conditions. There has been a ready cash market for all the grain and stock they could produce. The result is that there is a surplus of cash available, which augments purchases on a cash basis, from the local retail stores.

In consequence, the local dealer has been in a position to discount his bills with the manufacturer and jobber. Hence the credit men in these latter establishments are pleased with the satisfactory position of their accounts. They are selling promiscuously to every retailer and jobber who has enough assets to procure a printed letter head and to some who cannot even afford to do this, regardless of any credit rating they might obtain on such customers, and in the great majority of cases they have not been disappointed. Their losses during the current year have been, perhaps, not more than a twelfth of one per cent.

How many of these self-complacent credit men are judicious enough to realize that these conditions are due entirely to the inflated and unnatural conditions produced by the war, that the country-wide prosperity may cease at any moment by any unexpected turn in the war or by an early cessation of hostilities? With the return of normal prices and wages and with the decreased demand for staple commodities abroad, the wise credit man at that time will be he who has carefully trimmed his outstanding accounts within the margin of safety, taking advantage, in a diplomatic way, of the present war conditions, to effect that end.

During periods of prosperity our credit men are lavish in the granting of credit lines to old and new customers alike. They are careless of the information diffused periodically by such admirable and helpful organizations as the Canadian Credit Men's Associations and other kindred bodies, whose sole duty it is to protect the interests of their various members. They are even so jealous of their success in avoiding losses that they are very shy about detailing their credit experiences in particular cases through their own particular trade organizations, for the collective benefit of its members.

Beginninge of Panics.

But when unforeseen events of national or international magnitude plunges the business of the whole country into distress, they immediately rush their delinquent and slow accounts into the hands of a mechanical mercantile agency or their solicitors. The result is the very condition of affairs which they are hoping to avoid. Their debtors, suffering from a sudden cessation of cash trade, are unable to meet these urgent requests for payment. This information is quickly diffused by the mechanical mercantile agencies throughout the entire industrial world, and in a great many cases, through their avidity and that of the average collection solicitor, a series of failures and assignments are precipitated, to the detriment of the general business of the country for a long time to come.

When the end of the war is in sight, a gradual or perhaps rapid business depression may set in. All credit men, whether in wholesale, manufacturing or jobbing houses, should carefully scrutinize the intrinsic character of their outstanding accounts. Where there is the slightest doubt about the basic soundness, in the way of a safe relative proportion of actual, tangible, convertible assets to liabilities, they ought to employ those intelligent means which are available to ascertain the true financial standing of their customers. They ought to curtail or close those credits which do not bear the test. In accomplishing this in the past, they have been prone to accept second-hand information obtained by mechanical means on which to base their judgment about the lines of credit to which their customers are entitled. There never was a period in our industrial history when the credit men should insure their credit liabilities by a safe, sane, intelligent and careful survey at first hand of the intrinsic character of their open accounts. It is possible to obtain such insurance and to get this information through modern methods of credit investigations and adjustments. The shrewd credit man will not delay in employing them.

Canada's Taxation Policy will Encourage Thrift, Investment and Agriculture

"It has been officially drawn to the attention of the government that the use of the expression of 'conscription of wealth' in the debates in parliament and by public and other bodies outside parliament and by the press in its news reports has caused a certain uneasiness among those whose savings constitute a vital factor in the business and industrial life of the Dominion and are so essential to the credit and prosperity upon which our efforts in the continued prosecution of the war must largely depend. I desire to say on behalf of the government that there need exist no apprehension on the part of the public that any action of a detrimental character will at any time be taken with respect to the savings of the Canadian public. On the contrary, it will be the policy of the government in the future, as in the past, to encourage in every way possible the exercise of the thrift and economy resulting in national savings which have enabled Canada to maintain her credit and improve her economic position during the war.

"Any taxation to which it may be necessary for the government to resort from time to time will be in accordance with legitimate and established forms of taxation sanctioned by the tradition and experience of British self-governing communities. This statement, therefore, must not be understood as precluding legislation providing for income taxation upon those whose incomes are such as to make it just and equitable that they should contribute a share of the war expenditure of the Dominion."—Statement of Sir Thomas White, Finance Minister, in the House of Commons, Ottawa, July 10th, 1917.

"Canada is a country inviting immigration, and we must be careful not to create the impression that it is likely to become a country of heavy individual taxation. In this connection, I think it opportune to state on behalf of the government and as enunciating its settled policy, that in providing our war expenditure, resort will not be had to taxation upon the farms, personal effects or incomes of those engaged in our great basic industry of agriculture."—Statement of Sir Thomas White, Finance Minister, in the House of Commons, Ottawa, February 15th, 1916.

CIVIC GOVERNMENT ON BUSINESS PRINCIPLES

Municipalities Should Aim to Give Service at Lowest Cost —Administrative Board Idea

By HORACE L. BRITTAIN.

It is a mistaken notion that municipalities are merely more or less mismanaged businesses. The main purpose of business in the ordinary acceptation of the term is the earning of dividends; at least a business which does not earn dividends will not be long continued. A municipality is not run for the purpose of earning money dividends but for the purpose of rendering certain necessary community services at cost. Dividends appear in the form of comfort, satisfaction and good health. Business, therefore, is liable to certain abuses on account of the dividends it seeks, abuses which may lead to the unjust exploitation of the people. Municipal government, partially on account of not requiring tangible dividends, is liable to certain other abuses equally exasperating and causing equally unjust burdens on the taxpayer. Business and municipal government both render service to citizens. Business aims to render the service at the lowest cost to it for the sake of larger resulting profits. Municipal government should aim to produce the necessary services at the lowest cost consistent with efficient service for the sake of leaving as much of the citizen's income as possible for the citizen himself to spend.

It will be seen that as far as operating at low cost is concerned, business has an immense psychological advantage. The motive is a positive one—profits that can easily be seen and measured. The stockholder who doesn't get his dividend wants to know why at once. If the citizen stockholder were looking for cash returns from the city he would be much more insistent on economy of management. But failure in economy results in an increased tax burden—a negative not a positive return. How much of the increase is due to inefficiency, he cannot know. All he can do is to pay his tax bill and shrug his shoulders, or vice versa. He cannot even measure his intangible dividends of comfort, satisfaction or good health. He takes these as a matter of course. The managers of our municipalities, therefore, are not under the same constant and insistent pressure from the taxpayers as the managers of private business from the shareholders.

Public Attitude Toward Municipalities.

Again, too many people look upon the municipality as a fairy godmother whom it costs nothing to grant favors—favors which they would not dream of asking of a business corporation. The municipality for its own sake must make large expenditures on philanthropy and charity. Instead of recognizing that these expenditures are made in order to avoid larger expenditures, many citizens, some poor and some "malefactors of great wealth," try to get in on a good thing and receive their slice of the city's favors. The poor, but not too poor, get a hospital order to avoid a bill which they could very well pay. The man situated in the mean gets his daughter on the teaching staff on the ground that he is a taxpayer and if there are any jobs going his family should get its share. The wealthy man, on the ground that he is a great employer of labor and therefore has donated or will donate to the city many people capable of paying taxes, asks that his taxes be reduced by fixed assessment or free water—his employees and other citizens should be glad to pay the difference. Private business is not accustomed to give something for nothing.

While the problems of successful municipal management and successful business management vary, nevertheless, the same principles which when applied will produce good service at the lowest cost in private businesses will produce good service at the lowest cost in municipal affairs. A municipality is not a business, but it discharges certain functions of a business and to that extent can and should make use of those principles which have stood the test of business experience. What are some of these principles?

Dividing Legislature and Executive.

The separation of legislative and policy deciding functions from executive and policy forming functions is perhaps the basal principle of good management. A private corporation has a board of trustees, not necessarily made up of experts, who exercise general legislative control and decide on general policies initiated and brought to their attention by executive and administrative officers. They exercise control by requiring detailed and understandable reports from their paid executive officers. The private corporation has also a business executive and administrator with a staff of experts who are responsible for carrying out and administering the business under the general regulation of the board. The board does not attempt to interest itself in details of management, but holds its paid officials responsible for results. The administrative officials do not attempt to usurp the legislative functions of the board.

A similar procedure in municipal government would demand that the council (or other body elected by the people) would confine itself to passing by-laws necessary for the government of the city and deciding on matters of general policy, while the heads of departments would administer the by-laws and govern their executive actions according to the general policies laid down down by the people's representatives.

Answer These Questions.

To make the matter concrete let each reader put to himself and answer the following questions:—

1. Who in your city decides whether an applicant for a Chinese laundry license shall have it or not?
2. Who really decides where street lights shall be located?
3. Who really decides whether, say, the second clerk subordinate to the first assistant to the chief accountant of the treasury department is worthy of an increase in salary?
4. Who really decides whether the head of, say, the works department needs an office messenger boy or whether it would be better to have some higher paid official run the errands?
5. Which subject causes a more acrimonious debate in the council, a proposition to increase the salary of an assistant in, say, the health department, or the proposition to spend $500,000 to build a bridge at the expense of the whole city which will greatly increase the value of the real estate property of some citizens of the city or some other city?
6. What proportion of the time of council is consumed in deciding executive details which in a business concern would be left strictly to the executive officials?
7. If your city council confined its attention to the things within its proper province, how many hours per week would it need to give to the work?
8. If these hours were cut down to a reasonable number would, in your judgment, an abler class of candidates offer themselves for election?
9. Does the fact that a man is elected to membership in a municipal council ensure his endowment with special knowledge and wisdom with regard to the detailed administration of a city or even its general policy?

The Centralization of Management.

No business organization could permanently earn dividends under divided management or under conditions of uncertainty as to the line of authority. There might be several departments of the business each under a head responsible to the general manager and acting as a member of his cabinet. Under existing conditions many cities are practically bundles of almost independent businesses, usually rather indifferent to one another, frequently jealous of one another, and still more frequently rivals for a large slice of the funds provided out of taxation. Yet there is no effective administrative agency for co-ordinating their activities throughout the year. The Board of Control was the result, at least in part, of a desire to secure this centralized control. But the board of control has failed to accomplish its purpose for four reasons:—

1st.—The board of control is elected by the people as is the council, and is therefore not responsible to council with which, as a consequence, it is frequently at loggerheads.

2nd.—It is impossible to secure competent administrators by election. Experts in getting votes are often elected to boards of control, and only by accident experts in municipal administration.

3rd.—The tenure of office of the board of control is too short to enable its members to acquire expertness.

4th.—The member of the board of control is not dependent on his professional standing as a successful administrator of a department or group of departments.

The board of control is a crude imitation of the cabinet system. If it were really a cabinet selected by and responsible to council and confining itself to the decision of administrative policies on the advice of its permanent administrative officers and to the initiation of legislation in council, the result would be far different. There would be far greater co-ordination of departmental activities—a much nearer approach to operation on a city-wide plan. Owing to the absence of municipal parties resulting from distinct cleavages on matters of city policy, the development of the board of control into a city cabinet would seem to be improbable or impossible. If for no other reason, the non-availability of men of sufficient calibre and training to warrant their employment as business managers of large cities, the city manager form of city government is bound to be of strictly limited application in Canada for many years. This does not mean that no way which could be introduced at once can be found to effect administrative co-ordination. Every city in Canada could within 24 hours put into effective operation an administrative board by simply directing the permanent heads of departments to meet once a week for the discussion of administrative policies, for the formulation of policies for the consideration of council, for the prevention of overlapping and the securing of united action. At first this administrative board would be merely informal but the securing of co-operation depends more on common discussion and understanding than on legislation. In most cases all that would be needed to prevent action at cross purposes would be the institution of conferences at regularly occurring intervals. After being tried out for a year or two a detailed plan, based on actual experience, could be crystallized in provincial legislation.

A fair trial of the administrative board idea would provide a clear separation between the legislative, executive and administrative functions of government, and an effective provision for the continuity of general policy on the part of the city. In order to save time and avoid unnecessary details the following chart is presented which illustrates one way in which the administrative board idea might be worked out in any large Canadian city so as to centralize practical detailed management in the hands of those most liable, on account of training and self-interest, to render efficient service:—

Planning Spending Before It Is Spent.

Perhaps more money is wasted on account of improper planning or planning after the fact than in any other way. All cities are compelled by law to make annual estimates as a basis for determining the amount and rate of taxation. Few cities have real budgets which represent a definite city-wide plan of work and expenditure based on proved needs. Few cities complete their plan before beginning to execute the plan and incur the expenditure the plan calls for. In fact, some cities actually spend one-third of their annual current income not only before the money is raised but before any plan of expenditure whatever is determined on. Not only does this lead to a tremendous increase in debt charges, but it makes effective control of expenditure impossible.

The citizen can determine for himself whether his city adequately plans for current expenditure by getting the answers to the following questions for his city:—

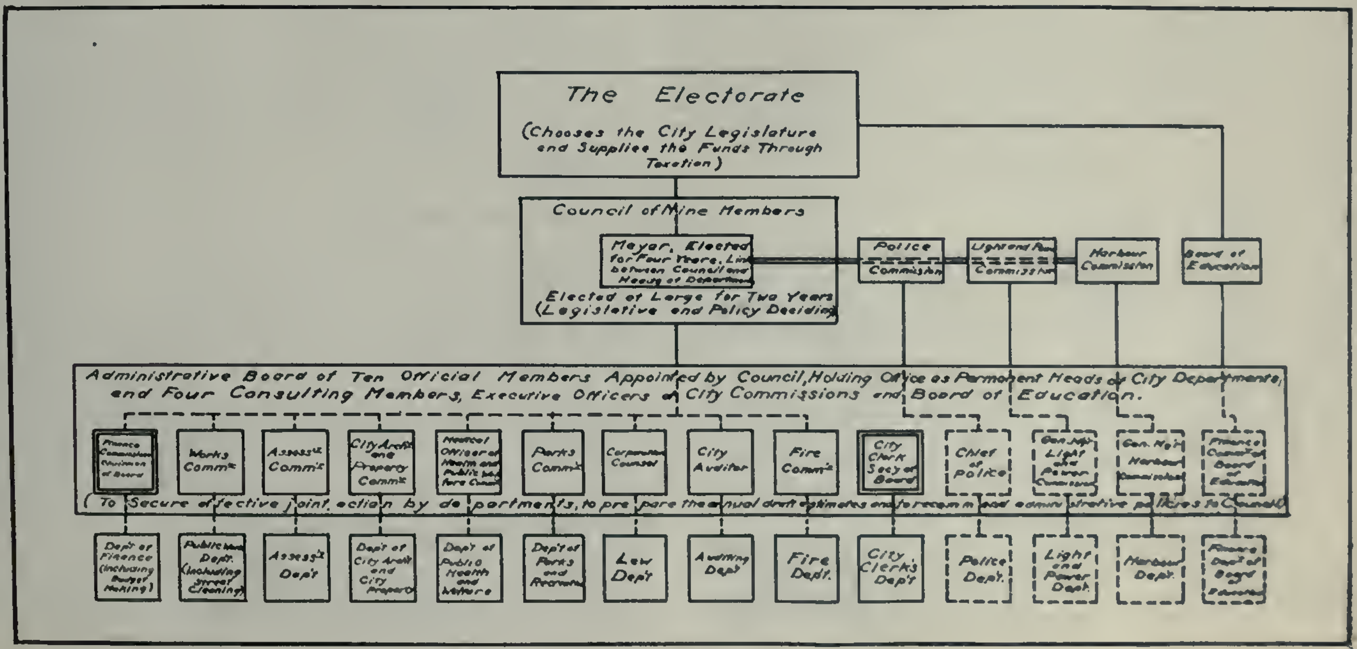
1. Are the budget estimates for any given year prepared before that year and that year's expenditures begin?
2. Does the budget document tell how much the city owes and how much the city owns, segregating the different forms of assets and liabilities?
3. Does it tell how much it has cost or will have cost to run the city the previous year?
4. Does it tell how much more or less the city spent or will have spent on current account than it had to spend?
5. Does it tell what it is proposed to do with your money for this year as well as what it did with it last year?
6. Does it tell by departments and divisions, and with comparative figures for other years, how much of the gross income is to go to debt charges, salaries and wages, contractual services, materials and supplies, equipment, pensions, contributions and other charges?
7. Does it give a detailed estimate, with comparative information, of the amount of revenue other than from taxation?
8. Does it contain a loan fund budget setting forth how it is proposed to spend loan funds and under what circumstances loans are to be effected?

If the answer to all these questions is not "yes," the planning of current expenditures is to some degree inadequate, and to some degree the city is liable to suffer the losses which flow naturally from inadequate planning.

Raising the Money Before It Is Spent.

One prevailing cause of waste is the habit of municipalities to begin public works before debentures are sold. Sometimes it is felt that the time is a bad one in which to sell bonds and that it is better to postpone the sale until an improvement in the market. It is rarely recognized that a poor time for selling bonds is a poor time for incurring liabilities and a good time for postponing bond sales is a good time for postponing public works to be paid for out of bond sales. There are, of course, exceptions to this rule. In any case, where work is begun before money is in hand the work has to be financed by temporary loans, thus increasing the floating debt. This applies to expenditures out of the proceeds of taxation as well as out of bond sales. In the former case there is loss through unnecessary interest charges and in the second there may be loss through being finally compelled to sell bonds in a market still more unfavorable than in the first instance. It would be interesting to know how many cities, who were financing public works by temporary loans, have been greatly embarrassed by inability to sell debentures during the war period. How much better off such cities would be now if they had always followed the policy of postponing work until the necessary money was in hand?

A logical conclusion to this paper would give a statistical statement of the effect on municipal finance of disregard of


The Electorate
(Chooses the City Legislature and Supplies the Funds Through Taxation)
Council of Nine Members
Mayor, Elected for Four Years, Link between Council and Heads of Departments
Elected at Large for Two Years (Legislative and Policy Deciding)
Police Commission
Light and Power Commission
Harbour Commission
Board of Education
Administrative Board of Ten Official Members Appointed by Council, Holding Office as Permanent Heads of City Departments, and Four Consulting Members, Executive Officers of City Commissions and Board of Education.
Finance Commissioner Chairman of Board
Works Commr.
Assess't Comm'r
City Arch't and Property Comm'r
Medical Officer of Health and Public Welfare Comm'r
Parks Comm'r
Corporation Counsel
City Auditor
Fire Comm'r
City Clerk Sec'y of Board
Chief of Police
Gen. Mgr. Light and Power Commission
Gen. Mgr. Harbour Commission
Finance Comm'r of Board of Education
(To Secure effective joint action by departments, to prepare the annual draft estimates and to recommend administrative policies to Council)
Dep't of Finance (including Budget Making)
Public Works Dept. (including Street Cleaning)
Assess't Dep't
Dep't of City Arch't and City Property
Dep't of Public Health and Welfare
Dep't of Parks and Recreation
Law Dep't
Auditing Dep't
Fire Dept.
City Clerk's Dep't
Police Dept.
Light and Power Dept.
Harbour Dept.
Finance Dep't of Board of Education

these principles. This would be possible for any one city but absolutely impossible for the country as a whole. Until we have developed in Canada uniform systems of accounts for cities of like size, and until we have reliable national municipal statistics, diagrams and charts based on nation-wide conditions will be more interesting than instructive or conclusive. Some provinces have fairly accurate municipal statistics, but there is no co-ordination between them and in many instances the information contained is out of date before publication. Canadian municipalities will be under a heavy handicap in attempting to effect economies and reforms until comparative information of national scope is available. In order to mend one's ways, one must realize whither he is going and whither his neighbors are going.

BRITISH COLUMBIA RURAL CREDITS

Loans Made on First Mortgages for Agricultural Purposes —Land Development Work

By **MAXWELL SMITH.**

The Land Settlement and Development Act, passed at the last session of the British Columbia legislature, was designed with the object of benefiting every citizen of the province by facilitating increased agricultural production. The administration of the act is entrusted to what is known as the land settlement board consisting of the chairman and five directors.

While the loaning of money to farmers for development purposes will continue to be an important feature of the board's work, the public development and settlement operations, provided for in the act, will doubtless be the most far-reaching from a financial and educational point of view, as there are many areas of unoccupied fertile lands within the province where the board may undertake extensive clearing, draining, dyking, irrigation and reclamation schemes thereby helping solve many of the difficulties with which the farmer is confronted.

Is In Co-operative Field.

It should be borne in mind that the board is not entering the competitive but rather the co-operative field, as it is the intention that both the loaning and development features of the board's work shall be made self-sustaining and conducted on sound business principles.

I am a believer in legitimate and judicious advertising of the province, with its vast natural resources and opportunities, but our first duty is to create conditions that will facilitate the profitable occupation of the land, making it possible for the farmer to earn a fair living under congenial circumstances. Then there will be no need to worry about getting people to occupy and cultivate the soil.

Notwithstanding the assertion made in some quarters that "British Columbia is not an agricultural country," I have no hesitation in saying that my knowledge of the province goes to confirm the contrary opinion, that we possess large agricultural possibilities, which may be realized through a sane and common-sense administration of a practical land development policy.

Land Development Work.

In "The Land Settlement and Development Act" I believe a good start has been made along practical lines, as the board is empowered to undertake important land development work that should revolutionize the agricultural status of the province.

The establishment of demonstration areas in different parts of the province, having a diversity of climatic and soil conditions, will not only facilitate rapid and permanent settlement on these areas, but all the information thereby obtained, as to the best and most economical methods of clearing, dyking, draining, irrigation, cultivation, etc., with accurate figures as to cost and possibilities of revenue, will be available for the benefit of private enterprise.

We should not be satisfied with the agricultural conditions of British Columbia until she is producing her own consumption of necessary foodstuffs and has begun to export a sufficient surplus of what we can grow ourselves, to purchase the luxuries we are compelled to import from other countries.

While more or less paternal, it must be distinctly understood that the land settlement board is not a benevolent institution. Its operations must be conducted on sound business principles. It is proposed to make our demonstration development schemes sufficiently revenue-producing to reimburse the government for the expenditure, while at the same time facilitating settlement under reasonably advantageous conditions.

The loaning department must also be conducted on a self-sustaining basis. Loans are made on first mortgage securities for agricultural purposes.

We thus propose to help the farmer to help himself, and the consumer in the cities should be equally interested in his success. The transportation companies should meet us halfway in the matter of freight rates and, with the hearty co-operation of all concerned, every industry and class in the province should benefit in accordance with the progress and development of our agricultural interests.

I have a very keen appreciation of the difficulties confronting the board in these abnormal times, not the least of which is the question of obtaining the necessary funds with which to operate during the present unsettled state of the money market.

MORTGAGE LOANS IN CANADA AND STATES

Some Interesting Comparisons — Assets of Canadian Companies Total $1,000,000,000

By **HUME CRONYN.**

The rural credit system of the United States is managed by three bodies—(1) the Federal Farm Loan Board, at Washington (the head office of the organization); (2) the 12 Federal land banks scattered throughout the United States (the district managers) on whom the duty falls of raising money to lend the farmer; and (3) the countless national farm associations, whose chief business it is to arrange the farmers get the money they want.

These are all, in a sense, government institutions; at least they are not created for the purpose of making a profit for shareholders, but the act itself provides for the establishment of joint stock land banks, who can enter business and compete alongside the government for farm loans. These joint stock banks will be, in very truth, replicas of our mortgage companies, save that they are not allowed to take money on deposit.

Fifteen Times Capital and Reserve.

To offset this drawback, they are permitted to issue bonds or debentures up to the amount of 15 times—not only their paid-up capital—but any reserve which they can accumulate, and these debentures will apparently be (as are the debentures of the Federal land banks) free from all taxation. There is some question about the validity of the tax exemption clause of the act, but if it is upheld it apparently applies to the bonds of both the Federal land banks and the joint stock banks.

And Only Four Times Here.

The interesting side of the situation to us in Canada is that the United States, after the most exhaustive inquiry all over the world, have decided it is safe to allow an institution dealing in farm mortgages to issue debentures up to 15 times its paid-up capital and reserve, while we in Canada are limited to once our reserve added to four times our paid-up capital.

The farm mortgage bankers of America, whose business heretofore has been conducted on quite a different principle than that of Canadian mortgage companies, are not likely to be altogether put out of business by government competition, when they can so easily turn themselves into joint stock land banks, and thus obtain the great advantages offered under the American act.

In Canada, mortgage companies have had a growth along lines different somewhat from that in the United States. For 60 years or longer these corporations have played a part in the development of Canada, and while, so far as size and profits are concerned, they are easily overshadowed by many of our financial institutions, yet they have in the main proved reliable and sound custodians of the moneys of depositors, debenture holders and shareholders alike.

Founded, in the first place, on the well-known building society basis, they soon enlarged their operations, and for a generation or more have by law been entitled to accept moneys on deposit, and to issue debentures as a floating charge against their assets. That is to say, depositors and debenture holders are preferred creditors, their claims ranking on winding up proceedings "pari passu" as between themselves but ahead of ordinary creditors, if such there be, and of course prior to the shareholders who must of necessity last share in what may remain of the assets. These borrowings are strictly limited by law and, generally speaking, cannot exceed the reserve fund added to the four times paid-up capital of the debtor company. Prior to the war the greater proportion of these debentures were marketed in Great Britain. As a rule they run no longer than five years, when they were repaid or renewed at the current rate of interest. This type of investment appealed strongly to the canny Scot, who preferred security to profit and who appreciated the opportunity of periodically reviewing the position of the concerns to whom he intrusted his funds. It is estimated that 90 per cent. of the mortgage company debentures floated abroad were placed in Scotland.

Situation Changed by the War.

As an evidence of the high opinions in which these bonds were held, our records show that a few years ago, even after paying a commission to agent and stamp tax, they could freely be marketed at a cost to the issuing company of less than 4 per cent. Since the war the situation has wholly changed, and it is a difficult matter to renew the bulk of maturing debentures in the face of the increasing demand and rates of the British government. In the meantime, Canadian investors have been educated to the advantages of these securities and some, at least, of our companies have been able to make up at home more than the shrinkage occurring abroad.

In earlier days the mass of mortgage loans was secured on farm lands, the province of Ontario being an attractive field for these operations. The opening of our western provinces synchronized with the decay of farm mortgages in the older field and absorbed a large amount of capital, while the growth of our cities called for the assistance of the mortgage lender to no small degree.

So far as we are aware, the principles adopted in mortgage lending are the same on both sides of the line, save in Canada it is well nigh the universal rule that the borrower pays no commission on his loan, whereas an agent who brings a loan to a corporate lender expects to receive, and is paid without question by that lender, a commission of not less than 1 per cent. In the United States, on the other hand, the borrower and not the lender pays the commission and this commission runs from 1 per cent. in the older sections of the country to 4 per cent. in the more remote districts.

Thirty years ago mortgages were commonly drawn for 15 to 20 years, repayable on an amortization plan, but one much favoring the lender, or at the end of the term. As interest rates fell the outcry against these long-dated burdens was so loud the parliament of the Dominion, in face of contracts to the contrary, empowered any borrower after five years to pay off his mortgage with a bonus of three months interest. As a result the custom of the trade limited the usual mortgage to five years where it has since remained.

Borrower has Many Privileges.

It is considered sound business practice to provide under the mortgage that, in addition to the interest, small repayments of principal shall annually be made. At the end of five years the mortgage, if satisfactory, can be renewed for a further term. As in the case with original loans, borrowers are not called upon to pay any commission on renewals, and such has been the force of competition that in many localities the borrower's loan is renewed absolutely free of expense. At the most he is asked to pay merely a nominal legal charge for the preparation of the necessary agreement.

You will note, therefore, that mortgage companies in Canada are called upon to bear, in addition to expenses of management, inspection charges and the like, a definite commission charge not only on the sale of their debentures, but upon their mortgage investments as well.

There is, so far as I am aware, no official record of the total investments of corporate mortgage lenders in Canada, but a conservative estimate places their assets at considerably over $1,000,000,000. Some 30 companies representative of the various classes named, and having assets in excess of $600,000,000 are now on the membership list of the Dominion Mortgage and Investment Association.

CANADIAN MUNICIPAL FLOTATIONS IN LONDON, 1907-1917*

TOWN	1907	1908	1909	1910	1911	1912	1913	1914	TOTAL
	£	£	£	£	£	£	£	£	£
‡Quebec		113,921			215,700		400,600		808,221
Winnipeg	327,642	1,500,000	500,000	500,000	900,000	960,000	1,440,000	1,150,000	7,277,642
" Water Bd.								400,000	400,000
Regina	111,000	113,700				117,400	553,900		989,600
Edmonton	139,400	187,400	187,300	288,000	302,000	595,000	1,968,700	350,000	4,017,800
Vancouver	244,900	405,000	286,400	453,600	579,000	991,900	971,200	425,000	4,357,000
" Sewerage Bd.								500,000	500,000
Montreal		1,000,000	400,000	1,123,800			4,368,900	1,500,000	8,392,700
Calgary		133,000	124,800	325,400	414,700	900,000		719,600	2,617,500
Victoria		159,800			117,500	308,623	482,870		1,068,793
Sherbrooke		102,700							102,700
St. John		115,000							115,000
Ottawa			156,900				189,600		346,500
Toronto			394,100				2,275,000		2,669,100
Westmount					500,000				500,000
Fort William			60,000	105,100					165,100
Maisonneuve					879,000		187,600	92,500	1,159,100
Saskatoon		100,000		88,600		629,726	169,700		988,026
Moose Jaw				101,300	89,200	257,600		100,000	548,100
Port Arthur					110,700		415,700		526,400
Hamilton					204,100				204,100
South Vancouver					310,239			423,287	733,526
Burnaby					118,300				118,300
New Westminster					120,600	357,600		188,000	666,200
North Vancouver					130,500	126,100	96,900	76,700	430,200
Point Grey					241,470			381,500	622,970
Lethbridge					90,740	128,100			218,840
Prince Albert							302,700		302,700
North Battleford							103,100		103,100
Medicine Hat								162,900	162,900
	£ 822,942	£3,930,521	£2,109,500	£3,079,400	£5,323,749	£5,372,049	£13,926,470	£6,469,487	£41,112,118

‡ Quebec City floated an issue of £78,000 in London in 1905. *There were no Canadian municipal issues made in the London market during 1915, 1916 or 1917 on account of war conditions.

MUNICIPAL FINANCE IN BRITISH COLUMBIA

Alternative System of Tax Sales Suggested — Some Interesting Figures

By **LIEUT.-COLONEL G. H. DORRELL.**

The latest official statistics show the total assessment for 1917 of all British Columbia cities to be $431,254,371 and of all districts $186,083,996, making a grand total of $617,338,367. This is $36,163,518 less than for 1916 and $119,379,174 less than for 1914. The total debenture debt of cities is $73,676,039 and of districts $21,623,064, or a grand total for both cities and districts of $95,299,103, the same as in 1916. All the 35 cities and 21 out of the 28 districts have debenture debts large or small, leaving seven districts unindebted. The total debenture debt of both cities and districts, excluding $16,878,589 on revenue producing undertakings is about 12 per cent. of their reduced assessment. The population is given as 239175 for the cities and 125,575 for the districts, or a combined total of 365,750. From these figures it will be seen that the average assessment per capita of the cities is $1,845 and of the districts $1,478, and that the average total debt per capita of the cities is $312 and of the districts $170. These averages compared with the east may seem high but the conditions are so different that any comparison as to security on that basis alone is misleading. For one reason, in newly settled countries the average of five to a family is not reached as in older places, so that there are more taxpayers in proportion, and the cities having been of rapid growth the expenditure has been compressed over much shorter periods. Also if we confine the debt per capita to non-revenue producing indebtedness leaving the revenue producing works to provide their own debts, we find that the average debt per capita of the cities is down to $240 and of the districts to $135.

Interest Payments Maintained.

Notwithstanding the higher borrowing per capita of British Columbia municipalities as against those in the east, interest payments have been well maintained and where in some cases the annual sinking funds have not been immediately banked or invested to the full extent, the uncollected taxes, which are, of course, a first charge on the properties assessed, are more than sufficient to provide for any temporary deficiencies. Pending collection or realization from tax sales they may perhaps be regarded as a temporary security for the sinking fund, but the councils concerned would be well advised if they turned them into cash at the earliest moment.

The year 1917 was marked by the creation of no new long-term issues, and the only borrowings of importance were in the nature of treasury certificates against arrears of taxes for terms of up to three years. In the earlier part of 1917 good prices were bid for such of these issues as came into the open market. The city of Vancouver placed $1,700,000 3-years 5½ per cents at 97.75 and the city of North Vancouver, on a small issue of $170,000 3-years 6 per cents, secured 97.18 in March, 1917, as against 97 bid for a similar issue of $225,000 in June, 1916. All three issues were bought by Toledo bond houses for resale. This class of bond forms an attractive short-term investment, as, although the apparent yield in war times is not especially attractive, the taxes upon which the certificates are secured come in steadily, and the larger portion of the bonds are usually redeemed before maturity, thus spreading the discount over a much shorter period. The advantage of this method of raising funds in circumstances such as have lately prevailed, is that it postpones, and perhaps, renders unnecessary, the disturbance of values invariably attendant on a tax sale, without imposing any additional charges on the taxpayer, as the interest payable on the arrears of taxes is generally more than sufficient to provide for interest and discount on the tax certificates. To provide for ultimate repayment the municipality can always have recource to a tax sale in the last year of the loan if the arrears are not paid up.

A number of tax sales, 23 in all, were held in 1917, and in this connection the Union of British Columbia municipalities might well consider whether the existing system of obtaining payment of arrears by out and out sales with power to redeem within one year might not be improved by an alternative system under which the municipality can offer for sale an indefeasible first mortgage on the assessed property, for, say, three years at a comparatively high rate of interest increasing annually, less a rebate for punctual payment. Such tax mortgages would rank before all existing encumbrances and being for comparatively small amounts would, in most cases, provide an attractive investment for moderate sums. The purchaser of the tax mortgage would get a good and annually increasing rate of interest, while any failure to pay promptly would increase the ultimate amount receivable. Moreover, the owner or mortgagee would find it to his advantage to provide the small sum required to meet the half-yearly interest on the tax mortgage. One essential condition, however, would have to be provided—viz., that if within the three years payment was not made or a continuation of the tax mortgage arranged with the holder, foreclosure could be obtained on a 30-days' notice or by some other simple and inexpensive process.

Another departure from the existing order of things to which provincial and municipal authorities might give consideration when financial conditions improve, is the abolition of individual borrowing in the open market by the smaller municipalities and the institution of a provincial government consolidated municipal fund. From this consolidated fund raised by the provincial government primarily on the security of municipal debentures pledged to it, approved loans to the smaller municipalities would be made. The modus operandi would be very much as follows:—

Consolidated Municipal Fund.

When a municipality wished to raise a loan for works, the council would prepare estimates and pass by-laws for debentures as at present with the exception that the rate of interest would not then be specified. These would be submitted for approval to the inspector of municipalities (or to a local government board as in Saskatchewan) who would examine the proposed expenditure in relation to the assessment and existing indebtedness and the general character of and necessity for the undertaking. If the loan satisfied the customary tests, the amount required would be advanced from the consolidated municipal fund, and the rate of interest would then be fixed, having regard to the rate at which the consolidated municipal fund could itself obtain money. As this fund would be raised primarily on the security of the municipal debentures deposited with the government as security for the loan, backed by the province, the security would be of the soundest and the rate of interest very favorable. All municipal sinking funds would be payable to the consolidated municipal fund and would be available for other loans. The advantages to the smaller municipalities would be the saving of heavy discounts, a lower rate of interest, and the provision in full of the funds they wished to raise. The consolidated municipal stock of the provincial government would be a trustee investment and would have a ready market, thus supplying two of the conditions, the absence of which is largely responsible for the undue expense attendant on the borrowings of small municipalities. Had such a system been in effect during the past five years the saving to the municipalities in discount and interest would have amounted to hundreds of thousands of dollars. The system would involve a closer control of municipal expenditure by the provincial government, than at present exists; but there would be permanent benefits even from that, outweighing any passing inconveniences and it would put a brake on all ill-considered and hasty expenditure.

Improvements Tax Exempt.

The greater number of British Columbia municipalities have adopted the system of exempting improvements from taxation. Fourteen out of the 35 cities and 21 out of the 28 districts having exempted them wholly and the remainder in part, usually 50 per cent. This, compared with 1914, shows that three cities and three districts have returned to the system of taxing improvements in part. Space does not permit of any examination of this somewhat crude system of apportioning the contribution of individual taxpayers to expenditure for general purposes. At the best a tax on land values alone without improvements might be adopted as a rough and ready method of fixing individual taxation in a newly settled agricultural district, but it is full of unfairness and inequalities when applied to established cities and communities where wealth exists in many other forms.

The difficulty of selling municipal debentures during recent years has not been altogether an unmixed evil, for it deterred new issuings. Up to three or four years ago municipal borrowings had become too easy, with the result that in many cases expenditure was incurred that would have been better left to later years. On the whole British Columbia municipal loans may be regarded as in a healthy condition, for while the borrowings have not increased and are well within the statutory 20% limit of the reduced assessments, the sinking funds are accumulating and the revenue producing works are becoming well established and in many cases are earning profits that go to reduce general taxation. It does not follow that in every case everything is absolutely as it should be—that would be to expect too much—but on the whole, the buyer of British Columbia municipal debentures may be well satisfied with his investment.

LAND SURTAX PROPOSED

It Would Secure Reasonable Maximum of Revenue from Unearned Land Values

By C. FRANK BEER.

It is self-evident that new sources of taxation must be found to provide interest charges and a sinking fund for the increased indebtedness—municipal, provincial and federal—resulting from the war. It has been claimed that for this purpose a tax upon the so-called "unearned increment" would prove of great service. These claims have probably been exaggerated, but from a study of the question it would appear unquestionable that a considerable revenue could be derived from this source. It appears to be equally true that "unearned" values are rightly the property of the whole people and should not be monopolized by individual property owners.

It is not the object of this article, however, to deal with all the aspects of so large a subject, but to direct attention to a method of taxation which if adopted will, it is believed, secure a reasonable maximum of revenue from unearned land values. Other merits of the plan outlined are found in the provision made for fluctuating values, for ensuring a comparative uniformity of revenue and for discouraging speculation in land. The name applied to this plan of taxation is the Surtax.

As to Land Surtax.

The land surtax is a special tax graduated from one to three per cent. over a period of three years and levied upon land values which are not the result of improvements made by the owner. It applies only to the increase in value and its object is to secure for the public exchequer a revenue from that portion of the value which is commonly referred to as unearned. A concrete illustration of the surtax will better explain its objects and operation.

For the purpose of this illustration it is assumed that a piece of land in 1915 is assessed at $10,000 and that the usual tax rate is 20 mills.

1915. Assessed value $10,000. Tax rate 20 mills.

1916. Property having increased in value $2,000 the tax rate of 20 mills will be levied upon the total value ($12,000) and a surtax of 1 per cent. upon the unearned increased value of $2,000. In 1917 the surtax will be 2 per cent., and in 1918 3 per cent., at which it will remain so long as the property is valued at not less than $12,000.

If in 1917 the property is found to be worth only its original value of $10,000 the surtax ceases to operate.

If Value Increases.

If, upon the other hand, the property is found to have further increased in value the surtax will be applied to the newly ascertained increase, beginning as in the former case at 1 per cent. and increasing yearly until 3 per cent. is reached. For instance, if in 1917, the new increase in value is ascertained to be an additional $2,000, the total taxation will be 20 mills upon the total value of $14,000, 2 per cent. upon the first $2,000 (this being the second year), 1 per cent. upon the second $2,000 (this being the first year).

In 1918—20 mills upon $14,000, 3 per cent. upon the first $2,000 (third year), 2 per cent. upon the second $2,000 (second year).

In 1919—20 mills upon $14,000, 3 per cent. upon both the first and second $2,000, and this taxation will continue thereafter as long as the value is maintained.

If in any year the value is found to have been reduced the surtax is discontinued upon the amount of the reduction. If the value is reduced to $10,000 the surtax ceases altogether. If the value goes below $10,000 the surtax comes into operation only when the value again exceeds this amount.

Change of Ownership.

If however, the property changes ownership at less than $10,000 the surtax is chargeable upon any valuation in excess of the purchase price. The new owner is not given the privilege of standing in the place of the original owner by receiving exemption from the surtax until the original $10,000 is again reached.

If at any time the property changes ownership at a price in excess of the assessed value the price at which the property is acquired will form a basis for the computation of the surtax. For instance if the property should in 1919 be sold for $16,000 instead of the assessed value of $14,000, the surtax of 3 per cent. would at once apply to $6,000. The market price of the property will, therefore, be largely affected by the surtax which it must carry and the incentive to hold land for prospective large profits will be partly if not wholly eliminated.

Since the surtax is collectable only upon increased values it will be to the advantage of owners to have their property assessed at its fair market value. Failure to do so will result ultimately in a considerable penalty since the market value of the property will be reduced owing to the operation of the surtax upon all the purchase price in excess of the assessed value. To prevent evasion of this tax the vendor and purchaser should be required to set out on oath the true consideration for each sale in the conveyance by which the sale is carried out.

Result of Surtax.

An immediate result of the surtax would be to discourage speculation in land. Land prices would be steadied and in some cases reduced. There would be no longer any incentive to market sub-divisions in advance of actual requirements. The tax would discourage any step which might lead to its coming into operation. It is obvious, therefore, that the adoption of a tax upon unearned values would probably not at first result in a large increase in revenue. There would be, however, a decided check upon land speculation, a check upon land monopoly, and a somewhat general reduction in land values since the opportunity for profit—even though postponed—is greatly lessened.

The advantages of the surtax over an alternative plan by which the state shares in the increased value only when actual sales have been made are apparent. Moreover, and this is important, provision is made for an elasticity of taxation to redress the ups and downs of boom activities. A severe check is provided against an artificial market. Land would be retained for its natural use as long as possible, since this would be found the most profitable practice. For instance, land near cities would be kept as farm land until the requirements of the cities made further sub-divisions necessary. Land for housing would cost, therefore, only a reasonable advance over farm lands. And even of this increased valuation the state would receive a considerable share.

Sub-Division Riot Impossible.

It would appear to the writer that the revenue anticipated from the operation of a special tax upon the unearned value of land has been greatly over-estimated. From this it is not argued that the tax is one which should not be levied. On the contrary, the social advantages of such a tax afford ample justification for its adoption. The market value of land would be subject only to the natural increase. Under its operation the wild riot which was witnessed a few years ago in land sub-divisions would be impossible. The advantages derivable from the ownership of land would be secured to those who use it instead of to those who withhold it from use. To every one else its ownership would be a burden. One of the chief obstacles to the betterment of housing conditions would be removed. And finally to the extent to which land values are reduced or stabilized the surtax would prove of general advantage since in the last analysis the burden of unearned values falls chiefly if not wholly upon the wage-earning members of the community.

HOW INTEREST RATES HAVE RISEN

Canada Paid 7 Per Cent. for Money in New York Last Year

In the early history of Canada we had to pay 6 per cent. for our loans. When Canada was a Crown colony, the Imperial government made good the deficits between revenue and expenditure. At a later date when we had begun to borrow in England, they frequently guaranteed our bonds. For a long time money cost us 6 per cent., even with a guarantee behind our securities. It was not until 1876 that the Dominion was able to borrow in London at 4 per cent. on its own unaided credit. In 1894, during a period of depression, the rate we paid for a large loan was only 3½. Since then it has varied, and during recent years, the tendency was upward. This has been especially the case during the war period. Our loan of $100,000,000 in New York in August last cost us approximately 7 per cent.

The United States was able to borrow last year, through its first Liberty Loan, $2,000,000,000. The country, however, had accumulated vast wealth during three years of war, and a patriotic appeal, when at last the United States had entered the war, brought the required amount at a 3½ per cent. rate. In issuing its second loan of $3,000,000,000 in October last, the United States raised the rate from 3½ per cent. to 4 per cent., thus following the precedent to which practically every other government in the war has had to resort.

Great Britain's second loan, floated in June, 1915, at par, bore interest at 4½ per cent., a nominal increase of 1 per cent., and an actual increase of a little more than ½ of 1 per cent. over the first loan, issued in November, 1914. The third British war loan, issued in February, 1917, bore interest at 5 per cent., but was offered at 95.

All the French loans have borne a nominal interest of 5 per cent. The first, offered in February, 1915, was placed at 96.50, involving an actual interest cost of 5.60 per cent.; and the National tax-free French rentes, offered in November, 1915, and placed at 88, brought an actual interest yield of 5.70 per cent. The loan of October, 1916, was offered at 88¾.

Russia's first two war loans were offered at a nominal 5 per cent.; the four loans following those carried at 5½ per cent., but the actual yield, allowing for selling price, started at 5.30 per cent., and is now high.

Italy had to pay only 4.70 per cent. net on her first war loan; her second was carried at 5.20, and at the beginning of 1917, she offered a 5 per cent. perpetual loan at 90.

All of Austria's loans have been offered at the nominal interest of 5½ per cent., with the actual yield running to 6¼ per cent. Hungary, with nearly all loans nominally at 6 per cent., has sold at discounts to yield 6½ per cent. or over.

Every German loan has borne a nominal interest rate of 5 per cent The price of subscription was: On the first loan, September, 1914, 97½; on the second, March, 1915, 98½; on the third, September, 1915, 99; on the fourth, March, 1916, 98½; on the fifth, September, 1916, 98; on the sixth, March, 1917, 98; on the seventh, October, 1917, 98.

*COMMERCIAL FAILURES IN CANADA, 1902-1917

CALENDAR YEAR	TOTAL COMMERCIAL			MANUFACTURING		TRADING		OTHER	
	No.	Assets	Liabilities	No.	Liabilities	No.	Liabilities	No.	Liabilities
		$	$		$		$		$
1902	1101	7,772,418	10,934,777	209	4,247,723	874	6,221,017	18	466,037
1903	978	4,872,422	7,552,724	227	3,043,248	725	4,243,543	26	265,933
1904	1246	8,555,875	11,394,117	307	4,138,908	914	6,577,788	25	679,421
1905	1347	6,822,005	9,854,659	289	3,129,262	1039	6,552,821	19	172,576
1906	1184	6,499,052	9,085,773	293	3,482,511	863	5,145,142	28	458,120
1907	1278	9,443,227	13,221,250	393	6,667,452	847	5,756,651	38	797,156
1908	1640	12,008,113	14,931,790	426	5,967,498	1171	8,242,436	43	712,856
1909	1442	10,318,511	12,982,800	354	3,933,938	1059	7,867,287	29	1,181,575
1910	1262	11,013,396	14,514,650	292	7,030,227	947	6,943,579	23	540,850
1911	1332	9,964,604	13,491,196	321	4,760,016	986	7,606,891	5	1,124,289
1912	1357	8,783,409	12,316,936	323	4,556,615	975	6,906,665	59	853,656
1913	1719	12,658,979	16,979 406	452	6,792,763	1216	8,681,419	51	1,505,224
1914	2898	30,909,563	35,045,095	614	11,063,191	2164	18,677,935	120	5,303,968
1915	2661	39,526,358	41,162,321	655	13,877,414	1888	21,696,890	118	5,588,017
1916	1685	19,670,542	25,069,534	363	8,796,646	1237	12,290,368	85	3,982,520
†1917	1005	11,835,857	16,209,015	234	6,959,730	718	7,158,537	53	2,090,748

COMMERCIAL FAILURES IN CANADA, ELEVEN MONTHS, JANUARY TO NOVEMBER, 1917

PROVINCE	TOTAL COMMERCIAL			MANUFACTURING		TRADING		OTHER	
	No.	Assets	Liabilities	No.	Liabilities	No.	Liabilities	No.	Liabilities
		$	$		$		$		$
Ontario......	253	2,927,536	2,991,582	71	1,509,752	161	1,278,062	21	203,768
Quebec	436	5,501,601	8,393,693	107	3,901,874	314	3,818,452	15	673,367
Brit. Columbia	62	904,739	1,217,148	13	463,867	45	642,751	4	110,530
Nova Scotia..	35	150,416	346,493	6	195,644	28	149,349	1	1,500
Newfoundl'nd	9	57,721	134,118	1	8,000	8	126,118	..	....
Manitoba.....	90	599,743	757,471	16	358,222	68	379,719	6	19,530
New Bruns..	23	65,244	130,844	6	41,419	15	85,425	2	4,000
Prince E. I...	1	2,300	9,400	..	....	1	9,400	..	....
Alberta......	31	1,024,639	1,274,319	4	110,525	24	156,741	3	1,007,053
Saskatchewan	65	601,918	953,947	10	370,427	54	512,520	1	71,000
Total......	1,005	$11,835,857	$16,209,015	234	$6,959,730	718	$7,158,537	53	$2,090,748

*Figures of R. G. Dun & Co., Toronto. † Eleven months, from January to November, 1917.

CANADIAN BOND SALES IN THE *UNITED STATES*, 1917

Borrower	Amount	Securities	Rate %	Term Years	Remarks
January	$	**CORPORATION**			
Nova Scotia Tram & Power Co..	2,250,000	Gold bonds	5	30	Offered by Lee, Higginson & Co. and Potter, Choate & Prentice, New York, at 95½.
March					
Canada West Coast Navigation Co.	600,000	Gold bonds	6	1918-27	Offered at par and interest by Tillotson & Wolcott Co., Cleveland
Wm. A. Rogers, Ltd.......... ..	600,000	Gold bonds	6	1918-32	Offered at 100 and accrued interest by A. E. Ames & Co., Toronto
April					
Montreal Tramways & Power Co.	5,350,000	Gold notes	6	2	Offered by Potter, Choate & Prentice, New York, at 98⅛ and interest
June					
New Brunswick Power Co........	1,225,000	Gold bonds	5	5	Offered at 95 and interest by Harris, Forbes & Co., Montreal, and Coffin & Burr, Inc., Boston. This was an issue of $1,750,000, of which $525,000 was sold in Canada
October					
Canada Copper Corporation.......	2,500,000	Bonds	6	10	Issued to stockholders and underwriters at par
November					
Toronto Railway Co............	750,000	Notes	6	1	Offered by Wm. A. Read & Co., New York, at 99
December					
Shawinigan Water & Power......	4,500,000	Notes	6	2	Sold to syndicate (Lee, Higginson & Co. & other houses)
Total Corporation.........	17,775,000				
July		**RAILROAD**			
Canadian Northern Railway......	2,700,000	Gold notes	6	1	Offered by Wm. A. Read & Co., New York, at 99¼.
August					
Canadian Northern Railway......	10,000,000	Gold notes	6	1	Offered by Wm. A. Read & Co., New York, at 99.05
Total Railroad.......... .	12,700,000				
		GOVERNMENT			
January					
Ontario........................	1,000,000	Bonds	—	—	
March					
Dominion	25,000,000	Bonds	5	20	This issue, made at 96, was one of $150,000,000, of which it is estimated $25,000,000 was sold in the United States
April					
Manitoba	1,500,000	Gold bonds	5	5	Sold to Wood, Gundy & Co., Toronto, and National City Bank, New York, at 98 and interest, less underwriting commission. This was an issue of $2,000,000, of which $500,000 was sold in Canada
July					
Dominion......................	100,000,000	Notes	5	2	Offered by J. P. Morgan syndicate at 98 and interest
September					
Saskatchewan..............	500,000	Bonds	5	15	This was an issue of $1,500,000, of which $1,000,000 was sold in Canada
November					
Dominion......................	10,000,000	Gold Bonds	5½	5, 10 & 20	Issued at par. Of this, Canada's Victory Loan, for $150,000,000, approximately $418,000,000 was subscribed, of which about $400,000,000 was allotted. Only $10,000,000 of that amount was sold in the United States, the remaining $390,000,000 being sold in Canada
Total Government.........	138,000,000				
		MUNICIPAL			
January					
Quebec, Que	780,000	Gold bonds	5	5 or 10	Awarded to Wood, Gundy & Co., Toronto, on the 10-year basis at 99.09
Vancouver, B.C.................	1,674,000	Treasury notes	5½	3	Sold to Spitzer, Rorick & Co., Toledo, at 97¼
February					
South Vancouver, B.C.	450,000	Notes	6	3	Sold to Spitzer, Rorick & Co. against arrears of taxes up to and including 1916
Sutherland, Sask................	35,725	—	—	—	
March					
North Vancouver, B.C.	47,440	Bonds	6	30	Sold to W. L. Slayton & Co., Toledo, at 95.14, plus accrued interest
North Vancouver, B.C..........	73,000	Bonds	5	50	Sold to W. L. Slayton & Co., Toledo, at 78.20, plus accrued interest
April					
Toronto Harbour Commission....	1,500,000	Sinking fund gold bonds	4½	40	Sold to Wm. A. Read & Co., New York, and Wood, Gundy & Co., Toronto; offered at 91½
Sault Ste. Marie, Ont...........	63,200	Bonds	5½	1932-67	Sold to Spitzer, Rorick & Co., Toledo
June					
Trail, B.C......................	80,000	Bonds	6	20	Sold to Sweet, Causey & Foster, Denver, at 93.50
July					
Red Deer, Alta.	30,000	Treasury notes	6	1, 2 & 3	Sold to W. L. Slayton & Co. at 94
Greater Winnipeg Water District.	1,500,000	Bonds	5	5	This was part of an issue of $4,000,000 sold during June and July, the balance of $2,500,000 being sold in Canada. Offered at 94.70
Total Municipal.........	6,233,365				

BOND SALES *IN CANADA,* 1917

Borrower	Amount	Securities	Rate %	Term Years	Remarks
	$	**CORPORATION**			
February					
Dominion Flour Mills, Ltd........	75,000	Gold bonds	6	30	Offered by MacDonald, Bullock & Co., Toronto, at par and interest, with 50% stock bonus
March					
Wolthausen Hat Corporation, Ltd.	150,000	Gold bonds	6	20	Offered by Campbell, Thompson & Co., Toronto, at 97½ and interest, with 25% common stock bonus
June					
New Brunswick Power Co.......	525,000	Gold bonds	5	5	Offered at 95 and interest by Harris, Forbes & Co., Montreal, and Coffin & Burr Inc., Boston. This was an issue of $1,750,000, of which $1,225,000 was sold in the United States
North'n Ontario Light & Power Co.	100,000	1st mortgage bonds	6	20	Offered at 85 and accrued interest by Hanson Bros., Montreal
July					
Hotel Renfrew..................	25,000	Bonds	—	—	Offered to local investors of Renfrew, Ont.
Teck Hughes Gold Mines........	100,000	Bonds	7	5	
August					
Three Rivers Shipyards, Ltd......	100,000	Bonds	6	2-10	Purchased by Credit Canadien, Inc., Montreal, at 95.
Total Corporation..............	1,075,000				
		GOVERNMENT			
March					
Dominion........................	125 000 000	Bonds	5	20	This issue, made at 96, was one of $150,000,000, of which it is estimated $25,000,000 was sold in the United States
April					
Manitoba........................	500,000	Bonds	5	5	Sold to Wood, Gundy & Co., Toronto, and National City Bank, New York, at 98 and interest, less underwriting commission. This was an issue of $2,000,000, of which $1,500,000 was sold in the United States
May					
Ontario........................	8,000,000	Bonds	4	10	These bonds were issued, on behalf of the Ontario Hydro-Electric Commission, to the Sun Life Assurance Co. of Canada, in regard to the acquisition of the Ontario Power Co. by the Commission
July					
New Brunswick..................	500,000	Bonds	5	20	Sold at 95 to J. M. Robinson & Sons, St. John, N.B.
August					
Alberta..........................	1,500,000	Bonds	5	5	Offered by Dominion Securities Corporation and Wood, Gundy & Co., Toronto, at 94.70 and interest
September					
Saskatchewan...................	1,000,000	Bonds	5	15	This was an issue of $1,500,000, of which $500,000 was sold in the United States
Saskatchewan...................	800,000	Rural credit bonds	5	10	These bonds, of the "Greater Production Loan," were issued at par
November					
Dominion........................	390 000 000	Bonds	5½	5, 10, 20	Issued at par. Of this, Canada's Victory Loan, for $150,000,000, approximately $418,000,000 was subscribed, of which about $400,000,000 was allotted. Only $10,000,000 of that amount was sold in the United States, the remaining $390,000,000 being sold in Canada
Total Government..............	527 300 000				

MUNICIPAL (See page 132 for details.)

Sales in	Amount	Sales in	Amount	Sales in	Amount
	$		$		$
January	1,969,256	June.......	1,642,003	November.....	917,191
February......................	458,874	July..........................	3,814,489	December......	890,000
March.........................	229,013	August	4,637,836		
April	1,182,974	September..................	440,268	Total	17,955,714
May	1,375,039	October.....	398,771		

The investments of the Royal Exchange Assurance Corporation in British and allied government war loans now exceed £2,150,000.

The result of the seventh German war loan have been announced as 12,430,000,000 marks ($3,107,500,000), from upwards of 5,200,000 subscribers. Instead of being the great triumph which it has been proclaimed in the German press, British critics who have analysed the figures, consider that the loan bears the mark of rapidly increasing financial difficulties.

SUMMARY OF CANADIAN BOND SALES in all Markets, 1905-1917

Bonds	Sold in United States	Sold in Canada	Sold in United States	Sold in Canada
	1916	1916	1917	1917
	$	$	$	$
January				
Government....	1,500,000	....	1,000,000	....
Municipal......	3,183,215	1,909,441	2,454,000	1,969,256
Railroad	5,250,000	....	....	....
Corporation ...	1,445,000	135,000	2,250,000	....
	11,378 215	2,044,441	5,704,000	1,969,256
February				
Government....	....	....	....	....
Municipal......	899,500	1,419,909	485,725	458,874
Railroad	....	....	....	....
Corporation....	850,000	....	....	75,000
	1,749,500	1,419,909	485,725	533,874
March				
Government....	76,800,000	8,623,000	25,000,000	125,000,000
Municipal......	595,000	2,027,741	120,440	229,013
Railroad... ...	....	....	....	....
Corporation....	150,000	....	1,200,000	150,000
	77,545,000	10,650,741	26,320,440	125,379,013
April				
Government....	2,650.000	....	1,500,000	500,000
Municipal......	2,158,306	1,979,852	1,563,200	1,182,974
Railroad......	....	....	....	....
Corporation....	....	....	5,350,000	....
	4,808,306	1,979,852	8,413,200	1,682,974
May				
Government....	4,000,000	....	....	8,000,000
Municipal......	7,219,000	2,649,000	....	1,375,039
Railroad.......	2,420,000	....	....	....
Corporation ..	....	....	....	....
	13,639,000	2,649,000	....	9,375,039
June				
Government....	7,000,000	....	....	....
Municipal......	3,394,243	3,043,283	80,000	1,642,003
Railroad.......	......	70,000	....	....
Corporation ...	1,000,000	....	1,225,000	625,000
	11,394,243	3,113,283	1,305,000	2,267,003
July				
Government....	....	....	100,000,000	500,000
Municipal.....	3,631,200	1,521,525	1,530,000	3,814,489
Railroad.......	6,000,000	....	2,700,000	....
Corporation ...	807,000	750,000	....	125,000
	10,438,200	2,271,525	104,230,000	4,439,489
August				
Government....	....	....	....	1,500,000
Municipal	97,300	852,447	....	4,637,836
Railroad... ...	3,750,000	....	10,000,000	....
Corporation ...	4,255,000	2,050,000	....	100,000
	8,102,300	2,902,447	10,000,000	6,237,836
September				
Government....	30,000,000	70,000,000	500,000	1,800,000
Municipal......	200,000	960,435	....	440,268
Railroad.......	....	....	....	....
Corporation ...	....	....	....	....
	30,200,000	70,960,435	500,000	2,240,268
October				
Government....	....	....	....	....
Municipal......	....	1,361,665	....	398,771
Railroad.......	....	....	....	....
Corporation ...	12,150,000	100,000	2,500,000	....
	12,150,000	1,461,665	2,500,000	398,771
November				
Government....	....	....	10,000,000	390,000,000
Municipal.....	7,894,000	1,246,480	....	917,191
Railroad.......	2,750 000	....	....	....
Corporation ..	195,000	1,205,000	750,000	....
	10,839,000	2,451,480	10,750,000	390,917,191
December				
Government....	7,600,000	....	....	....
Municipal......	3,065,000	669,000	....	890,000
Railroad.......	2,000,000	....	....	....
Corporation ...	2,035,000	365,000	4,500,000	....
	14,700,000	1,034,000	4,500,000	890,000

NOTES.—(1) The above summaries include the internal War Loans of September, 1916, March, 1917, and November, 1917. (2) No Canadian bonds were sold in the United Kingdom in 1917. In 1916, there was sold in that market, only one issue, £1,000,000 6% 20-year debentures of Canadian Vickers, Ltd., and in 1917, one issue, £1,000,000 6% 3-year notes of the Grand Trunk Railway.

Sold in	Government		Municipal		Railroad		Corporation		Totals	
	1916	1917	1916	1917	1916	1917	1916	1917	1916	1917
	$	$	$	$	$	$	$	$	$	$
Canada....................	78,623,000	527,300,000	19,640,778	17,955,714	70,000	....	4,605,000	1,075,000	102,938,778	546,330,714
United States.............,	129,550,000	138,000,000	32,336,764	6,233,365	22,170,000	12,700,000	22,887,000	17,775,000	206,943,764	174,708,365
United Kingdom...........	....	....	....	....	....	5,000,000	5,000,000	....	5,000,000	5,000,000
	208,173,000	665,300,000	51,977,542	24,189,079	22,240,000	17,700,000	32,492,000	18,850,000	*356,882,542 314,882,542	726,039,079

NOTES.—In addition to the above loans, advances for war purposes have been made to Canada by the Imperial Government, and Canada has established credits here for the British Government. These loans are not included in the above figures.

*Included in this sum are $8,000,000 of a total of $50,000,000 Canadian bonds repurchased in United Kingdom since the war commenced to the end of 1916. The inclusion of the $42,000,000 of unclassified repurchases brings the total of Canadian bond sales in 1916 to $356,000,000.

Year	Sold in Canada	Sold in United Kingdom	Sold in United States	Total
	$	$	$	$
1905	35,149.921	85,621,395	9,256,782	134,874,531
1906	23,304,958	26,563,700	4,118,350	53,987,008
1907	14,761,683	63,095,057	4,779,000	82,635,740
1908	24,585,140	165,455,031	6,316,350	196,356,521
1909	60,433,964	194,356,788	10,367,500	265,158,252
1910	39,296,462	188,070,128	3,634,000	231,000,590
1911	44,989,878	204,269,143	17,553,967	266,812,988
1912	37,735,182	204,236,394	30,966,406	272,937,982
1913	45,603,753	277,470,780	50,720,762	373,795,295
1914	32,999,860	185,990,659	53,944,548	272,935.067
*1915	114,275,214	41,175,000	178,606,114	335,106,328
*1916	102,938,778	5,000,000	206 943,764	**356,882,542
1917	546,330,714	5,000,000	174,708,365	726,039,079

**Included in this sum are $8,000,000 of a total of $50,000,000 Canadian bonds repurchased in United Kingdom since the war commenced to the end of 1916. The inclusion of the $42,000,000 of unclassified repurchases brings the total of Canadian bond sales in 1916 to $356,000,000.

*In the above tables it has been estimated that of the first Canadian war loan of $100,000,000 in November, 1915, $25,000,000 was sold in the United States; second loan of $100,000,000 in September, 1916, $30,000,000 in the United States; third loan of $150,000,000 in March, 1917, $25,000,000 in the United States; and fourth loan (allotted) of $400,000,000 in November, 1917, $10,000,000 in the United States.

Canadian Trade with Britain, France and Italy

Charts Which Show at a Glance the State of Trade Before the War Between Canada and Important Countries Overseas

The tables and charts which follow are intended to enable readers to see at a glance the state of trade before the war between Canada, the United Kingdom, France, Italy and Belgium.

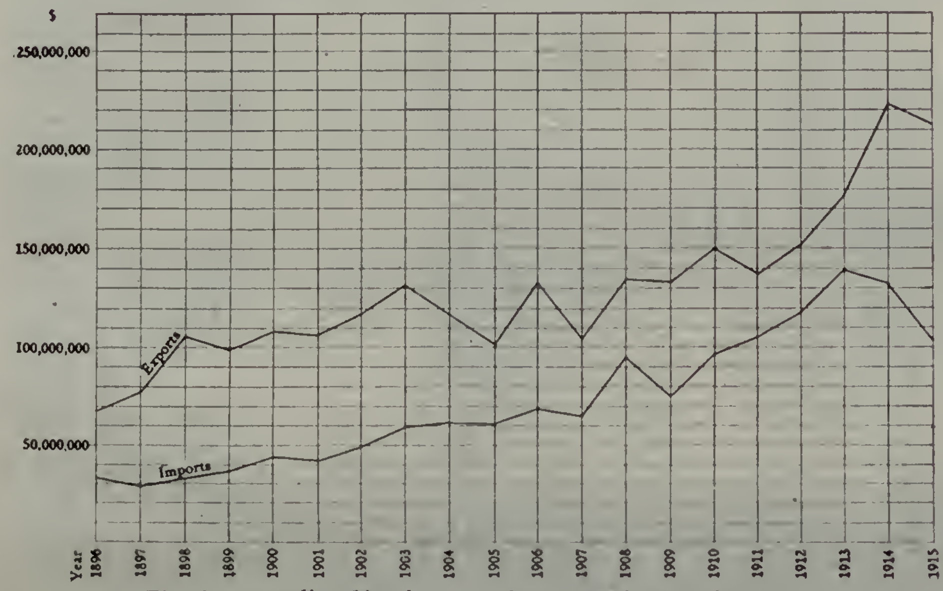
To indicate normal pre-war conditions, particularly with respect to the competition which Canada must expect in these markets, the trade returns of the British, French and Italian Governments for the year 1913 have been utilized. The figures of this one year, it is thought, will give a more satisfactory view of the situation than those of a series of years, or than an average over several years.

British returns are in pounds sterling. Italian import figures, originally in lire, have been converted to dollars. The French customs imports statistics do not give details of values, but only of weights of goods received from abroad. These details have been left in the original Metric Quintals (220.46 pounds) and the total value of any class of import has been converted from francs to dollars. The French imports are for consumption, those of the other countries are general imports.

The tables and charts, prepared by the Special Trade Commission of Canada which visited the United Kingdom, France, Italy and Belgium in 1916, are published below with the special permission of that Commission and of the Department of Trade and Commerce, Ottawa.

CANADA'S TRADE WITH UNITED KINGDOM, 1896-1915

Merchandise (Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

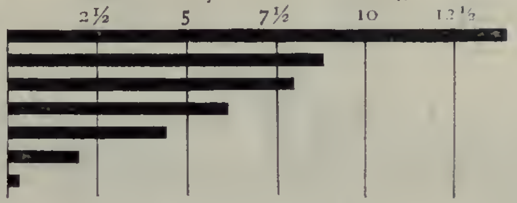
Canada's Competition in United Kingdom.

Imports, by Principal Countries of Origin, into United Kingdom in 1913, of Goods which Canada exports thereto in largest quantities. Board of Trade Returns. (Charts follow order of Table preceding.)

WHEAT

Millions of Pounds Sterling

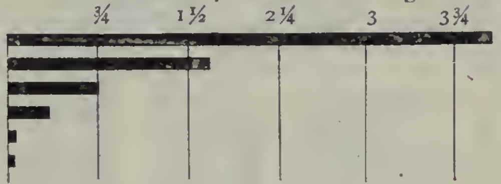
UNITED STATES	13,953,072
CANADA	8,803,949
BRITISH INDIA	7,998,552
ARGENTINE	6,137,518
AUSTRALIA	4,426,629
RUSSIA	1,984,964
CHILI	326,244



CHEESE

Millions of Pounds Sterling

CANADA	4,038,627
NEW ZEALAND	1,685,472
NETHERLANDS	760,089
ITALY	343,838
UNITED STATES	67,217
FRANCE	57,762

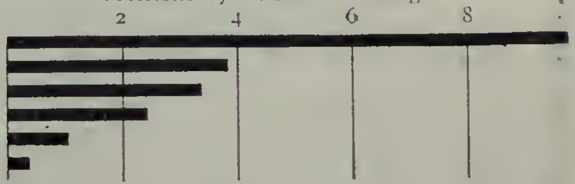


WOOD AND TIMBER

Sawn or split, planed or dressed and Sleepers

Millions of Pounds Sterling

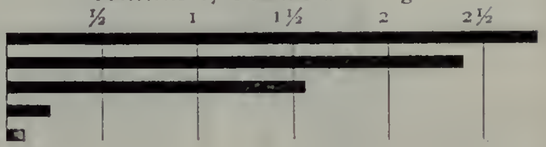
RUSSIA	9,767,698
SWEDEN	3,834,048
CANADA	3,379,273
UNITED STATES	2,442,547
NORWAY	1,069,568
GERMANY	381,166



FLAX OR LINSEED

Millions of Pounds Sterling

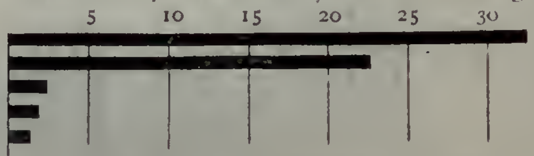
CANADA	2,792,955
ARGENTINE	2,396,635
BRITISH INDIA	1,564,428
RUSSIA	228,167
UNITED STATES	98,366



WHEAT MEAL AND FLOUR

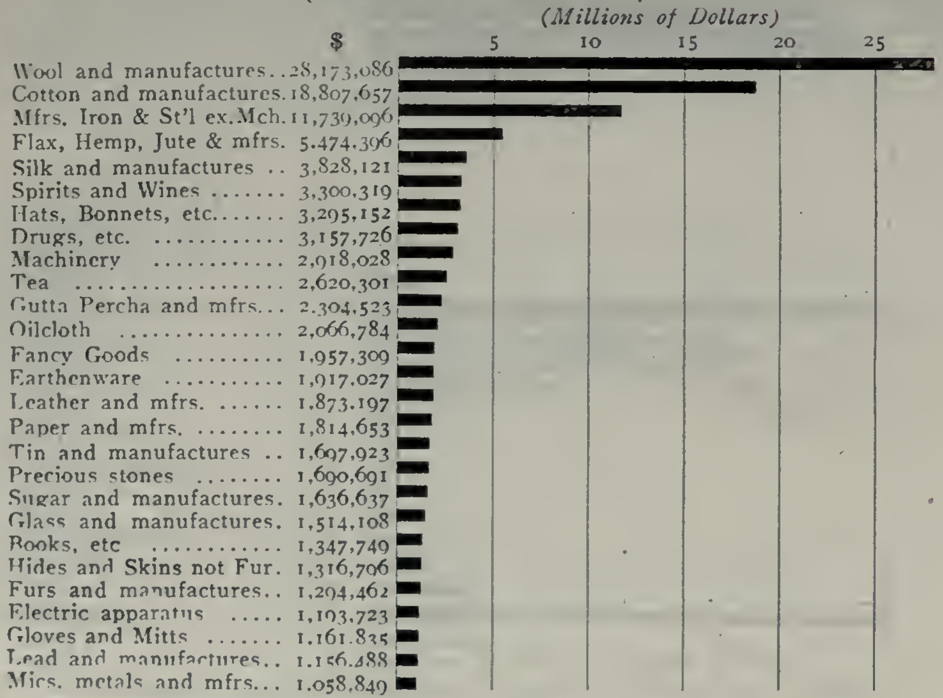
Hundreds of Thousands of Pounds Sterling

UNITED STATES	3,247,423
CANADA	2,261,783
GERMANY	241,825
AUSTRALIA	188,218
FRANCE	137,803



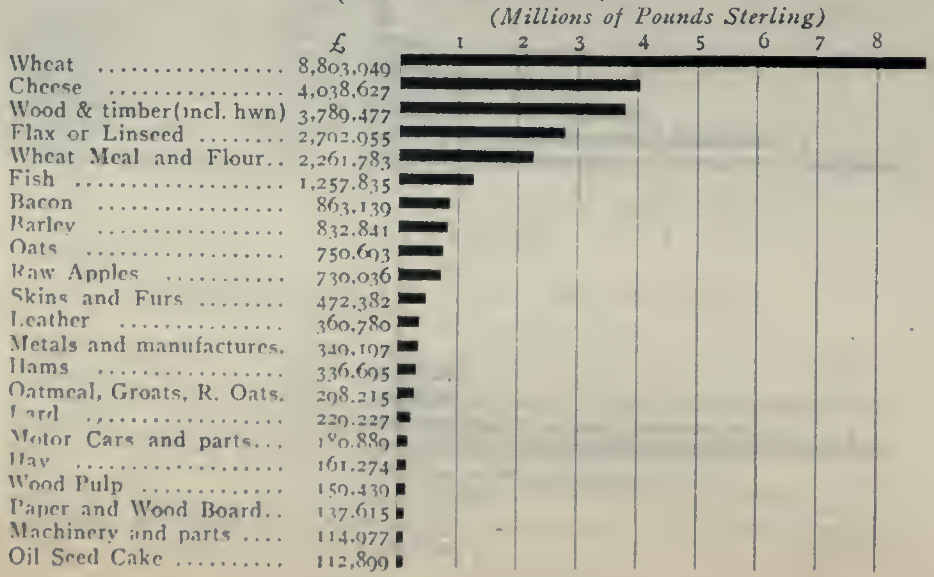
Principal Imports of British Goods into Canada, 1913

(Canadian Government Returns)



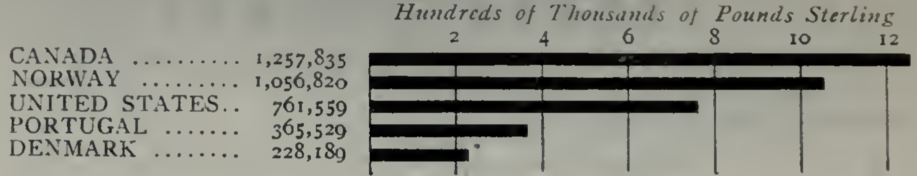
Principal Imports of Canadian Goods into United Kingdom, 1913

(Board of Trade Returns)

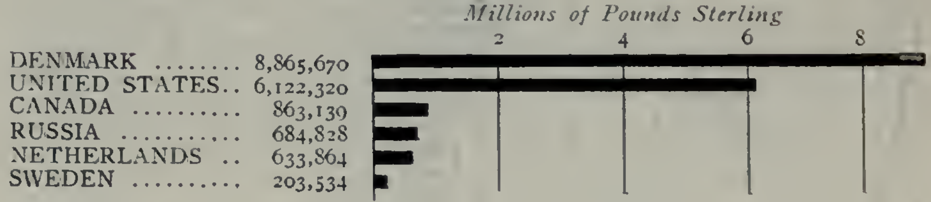


FISH OF ALL KINDS

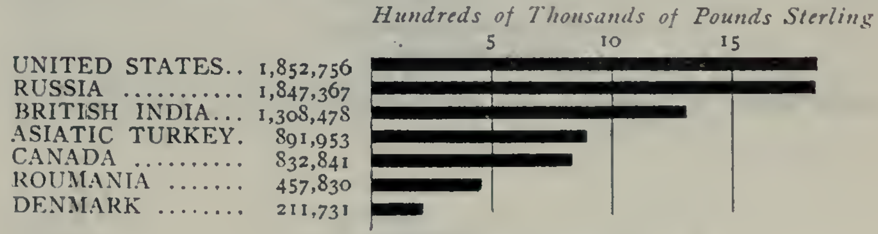
Except Oysters for Breeding



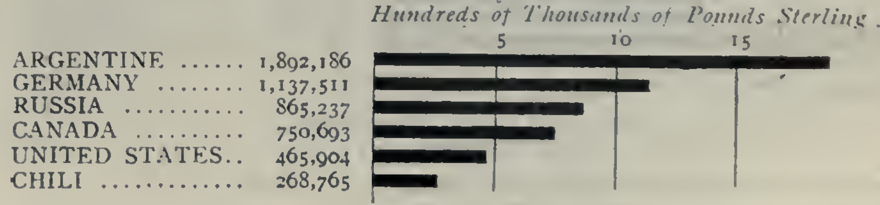
BACON



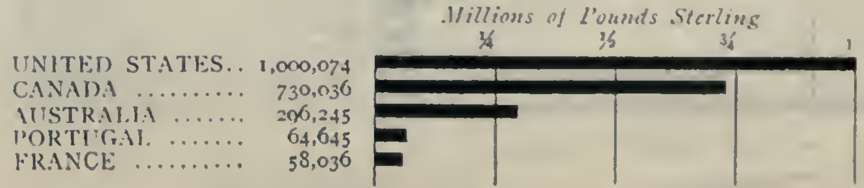
BARLEY



OATS



RAW APPLES

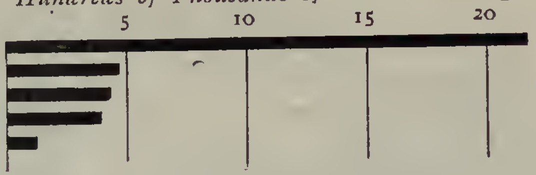


SKINS AND FURS

(Other than Goat, Sheep and Rabbit) Unenumerated, and Sealskins, Undressed

Hundreds of Thousands of Pounds Sterling

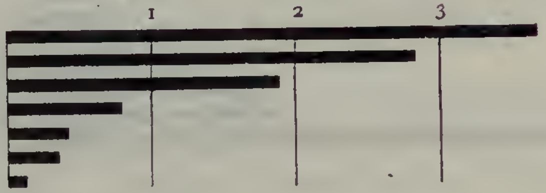
UNITED STATES..	2,171,737
CANADA	472,382
AUSTRALIA	432,897
GERMANY	392,651
NEWFOUNDLAND.	135,097



LEATHER

Millions of Pounds Sterling

UNITED STATES..	3,693,012
BRITISH INDIA....	2,839,089
GERMANY	1,894,919
FRANCE	793,303
AUSTRALIA	430,034
CANADA	360,780
BELGIUM	134,052

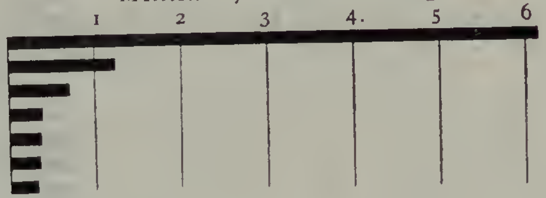


METALS AND MANUFACTURES THEREOF

i.e., Copper Regulus and Precipitate, Iron and Steel of all kinds (excluding old iron, except old rails), Zinc, Crude, Metal unenumerated in import list, unwrought

Millions of Pounds Sterling

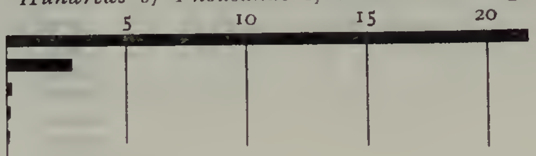
GERMANY	6,146,730
UNITED STATES...	1,238,803
FRANCE	702,989
NETHERLANDS ...	381,032
MEXICO	357,765
CANADA	349,197
CAPE of GOOD HOPE.	321,520



HAMS

Hundreds of Thousands of Pounds Sterling

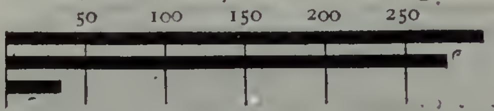
UNITED STATES...	2,716,004
CANADA	336,695
Other For'n Countries	6,294
DENMARK	4,339
GERMANY	4,138



OATMEAL, GROATS

Thousands of Pounds Sterling

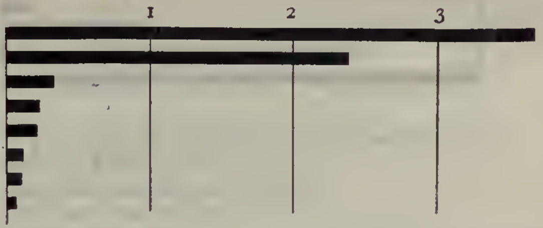
CANADA	298,215
UNITED STATES...	275,201
OTHER COUNTRIES	34,345



MACHINERY AND PARTS THEREOF

Millions of Pounds Sterling

UNITED STATES...	3,677,579
GERMANY	2,384,142
BELGIUM	332,069
FRANCE	231,929
SWEDEN	214,735
CANADA	114,977
SWITZERLAND	106,940
DENMARK	67,681

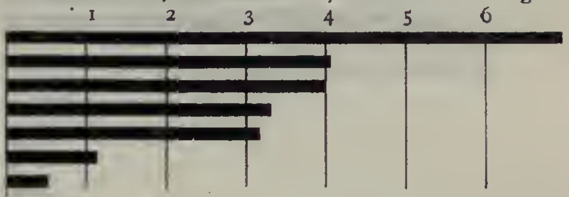


OILSEED CAKE

(Cottonseed, Linseed and Others)

Hundreds of Thousands of Pounds Sterling

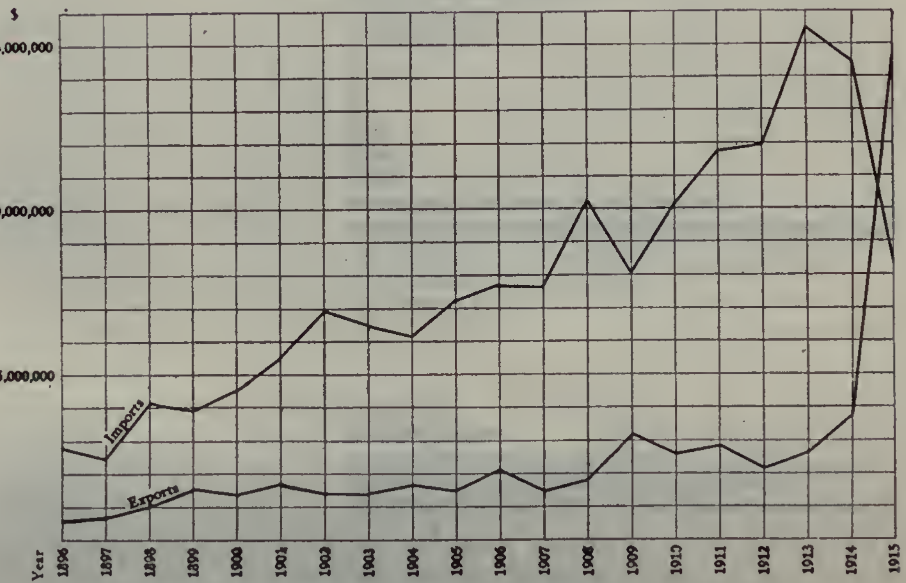
UNITED STATES...	696,980
GERMANY	405,973
BRITISH INDIA	397,696
RUSSIA	330,857
EGYPT	317,003
CANADA	112,899
SPAIN	52,738



CANADA'S TRADE WITH FRANCE, 1896-1915

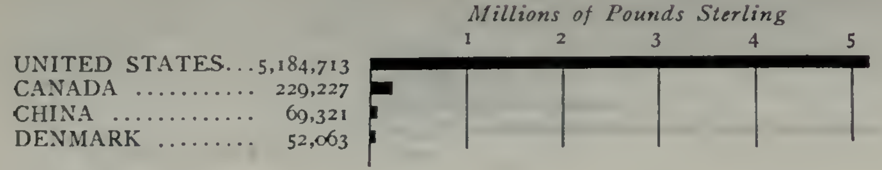
Merchandise

(Canadian Government Returns)

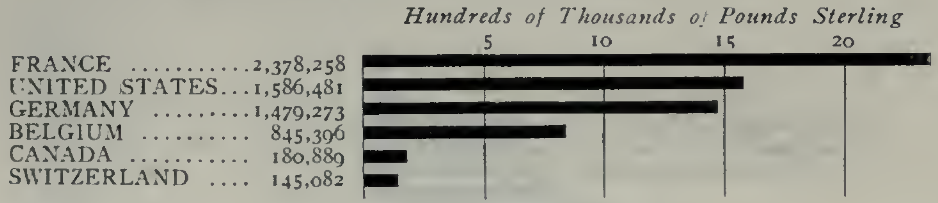


(Fiscal year ending March 31st. Year 1907, nine months only).

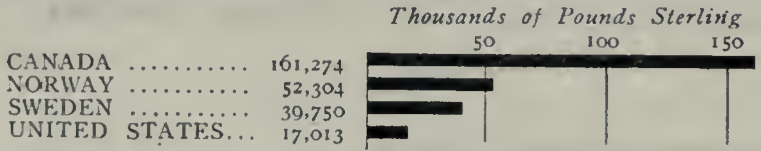
LARD



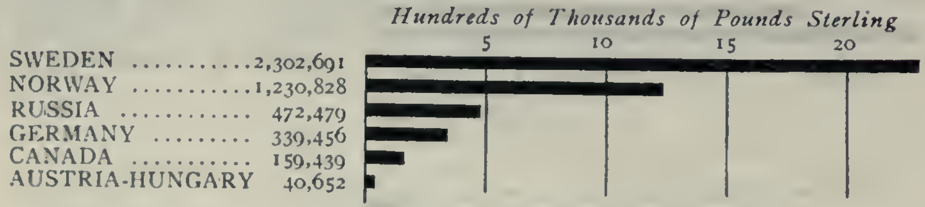
MOTOR CARS AND PARTS THEREOF



HAY

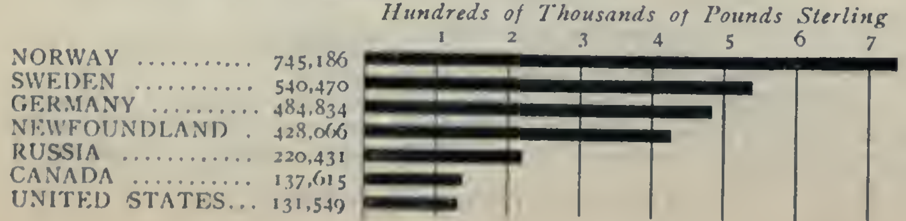


WOOD PULP



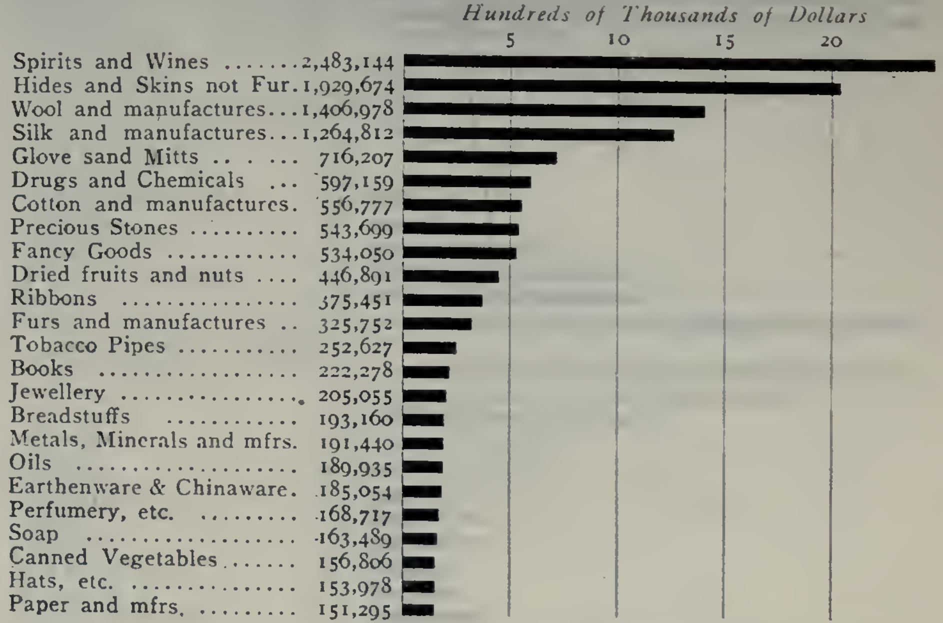
PAPER FOR PRINTING OR WRITING

Millboard and Woodpulp Board



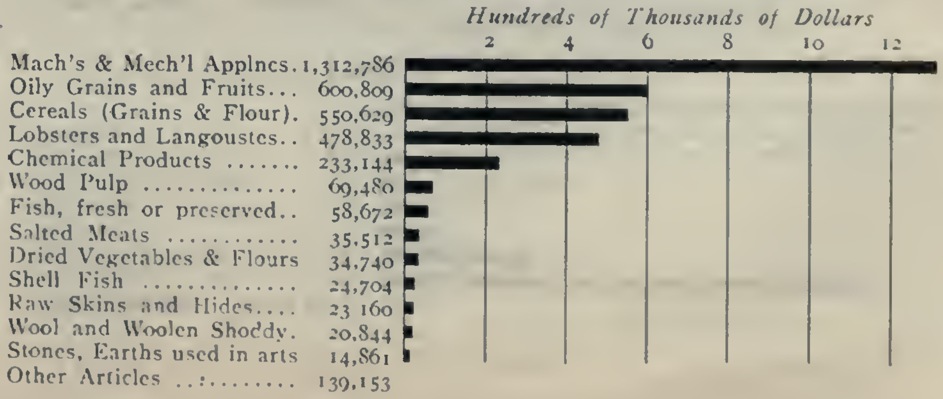
Principal Imports of French Goods into Canada, 1913

(Canadian Government Returns)



Principal Imports of Canadian Goods into France, 1913

(French Government Returns)

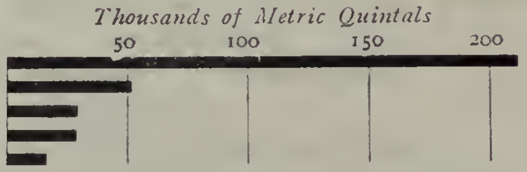


Canada's Competition in France

Imports, by Principal Countries of Origin, into France in 1913, of Goods which Canada Exports thereto in Largest Quantities. French Government Returns. (Charts follow order of preceding table but do not in all cases correspond exactly.)

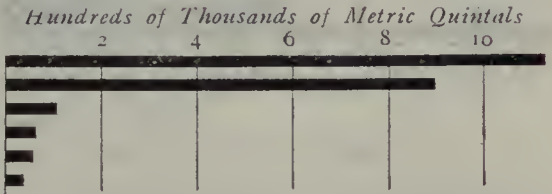
AGRICULTURAL IMPLEMENTS

Total Value	**$8,738,119**
UNITED STATES	211,883
CANADA	51,803
GERMANY	29,460
GREAT BRITAIN	29,077
BELGIUM	16,174
OTHERS	9,874



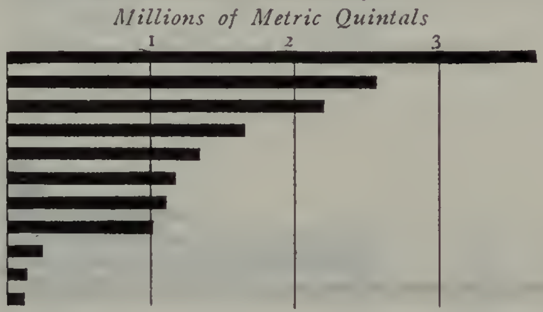
FLAX SEED

Total Value	**$13,310,525**
ARGENTINE	1,130,252
BRITISH INDIA	899,668
CANADA	107,150
CHINA	64,559
UNITED STATES	58,388
BELGIUM	38,326
OTHERS	75,721



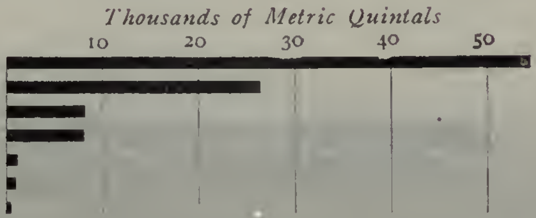
WHEAT

Total Value	**$64,825,620**
ARGENTINE	3,677,895
GERMANY	2,564,669
RUSSIA	2,204,547
AUSTRALIA	1,650,065
UNITED STATES	1,336,811
ROUMANIA	1,169,292
BRITISH E. INDIES	1,101,095
ALGERIA	1,011,420
BELGIUM	246,129
CANADA	136,156
TUNIS	115,700
OTHERS	342,738



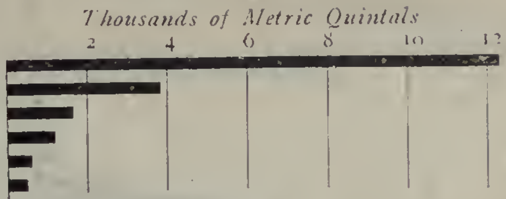
WHEAT FLOUR

Total Value	**$707,289**
ALGERIA	54,562
TUNIS	26,343
AUSTRIA-HUNGARY	8,203
GERMANY	8,182
BELGIUM	1,177
GREAT BRITAIN	998
RUSSIA	420
OTHERS	646



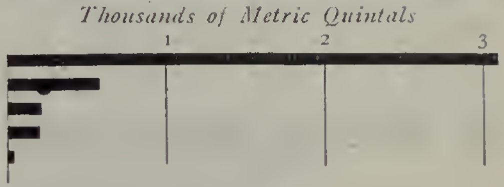
ACETONE

Total Value	**$699,837**
GERMANY	12,288
GREAT BRITAIN	3,837
CANADA	1,633
BELGIUM	1,196
AUSTRIA-HUNGARY	611
UNITED STATES	489
OTHERS	61



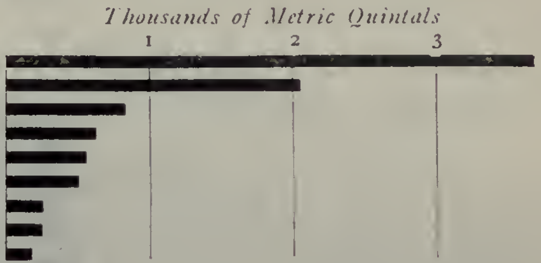
FORMIC ALDEHYDE

Total Value	**$71,651**
GERMANY	3,088
BELGIUM	582
GREAT BRITAIN	215
SWITZERLAND	202
CANADA	38



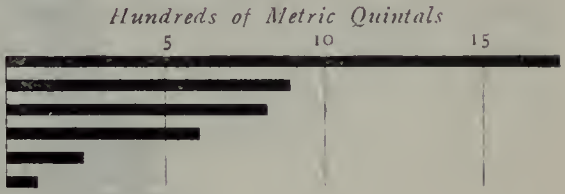
TANNIC EXTRACTS

Total Value	**$76,713**
BRITISH INDIA	3,936
AUSTRIA-HUNGARY	2,049
GREAT BRITAIN	837
BELGIUM	631
NETHERLANDS	560
TURKEY	511
ITALY	258
CANADA	252
OTHERS	176



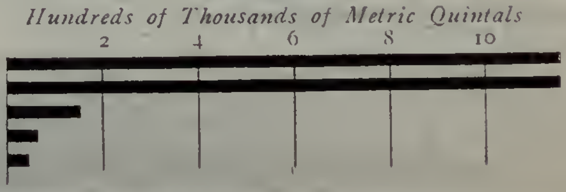
PURE ALCOHOL

Total Value	**$98,804**
GREAT BRITAIN	1,743
ITALY	892
GERMANY	821
NETHERLANDS	608
ALGERIA	243
CANADA	101
OTHERS	246



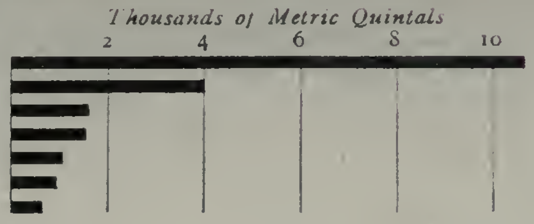
MECHANICAL PULP, DRY

Total Value	**$4,005,891**
SWEDEN	1,163,424
NORWAY	1,159,232
RUSSIA	153,795
GERMANY	63,958
CANADA	45,039
OTHERS	9,041



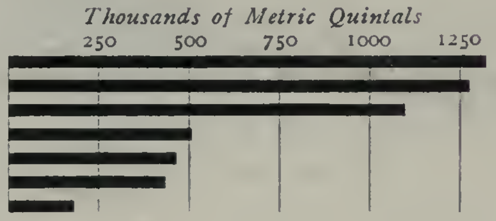
GROATS, OATMEAL, ROLLED OATS, Etc.

Total Value ...$143,628	
ALGERIA	10,667
TUNIS	4,010
GERMANY	1,615
NETHERLANDS	1,565
GREAT BRITAIN	1,083
CANADA	949
SWITZERLAND	650
OTHERS	815



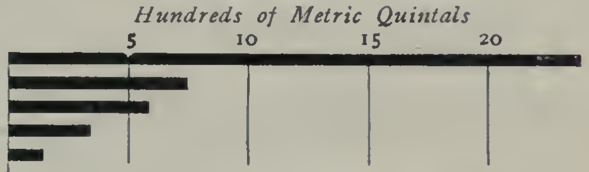
OATS

Total Value ...$19,675,453	
GERMANY	1,324,209
RUSSIA	1,276,614
ARGENTINE	1,097,328
SWEDEN	508,188
TUNIS	467,101
ALGERIA	435,828
UNITED STATES	184,464
OTHERS	511,084



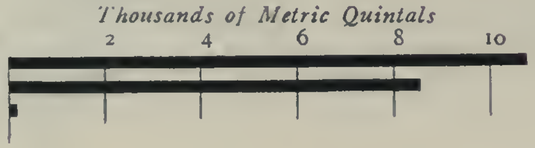
CLOVER SEED, Etc.

Total Value ...$197,311	
GERMANY	2,418
SPAIN	746
ITALY	586
BELGIUM	342
CANADA	148
OTHERS	171



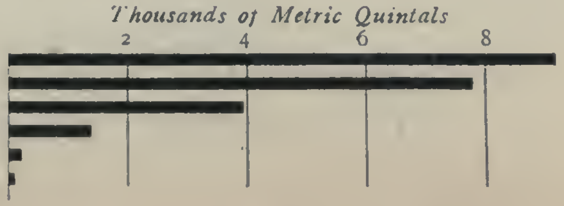
LOBSTERS
Canned

Total Value ...$871,819	
CANADA	10,786
GREAT BRITAIN	8,568
JAPAN	171
OTHERS	115



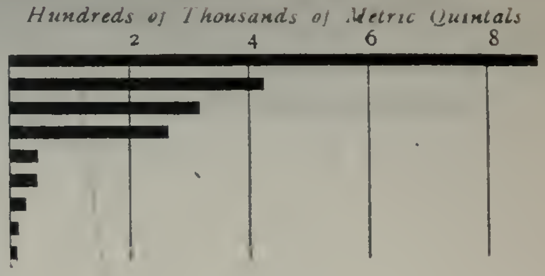
METHYL ALCOHOL

Total Value ...$328,452	
GERMANY	9,193
CANADA	7,782
GREAT BRITAIN	3,942
UNITED STATES	1,388
NETHERLANDS	230
AUSTRIA-HUNGARY	111
OTHERS	45



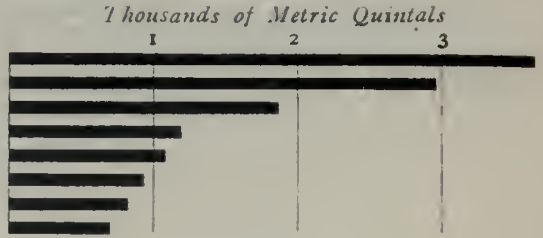
CHEMICAL PULP

Total Value.... $9,013,138	
SWEDEN	888,025
GERMANY	427,160
NORWAY	318,297
AUSTRIA-HUNGARY	265,360
BELGIUM	46,646
SWITZERLAND	46,058
UNITED STATES	27,113
NETHERLANDS	13,453
ROUMANIA	10,809
Others (Inc. Canada)	12,074



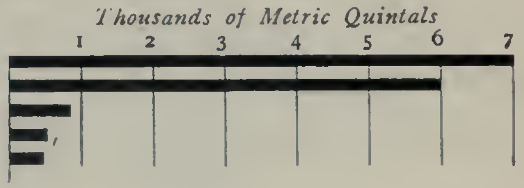
FISH, Preserved or Prepared, other than Sardines

Total Value.... $583,983	
GREAT BRITAIN	3,655
JAPAN	2,968
ITALY	1,869
NORWAY	1,188
SPAIN	1,079
GERMANY	938
NETHERLANDS	823
CANADA	700
OTHERS	1,164



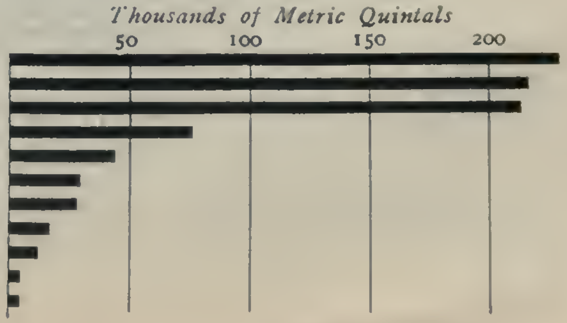
FRESH SALMON

Total Value.... $973,830	
NETHERLANDS	7,026
GREAT BRITAIN	5,986
GERMANY	854
SWITZERLAND	527
CANADA	475
OTHERS	422



DRY VEGETABLES AND FLOURS THEREOF
Other than Beans and Peas

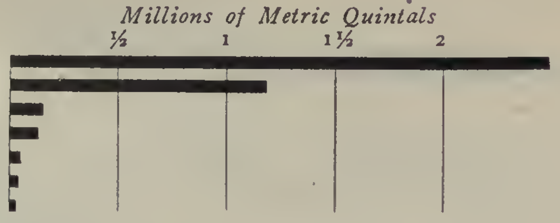
Total Value....$6,618,651	
ROUMANIA	229,713
RUSSIA	216,777
GERMANY	213,455
AUSTRIA-HUNGARY	75,911
NETHERLANDS	44,162
ITALY	29,508
BELGIUM	28,670
GREAT BRITAIN	17,126
BULGARIA	12,198
ALGERIA	4,987
CANADA	4,675
OTHERS	13,559



VARIOUS STONES FOR USE IN THE ARTS
CRUDE TALC, Etc.

Total Value....$1,217,781

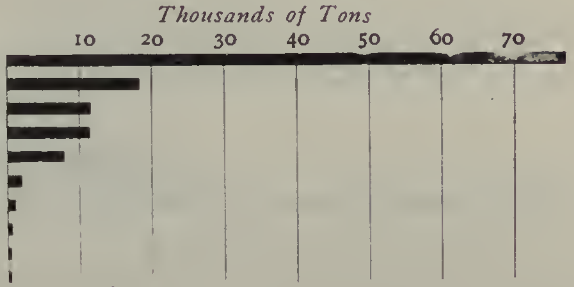
BELGIUM	2,492,802
GERMANY	1,185,488
GREAT BRITAIN	153,074
AUSTRIA-HUNGARY	134,139
CANADA	51,385
SPAIN	39,364
TURKEY	29,679
OTHERS	115,374



STRUCTURAL TIMBER
Square or Sawn, more than 80 millimetres thick

Total Value....$2,512,443

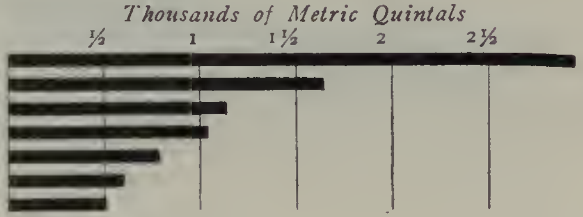
UNITED STATES	77,251
SWEDEN	18,369
AUSTRIA-HUNGARY	11,609
RUSSIA	11,581
GERMANY	7,948
JAPAN	1,919
FREE ZONES	973
BELGIUM	699
NORWAY	567
CANADA	529
OTHERS	537



SUNDRY ARTICLES MADE OF WOOD

Total Value....$106,142

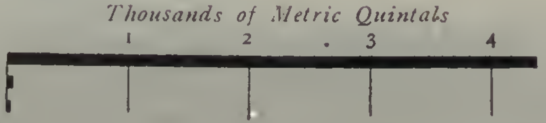
GERMANY	2,948
GREAT BRITAIN	1,645
UNITED STATES	1,136
ITALY	1,040
BELGIUM	784
SWITZERLAND	605
CANADA	508
OTHERS	500



DRIED APPLES

Total Value....$60,167

UNITED STATES	4,381
CANADA	48
MEXICO	30
OTHERS	62

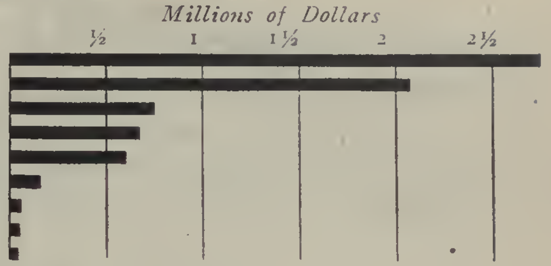


Canada's Competition in Italy

Imports, by Principal Countries of Origin, into Italy in 1913, of Goods which Canada Exports thereto in Largest Quantities. Italian Government Returns. (Charts follow order of table preceding.)

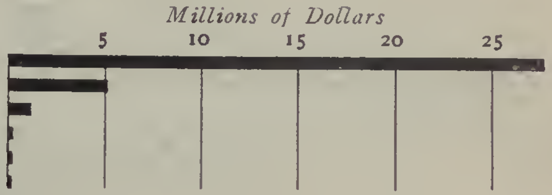
FISH
Dried, Smoked and Salted

NORWAY	2,742,644
CANADA	2,064,150
FRANCE	749,486
DENMARK	671,378
GREAT BRITAIN	599,756
UNITED STATES	155,353
GERMANY	5,808
BELGIUM	5,197
SPAIN	4,229



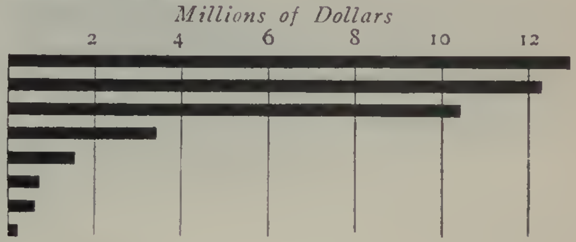
HARD WHEAT

RUSSIA	27,724,632
UNITED STATES	5,109,436
BRITISH INDIA	1,178,515
BULGARIA	227,325
ROUMANIA	219,844
CANADA	178,084
ARGENTINE	6,073
MOROCCO	4,488
ERITREA	4,444
AUSTRALIA	3,035
ALGERIA	2,200



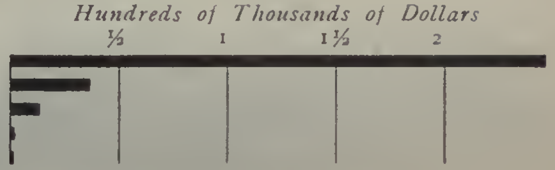
SOFT WHEAT

ROUMANIA	13,048,144
ARGENTINE	12,331,608
RUSSIA	10,435,909
AUSTRALIA	3,422,217
UNITED STATES	1,566,021
BRITISH INDIA	734,834
GERMANY	639,520
CANADA	232,413
FRANCE	16,266
TURKEY IN ASIA	9,294
BRAZIL	6,805



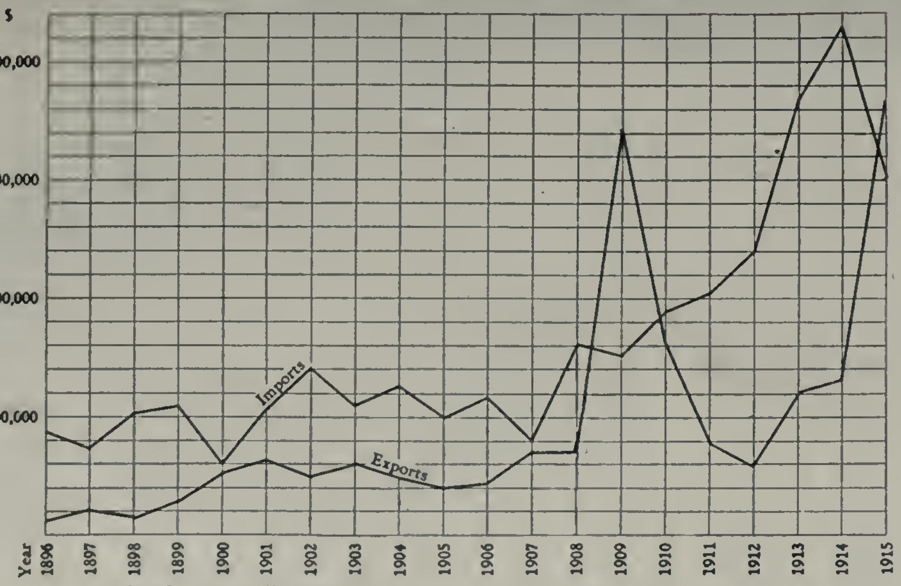
ASBESTOS

CANADA	246,894
BRIT. CENT. AFRICA	36,828
AUSTRIA	13,891
RUSSIA	1,968
UNITED STATES	1,529
GERMANY	796
FRANCE	599



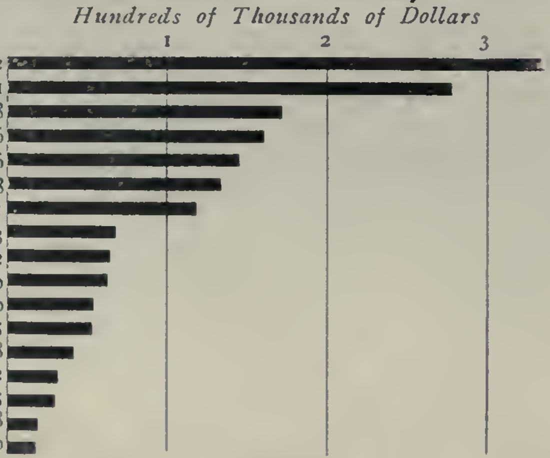
CANADA'S TRADE WITH ITALY, 1896-1913

Merchandise (Canadian Government Returns)



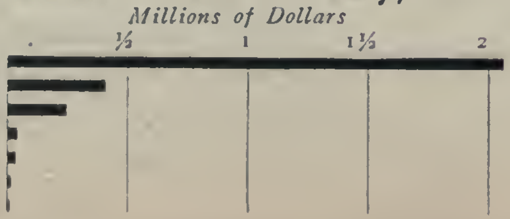
(Fiscal year ending March 31st. Year 1907, nine months only).

Principal Imports of Italian Goods into Canada, 1913



Green Fruits	339,912
Breadstuffs (inc. Vermicelli)	278,101
Olive and other Oils	172,108
Hats, Caps and Bonnets	160,976
Gutta Percha and mfrs.	145,476
Cheese	133,868
Canned Vegetables	118,431
Dried Fruits and Nuts	68,063
Spirits and Wines	64,642
Gloves and Mitts	62,830
Drugs, Chemicals, Sulphur	53,800
Silk and mfrs.	53,135
Flax, Hemp, Jute & mfrs.	41,538
Wool & mfrs.	31,622
Marble & mfrs.	29,435
Fancy Goods	18,758
Electric Apparatus	18,070

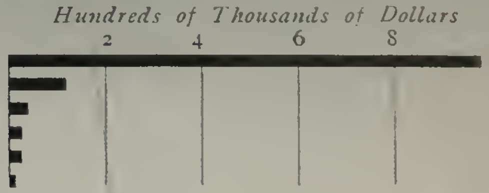
Principal Imports of Canadian Goods into Italy, 1913



Dried, Smoked & S. Fish	2,064,413
Wheat	410,498
Asbestos	246,894
Agricultural Machinery	28,556
Chemical Wood Pulp	22,235
Colophony	7,603
Wood, squared or sawn	2,162

AGRICULTURAL MACHINERY

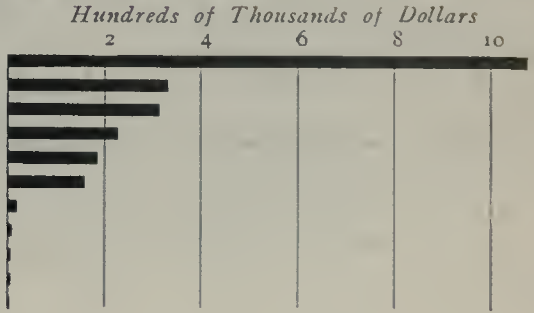
Mowers and Reapers



UNITED STATES	982,308
GERMANY	119,274
GREAT BRITAIN	39,047
FRANCE	25,753
CANADA	25,707
SWITZERLAND	22,905

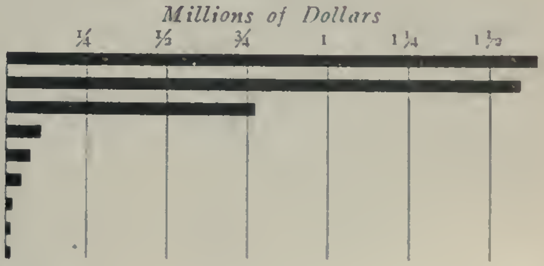
AGRICULTURAL MACHINERY

Other than Mowers and Reapers



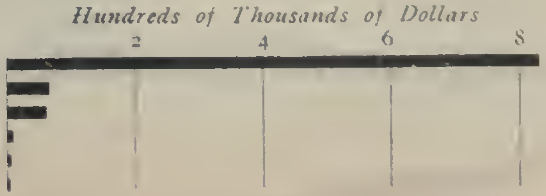
GERMANY	1,081,548
BELGIUM	333,596
GREAT BRITAIN	315,670
UNITED STATES	229,816
FRANCE	186,785
AUSTRIA	160,707
SWITZERLAND	21,307
DENMARK	7,480
NETHERLANDS	5,535
SWEDEN	4,469
CANADA	2,848

CELLULOSE OF WOOD, STRAW, ETC.



GERMANY	1,648,131
AUSTRIA-HUNGARY	1,596,612
NORWAY	772,641
SWEDEN	110,536
SWITZERLAND	78,822
ROUMANIA	50,300
CANADA	22,234
NETHERLANDS	17,899
UNITED STATES	16,951
FRANCE	3,606
BELGIUM	1,806
GREAT BRITAIN	1,083

COLOPHONY

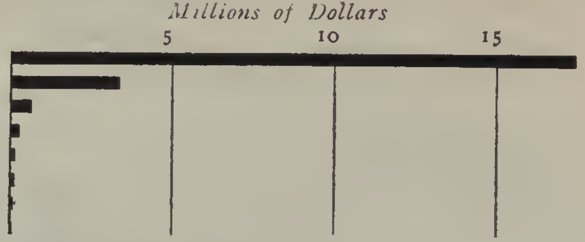


UNITED STATES	831,243
FRANCE	66,512
GREECE	60,967
CANADA	7,586
AUSTRIA	5,636
GERMANY	2,285

TIMBER

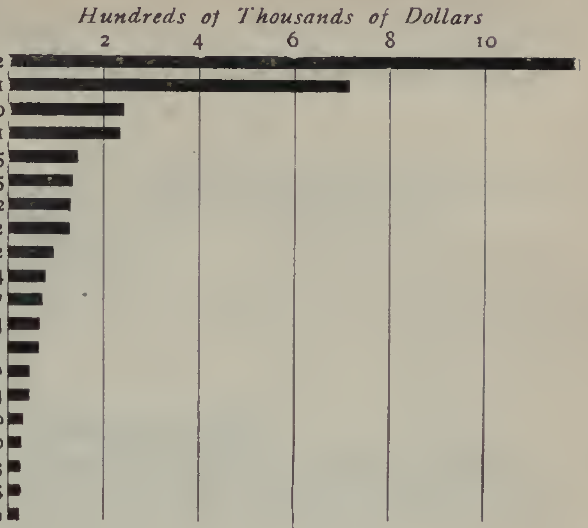
Common Wood, squared or sawn into lengths (Northern Hemisphere woods only considered)

AUS.-HUNGARY	17,448,628
UNITED STATES	3,362,195
ROUMANIA	648,209
RUSSIA	260,878
FRANCE	128,016
GERMANY	111,554
SWITZERLAND	96,461
SWEDEN	63,497
JAPAN	21,049
GREAT BRITAIN	13,124
NORWAY	8,839
DENMARK	8,781
BELGIUM	5,423
NETHERLANDS	2,470
CANADA	2,161



Principal Imports of Belgian Goods into Canada, 1913

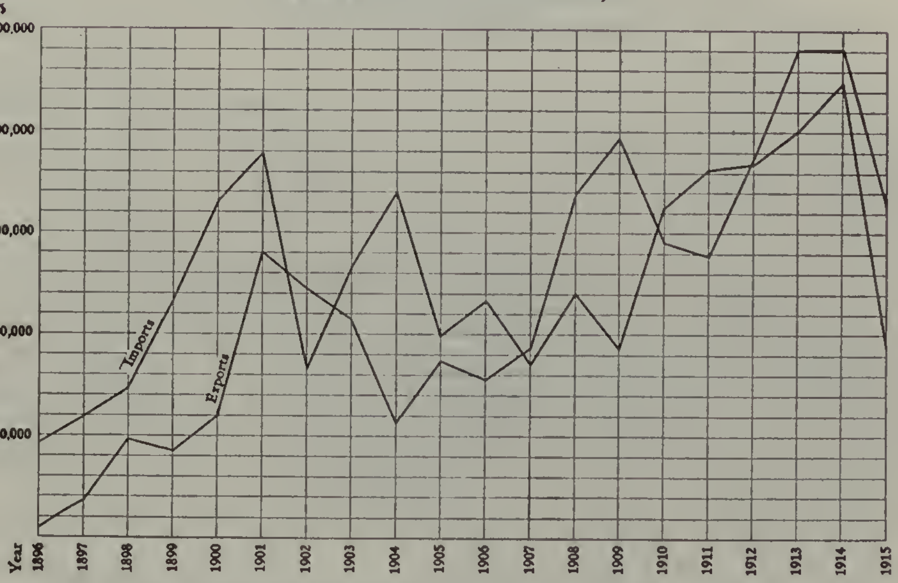
	$
Glass and mfrs.	1,210,652
Precious stones	716,651
Zinc and manufactures.	244,000
Iron and Steel & mfrs.	235,391
Wool and manufactures	146,745
Drugs and chemicals..	137,225
Paper and manufactures	123,822
Canned Vegetables ...	123,212
Gutta percha & mfrs...	96,482
Boot, shoe & other laces	79,954
Oils	73,057
Books, etc.	67,634
Cotton and mfrs.	67,141
Paints and Colors	45,980
Misc. Minerals & mfrs.	43,794
Furs and manufactures.	31,966
Animals living	28,040
Flax, Hemp, Jute & mfrs.	24,533
Plants and Trees	23,855
Hats, Caps and Bonnets	23,086



CANADA'S TRADE WITH BELGIUM, 1896-1915

Merchandise

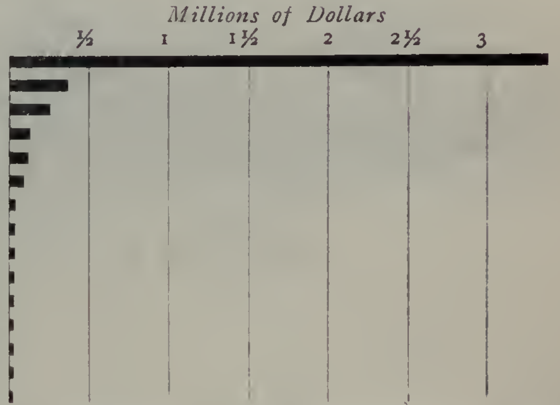
(Canadian Government Returns)



(Fiscal year ending March 31st. Year 1907, nine months only).

Principal Exports of Canadian Goods to Belgium, 1913

	$
Wheat	3,416,778
Oilcake	369,619
Aluminum	260,336
Oats	130,241
Asbestos	121,939
Fish	95,876
Tar	41,625
Leather and mfrs.	39,797
Iron & Steel & mfrs...	38,828
Grain products	33,279
Drugs, Dyes, Chemicals	31,930
Buckwheat	30,360
Cereal foods prepared .	27,085
Seeds	26,353
Wood and mfrs.	22,723



CANADIAN RAILROAD RATES

The award of the Dominion Railway Commission anent the application of the Canadian railways for an increase of rates was examined and commented on in railway circles in Montreal, last week. The consensus of opinion was that the award, in its incidence and amount, was inadequate; and that the railways would have to follow the example of roads in the United States and go back to the commission with a fresh petition.

The refusal of the fifteen per cent.. in the West, on the ground of high rates there, took no account, it was said, of the fact that in the West particularly the demands of labor reached their apogee and was adversely commented on, while the long delay in making the award, thus cutting the railways off from the increased revenue at the time when the grain haulage would have been important, was criticized. It was pointed out, too, that it would take about three months more in which to make out classifications; and, in the meantime, the costs of operation were constantly increasing.

PULP AND PAPER INDUSTRY

What Its Growth Means to Canada—Unfair Price Fixing

By F. R. GRAHAM.

One of the outstanding features of the industrial revival in Canada following the first few months of war conditions, has been the steadily increased output of the existing pulp and paper mills and the number of new mills put into operation. In a general way, the Canadian investing public have had confidence in the industry, but United States capital has given it a support latterly that means a great deal for Canada and certainly should repay handsomely those United States investors who have employed their funds in this direction. Outside of United States' branch factories there is probably more United States money invested in Canadian pulp and paper enterprises than in any single Canadian industry, and, in the opinion of the writer, no industry offers more attractive investment opportunities. With the possible exception of the case of one or two greatly over-capitalized properties, investors in this class of securities have enjoyed uninterrupted and growing returns for a number of years, and with the continued growth of the industry the holders of the junior securities of those companies having extensive timber limits, and ample water powers to permit of further development, are bound to receive greatly increased returns on their investment, accompanied by material increases in the market value of their holdings. In the meantime, the underlying securities of the same concerns will command the attention and consideration of the most conservative.

Excel at Paper Industry.

In a recent article Sir Edmund Walker, that able exponent of Canadian financial affairs, points out the necessity for Canada to develop those industries natural to her and he makes particular reference to the pulp and paper industry as follows:—

"Papermaking is another basic industry in which Canadians can excel. We began this trade by cutting down pulpwood and shipping it all to the United States. We were more or less terrorized into the idea that we could not make pulp much less the paper, but in a few years we have been able to assume a commanding position in the paper-making industry of North America, which we can maintain by careful and wise development, but what we need to do is to go farther and discover what better varieties of paper we can manufacture. We should make from the commonest to the finest qualities and take a stand with the big papermaking countries of the world."

No Danger of Over-Production.

While there has been fully $80,000,000 additional capital invested in Canadian pulp and paper properties since 1910 there is no danger of our reaching a point where the question of over-production becomes a factor. In the first place we have every civilized country in the world as a potential market and an existing large and growing market to the south of us—the United States—which is quite able to take all the pulp and paper Canada can produce with existing plants. In the second place, the amount of paper Canada can produce, in spite of her large supplies of wood, is limited by the combination of important factors necessary to the establishment of a paper mill on a profitable basis, and these are: (a) Timber holdings sufficient in extent to ensure a supply of suitable wood for at least thirty years; (b) sufficiently well-watered limits to ensure good driving streams and consequently low delivery cost of wood at the mills; (c) ample water powers, within reasonable hauling or driving distance of the wood supply, capable of economical development.

It will be seen, therefore, that the number of pulp and paper mills even in Canada, so plethoric in wood supplies and water powers, is bound to be limited, although we have a long way to go as yet before we need face the bogey of "over-production."

After War Conditions.

Conditions likely to prevail after the war is the uppermost thought in the mind of the industrial captain as well as in that of the investor in industrial securities. There is no denying that imports from abroad, particularly from Sweden, to the United States, have been cut off since the commencement of the war. This, consequently, has thrown open to us, practically without competition, that great market; but our manufacturers, with good reason, do not fear the return to ante-bellum conditions as Canada is now producing, at a lower cost, a higher grade of pulp than the European product. In addition, we have the considerable advantage of an extremely short haul in the case of the United States markets and the advantage in distance also to the South American, Australian, Japanese and Oriental markets generally. Our shipments to the last-named countries continue to expand and they will undoubtedly prove a permanent market for our exportable surplus of pulp and paper products—90 per cent. of our total output. The actual figures in this connection in dollars are of interest. The period covered extends from 1910 to March, 1917, and graphically illustrates the growth of the industry as well as the growth of the export trade amounting to approximately $44,000,000 for the fiscal year ended March, 1917:—

Exports of Canadian Pulp and Newsprint, 1910-1917.

Fiscal year.		Chemical pulp.	Mechanical pulp.	Newsprint.	Total.
1910	..	$ 1,658,846	$3,545,751	$ 2,612,243	$ 7,816,840
1910-11	..	1,308,101	4,407,431	3,092,437	8,807,969
1911-12	..	1,587,535	3,507,770	3,291,926	10,387,231
1912-13	..	2,100,842	3,408,702	5,692,126	11,201,670
1913-14	..	2,923,083	3,441,741	11,385,845	17,750,669
1914-15	..	4,806,622	4,459,539	14,091,682	23,357,843
1915-16	..	6,801,011	3,775,537	17,974,292	29,550,840
1916-17	..	14,032,950	6,371,133	23,594,134	43,998,217

Helping to Adjust Balance.

These figures will impress the student of Canadian economic conditions as he will see in them an important and rapidly growing factor in adjusting the adverse balance of trade with our neighbors to the south, which last fiscal year approximated $460,000,000. We are not, however, wholly dedependent on the United States market. Chemical pulp has been exported in increasing quantities to England since the outbreak of war as well as to other European States, and the leaders of the pulp and paper industry in Canada plan to extend the trade to every civilized country of the globe. In the meantime, in addition to the United States and European markets, we export to South America, Australia, Japan, China and the Orient generally. Our Pacific Coast mills naturally have the advantage in supplying the last-named countries and the demand from these markets has been an important factor in bringing about a large increase in the capital invested in new British Columbia mills since war began and this will prove a continued source of profit to the province and to the investors from this forward.

Unfortunately, the pulp and paper industry has been thrown into the realm of everyday politics by the refusal of the newspapers to recognize in this industry, which is acknowledged in their own and all industries at this time—namely, the growing cost of labor, raw materials and other factors entering into the costs of any manufacturing proposition. The result has been that the influence of almost the entire press of the country has been brought to bear on the government in an endeavor to fix a price for newsprint at a point where the manufacturers claim a fair profit cannot be made. As the writer has pointed out in a previous article in *The Monetary Times*, only about 10 per cent. of the output of the Canadian paper mills is consumed in Canada, but the result of the unfair agitation for the price fixing of newsprint has had the logical effect of endangering the export market.

In fact, the press of the country appear to have been able to bring about an understanding between the government at Washington and the government at Ottawa in an endeavor to fix the price of newsprint in the United States markets as well as in the Canadian, at a figure considerably below the current market price—thus sacrificing the advantages of a free export market which was accruing to the industry in particular and to Canadian trade and commerce in general. While these conditions have retarded the growth of the industry somewhat and discouraged a large additional amount of capital that would otherwise have been devoted to the development of the industry—that is so far as the manufacture of newsprint is concerned—they will no doubt prove only temporary in nature and within a very short term of years it is not unreasonable to expect that our exports of pulp and paper products will reach a total several times the present figures of $60,000,000 to $70,000,000, which is estimated for the present fiscal year.

UNPREPAREDNESS OF CORPORATE INSURANCE

Team Work and Organized Publicity Needed to Overcome Existing Prejudice and Trend Toward State Insurance

BY GEORGE GILBERT.

While it is true that the principle of insurance has received more conspicuous public endorsement since the war started than ever before, it is also true that the question has been more frequently raised whether the function of insurance is one which should be left to private institutions or should be assumed by the state.

If it is a fact that corporate insurance, under efficient supervision, is the form of insurance best adapted to meet the requirements of the public, no time should be lost in bringing about a general realization of this fact. All agitation for municipal and state insurance schemes, including workmen's compensation insurance by the provinces, health, unemployment and other kinds of so-called social insurance, would cease if the people were adequately shown the disadvantages of establishing in a free country government bureau insurance monopolies, such as they have in Germany, where the chief object is to increase the power of the state thereby, and not to benefit the individual, but rather enslave him. As it is, we find union labor in many quarters advocating the elimination of insurance companies from participation in workmen's compensation insurance and the establishment of a government monopoly of the business, the principal argument advanced being the success of Germany's state-controlled insurance of that hazard!

While it is impossible to foretell what the social tendencies will be after the war, the present is unquestionably a testing time, and almost every institution is being called upon to justify its existence Corporate insurance is no exception, and the service which it performs, in the economy of things, must be brought home to the public generally in order to offset the work of the propagandists, who are now busily engaged in creating a public opinion favorable to the acceptance of various schemes of state insurance as remedies for social evils and social injustice, and part of whose programme of reforms is to have the state take over all kinds of insurance—fire, life, casualty, marine, etc. Private insurance is attacked from the angle of stockholders' dividends and agents' commissions, which are denounced as uneconomic and indefensible from the public standpoint.

Knowledge of Insurance Business.

It is rightly held that prejudice cannot exist in an atmosphere of knowledge. The time is opportune to begin the work of creating that atmosphere of knowledge about the insurance business which will free it from unjust criticism, the result of existing prejudice, and which will also enable the public to get a better grasp of what is really involved in making the state an underwriter of insurance hazards of any description. Co-operation of all branches of the business and systematic publicity are required. Every individual whose livelihood is dependent upon the perpetuation of insurance as a private institution, whether company official, agent, broker or clerk, or whether in the fire, life or casualty branch, or whether a believer in stock, mutual, old-line or fraternal principles, should be actively engaged in the work of public enlightenment.

Service is now recognized as the greatest commodity in the world, and it is on the basis of the superiority of its service that corporate insurance must justify its continued existence. It should not be difficult to prove to the satisfaction of the people generally that they will be better served by adhering to the principles of individualism and independence, as exemplified by private insurance, rather than by adopting the principles of paternalism, with loss of freedom and independent initiative, as exemplified by state insurance. As a matter of fact, "Save the world for democracy" is the watchword of the hour, and voluntary insurance, as opposed to compulsory state insurance, is essentially a democratic institution. Its underlying principle is voluntary co-operation for the distribution of loss. While the company supplies the security and the machinery for operation, it is the voluntary co-operation of individuals which makes possible the successful working of the principle.

While in Canada there is not as yet apparent as widespread an agitation for state insurance as is in evidence in the United States and in Great Britain, it is idle to ignore the effect on public opinion of what is going on around us. In the United States the federal government, besides furnishing its soldiers and sailors with insurance protection against death and disability, has also established a government war risk bureau, where those engaged in war service may obtain additional life insurance of from $1,000 to $10,000 at net term rates, ranging from 63 cents monthly per $1,000 at age 15, 69 cents at age 30, 81 cents at age 40, to $3.35 monthly at age 65. That there will be a powerful demand for the continuance of these facilities after the war goes without saying. In Great Britain the proposal has been seriously put forward by the Fabian Society that all the life assurance business of the country should be transferred to the government. Even in Canada we have witnessed the elimination of the insurance companies from participation in workmen's compensation insurance without as much as being given an opportunity to show what they could do in competition with state-administered insurance. It is but a step from state workmen's compensation insurance to state health insurance, state unemployment insurance, and state life and disability insurance.

Right Kind of Publicity.

We have also had state control and state regulation of fire insurance rates advocated in many quarters in Canada. This can best be met by a campaign of publicity which will make it plain that the way to get lower fire insurance rates is not by state regulation of premiums, but by having fewer fires, and that this can be brought about by better construction, improved protection, and greater care on the part of property owners The right kind of publicity would also show conclusively that the companies give property owners adequate reductions in rates for improvements effected in their risks, and that if proper laws are made and enforced for safe construction and for every reasonable measure to suppress fires, and for the punishment of those who, through carelessness or negligence, are responsible for fires starting, the rate question will solve itself in all classes of risks, as has already been done in the sprinklered classes.

Publicity could also be used to advantage to show what all classes of insurance companies are doing to improve their methods and practices so that the burden of insurance taxation upon the community will be no greater than is absolutely necessary to protect it from financial loss through the happening of the various contingencies insured against. If the public were convinced of this fact, they would realize that the proposal to have the state go into the insurance business is not the right way to take hold of the question of reducing the insurance tax. But a great deal of team work on the part of insurance interests will have to be called into action without delay if this happy consummation is ever to be reached.

CANADA'S COAL AND COKE PRODUCTION

The following is an estimate, in short tons, of the coal and coke production of Canada for the first six months of 1917, compared with the year's production in 1916, the figures being those of the Mines Branch, Ottawa:—

Province.	1916.	Six months, 1917.
Nova Scotia	6,912,140	3,058,216
New Brunswick	143,540	93,485
Saskatchewan	281,300	139,023
Alberta	4,559,054	1,763,506
British Columbia	2,584,061	1,100,190
Yukon	3,300	......
Production	14,483,395	6,154,420
Imports:		
Bituminous	13,009,788	6,392,378
Anthracite	4,570,815	2,231,859
Total	17,580,603	8,624,237
Exports	2,135,359	825,427

The record of exports and imports is compiled from the published reports of the customs department, and for imports represents the quantities of coal entered for consumption.

The production of coke includes only the coke made in bee-hive or by-product ovens and does not include coke made by gas companies in retorts.

Last Year's Statistics of Canadian Development

Statistical Summary of Trade, Production, Banking, Borrowing, Industry and other National Factors (with comparisons)

Table 1.—Canadian Imports (Merchandise).

Fiscal Year.	Value.
1906	$287,207,412
*1907	252,268,999
1908	364,237,864
1909	299,768,166
1910	385,835,103
1911	462,041,330
1912	533,286,663
1913	686,604,413
1914	635,511,492
1915	497,451,902
1916	530,245,594
1917	845,356,306

*Nine months.

Table 2.—Canadian Exports (Merchandise).

Fiscal Year.	Value.
1906	$246,657,802
*1907	192,087,233
1908	263,368,952
1909	259,922,366
1910	298,763,993
1911	290,000,210
1912	307,716,151
1913	377,068,355
1914	455,437,224
1915	461,442,509
1916	779,290,070
1917	1,179,211,100

*Nine months.

Table 3.—Total Trade of Canada (Merchandise).

Fiscal Year.	Value.
1906	$ 533,865,214
*1907	444,356,232
1908	627,606,816
1909	559,690,532
1910	684,599,096
1911	752,041,540
1912	841,002,814
1913	1,063,672,768
1914	1,090,948,716
1915	958,894,411
1916	1,309,545,664
1917	2,024,567,406

*Nine months.

Table 4.—Capital Subscriptions in the United Kingdom (Including Public War Loans).

Year.	Amount.
1907	£ 131,436,382
1908	204,667,536
1909	213,098,768
1910	232,142,731
1911	196,216,492
1912	211,337,980
1913	248,237,207
1914	539,080,884
1915	1,242,030,562
1916	1,332,472,000
*1917	1,365,952,000

*The total for 1917 is made up as follows: Domestic war loans to December 15th, £1,279,516,000; estimated for remaining 16 days to December 31st, £60,000,000; other issues for year, £26,436,000.

Table 5.—Primary Production.

(Field crops, forests, mines, fisheries.)

Year.	Total Value.
1908	$ 703,590,000
1909	816,274,000
1910	701,085,000
1911	901,709,000
1912	909,358,000
1913	907,311,000
1914	975,379,706
1915	1,071,219,879
1916	1,275,734,812
*1917	1,507,687,000

*Preliminary estimates.

Table 6.—Canadian Flotations in London.

Year.	Amount.
1906	£ 6,427,500
1907	11,203,711
1908	29,354,721
1909	37,411,723
1910	38,453,808
1911	39,855,517
1912	32,456,603
1913	47,363,425
1914	36,777,271
1915	8,235,000
1916	1,000,000
1917	2,250,000

Table 7.—Canadian Municipal Bond Sales in Canada.

Year.	Amount.
1909	$31,532,960
1910	29,043,325
1911	30,295,838
1912	19,767,256
1913	20,550,239
1914	34,483,359
1915	31,910,214
1916	19,640,778
1917	17,955,714

Table 8.—Canadian Municipal Bond Sales in United States.

Year.	Amount.
1910	$ 350,000
1911	2,334,461
1912	3,876,406
1913	22,168,053
1914	12,303,200
1915	35,483,114
1916	32,336,764
1917	6,233,365

Table 9.—Canadian Municipal Bond Sales.

(In Canada, Great Britain and United States.)

Year.	Total.
1906	$ 9,087,008
1907	14,430,540
1908	46,461,021
1909	36,278,528
1910	29,740,325
1911	59,249,040
1912	50,493,907
1913	112,041,642
1914	79,133,994
*1915	67,393,000
*1916	51,977,542
*1917	24,189,079

*Canada and United States only.

Table 10.—Canadian Municipal Bond Sales in Great Britain.

Year.	Amount.
1905	£ 78,000
*1906	......
1907	822,942
1908	3,930,521
1909	2,109,500
1910	15,347,000
1911	26,618,745
1912	26,860,245
1913	69,323,350
*1914	32,347,435
1915	No sales
1916	No sales
1917	No sales

*No sales were made in London in 1906 and none have been made since the declaration of war in August, 1914.

Table 11.—Bank Deposits (after notice).

October.	Amount.
1906	$390,909,519
1907	416,787,636
1908	414,789,347
1909	480,837,606
1910	549,016,725
1911	586,451,045
1912	640,097,928
1913	621,511,207
1914	659,806,682
1915	701,336,850
1916	814,297,404
1917	985,790,850

Table 12.—Bank Deposits (on demand).

October.	Amount.
1906	$181,408,733
1907	170,498,311
1908	190,144,091
1909	250,968,487
1910	280,838,612
1911	331,953,562
1912	383,814,572
1913	389,856,507
1914	348,732,830
1915	392,042,193
1916	489,230,234
1917	495,058,449

Table 13.—Bank Clearings.

Calendar Year.	Amount.
1906	$3,997,969,065
1907	4,321,441,616
1908	4,142,233,379
1909	5,203,269,249
1910	6,153,701,587
1911	7,391,368,207
1912	9,143,196,764
1913	9,260,163,171
1914	8,073,460,725
1915	7,796,781,250
1916	10,557,187,917
1917	12,552,821,949

Table 14.—Bank Deposits (on demand and after notice).

October.	Amount.
1906	$ 572,318,252
1907	587,285,947
1908	604,903,438
1909	730,806,093
1910	829,855,337
1911	918,404,607
1912	1,023,912,500
1913	1,011,367,714
1914	1,008,539,512
1915	1,093,379,043
1916	1,303,527,638
1917	1,480,849,299

CASH WHEAT FLUCTUATIONS, 1894 TO 1917

Prices per Bushel at Winnipeg, on Opening Market Day of each Month.*

MONTH	1894	1895	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
January	0.63	0.69	0.55½	0.81	0.92	0.77	0.64½	0.80½	0.72	0.70	0.81¾	0.98	0.75⅜	0.71¾	1.07⅛	0.99½	1.03¼	0.92	0.93	0.81½	0.83½	1.25⅝	1.13	1.77½
February	0.64	0.66	0.64½	0.71	0.92	0.75	0.65½	0.83	0.73	0.73¾	0.83½	0.91¼	0.76	0.73½	1.05	1.00	1.03	0.93	0.96½	0.83	0.86½	1.49	1.26⅝	1.57⅝
March	0.65	0.70	0.65½	0.73	1.00	0.69	0.66¾	0.84	0.72½	0.73¾	0.94½	0.97	0.74⅝	0.74¾	1.09¼	1.11⅝	1.03¾	0.88¼	0.98¼	0.85⅝	0.91⅛	1.48½	1.08⅜	1.79
April	0.68	0.70	0.66	0.68	0.98	0.69	0.67½	0.81	0.72½	0.73¾	0.93¾	0.92	0.75⅜	0.75¾	1.06¾	1.13¾	1.05	0.88	1.00	0.87⅝	0.89⅜	1.50	1.14⅞	1.94⅝
May	0.64	0.72	0.64	0.70	1.28	0.71	0.67¾	0.79	0.77¼	0.77¼	0.84⅝	0.88¼	0.78½	0.80⅝	1.10⅜	1.20	0.98½	0.94⅞	1.03¼	0.92¾	0.90⅜	1.63⅜	1.19⅜	2.55¾
June	0.62	1.05	0.61	0.69	1.22	0.74	0.69	0.79	0.75	0.78¾	0.86½	0.93	0.79½	0.90½	1.10	1.26¾	0.88	0.96	1.03⅜	0.93¾	0.94¾	1.43½	1.10⅝	2.37
July	0.63	1.05	0.59	0.73	1.03	0.75	0.84	0.68	0.76	0.83¼	0.86¾	1.05½	0.81	0.92¼	1.02⅛	1.32¾	0.98	0.97	1.08	0.96¾	0.89¾	1.32	1.13¾	2.18
August	0.61	......	0.65	0.80	0.93	0.68½	0.80¼	0.69½	0.75¾	0.87¾	0.96⅜	1.01	0.78	0.91¾	1.04¾	1.10	1.05	0.96	1.06	0.95¾	0.97⅞	1.27½	1.28¼	2.38
September	0.57	0.60	0.60	0.87	0.80	0.68	0.84	0.69½	0.69	0.84½	1.03	0.78½	0.71¼	0.97	0.97⅛	0.95¾	1.06	1.02	1.05¾	0.88	1.14⅜	.96½	1.56½	†2.21
October	0.54	0.61	0.68½	0.85	0.69	0.70	0.88½	0.67¾	0.68	0.81¾	1.00½	0.76⅛	0.75⅝	1.03⅝	0.97⅜	0.96½	0.98	0.99½	0.88½	0.83⅝	1.07⅛	.91½	1.65⅜	2.21
November	0.55	0.57	0.76	0.95	0.72	0.69	0.81	0.70	0.72	0.81½	0.97⅜	0.77⅝	0.74¾	1.03⅝	0.98⅜	0.98¾	0.89	0.98	0.87¼	0.81¾	1.17⅞	1.02½	1.85	2.21
December	0.58	0.55	0.81¼	0.92	0.69	0.65¼	0.76	0.71	0.71	0.79	0.91½	0.75½	0.72½	1.02	0.99½	0.96	0.91	0.96¼	0.78¼	0.81⅞	1.17	1.04⅜	1.84½	2.21
Average in cents	61.25	71.81	65.52	78.66	93.16	70.89	74.56	75.18	72.91	78.75	91.65	90.31	76.04	88.09	103.97	108.56	99.19	95.08	97.38	87.66	98.30	127.86	135.50	211.75

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* Prices for the years previous to 1910 taken from compilation by the Dominion Government's Labour Gazette. Other prices are those of the Winnipeg Grain Exchange. No. 1 Manitoba Northern Wheat in store, Fort William or Port Arthur. † For the balance of the year the price was $2.21 in accordance with the order issued by the Board of Grain Supervisors on September 12th, 1917.

BANK CLEARING HOUSE FIGURES BY PROVINCES

	1911	1912	1913	1914	1915	1916	1917
	$	$	$	$	$	$	$
Ontario...........	§2,298,228,008	2,728,432,820	2,747,331,878	†*2,536,380,813	2,411,179,697	3,248,026,159	3,792,647,962
Quebec...........	2,501,810,415	3,003,128,011	3,035,683,846	2,797,227,742	2,786,448,334	3,939,249,604	4,435,709,612
Manitoba..........	1,202,192,416	1,571,114,599	1,667,163,735	1,397,358,263	1,557,815,297	2,090,717,775	2,653,354,314
British Columbia ...	678,414,170	827,663,115	813,301,278	560,899,682	371,713,956	415,837,842	521.913,559
Alberta............	368,939,005	529,704,867	**510,935,718	399,965,447	308,836,962	400,754,671	566,007,431
New Brunswick....	77,328,182	88,969,218	85,756,651	78,001,844	76,468,267	90,966,795	102,948,814
Nova Scotia........	87,994,038	100,467,672	105,623,769	100,260,107	104,414,585	125,997,877	151,812,753
Saskatchewan......	*176,461,973	294,716,462	284,366,306	203,366,827	179,903,764	245,637,184	328,427,504
TOTAL	7,391,368,207	9,143,196,764	9,260,163,171	8,073,460,725	7,796,781.250	10,557,187,917	12,552,821,949

*Moose Jaw started February, 1911, and the total clearings for the 11 months were $39,988,342. § Fort William started October, 1911, and the total clearings for 3 months were $7,865,923. ** Medicine Hat started May, 1913. * Peterboro started June, 1914. †Sherbrooke started February, 1916. *a* Kitchener started April, 1916.

Summary of Clearing House Figures.

CLEARING HOUSE	1911	1912	1913	1914	1915	1916	1917
	$	$	$	$	$	$	$
BRANDON.........	29,430,274	32,297,075	32,186,498	26,397,457	27,132,173	28,922,518	30,429,612
BRANTFORD..	27,206,985	31,337,116	32,697,443	28,669,309	26,640,280	34,325,070	42,189,449
CALGARY........	218,681,921	275,491,303	247,882,758	201,669,873	169,758,599	233,099,671	348,663,426
EDMONTON	121,438,391	220,727,617	213,053,268	157,308,683	105,834,951	114,345,955	142,606,772
§FORT WILLIAM..	7,865,923	40,503,087	49,154,076	38,698,454	24,840,905	27,472,159	34,224,050
HALIFAX.........	87,994,038	100,467,672	105,623,769	100,260,107	104,414,585	125,997,877	151,812,753
HAMILTON	125,250,982	167,712,729	185,811,574	148,934,686	151,420,271	200,811,087	244,401,339
*a*KITCHENER.....	....	....	....	....	....	26,066,436	30,268,621
LETHBRIDGE.....	28,818,693	33,485,947	28,893,477	21,218,029	19,740,218	31,638,543	45,021,074
LONDON	71,554,221	84,526,961	90,720,202	86,024,236	89,774,787	100,090,560	112,664,207
†MEDICINE HAT..	....	....	21,106,215	19,768,862	13,503,194	21,670,502	29,716,159
MONTREAL.......	2,368,491,239	2,844,368,426	2,880,029,101	2,631,354,501	2,628,122,428	3,722,605,000	4,188,255,210
*MOOSE JAW......	39,872,743	63,090,348	59,370.943	45,846,351	42,634,319	52,971,44	64,896,741
N. WESTMINSTER	....	....	29,424,494	18,284,692	13,460,081	13,918,003	17,480,445
OTTAWA	213,952,292	244,123,451	207,667,006	209,662,599	211,636,520	261,049,599	291,197,713
‡PETERBORO......	....	....	....	‡11,335,965	20,910,677	26,675,636	32,917,018
QUEBEC..........	133,319,176	158,759,585	165,654,745	165,873,241	158,325,906	192,165,705	213,504,960
REGINA	73,032,088	115,727,647	132,087,453	98,205,535	87,122,604	124,349,588	169,800,113
ST. JOHN.........	77,328,182	88,969,218	85,756,651	78,001,844	76,468,267	90,966,795	102,948,814
SASKATOON.......	63,557,142	115,898,467	92,907,910	59,314,941	50,146,841	68,316,154	93,730.650
‖SHERBROOKE....	....	....	....	....	....	24,478,899	33,949,442
TORONTO	1,852,397,605	2,160,229,476	2,181,281,577	2,013,055,664	1,885,956,257	2,571,535,622	3,004,785,565
VANCOUVER......	543,484,354	644,118,877	606,899,710	420,951,718	281,575,949	321,588,718	419,610,898
VICTORIA	134,929,816	183,544,238	176,977,074	121,663,272	76,677,926	80,331,121	84,822,216
WINNIPEG	1,172,762,142	1,537,817,524	1,634,977,237	1,370,960,806	1,530,683,124	2,061,795,257	2,622,924,702
TOTALS...	$7,391,368,207	$9,143,196,764	$9,260,163,171	$8,073,460,725	$7,796,781,250	10,557,187,917	12,552,821,949

§ Started October 1911. * Started Feb., 1911. † Started May, 1913. ‡ Started June, 1914 ‖ Started Feb, 1916. *a* Started April, 1916

WESTERN WHEAT CROP ESTIMATES

The following are eight of the estimates made last year of the western wheat crop:—

Estimate of—	Bushels.
Northwest Grain Dealers	217,377,000
Manitoba Free Press, Winnipeg	214,250,000
Norman P. Lambert, western correspondent Toronto Globe	217,000,000
Canadian Northern Railway	250,000,000
E. L. Pease, president Royal Bank of Canada..	250,000,000
Canadian Bank of Commerce	225,000,000
Grain Growers' Guide, Winnipeg	224,307,200
Census and statistics office, Ottawa	225,778,700

MOOSE JAW'S FINANCIAL POSITION

In the condensed general balance sheet of the city of Moose Jaw, printed on page 155, the miscellaneous assets should read $182,982.70 instead of $183,182.70.

ESTIMATES OF WORLD'S CROPS

The International Institute of Agriculture gives the following official estimates of cereal production in 1917:—

The production of wheat in Spain is 141,090,000 bushels, or 92.6 per cent. of the crop of 1916, and 112.7 per cent. of the average production during the five years, 1911-15; France, 145,074,000 bushels, 71 per cent. of 1916, and 53.4 per cent. of average; Italy, 140,000,000 bushels, 79.5 per cent. of 1916, and 76.7 per cent. of average; Netherlands, 3,453,000 bushels, 73.3 per cent. of 1916, and 60 per cent. of average; Sweden,

VICTORY LOAN ALLOTMENT

On December 31st, 1917, Victory Loan returns were still coming into the finance department, Ottawa, which had not then received the subscriptions from Canadian soldiers and others overseas. Final figures will be impossible until all returns are at hand. A total of $393,000,000 had been allotted up to the end of December, 1917.

COBALT ORE SHIPMENTS, 1904-1917

In tons of 2,000 lbs.—Figures for 1917 are preliminary estimates.

Mine	*1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917
Aladdin Cobalt	......	......	......	......	......	......	......	......	......	......	117.77	491.33
Badger	......	......	......	......	......	27.10	......	......	......	......	......	......
Bailey	30.00	......	88.80	36.85	......	20.00	41.57	150.35	20.50	......	......	......
Beaver	......	......	......	51.38	140 06	790.81	402.97	292.21	392.07	621.63	541.05	410.40
Buffalo	992.80	1,241.54	536.90	648.86	1,185.77	1,275.19	1,251.64	66.13	......	567.33	422.43	1,348.33
Casey Cobalt	......	......	10.00	8.50	48.40	277.74	214.34	401.54	608.30	260.98	310.39	......
Chambers Ferland	......	......	223.89	517.88	885.92	622,85	501.29	223.78	308.06	326.57	......	......
City of Cobalt	......	50.61	761.04	566.82	329.40	281.30	230.00	105.14	495.71	......	......	......
Cobalt Lake	......	......	225.97	95.47	296.80	2,111.32	1,085.22	1,196.33	919.01	......	......	......
Cobalt Townsite	......	143.22	177.71	27.35	310.99	703.51	1,944.77	2,762.54	1,950.73	......	......	......
†Cobalt Comet(Dr'm)	274.70	104.13	1 161.38	1,225.47	2,194.41	714.83	458.85	610.06	587.03	634.22	51.04	......
Colonial	15.00	40.38	......	......	178.60	114.10	86.48	21.56	......	......	......	......
Coniagas	422.02	2,447.37	610.25	806.93	,261.46	1,813.89	2,119.87	1,620.40	1,217.26	914.25	821.55	1,099.49
†Crown Reserve	......	......	657.35	3,167.52	2,184.25	977.32	561.65	791.15	1,067.00	956.14	22.58	......
Dominion Reduction	......	......	......	......	......	......	......	......	......	......	......	3,168.54
Foster	117.00	312.13	191.20	113.90	......	......	......	......	4.50	......	......	......
Green Meehan	37.03	98.39	......	......	......	102.98	......	12.96	......	......	......	......
Hargreave	......	......	......	......	343.68	102.44	17.35	......	......	......	......	20.00
Hudson Bay	......	149.53	1,094.23	743.64	260.33	898.88	694.55	609.14	647.95	......	131.04	453.66
Imperial Cobalt	......	14.61	......	......	......	......	......	......	......	......	......	......
†Kerr Lake	158.35	319.76	660.24	1,173.42	5,088.78	1,292.58	788.10	933.35	628.42	1,080.32	229.97	533.96
King Edward	......	31.12	338.19	146.58	134.12	20.00	......	87.21	......	......	......	......
La Rose	854.61	2,815.45	4,843.17	6,757.21	5,131.53	3,581.54	3,511.40	3,275.14	1,582.54	1,625.54	1,184.32	1,382.70
Lawson	......	61.12	......	......	......	......	......	......	......	......	......	......
Lost and Found	......	......	......	......	......	......	65.20	8.80	......	......	......	......
Lumsden	......	......	......	......	......	......	......	20.00	......	......	......	......
McKinley Darragh	80.45	742.42	1,808.39	1,056.49	2,393.39	3,238.64	2,673.40	2,865.66	2,903.50	1,778.85	2,025.00	2,954.59
Mining Corp. of Can.												
Cobalt Lake	......	......	......	......	......	......	......	......	223.37	1,221.87	1,907.70	2,272.18
Townsite City	......	......	......	......	......	......	......	......	533.40	2,563.29		
Nancy Helen	......	30.10	201.32	116.32	......	......	......	......	......	......	......	......
National	......	......	......	......	......	......	......	......	......	......	......	214.41
Nipissing	2,125 08	2,538.26	3,571.96	6,470.52	6,833.81	2,952.20	1,869.27	1,950.22	1,235.07	473.47	2,927.82	3,541.52
North Cobalt	......	......	......	6.87	......	3.00	......	......	......	......	......	......
Nova Scotia	43.95	272.21	237.95	224.79	......	......	......	......	......	......	......	......
O'Brien	114.18	1,491.61	3,459.51	1.419.11	608.57	628.44	711,43	703.43	523 21	396.12	251.01	1,626.84
Penn Canadian	......	77.33	187.99	339.01	285.62	22.40	126.35	332.18	460.[illegible]3	685.30	558.14	371.75
Peterson (Leases)	......	......	......	......	......	......	......	......	122.52	......		
Gould	......	......	......	......	......	......	......	9.00	50.05	......		
Little Nipissing	......	......	40.67	39.62	313.76	28.45	......	......	......	......	407.17	......
Nova Scotia	......	......	......	121.15	......	......	......	......	......	......		
Seneca Superior	......	......	......	......	......	......	432.97	457.93	398.96	1,008.80		
Provincial	......	......	75.84	......	52.05	100.54	22.22	......	......	......	......	......
Princess	......	3.93	......	......	......	......	......	......	......	......	......	......
Red Rock	......	45.71	......	......	......	......	......	......	......	......	......	......
Right of Way	46.25	129.37	750.04	1,608.99	981.41	636.06	243.24	146.12	184.16	125.43	105.07	138.57
Rochester	......	......	......	......	28.30	......	......	......	......	......	......	......
Silver Bar	......	......	.58	......	......	2 72	......	20.00	20.00	......	......	......
Silver Cliff	......	......	160.44	149.06	156.84	92.30	......	48.05	......	......	......	......
Silver Leaf	......	46.36	197.03	......	......	......	......	......	......	......	......	......
Silver Queen	130.94	478.57	885.70	316.64	......	......	31.25	201.98	105.42	19.69	......	25.00
Temiskaming	......	204.32	795.20	852.14	1,119.12	855.60	967.31	406.26	417.56	552.43	461.16	324.87
Temiskaming Cobalt	20.47	67.98	......	......	......	......	......	......	......	......	......	32.00
Trethewey	198.48	833.58	1,408.69	1,134.50	536.64	602.98	579.10	587.54	613.28	124.29	246.52	435.62
University	55.28	60.23	......	......	......	......	......	......	......	......	......	......
Victoria	......	......	.47	......	......	......	......	......	......	......	......	......
Violet	20.00	......	......	......	......	......	......	......	......	......	......	......
Waldman	......	......	......	......	38.81	......	......	......	......	......	......	......
Wyandoh	......	......	......	......	24.15	......	......	......	......	......	......	......
Totals	5,836.59	14,851.34	25,362.10	29,942.49	33,976.97	24,921.71	21,631.79	20,916.16	18,220.71	15,936.52	15,044.00	20845.76

* The shipments for 1904 totalled 158.55 tons; and for 1905, 2,336.01 tons.

† In addition to the shipments by this Company, the Dominion Reduction Company shipped from this mine and two others, 2,322 tons of ore, which are included in the total shipments of 15,044 tons in 1916.

POPULATION AND MILEAGE OF RAILWAYS

The following table shows the population per mile of railway in Canada and in other parts of the British Empire:—

Country.	Total mileage of railways —Miles.	Per mile of line open. Population— Number.	Area— Square miles.
Canada (1915)	35,582	227	105
Australia (1915)	22,263	222	134
New Zealand (1915)	2,945	370	35
South Africa (1914)	8,428	*162	56
Newfoundland (1914)	875	283	49
United Kingdom (1914)	23,701	1,944	5

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*Excluding native population.

WESTERN CANADA'S SHARE OF CROPS

Taking the Dominion government estimates as at the end of September of the principal crops of the whole of Canada, and comparing with the prairie provinces production alone, the following results are obtained:—

Crop.	All Canada, bushels.	Three prairie provinces, bushels.
Fall wheat	16,034,000	1,423,700
Spring wheat	233,113,500	224,355,000
All wheat	249,147,500	225,778,700
Oats	439,823,100	268,189,350
Barley	59,310,650	43,168.400
Rye	4,194,950	2,498,850
Flax	7,455,470	7,339,470

RECORD OF INTERNATIONAL EXCHANGE QUOTATIONS, 1910-1917

(Compiled for The Monetary Times by J. S. Munro, Foreign Department, The Canadian Bank of Commerce)

The following table shows the course of English, French and German exchange in New York, for sight drafts during the past six years, as well as that of some other countries. New York funds are expressed in 64ths. For instance, in January, 1910, the highest rate for New York funds was a $\frac{4}{64}$ premium, and the lowest a $\frac{3}{64}$ discount.

Months and Years		New York Funds in Canada (in 64ths)		Sterling		(France) Francs		(Germany) Marks	
		High	Low	High	Low	High	Low	High	Low
January	1910	4 P	3 D	486.90	486.15	516⅞	518⅛	95 3/16	95 1/16
	1913	6 P	Par	487 75	485.75	516⅞	518¾	95¼	94 15/16
	1914	6 P	2 P	486.95	485.55	518⅛	521¼	94 15/16	94 15/16
	1915	64 P	20 P	485.05	483.95	516¾	519¾	88¼	86½
	1916	22 P	4 P	478.00	473.63	583½	588	76⅞	72⅞
	1917	8 P	Par	475.85	475.56	584¼	584¾	73⅛	67¼
February	1910	4 P	4 D	487.15	486.00	516⅞	518⅛	95 3/16	94 15/16
	1913	5 P	Par	487.80	487.30	516⅞	517½	95¼	95⅛
	1914	5 P	Par	485.95	485.35	518⅛	518¾	95 1/16	94 15/16
	1915	52 P	28 P	484.70	479.15	518¼	528	87⅜	82
	1916	53 P	22 P	476.50	475.81	586	590½	77½	73
	1917	72 P	5 P	475.80	475.33	584⅜	585½	71	66⅞
March	1910	1 P	3 D	487.70	486.70	516⅞	517½	95¼	95 3/16
	1913	4 P	Par	487.95	486.90	517½	518¾	94⅜	94⅛
	1914	6 P	3 P	486.65	485.85	517½	518¾	95¼	95 1/16
	1915	52 P	40 P	481.15	478.55	525⅛	532¼	84¼	81¾
	1916	52 P	9 P	476.94	475.87	587¾	598	73¼	71¼
	1917	48 P	16 P	475.56	475.12	584⅜	585½	69½	68⅛
April	1910	Par	4 D	487.95	487.60	516⅞	517½	95¼	95 3/16
	1913	3 P	5 D	487.20	486.35	518⅛	518¾	95⅞	95 1/16
	1914	4 P	4 D	487.65	486.30	515⅝	517½	95¼	95⅛
	1915	44 P	36 P	479.80	478.90	531⅝	532¾	83¼	81⅝
	1916	31 P	18 P	476.56	476.31	592½	607	76¼	71 15/16
	1917	33 P	18 P	476.00	475.31	568	584½	No quotations	
May	1910	Par	5 D	487.80	486.35	517½	518¾	95⅛	95
	1913	3 P	Par	486.75	486.05	517½	518¾	95 3/16	95 1/16
	1914	3 P	3 D	488.75	487.60	515⅝	515⅝	95 5/16	95¼
	1915	40 P	32 P	479.80	478.25	531⅞	543	83¼	82½
	1916	26 P	12 P	476.31	475.50	591¼	594½	77¼	76¼
	1917	33 P	1 P	475.62	475.45	570⅝	573¾	No quotations	
June	1910	Par	5 D	487.05	485.85	518⅛	519⅜	95⅛	95
	1913	2 P	3 D	486.90	486.50	518⅛	518¾	95 5/16	95⅛
	1914	1 P	2 D	489.00	487.65	515	516¼	95⅞	95⅛
	1915	52 P	40 P	478.45	475.85	543	570	82 15/16	80⅞
	1916	30 P	14 P	476.94	475.06	590¾	592¼	77	72 15/16
	1917	20 P	1 D	475.55	475.37	572¼	578	No quotations	
July	1910	3 P	3 D	485.80	485.20	518⅛	519⅜	95⅛	94⅞
	1913	5 P	3 P	487.05	486.45	518⅛	518¾	95 3/16	95⅛
	1914	1 P	5 D	492.00	485.30	505	516⅞	96	95 1/16
	1915	48 P	16 P	476.75	476.00	553	570¾	82⅛	81¼
	1916	31 P	5 P	475.87	475.69	590¾	591⅛	74⅜	71¼
	1917	40 P	10 P	475.70	475.37	573	579¼	No quotations	
August	1910	2 P	5 D	486.75	485.25	518⅛	519⅜	95⅛	94⅞
	1913	5 P	5 D	486.65	485.80	518¾	519⅜	95⅛	95 1/16
	1914	4 P	80 D	507.50	506.00	No quotations		No quotations	
	1915	20 P	2 P	476.25	455.00	564	602	82⅜	80¼
	1916	16 P	6 P	475.87	475.75	589	592	72¼	71⅝
	1917	12 P	7 P	475.56	475.55	576¼	578½	No quotations	
September	1910	Par	5 D	486.75	486.05	518¾	518¾	95 5/16	95 1/16
	1913	1 P	5 D	485.90	485.30	519⅜	520	95⅛	94⅞
	1914	20 D	80 D	506.00	495.25	506	510	96¾	94⅝
	1915	22 P	6 P	471.87	454.00	576	601	80⅝	84¼
	1916	10 P	1 D	475.75	475.69	583	589⅝	70 15/16	69⅛
	1917	8 P	4 D	475.50	475.30	577	580	No quotations	
October	1910	Par	5 D	486.65	486.10	518¾	520	95⅛	94 15/16
	1913	3 P	5 D	486.10	484.95	520	521¼	94 15/16	94⅝
	1914	Par	56 D	497.50	489.40	505	515	93½	88¾
	1915	8 P	Par	472.37	461.62	579	598½	81½	84¼
	1916	2 P	1 D	475.68	475.37	583¾	585¼	70⅜	70¼
	1917	4 P	60 D	475.38	475.19	571¾	579⅝	No quotations	

RECORD OF INTERNATIONAL EXCHANGE—*Continued*

Months and Years		New York Funds in Canada (in 64ths)		Sterling		(France) Francs		Germany) Marks	
		High	Low	High	Low	High	Low	High	Low
November	1910	2 P	6 D	486·05	485.45	519⅜	520⅝	95	94⅞
	1913	3 P	5 D	485.50	484.85	520⅝	521¼	94 11/16	94⅝
	1914	36 D	Par	490.65	486.85	510	515½	88½	85⅛
	1915	2 P	4 D	471.37	463.50	582½	599	79⅜	81¾
	1916	1 P	4 D	476.68	475.56	584¼	584¾	70⅛	67¼
	1917	8 P	20 D	475.25	475.19	573⅝	576¾	No quotations	
December	1910	1 P	5 D	486.10	484.90	520	520⅝	95 1/16	94⅞
	1913	3 P	3 D	485.55	485.05	520⅝	521¼	94¾	94⅝
	1914	56 P	6 P	489.15	485.00	511¼	517	92½	86 1/16
	1915	5 P	5 D	473.65	470.25	583½	588	79¼	76⅛
	1916	5 P	1 D	475.68	475.45	583⅝	586	75¼	66
	1917	30 P	3 P	475.25	475.19	572¾	574⅛	No quotations	

Years and Months		(Holland) Guilders		(Italy) Lire		(Norway) Kroner	
		High	Low	High	Low	High	Low
July	1914	40¼	40 3/16	516⅞	518⅛	26.75	26.72
August	1914	No quotations		No quotations		No quotations	
September	1914	No quotations		No quotations		No quotations	
October	1914	No quotations		No quotations		No quotations	
November	1914	40⅞	40½	533	540	26.00	25.00
December	1914	40⅝	40¼	524	536	25½	25.00
January	1915	40 9/16	40	533⅛	544	25⅛	24¾
February	1915	40 5/16	39⅞	542½	580	25.00	24⅜
March	1915	40	39½	563	595	25.30	24¼
April	1915	39⅝	39 5/16	576½	589	25.90	25.05
May	1915	39 9/16	39⅜	575	592	26.30	25.75
June	1915	40	39 9/16	591	616	26.55	26.20
July	1915	40⅛	39⅞	609	640	26 35	25.60
August	1915	40 5/16	39½	620	652	26.25	25.40
September	1915	40½	39½	615	652	26.25	25.25
October	1915	41½	40½	622	646	26.30	25.65
November	1915	42	41¼	643	651	29.00	26.10
December	1915	43¼	41⅞	651½	660	29.00	27.00
January	1916	44⅞	42⅝	653	678	28.10	27.35
February	1916	42⅝	41 11/16	667½	676	28.30	27.55
March	1916	42 11/16	42 1/32	652	671½	28.95	28.10
April	1916	43⅛	42	631	662¾	30.35	29.00
May	1916	41 15/16	40⅞	647	621	31.25	29.60
June	1916	41¾	41 7/16	635	641⅛	31.00	28.00
July	1916	41½	41⅜	637¾	649½	29.20	28.05
August	1916	41⅜	41⅛	642	648½	28.80	28.40
September	1916	41 1/16	40¾	641¾	648	28.75	28.10
October	1916	41 3/16	40 13/16	646	666	28.35	27.65
November	1916	41	40 11/16	664	674¾	27.75	27.66
December	1916	40⅞	40 13/16	673	691½	28.15	27.70
January	1917	40 13/16	40 13/16	687	720	28.10	27.90
February	1917	40 13/16	40 5/16	709	756	28.00	27.90
March	1917	40 9/16	40¼	762	785	29.30	28.05
April	1917	41 15/16	40 9/16	687	768	29.70	28.30
May	1917	41¼	40 13/16	701	706	29.40	29.10
June	1917	41¼	40 13/16	703½	736	29.50	29.00
July	1917	41 7/16	41⅛	719½	726¼	30.75	29.25
August	1917	42¼	41¾	723	749½	31.00	30.00
September	1917	42⅛	41⅞	751	779½	31.30	30.30
October	1917	45¼	42	772	795	35.50	31.13
November	1917	45½	43½	795	895	37.50	33.00
December	1917	44¼	43½	842	791	33.50	31.50

Mutualization of the Equitable Life Assurance Society was favored by more than 96 per cent. of the policyholders, according to an official count of their vote on the proposed plan announced in New York last week by the State Insurance Commissioner. The total valid vote, he said, was 88,126, of which 84,964 were for the plan. The next step required is the approval of the State Superintendent of Insurance. If this is obtained the society will then pass permanently under the control of its policyholders.

CANADIAN WAR LOAN INTEREST PAYMENT DATES

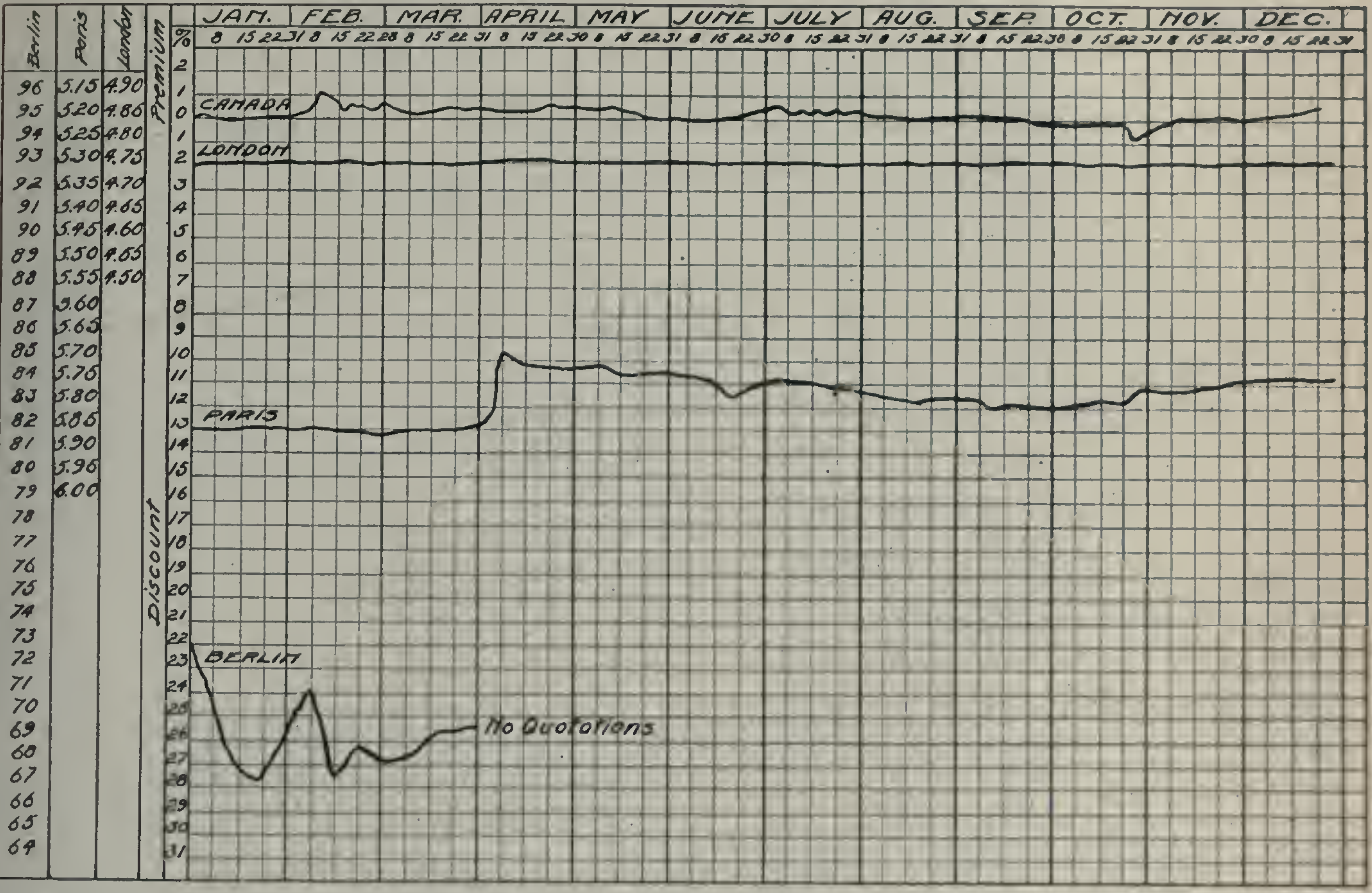
The following table shows the half-yearly interest payment dates of our four war loans:—

Loan.	Due.	Rate %.	Interest payable.
First......	1925	5	June 1st and December 1st
Second....	1931	5	April 1st and October 1st
Third.....	1937	5	March 1st and September 1st
Fourth....	1922-27-37	5½	June 1st and December 1st

STERLING AND INTERNATIONAL EXCHANGE QUOTATIONS FOR 1917

(Compiled for The Monetary Times by Mr. J. S. Munro, Toronto.)

Graph Showing the Percentage Premium or Discount on the Gold Par of Exchange of the Rates Quoted in New York for Cheques on London, Paris and Berlin respectively, during 1917.



Who's Who in The Monetary Times

(Continued from page 4.)

RAWLINGS, H. E., Montreal.—Born in 1876; second son of the late Edward Rawlings, who, in 1872, founded the Guarantee Company of North America, with which, since leaving school, he has been associated at its head office in Montreal and various branches throughout the United States and of which, in 1916, he was elected president and managing director. He is also a vice-president and a director of its subsidiary company, the United States Guarantee Company of New York, and a director of the Montreal Telegraph Company. Mr. Rawlings, in the administration of his company's affairs, reflects his father's training and years of experience, and is strongly of the opinion that most men who occupy positions of trust are born honest, but that an absence of consistent accounting or supervision has generated a temptation that has made many a defaulter. (Page 204.)

ROBINSON, H. BEVERLEY, Montreal.—Partner, J. M. Robinson & Sons, investment bankers and stock brokers, Montreal; formerly with the Bank of Montreal; later with N. W. Harris & Company, Boston; member of Montreal Stock Exchange; Active figure in the financial world. (Page 158.)

RUNDLE, W. E., Toronto.—Managing director, National Trust Company; well-known financier and public-spirited citizen. (Page 160.)

SADLER, W. A., Toronto.—Formerly an Ontario barrister and solicitor at law. For the past six years has specialized in credit investigations and credit adjustments throughout the Western States and Western Canada; has recently opened an office in Toronto, with a western organization, for the purpose of engaging in this business. Has contributed financial and other articles to various publications. (Page 83.)

SCLANDERS, F. MACLURE, F.R.G.S., F.R.H.S., F.R.C.I., Mem. Royal Agric. So., Eng., Windsor.—Commissioner, Border Chamber of Commerce, comprising Ford, Walkerville, Windsor, Sandwich and Ojibway; keen observer of Canadian conditions; a vigorous and instructive writer. (Page 258.)

SMITH, MAXWELL, Victoria, B.C.—Chairman, Land Settlement Board of British Columbia; formerly superintendent of now defunct agricultural credits board; has had wide experience in business and farming. (Page 86.)

STEVENS, H. H., M.P., Vancouver.—Has been in British Columbia for the past 22 years; is one of the best known of our Pacific Coast citizens; has been active in watching in the federal house the interests of his province. (Page 234.)

SWANSON, W. W., M.A., Ph.D., Saskatoon.—Educated at Oshawa High School and Queen's University. Specialized in economic science under Professor Adam Shortt. Received the gold medal and graduated M.A. (1905). Fellow at the University of Chicago, 1905-1908. Graduated Ph.D., 1908. Associate professor of economic science, Queen's University, 1908-1916; now professor of political economy, University of Saskatchewan. Author of "The Establishment of the National Banking System." Frequent contributor on financial questions to reviews of Canada and United States. (Page 23.)

TAYLOR, SIR FREDERICK WILLIAMS-, LL.D., Montreal.—General manager, Bank of Montreal; formerly manager of the same bank, in London, England; one of the most distinguished bankers on this continent; winner of Society and Arts gold medal on Canadian banking system; is doing a great deal of patriotic work. (Page 33.)

THOMPSON, J. ENOCH, Toronto.—Spanish consul, Toronto; has represented that country here for 27 years; has received frequent recognition of services, the last about a year ago when he was promoted at end of 25 years services from Chevalier to Knight Commander of the Order of Isabel la Catolica. (Page 250.)

THOMSON, JOHN STUART, Jersey City, N.Y.—Oriental explorer and author; prominent as a propagandist of many international movements for the past 18 years; born and educated at Montreal but is a United States citizen; author of many books, including "China Revolutionised," "The Chinese," etc. He has travelled in nearly every country. From the year 1899, he has been a prime mover of a propaganda in the world's magazines to bring about a permanent naval defensive alliance of the English-speaking nations and France. For three years was Oriental manager at Hong Kong, China, of the Pacific Mail and Toyo Kisen Kaisha trans-Pacific steamship companies, and for some years assistant to vice-president at New York of the Savannah, Florida & Western Railway (Atlantic Coast line) and manager of the Plant Steamship Lines to Cuba and Canada. He started in life as a junior secretary with the late Sir Joseph Hickson, general manager of the Grand Trunk Railway, Montreal, and began his world-travels on the personal staff of that famous railway magnate. Mr. Thomson was educated at Senior School, Presbyterian College and McGill University, Montreal, but has spent recent years in New York, or the suburbs of that city. (Page 20.)

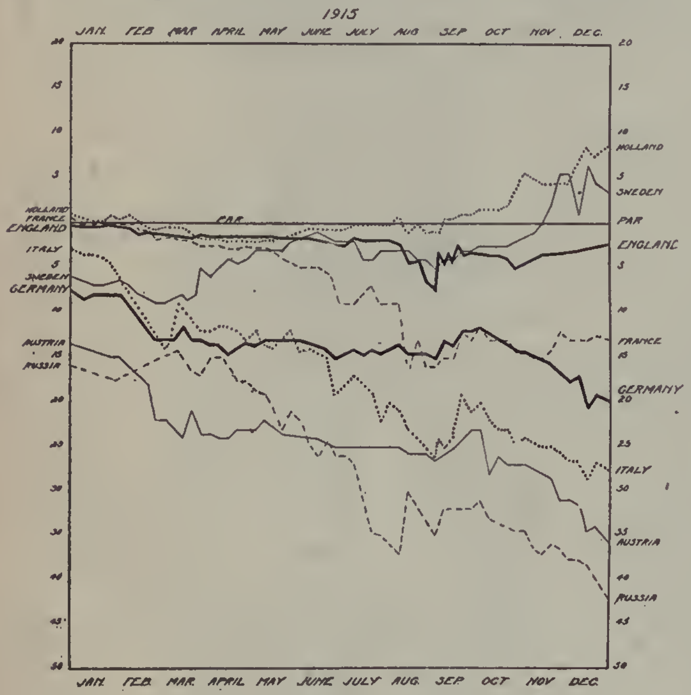
WHITE, ARTHUR V., Toronto.—Formerly consulting engineer with Brown Brothers, London, England, for whom he executed commissions in France, Belgium and the United States, travelling for a number of years extensively in connection therewith; later with Mr. R. A. Ross, of Montreal, for whom he executed work connected with the field investigations of the Ontario Power Commission, the precursor of the Hydro-Electric Power Commission of Ontario. Later, Mr. White was with Department of Public Works, Canada; for several years past he has been consulting engineer to International Joint Commission, Ottawa and Washington, on the Lake

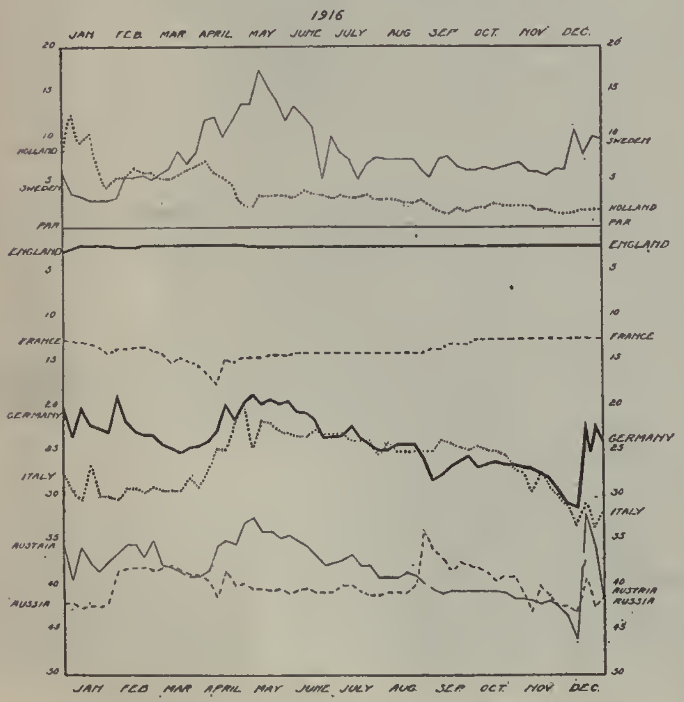
(Concluded on page 105.)

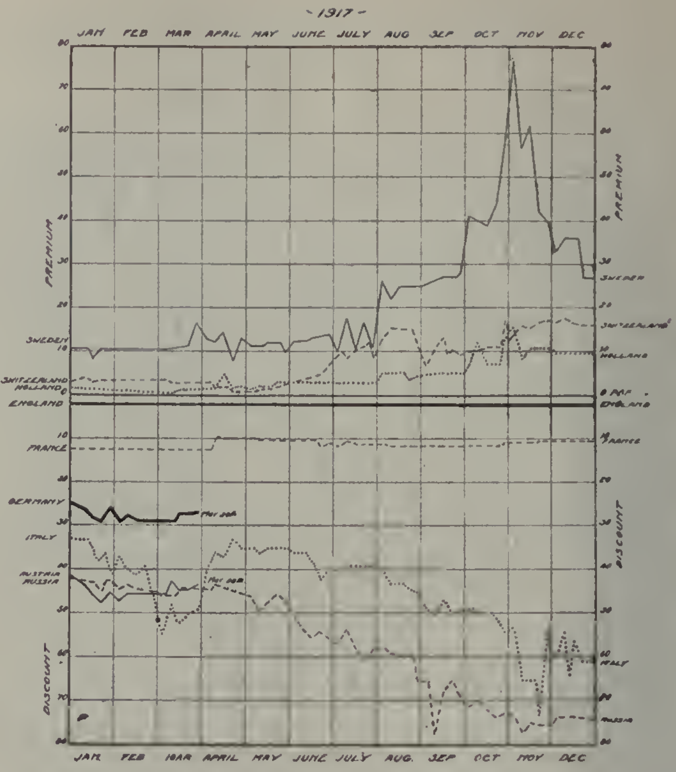
Fluctuations of Exchange Rates on European Countries in New York

(Charts compiled for The Monetary Times by W. J. Little, B.A., Victoria College, Toronto.)

The accompanying charts, especially compiled for *The Monetary Times*, show the fluctuations of exchange rates on European countries in New York. Among the interesting features revealed by an examination of the course of the curves is the splendid way in which the value of the English pound sterling has been maintained, despite the financial burdens carried by the United Kingdom for over three years of war and its heavy purchases in the United States. The declining value of the German mark is an indication of the serious position of Germany's finances. When the United States entered the war in April last the German mark was no longer quoted in New York. Austria is in a similar position in the exchange markets.







SILVER PRICES

Annual average price of a fine ounce of silver 1882-1916, based upon London quotations at par rate of exchange; also bullion value of 371¼ grains of pure silver (contents of one silver dollar) at the average annual prices of silver quoted.

(Data furnished by the Director of the United States Mint.)

Year	Average annual price of ounce of fine silver	Value of pure silver in a silver dollar	Year	Average annual price of ounce of fine silver	Value of pure silver in a silver dollar
	$	$		$	$
1882	1.13562	0.67833	1900	.62007	0.47958
1883	1.10874	.85754	1901	.59595	.46093
1884	1.11068	.85904	1902	.52795	.40835
1885	1.06510	.82379	1903	.54257	.41960
1886	.99467	.76931	1904	.57876	.44763
1887	.97946	.75755	1905	.61027	.47200
1888	.93974	.72683	1906	.67689	.52353
1889	.93511	.72325	1907	.66152	.51164
1890	1.04634	.80927	1908	.53490	.41371
1891	.98800	.76416	1909	.52016	.40231
1892	.87145	.67401	1910	.54077	.41825
1893	.78030	.60351	1911	.53928	.41709
1894	.63479	.49097	1912	.61470	.47543
1895	.65406	.50587	1913	.60458	.46760
1896	.67565	.52257	1914	.55312	.42810
1897	.60483	.46745	1915	.51892	.40135
1898	.59010	.45640	1916	.68647	.53094
1899	.60154	.46525			

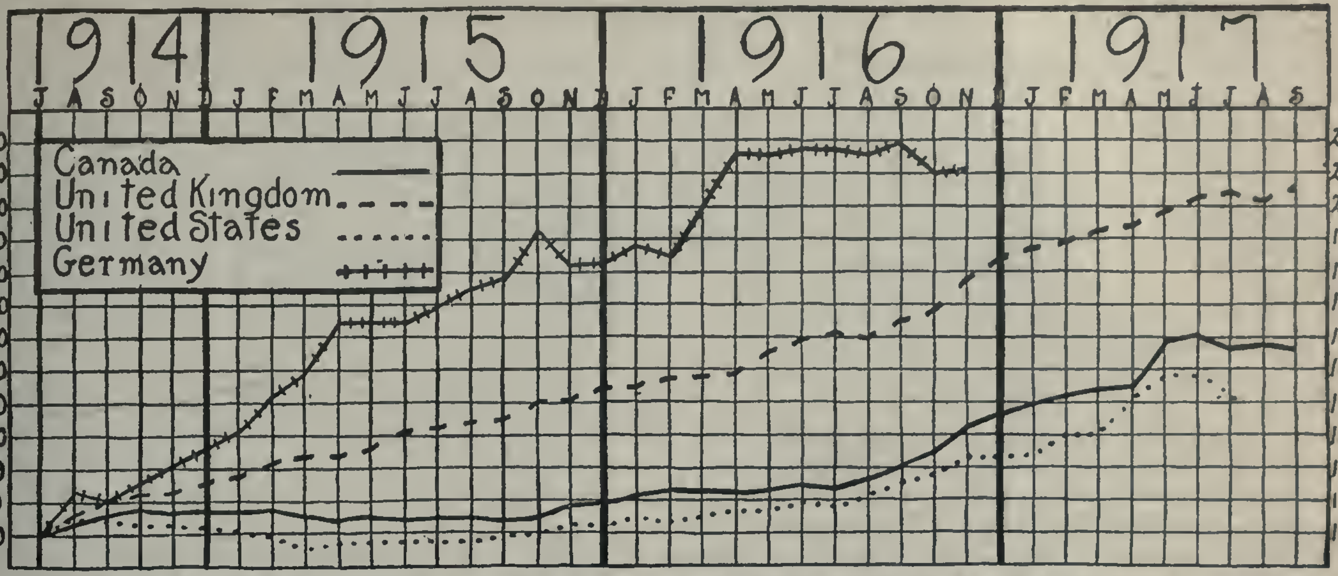
Average price of a fine ounce of silver for each month during the calendar years 1915 to 1917, based upon London quotations at par rates of exchange; also bullion value of 371¼ grains of pure silver (contents of one silver dollar) at the average monthly prices of pure silver.

(Data furnished by the Director of the United States Mint.)

Months	Average monthly price of ounce of fine silver			Value of pure silver in a silver dollar		
	1915	1916	1917	1915	1916	1917
January	$0.49678	$0.59099	$0.80412	$0.38423	$0.45710	$0.62194
February	.50007	.49133	.82721	.38677	.45736	.63980
March	.51823	.60496	.79844	.40082	.46790	.61754
April	.51925	.67215	.81102	.40161	.51986	.62727
May	.51706	.77989	.83163	.39991	.60319	.64321
June	.51035	.68088	.85712	.39472	.52662	.66293
July	.49556	.65632	.87913	.38328	.50762	.67995
August	.49973	.69040	.94409	.38651	.53398	.73019
September	.51761	.71469	1.11965	.40034	.55277	.86597
October	.52441	.70942	....	.40559	.54869	....
November	.54986	.74852	....	.40528	.57893	....
December	.57812	.79815	....	.44714	.61732	....

RETAIL PRICES COMPARED: COST OF FOODSTUFFS AT HOME AND ABROAD

(Compiled by the Canadian Food Controller's Office)



The above chart gives a comparison of the rise in prices in Canada, the United States, Great Britain and Germany, as compared with the pre-war level in each case. It is not a comparison of the general levels of prices.

COMPARATIVE RETAIL PRICES IN CANADA, ENGLAND AND THE UNITED STATES FOR SEPTEMBER, 1917.

	New York.	Montreal.	Buffalo.	Toronto.	Chicago.	St. Paul.	Winnipeg.	England.
Milk (qt.)	†14 (17.5)	11	†11 (13.75)	11.1	†10½ (13)	† 9 (11)	12	14
Fresh eggs (doz.) ..	68	55	57	55	44	46	45	85
Potatoes (bush.) ..	2.20	1.31	1.68	1.19-1.39	1.76	1.40	1.00	....
Sugar (lb.)	8½	10	9	10	9⅓	9½	10½	....
Bacon (lb.)	50	43	53	45	47	46	38	51½-57 (Rump)
Round steak (lb.) ..	40	25-28	33	25-30	31	28	25	52½
Canned salmon (lb.)	25	22.5	24	25	27	32	....	....
Bread (lb.)	9	6.7	11	7.3	11½	10	6.4	*4½ (Oatmeal)
Rolled oats (lb.) ..	....	6	....	6	....	....	6	9.10

†The figures in brackets show the price of the Canadian quart, which is in ratio of 5-4 to American quart.
*War bread subsidized by Government and containing other than white flour.

Who's Who in The Monetary Times

(Continued from page 103.)

of the Woods investigation; also consulting engineer to Commission of Conservation, Canada. He has for many years persistently been urging that Canada take prompt and statesmanlike action with respect to her grave national fuel and power problems. (Page 25.)

WILCOX, W. J., Winnipeg.—Managing director, Canada Hail Insurance Company; partner, Carson & Williams Brothers, Limited, insurance agents and brokers; has had a long and varied insurance experience. (Page 224.)

WILLIAMS, E. B., Edmonton.—Solicitor to the attorney-general's department, Alberta. (Page 269.)

WILSON, J. T., Halifax.—Manager, Canada Life, Nova Scotia; president, Life Underwriters' Association of Canada; insurance career began with the Manufacturers' Life in Fredericton, N.B., in 1900, as a local agent; in New Glasgow, N.S., took district for the same company, and stayed with them until 1907, partly at New Glasgow and later on in Halifax in charge of a larger territory; assumed present position with Canada Life in 1908. (Page 200.)

WINTEMUTE, P. A., Calgary.—Manager, Southern Alberta, Manufacturers' Life Insurance Company; born, Haldimand County, Ont.; moved to Buffalo, 1892, remaining there as a salesman until 1903, when he went West; farmed for three years and entered the life insurance business, 1906, with the Manufacturers' Life Insurance Company, and has been with that company continuously since. Mr. Wintemute says: "My favorite pastime is writing life insurance applications, and reading 'The Monetary Times'."

WRIGHT, ALFRED, Toronto.—Has been with the London and Lancashire Fire Insurance Company, Limited, since 1882, and now occupies position of chief agent for Canada and manager of Toronto branch for that company; general agent of the Quebec Fire Assurance Company for the provinces of Ontario, Manitoba and Saskatchewan, and secretary of the Mercantile Fire Insurance Company. The two latter companies are subsidiary offices of the London and Lancashire; president of the London and Lancashire Guarantee and Accident Company, Limited. (Page 210.)

YOUNGE R. J., Montreal.—General manager of the Export Association of Canada; formerly associated with the Canadian Manufacturers' Association. (Page 262.)

Notable advances on prices of all farm products which have not been the subject of governmental regulation were a feature of the past year's trade in Canada.

BUILDING PERMITS

Town or city.	1916.	1917.
Brandon	$ 244,873	$ 180,338
Brantford	282,677	287,195
Chatham	1,338,924	390,997
Edmonton	208,140	309,800
Fort William	414,025	658,265
Galt	253,795	186,430
Hamilton	2,410,131	2,733,865
Kitchener	324,838	205,352
Kingston	184,321	150,705
London	926,125	837,890
Maisonneuve	310,265	993,780
Montreal	5,334,184	4,387,638
Moose Jaw	318,945	295,460
New Westminster	85,307	81,515
Ottawa	1,530,400	1,041,017
Port Arthur	1,565,095	1,345,174
Prince Rupert	8,323	99,000
Quebec	2,912,157	2,459,386
Regina	222,175	416,460
St. John	464,350	531,250
Saskatoon	146,150	582,739
Sudbury	155,690	140,565
Three Rivers	537,345	422,950
Toronto	9,882,477	7,163,556
Vancouver	2,412,889	768,255
Vernon	17,880	9,370
Victoria	170,265	147,875
Welland	202,587	241,334
Westmount	545,754	155,890
Winnipeg	2,507,300	2,212,450
Woodstock	90,258	91,730
Yorkton	12,325	63,445
Totals	$36,049,970	$29,591,676

Statistics of Canada's Manufacturing Industry

(Figures for 1915, of the latest census of manufactures, taken in 1916).

Progress of Manufacturing Industry.

Items.		1910.	1915.	Increase or decrease.	
				Amount.	Per cent.
Establishments	No.	19,218	15,593	−3,625	−18·86
Capital	$	1,247,583,609	1,958,705,230	711,121 621	56·99
Salaries and wages	$	241,008,416	283,311,505	42,303,089	17·55
Cost of materials	$	601,509,018	791,943,433	190,434,415	31 65
Value of products	$	1,165,975,639	1,381,547,225	215,571,586	18·58

Manufactures of Canada, by Groups of Industries.

Groups of Industries.	Establishments.	Capital	Employees on Salaries.		Employees on wages.		Cost of materials.	Value of products
			No.	Salaries.	No.	Wages.		
Total of groups	21,306	1,994,103,272	52,683	60,308,293	462,200	229,456,210	802,135,862	1,407,137,140
1 Food products	8,472	199,205,254	7,250	7,333,245	55,065	27,026,238	301,618,217	388,615,362
2 Textiles	2,671	126,490,509	5,827	6,462,926	68,624	27,044,812	81,429,429	144,686,605
3 Iron and steel products	851	195,877,015	5,683	6,833,897	53,678	27,267,716	39,207,670	120,422,420
4 Timber and lumber and their re-manufactures	3,187	263,568,882	4,707	5,725,475	63,663	28,964,555	59,712,249	123,396,686
5 Leather and its finished products	524	60,269,498	2,279	2,540,270	20,207	10,306,114	45,201,497	71,036,644
6 Paper and printing	1,306	138,544,786	6,247	6,879,560	30,617	18,780,569	29,324,906	74,038,398
7 Liquors and beverages	341	52,283,857	1,016	1,712,503	4,376	2,961,993	10,129,252	34,859,927
8 Chemicals and allied products	255	52,248,588	1,993	2,302,447	10,436	5,413,846	24,930,306	45,410,486
9 Clay, glass and stone products	772	96,376,573	1,269	1,713,189	14,498	8,749,184	10,971,641	27,244,813
10 Metal and metal products other than steel	1,173	174,621,994	2,781	3,418,307	27,011	17,557,632	45,931,080	90,643,278
11 Tobacco and its manufactures	166	23,066,898	1,081	1,445,524	8,532	3,083,000	16,017,707	28,987,250
12 Vehicles for land transportation	464	125,965,499	2,630	2,652,568	34,195	16,837,539	40,547,113	73,878,712
13 Vessels for water transportation	103	12,331,341	270	326,954	6,201	3,467,074	3,085,857	8,419,648
14 Miscellaneous industries	1,437	441,132,723	8,367	9,334,448	47,901	25,934,136	56,324,658	134,268,231
15 Hand trades	1,684	32,099,855	1,283	1,626,980	17,616	10,761,802	18,254,178	40,729,180

Number of Establishments, Capital, Employees, Salaries and Wages, Cost of Materials and Value of Products by Provinces.

Provinces.	Establishments.	Capital.	Employees on Salaries	
			Number.	Salaries.
	No.	$		
CANADA	21,306	1,994,103,272	52,683	60,308,293
Alberta	584	42,239,693	1,242	1,455,574
British Columbia	1,007	158,636,983	2,376	3,050,303
Manitoba	840	95,845,845	2,427	3,012,197
New Brunswick	714	46,290,014	1,482	1,465,384
Nova Scotia	968	126,539,183	2,330	2,277,622
Ontario	9,287	956,883,423	27,763	31,460,937
Prince Edward Island	291	1,906,564	224	120,033
Quebec	7,158	548,972,575	14,084	16,723,756
Saskatchewan	457	15,788,992	755	741,487

Provinces.	Employees on Wages.		Cost of Materials.	Value of Products.
	Number.	Wages.		
		$	$	$
CANADA	444,487	225,580,098	802,133,862	1,407,137,140
Alberta	6,013	3,518,166	21,121,439	30,592,833
British Columbia	18,678	11,517,448	42,284,883	73,624,431
Manitoba	17,241	10,602,660	38,513,514	61,594,184
New Brunswick	15,941	7,300,049	21,495,324	37,832,034
Nova Scotia	31,251	14,039,090	37,738,161	70,860,756
Ontario	216,142	112,611,380	415,285,954	727,923,274
Prince Edward Island	2,110	434,434	1,520,327	2,640,469
Quebec	134,245	63,493,502	216,497,844	387,900,585
Saskatchewan	2,866	1,984,257	7,678,416	14,162,574

Variation of Average Output.

Summary.	Establishments.		Total Production.		Average Production.	
	1910.	1915.	1910.	1915	1910	1915
	No.	No.	$	$	$	$
Under $200,000	18,121	20,159	431,336,533	383,652,159	23,803	19,031
$200,000 to under $500,000	715	635	219,099,372	198,834,765	306,005	313,126
$500,000 to under $1,000,000	231	288	156,519,094	201,054,201	677,572	698,105
$1,000,000 to under $5,000,000	136	197	261,081,166	414,518,558	1,919,715	2,104,154
$5,000,000 and over	14	27	97,939,474	209,077,657	6,995,677	7,743,617
Total of summary	19,218	21,306	1,165,975,639	1,407,137,140	60,671	66,044

Diversity of Manufacturing in Various Provinces.

—	Kinds of Industries.		Total Establishments.		Total Production.	
	1910.	1915	1910	1915.	1910.	1915
	No.	No.	No.	No.	$	$
Alberta	39	70	290	584	18,788,826	30,592,833
British Columbia	74	100	651	1,007	65,204,235	73,624,431
Manitoba	82	96	439	840	53,673,609	61,594,184
New Brunswick	81	77	1,158	714	35,422,302	37,832,034
Nova Scotia	92	86	1,480	968	52,706,184	70,860,756
Ontario	260	289	8,001	9,287	579,810,225	718,923,274
Prince Edward Island	29	28	442	291	2,136,470	2,640,469
Quebec	210	235	6,584	7,158	350,901,656	387,900,585
Saskatchewan	23	44	173	457	6,332,132	14,162,574
Canada	300	343	19,218	21,306	1,165,975,639	1,398,137,149

Values of Products 1900, 1905, 1910 and 1911 by Groups of Industries.

Groups of products.	Products.				Increase of products per cent.		
	1900	1905.	1910.	1915.	1900 to 1905.	1905 to 1910.	1910 to 1915
	$	$	$	$	p.c.	p.c.	p.c.
Food products	125,202,620	173,359,431	245,669,321	388,815,362	38·46	41·71	58 27
Textiles	67,724,839	85,982,079	135,902,441	144,686,605	26·96	58·06	6 46
Iron and steel products	34,878,402	53,012,639	112,640,610	120,422,420	51·99	114·38	3·86
Timber and lumber and their re-manufactures	80,341,204	112,545,298	164,630,376	133,396,686	40 06	84·04	38 14
Leather and its finished products	24,720,613	42,132,007	62,850,412	71,036,644	21·84	48·17	13·02
Paper and printing	20,653,028	33,749,020	46,458,053	74,038,398	63·41	37·66	59·56
Liquors and beverages	9,191,700	14,394,219	28,936,782	34,859,927	56·60	110·29	20·47
Chemicals and allied products	11,437,300	15,724,306	27,798,833	45,410,486	37·51	76·74	63·35
Clay, glass and stone products	7,318,582	13,963,400	25,781,860	27,244,813	77·12	84·64	3·87
Metals and metal products other than steel	19,561,201	50,923,144	73,241,796	90,943,278	160·33	43·83	24 17
Tobacco and its manufactures	11,802,112	15,274,923	25,379,323	28,987,250	29·43	65·82	14·44
Vehicles for land transportation	19,971,605	37,536,302	69,712,114	73,876,212	87·25	86·41	5·97
Vessels for water transportation	2,043,668	1,943,195	6,575,417	8,419,648	−4 91	238·38	28·05
Miscellaneous industries	35,607,712	66,249,395	104,016,560	134,268,231	86·05	67·92	29 34
Hand trades	599,329	1,698,195	14,829,741	40,729,180	183·35	773·26	174·63
Totals	481,053,375	716,352,603	1,165,975,639	1,407,137,140	49·33	63·21	20·68

Capital Employed 1900, 1905, 1910, 1915 by Groups of Industries.

Groups of Industries.	Capital.				Increase of Capital per cent.		
	1900.	1905.	1910.	1915.	1900 to 1905.	1905 to 1910.	1910 to 1915
	$	$	$	$	p.c.	p.c.	p.c.
Food products	57,167,466	88,626,866	133,044,523	199,205,254	55·38	49·78	49·73
Textiles	60,606,555	73,758,622	108,787,407	126,490,509	21·70	47·49	16·27
Iron and steel products	40,861,164	60,642,518	122,861,219	195,877,015	48·41	102·75	55·63
Timber and lumber and their re-manufactures	69,959,336	148,416,643	259,889,715	263,568,882	64·96	75·11	1·42
Leather and its finished products	21,456,594	27,661,935	48,786,803	60,269,498	29·12	76·26	23·35
Paper and printing	26,822,420	47,863,983	62,677,612	138,544,786	78·45	30·95	121·04
Liquors and beverages	20,467,389	26,129,862	43,237,767	52,283,857	27·56	65·47	20·03
Chemicals and allied products	10,273,743	16,039,312	26,926,124	52,248,588	56·13	61·64	94·04
Clay, glass and stone products	8,697,716	24,800,605	45,859,807	96,376,573	185·18	64·91	110·16
Metals and metal products other than steel	20,832,505	104,079,075	67,133,540	174,621,994	399·60	−35·49	160·11
Tobacco and its manufactures	7,247,540	10,575,402	21,639,935	23,066,898	45·91	104·61	6·49
Vehicles for land transportation	15,994,402	31,076,801	49,397,099	125,965,499	94·29	58·95	155·00
Vessels for water transportation	3,297,914	3,409,099	10,351,765	12,351,141	3·38	203·59	19·13
Miscellaneous industries	63,089,415	199,190,980	335,148,103	441,132,723	168·17	38·98	67·39
Hand trades	513,328	1,423,874	11,120,403	32,099,855	133·15	681·99	188·64
Totals	446,916,487	833,916,155	1,247,583,609	1,994,103,272	86·59	49·51	59·84

Principal Manufacturing Centres of Canada.

—	Value of Products.			Increase per cent.		
	1900	1910	1915	1900 to 1910.	1910 to 1915.	1900 to 1916.
	$	$	$	p.c.	p.c.	p.c.
Montreal	71,099,750	166,296,972	243,237,576	133·89	46·20	242·11
Toronto	60,366,857	154,306,948	219,143,728	155·62	42·02	263·01
Hamilton	17,122,346	55,125,946	66,063,339	221·95	19·84	285·83
Winnipeg	8,616,248	32,699,359	47,585,070	279·38	45·77	453·44
Vancouver	4,990,152	15,070,105	33,871,044	202·00	124·75	578·75
Ottawa	7,638,688	19,877,233	18,947,325	161·52	−4·67	148·04
Quebec	12,779,546	17,149,385	18,933,227	34·19	10·40	48·15
London	8,122,185	16,273,999	18,883,212	100·36	16·04	132·61
Kitchener	3,307,513	9,266,188	16,408,401	180·15	77·07	396·09
Halifax	6,927,552	12,140,409	15,119,527	75·25	24·53	118·25

It was stated at Ottawa last week that the railways of Canada will not be taken over by the government as has been done in the United States.

During the past year the Canadian Pacific Railway built over 10,000 box cars at the Angus Shops, Montreal, in addition to a large number of cars ordered from Canadian car manufacturing companies.

As a Christmas gift to their employees, the American Bank Note Company, of Ottawa, has arranged that each employee who has been with the company in Canada for more than one year will receive a life insurance policy for a substantial amount based upon length of service. The insurance went into effect at midnight of December 24th, 1917, the amount being based on wage received and length of service.

Notable Prospectuses of 1917

THE most notable war finance document of the past year was the war credits bill of the United States authorizing new bonds and certificates aggregating $11,538,000,000. This is the largest measure of its kind in the world's history. It was passed by the United States Senate on September 15th, 1917, without a roll call or a dissenting vote, it already having passed the United States House. The most important amendment of the Senate to the bill was that increasing from one-seventh to one-fourth of one per cent. of the bonds and war savings certificates authorized the expense allowance for their flotation and decreasing the allowance for the indebtedness certificates from one-tenth to one-twentieth of one per cent.

Two other amendments were also adopted. One fixed 4 per cent. as the maximum rate of interest on the $2,000,000,000 war savings certificates. Another provided that the reduction or increase of allotment of bonds should be made under general rules to be prescribed by the Secretary of the Treasury, and should apply to all subscribers similarly situated. The bill authorized $7,538,945,460 of new convertible 4 per cent. bonds, subject to income surtaxes and war excess-profit taxes. Of these, $4,000,000,000 are for new loans to the Allies, the remainder for the 3½ per cent. Liberty Loan, and to refund miscellaneous bond issues. Issuance of $2,000,000,000 of war savings certificates and the same amount of short-term Treasury certificates of indebtedness also was provided.

The British government's loan of $250,000,000, one and two-year 5½ per cent. secured convertible gold notes issued in the United States in January, 1917, was the last loan of its kind made by Great Britain in that market. After the United States entered the war, the United Kingdom was able to arrange credits in the United States with the government of that country and through the medium of Liberty Loan funds. In connection with this particular British loan, many railway, provincial government, Dominion government and municipal securities of Canada were pledged. The aggregate value of the pledged securities, including the Canadian securities, was not less than $300,000,000. The Canadian government at various times issued to the Imperial treasury its 3½ and 4 per cent. securities maturing in 1928 and 1945 in liquidation of the advances made by the Imperial government. Those securities were pledged by the Imperial government in New York and used with other securities as the basis of the large British loan noted above.

In this issue are printed the prospectuses of two Canadian domestic war loans, one made in March and one in November last year. This was the first year in which two domestic war loans were issued. The first internal war loan of $50,000,000 (later increased to $100,000,000) was issued in November, 1915, the second, of $100,000,000, in September, 1916, and the third and fourth on March 12th and November 12th respectively last year, both for $150,000,000.

In March, France put out a loan of $100,000,000 two-year 5½ per cent. secured convertible gold notes in the United States. This was the last loan of this kind issued by France, as that country now has the benefit of advances by the United States government through the medium of Liberty Loan funds.

We print in the following pages the official circular of the United States Treasury Department in regard to the first and second Liberty Loans. The first Liberty Loan, offered May 14th, 1917, consisted of $2,000,000,000 3½ per cent. United States government bonds maturing in 30 years. The second Liberty Loan, offered October 1st, 1917, consisted of $3,000,000,000 or more 4 per cent. United States government bonds maturing in 25 years, but callable by the government on any interest date after the tenth year.

The first act authorized a total issue of $5,538,945,460 in 3½ per cent. bonds. It also authorized the issue of $2,000,000,000 short-time treasury certificates of indebtedness, the character of these being quite distinct from the bonds.

The second act authorized a total issue of $7,538,945,460 in 4 per cent. bonds and cancels all unissued 3½ per cent. bonds authorized by the first act. Hence this act authorizes in fact $4,000,000,000 bonds over and above those authorized by the first act. The second act also authorized the issue of $4,000,000,000 certificates. Provision was also made for $2,000,000,000 war-savings certificates.

The bonds were sold direct from the United States treasury to the people. There was an appropriation of one-fifth of 1 per cent. for expenses for rent, clerk hire, postage, printing, etc., and the engraving of bonds; but no commission, brokerage, or profits were allowed.

The second Liberty Loan was oversubscribed by $1,617,532,300. There were 9,400,000 subscribers to the loan. The total subscriptions were $4,617,532,300. Of this amount 50 per cent. over the minimum of $3,000,000,000 was allotted. The total allotment was therefore $3,808,766,150.

A Canadian government loan of $100,000,000 two-year 5 per cent. notes was issued in the United States in August. This was the only such issue in that market and is the third Dominion loan floated there since war commenced.

In place of the 5 per cent. exchequer bonds 1922 of the United Kingdom, which were withdrawn from sale in September, a new series of bonds, to which the title of National War Bonds was given, was substituted. The new bonds are issued (for an unlimited amount in denominations of £50, £100, £200, £500, £1,000 and £5,000), at par, carrying interest at 5 per cent., but repayable at a premium in five, seven and ten years. There was also a tax-compounded 4 per cent. bond, repayable at par at the end of ten years. The national war bonds, it was reported in October, were selling at the rate of £20,000,000 weekly.

1. *British Government Loan of $250,000,000 1 and 2 Year 5½% Secured Convertible Gold Notes, at 99.52 and interest, and 99.07 and interest respectively. January, 1917*

$250,000,000
United Kingdom of Great Britain and Ireland

ONE-YEAR AND TWO-YEAR 5½% SECURED LOAN CONVERTIBLE GOLD NOTES

Dated February 1, 1917. **Interest payable February 1 and August 1.**

$100,000,000 One-Year Notes due February 1, 1918
$150,000,000 Two-Year Notes due February 1, 1919

Principal and interest payable at the office of J. P. Morgan & Co.

Convertible upon notice, at the option of the holder, at any time before maturity, or (if called for earlier redemption) at any time until and including the date of such redemption into Twenty-Year 5½% Bonds of the United Kingdom of Great Britain and Ireland, payable February 1, 1937, and not subject to prior redemption.

Principal and interest of the notes, and of the bonds into which they may be converted, is to be payable, without deduction for British taxes, present or future, in New York in United States gold coin, or, at the option of the holder, in London in sterling at the fixed rate of $4.86½ to the pound.

Coupon Notes in denomination of $1,000, $5,000 and $10,000.

Redeemable at the option of the Government, in whole or in part, on thirty (30) days' notice, as follows:

	One-Year Notes	Two-Year Notes
From February 1, 1917, to January 31, 1918	101 and interest	102 and interest
From February 1, 1918, to January 31, 1919		101 and interest

The notes are to be secured by pledge with Bankers Trust Company, New York, under a pledge agreement executed by the Government, of securities approved by J. P. Morgan & Co., of an aggregate value of not less than $300,000,000, calculated on the basis of the then prevailing markets, sterling securities being valued in dollars at the prevailing rate of exchange, viz.:

Group I. Stocks, bonds and-or other securities of American municipalities and corporations and of the Canadian Pacific Railway Company, and bonds and-or other obligations (either as maker or guarantor) of the Government of the Dominion of Canada, the Colony of Newfoundland, and-or Provinces of the Dominion of Canada, and-or approved Canadian municipalities: Aggregate value not less than $150,000,000
(Of the foregoing there will be somewhat over $100,000,000 in value in the securities of municipalities and corporations of the United States and of the Canadian Pacific Railway Company.)

Group II. Bonds and-or other obligations (either as maker or guarantor) of any or all of the several following Governments, to wit: Argentina, Chile, Cuba, Commonwealth of Australia, Egypt, Japan, New Zealand, and Union of South Africa, and-or bonds and-or other obligations of approved Railways in Argentina and-or of the Grand Trunk Railway Company of Canada, and-or approximately $25,000,000 value in bonds and-or other obligations of dividend-paying British railway companies: Aggregate value not less than $150,000,000

Total $300,000,000

Pending the arrival and deposit of definitive securities as above, the Government is to deposit temporarily with the Trust Company either approved New York Stock Exchange collateral or cash.

If the pledged securities depreciate in value, the Government is to deposit additional securities to maintain the 20% margin.

The Government is to reserve the right from time to time to sell for cash any of the pledged securities, the proceeds of sale to be applied to the retirement of notes by purchase or by redemption by lot.

Upon the retirement of the one-year notes, or upon reduction of the amount of notes outstanding, through conversion, a proportionate amount of the collateral may be withdrawn approximately ratably from each class.

The Government also from time to time may make substitutions of securities, but such substitutions are not to vary the then relative amounts in value of the groups. All substitutions, withdrawals and valuations of securities are to be approved by J. P. Morgan & Co.

This offering is made subject to the approval by our Counsel of necessary formalities

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AS FOLLOWS:

The One-Year Notes at 99.52 and interest, yielding 6 per cent.
The Two-Year Notes at 99.07 and interest, yielding 6 per cent.

Subscription books will be opened at the office of J. P. Morgan & Co., at 10 o'clock A.M., January 24, 1917, and will be closed at 10 o'clock A.M., January 31, 1917, or earlier, in their discretion.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS, AND ALSO, IN ANY EVENT, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR.

AMOUNTS DUE ON ALLOTMENTS WILL BE PAYABLE AT THE OFFICE OF J. P. MORGAN & CO., IN NEW YORK FUNDS, TO THEIR ORDER, AND THE DATE OF PAYMENT WILL BE GIVEN IN THE NOTICES OF ALLOTMENT.

Temporary certificates will be delivered pending the preparation of the definitive notes.

J. P. MORGAN & CO.
FIRST NATIONAL BANK, New York City **NATIONAL CITY COMPANY, New York City**
HARRIS, FORBES & CO
BROWN BROTHERS & CO. **WM. A. READ & CO.**
J. & W. SELIGMAN & CO.
KIDDER, PEABODY & CO. **LEE, HIGGINSON & CO.**
LAZARD FRERES
KISSEL, KINNICUTT & CO. **WHITE, WELD & CO.**
GUARANTY TRUST COMPANY OF NEW YORK
BANKERS TRUST COMPANY, New York City **FARMERS' LOAN & TRUST COMPANY New York City**
CENTRAL TRUST COMPANY OF ILLINOIS, Chicago **UNION TRUST COMPANY, Pittsburgh**
CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK, Chicago
MERCANTILE TRUST COMPANY, St. Louis
MARINE NATIONAL BANK, Buffalo **FIRST & OLD DETROIT NATIONAL BANK, Detroit**

2. *Canada's Third Domestic War Loan. March, 1917. $150,000,000 5% 20 Year Bonds at 96.*

WAR LOAN

DOMINION OF CANADA

Issue of $150,000,000 5 Per Cent. Bonds Maturing 1st March, 1937

PAYABLE AT PAR AT
OTTAWA, HALIFAX, ST. JOHN, CHARLOTTETOWN, MONTREAL, TORONTO, WINNIPEG, REGINA, CALGARY, VICTORIA, AND AT THE AGENCY OF THE BANK OF MONTREAL, NEW YORK CITY.

INTEREST PAYABLE HALF-YEARLY, 1st MARCH, 1st SEPTEMBER.
PRINCIPAL AND INTEREST PAYABLE IN GOLD.

ISSUE PRICE 96

A FULL HALF-YEAR'S INTEREST WILL BE PAID ON 1st SEPTEMBER, 1917.
THE PROCEEDS OF THE LOAN WILL BE USED FOR WAR PURPOSES ONLY.

The Minister of Finance offers herewith, on behalf of the Government, the above-named Bonds for subscription at 96, payable as follows:—

10 per cent. on application;
30 per cent. on 16th April, 1917;
30 per cent. on 15th May, 1917;
26 per cent. on 15th June, 1917.

The total allotment of bonds of this issue will be limited to one hundred and fifty million dollars, exclusive of the amount (if any) paid for by the surrender of bonds as the equivalent of cash under the terms of the War Loan prospectus of 22nd November, 1915.

The instalments may be paid in full on the 16th day of April, 1917, or on any instalment due date thereafter, under discount at the rate of four per cent. per annum. All payments are to be made to a chartered bank for the credit of the Minister of Finance. Failure to pay any instalment when due will render previous payments liable to forfeiture and the allotment to cancellation.

Subscriptions, accompanied by a deposit of ten per cent. of the amount subscribed, must be forwarded through the medium of a chartered bank. Any branch in Canada of any chartered bank will receive subscriptions and issue provisional receipts.

This loan is authorized under Act of the Parliament of Canada, and both principal and interest will be a charge upon the Consolidated Revenue Fund.

Forms of application may be obtained from any branch in Canada of any chartered bank and at the office of any Assistant Receiver General in Canada.

Subscriptions must be for even hundreds of dollars.

In case of partial allotments the surplus deposit will be applied towards payment of the amount due on the April instalment.

Scrip certificates, non-negotiable or payable to bearer in accordance with the choice of the applicant for registered or bearer bonds, will be issued after allotment, in exchange for the provisional receipts.

When the scrip certificates have been paid in full and payment endorsed thereon by the bank receiving the money, they may be exchanged for bonds, when prepared, with coupons attached, payable to bearer or registered as to principal, or for fully registered bonds, when prepared, without coupons, in accordance with the application.

Delivery of scrip certificates and of bonds will be made through the chartered banks.

The issue will be exempt from taxes—including any income tax—imposed in pursuance of legislation enacted by the Parliament of Canada.

The bonds with coupons will be issued in denominations of $100, $500, $1,000. Fully registered bonds without coupons will be issued in denominations of $1,000, $5,000 or any authorized multiple of $5,000.

The bonds will be paid at maturity at par at the office of the Minister of Finance and Receiver General at Ottawa, or at the office of the Assistant Receiver General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary, or Victoria, or at the Agency of the Bank of Montreal, New York City.

The interest on the fully registered bonds will be paid by cheque, which will be remitted by post. Interest on bonds with coupons will be paid on surrender of coupons. Both cheques and coupons, at the option of the holder, will be payable free of exchange at any branch in Canada of any chartered bank, or at the Agency of the Bank of Montreal, New York City.

Subject to the payment of twenty-five cents for each new bond issued, holders of fully registered bonds without coupons will have the right to convert into bonds of the denomination of $1,000 with coupons, and holders of bonds with coupons will have the right to convert into fully registered bonds of authorized denominations without coupons at any time on application to the Minister of Finance.

The books of the loan will be kept at the Department of Finance, Ottawa.

Application will be made in due course for the listing of the issue on the Montreal and Toronto Stock Exchanges.

Recognized bond and stock brokers having offices and carrying on business in Canada will be allowed a commission of three-eighths of one per cent. on allotments made in respect of applications bearing their stamp; provided, however, that no commission will be allowed in respect of the amount of any allotment paid for by the surrender of bonds issued under the War Loan prospectus of 22nd November, 1915, or in respect of the amount of any allotment paid for by surrender of five per cent. debenture stock maturing 1st October, 1919. No commission will be allowed in respect of applications on forms which have not been printed by the King's Printer.

Subscription Lists will close on or before the 23rd March, 1917.

Department of Finance, Ottawa, March 12th, 1917

3. *French Government Loan in United States of $100,000,000 5½% 2 Year Secured Convertible Gold Notes at 99 and interest. March, 1917.*

$100,000,000

Government of the French Republic

TWO-YEAR 5½% SECURED LOAN CONVERTIBLE GOLD NOTES

Dated April 1, 1917 Interest payable April 1 and October 1 Due April 1, 1919

Principal and interest payable at the office of J. P. Morgan & Co.

Coupon Notes in denominations of $1,000, $5,000 and $10,000.

Convertible at par, upon notice, at the option of the holder, at any time before maturity, into Twenty-Year 5½% Bonds of the Government of the French Republic, payable April 1, 1937, and not subject to prior redemption.

Principal and interest of the notes, and of the bonds into which they may be converted, are to be payable without deduction for French taxes, present or future, in New York City in United States Gold Coin. Principal and interest of the notes are also to be payable, at the option of the holder, in Paris in francs at the fixed exchange rate of Fcs. 5.75 to the dollar, without deduction for French taxes.

In connection with the provision for optional collection in francs, it may be noted that this feature amounts to a call on French Exchange for two years at a rate of Fcs. 5.75; this being about ten per cent. below mint parity, Fcs 5.18⅛, at or near which figure Exchange ruled prior to the disorganization of foreign markets brought about by the War. Such additional profit from the exchange feature as may accrue to the holders of these Notes will involve no increased interest cost to the promissor, but will be consequent upon such improvement in trade and Exchange conditions as may occur during the coming two years.

The Notes are to be secured by pledge with Central Trust Company of New York, of securities approved by J. P. Morgan & Co., valued in the aggregate at not less than $120,000,000, of which approximately $20,000,000 in value is to consist of securities of American corporations and municipalities (including securities of the Canadian Pacific Railway Company), and the remainder is to consist of obligations (either direct or through guaranty) of the following Governments: Argentine, Uruguay, Brazil (Funding Loan), Switzerland, Holland, Spain, Egypt, Province of Quebec, Denmark, Norway and Sweden (including certain bonds of Mortgage Banks in the last three countries, operated under Government supervision, and quoted customarily on a parity with the obligations of their respective Governments); also bonds of the State of Berne, Switzerland, bonds of the City of Stockholm, Sweden, and bonds and shares of Spanish railway companies and of the Suez Canal Company.

Provision is to be made in the pledge agreement for the maintenance of the 20% margin; for temporary lodgment of cash pending the arrival and deposit of all the collateral; for the holding by depositaries in France of such coupons from the pledged securities as mature prior to April 1, 1919; for the sale of collateral and purchase of notes with the proceeds; for proportionate withdrawals of collateral as notes are converted; and for substitutions of collateral approved by J. P. Morgan & Co., the amount of American collateral, however, not to be reduced through any such substitution.

This offering is made subject to the approval by our counsel of the necessary formalities.

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AT 99 AND INTEREST, YIELDING SLIGHTLY OVER 6%.

Subscription books will be open at the office of J. P. Morgan & Co., at 10 o'clock A.M., Thursday, March 22, 1917, and will be closed at 10 o'clock A.M., Wednesday, March 28, 1917, or earlier in their discretion.

The right is reserved to reject any and all applications, and also, in any event, to award a smaller amount than applied for.

Amounts due on allotments will be payable at the office of J. P. Morgan & Co., in New York funds, to their order, and the date of payment will be given in the notices of allotment.

Temporary certificates will be delivered pending the engraving of the definitive notes.

Application will be made to list the above notes on the New York Stock Exchange.

J. P. MORGAN & CO.
BROWN BROTHERS & CO.
FIRST NATIONAL BANK, New York City
NATIONAL CITY COMPANY, New York City
HARRIS, FORBES & CO.
KIDDER, PEABODY & CO.
LEE, HIGGINSON & CO.
J. & W. SELIGMAN & CO.
WM. A. READ & CO.
LAZARD FRERES
W P. BONBRIGHT & CO., INC.
KISSEL, KINNICUTT & CO.
WHITE, WELD & CO.
SPENCER TRASK & CO.
CHASE NATIONAL BANK, New York City
NATIONAL BANK OF COMMERCE, New York City
GUARANTY TRUST COMPANY OF NEW YORK
BANKERS TRUST COMPANY, New York City
CENTRAL TRUST COMPANY OF NEW YORK
FARMERS LOAN & TRUST COMPANY, New York City
UNION TRUST COMPANY, New York City
EQUITABLE TRUST CO., New York City
COMMERCIAL TRUST COMPANY, Philadelphia
UNION TRUST COMPANY, Pittsburg
MELLON NATIONAL BANK, Pittsburg
FIRST NATIONAL BANK, Cleveland
FIRST & OLD DETROIT NATIONAL BANK, Detroit
MARINE NATIONAL BANK, Buffalo
CENTRAL TRUST COMPANY OF ILLINOIS, Chicago
CONTINENTAL AND COMMERCIAL TRUST & SAVINGS BANK, Chicago
FIRST NATIONAL BANK, St. Paul
MERCANTILE TRUST COMPANY, St. Louis

Dated March 19, 1917.

4.

First Liberty Loan of the United States $2,000,000,000 15-30 Year 3½% Gold Bonds at par. May, 1917.

LIBERTY LOAN

1917.
Department Circular No. 78.

Loans and Currency.

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, May 14, 1917.

The Secretary of the Treasury invites subscriptions at par and accrued interest from the people of the United States of America for $2,000,000,000 of the 15-30 Year 3½ Per Cent. Gold Bonds of an issue authorized by Act of Congress approved April 24, 1917.

DESCRIPTION OF BONDS.

Bearer bonds, with interest coupons attached, will be issued in denominations of $50, $100, $500 and $1,000. Bonds registered as to principal and interest will be issued in denominations of $100, $500, $1,000, $5,000, $10,000, $50,000 and $100,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, upon payment, if the Secretary of the Treasury shall require, of a charge not exceeding $1 for each new bond issued upon such exchange. Transfers of registered bonds and exchanges of registered and coupon bonds and of bonds of different denominations will not be made until October 1, 1917, or such later data as may be designated by the Secretary of the Treasury.

The bonds will be dated June 15, 1917, and will bear interest at the rate of 3½ per centum per annum from that date, payable semi-annually on December 15 and June 15. The bonds will mature June 15, 1947, but the issue may be redeemed on or after June 15, 1932, in whole or in part, at par and accrued interest, on three months' published notice, on any interest day; in case of partial redemption the bonds to be redeemed to be determined by lot by such method as may be prescribed by the Secretary of the Treasury. The principal and interest of the bonds will be payable in United States gold coin of the present standard of value, and the bonds will be exempt, both as to principal and interest from all taxation, except estate or inheritance taxes, imposed by authority of the United States or its possessions, or by any State or local taxing authorities. The bonds will not bear the circulation privilege, but will be receivable as security for deposits of public money.

If any subsequent series of bonds (not including Treasury certificates of indebtedness and other short-term obligations) shall be issued by the United States at a higher rate of interest than three and one-half per centum per annum before the termination of the war between the United States of America and the Imperial German Government (the date of such termination to be fixed by a proclamation of the President of the United States), the holders of any of the bonds of the present issue shall have the privilege of converting the same, within such period and upon such further terms and conditions covering matters of detail as the Secretary of the Treasury may prescribe, into an equal par amount of bonds bearing such higher rate of interest and substantially identical with the bonds of such new series, except that the bonds issued upon such conversion are to be identical with the bonds of the present series as to maturity of principal and interest and terms of redemption.

APPLICATIONS.

The agencies designated by the Secretary of the Treasury to receive applications for the bonds now offered are the Treasury Department in Washington, D.C., and the Federal Reserve Banks in Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta (with branch at New Orleans), Chicago, St. Louis, Minneapolis, Kansas City, Dallas and San Francisco. Said banks have been designated, also, as fiscal agents of the United States, to collate applications and to give notices of the allotments which the Secretary of the Treasury will eventually make to subscribers and to issue interim certificates for payments made on allotted subscriptions.

Large numbers of National banks, State banks and trust companies, private bankers, express companies, newspapers, department stores, and other private corporations, firms and organizations, have patriotically offered to receive and transmit applications for the Liberty Loan without expense to the United States or to the applicants. The Secretary of the Treasury, appreciating the value of these offers, will have application blanks widely distributed throughout the country to these private institutions and also to the post offices and sub-treasuries. Individual subscribers may use these conveniences or may send their applications directly to the Treasury Department at Washington and to the Federal Reserve Banks. As the law prohibits the allowance or payment of commissions on subscriptions all those through whom applications are made render service as a patriotic duty without compensation.

All applications must be in the form prescribed by the Secretary of the Treasury and be accompanied by a payment of 2 per centum of the amount of bonds applied for. Applications must be for $50 or any multiple thereof, but any application for one $50 or $100 bond until further notice may be allotted at once and payment in full accepted against delivery of an interim certificate. Applications must reach the Treasury Department or a Federal Reserve Bank not later than noon, June 15, 1917, the right being reserved by the Secretary of the Treasury to close the subscription on any earlier date.

ALLOTMENTS.

Allotments will be made as soon after June 15 as possible. The Secretary of the Treasury reserves the right to reject any subscriptions, or to make allotment of part of the amount subscribed for, and to allot in full upon applications for smaller amounts of bonds even though it may be necessary to reduce allotments on applications for larger amounts, should any such action be deemed by him to be in the public interest; and his decision in these respects will be final. In any case of the rejection of an application, the accompanying payment of 2 per centum of the amount applied for will be returned. In case of partial allotment the 2 per centum payment will be retained and any excess applied upon the next installment. Upon allotment of bonds by the Secretary of the Treasury, the subscriber will receive notice thereof signed by or on behalf of the Federal Reserve Bank of his district. Unless and until payment in full has been made, further payments must be made when and as below provided under penalty of forfeiture of any and all installments previously paid and of all right or interest in the bonds allotted.

PAYMENTS.

The dates for payments in installments are as follows:
Two per centum on application;
Eighteen per centum on June 28, 1917;
Twenty per centum on July 30, 1917;
Thirty per centum on August 15, 1917;
Thirty per centum on August 30, 1917.

It is strongly recommended that subscribers avail themselves of the assistance of their own banks and trust companies. In cases where they do not do so, subscribers should make payment, either in cash to the Treasury Department in Washington or one of the Federal Reserve Banks, or by bank draft, check, post-office money order, or express company money order, made payable to the order of the Treasurer of the United States if the application is filed with the Treasury Department in Washington (thus: "Treasurer of the United States, Liberty Loan Account"), or, if the application is filed elsewhere, made payable to the order of the Federal Reserve Bank of the district in which the application is filed (thus: "Federal Reserve Bank of ...., Liberty Loan Account"). All checks must be certified. United States certificates of indebtedness issued under the Act of April 24, 1917, will be received at par and accrued interest to date of settlement in making payment in full or in installments.

Interim certificates for installment payments due on or after June 28 will be issued by or on behalf of the Federal Reserve Banks as fiscal agents of the United States, and delivered as far as practicable in accordance with written instructions given by subscribers. Upon payment of the installment due June 28, the notice of allotment must be surrendered, and upon payment of each subsequent installment the interim certificate must be presented to the Federal Reserve Bank which issued the certificate for notation thereon of the fact of such payment, or for exchange for a new certificate. After full payment such certificates must be surrendered in exchange for the bonds when prepared.

Payments of installments must be made upon the dates above stated until full payment has been made. Payment in full may be made on and after allotment and before August 30, 1917, if two weeks' prior notice in writing of the intention to make such payment, stating the date upon which such payment will be made, shall have been filed with the Federal Reserve Bank of the district in which the subscriber will make payment; but such notice shall not be required in case of any allotment of not exceeding $10,000 bonds or when payment is to be made in Treasury certificates of indebtedness.

As the bonds will carry six months' interest payable December 15, 1917, interest accruing on the bonds allotted, from June 15, 1917, to the date of full and final payment, must be added to the last payment, credit being given for interest at the like rate upon the several installment payments as follows: as to 2 per centum of the amount of bonds allotted upon application, from June 15, 1917, and, as to subsequent installments duly paid, from the respective dates upon which payment thereof is required to be made as above provided. Tables showing the amount of accrued interest payable on August 30 in case payment is made in installments, and the amount of accrued interest payable upon various dates in case payment is made in full prior to August 30 as herein permitted, will be prepared and furnished through the Treasury Department in Washington and the Federal Reserve Banks.

Within the United States and its territories and insular possessions, bonds when prepared will be delivered so far as practicable in accordance with the written instructions of the holders of the interim certificates upon surrender to the Treasury Department in Washington, or the Federal Reserve Bank which issued the certificate, of interim certificates full paid or accompanied by payment of the final installment. The expense of delivery will be borne by the United States. Delivery of definitive bonds to holders of full paid interim certificates will commence as soon as practicable after June 28.

Further details may be announced by the Secretary of the Treasury from time to time, information as to which, as well as forms for applications, may be obtained from the Treasury Department and any Sub-Treasury or Federal Reserve Bank.

W. G. McADOO, Secretary of the Treasury.

Subscriptions for these bonds are being received at any of the Federal Reserve Banks, the banking institutions and all the investment banking firms in the United States.

5. *Canadian Government Loan in the United States of $100,000,000 2 Year 5% Gold Notes at 98 and interest. July 30, 1917.*

$100,000,000

Government of the Dominion of Canada

TWO-YEAR 5% GOLD NOTES

Dated August 1, 1917 Due August 1, 1919

Interest payable February 1 and August 1.

Both principal and interest payable in United States gold coin in New York City, at the Agency of the Bank of Montreal.

Coupon notes in denomination of $1,000.

The obligations represented by the above notes and all payments in discharge thereof are to be exempt from all present and future taxes imposed by the Government of the Dominion of Canada, including any Canadian income tax.

This offering is made subject to the completion o necessary formalities and to the approval of counsel.

WE OFFER THE ABOVE NOTES FOR SUBSCRIPTION AT 98 AND INTEREST YIELDING ABOUT 6.07%.

SUBSCRIPTION BOOKS WILL BE OPENED AT THE OFFICE OF J. P. MORGAN & CO. AT 10 O'CLOCK A.M. MONDAY, JULY 30, 1917, AND WILL BE CLOSED AT 10 O'CLOCK A.M. THURSDAY, AUGUST 2, 1917, OR EARLIER IN THE DISCRETION OF THE UNDERSIGNED.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL APPLICATIONS AND ALSO, IN ANY CASE, TO AWARD A SMALLER AMOUNT THAN APPLIED FOR.

AMOUNTS DUE ON ALLOTMENTS WILL BE PAYABLE AT THE OFFICE OF J. P. MORGAN & CO. IN NEW YORK FUNDS, TO THEIR ORDER, AND THE DATE OF PAYMENT WILL BE GIVEN IN THE NOTICES OF ALLOTMENT.

Temporary certificates will be delivered pending the engraving of the definitive notes.

J. P. MORGAN & CO.

BROWN BROTHERS & CO. HARRIS FORBES & CO.

BANK OF MONTREAL

FIRST NATIONAL BANK
New York City

NATIONAL CITY COMPANY
New York City

GUARANTY TRUST COMPANY OF N.Y.

BANKERS TRUST COMPANY
New York City

WM. A. READ & CO.

July 30, 1917

6. *National War Bonds of the United Kingdom 5% 5, 7 and 10 Years, at 100, Repayable at 102, 103 and 105, and 4% 10 Year Bonds at 100, Redeemable at Par.—Oct. 1, 1917*

Issue of NATIONAL WAR BONDS

£5 Per Cent. BONDS. Repayable 1st October, 1922, at 102 Per Cent.;
£5 Per Cent. BONDS. Repayable 1st October, 1924, at 103 Per Cent.;
£5 Per Cent. BONDS. Repayable 1st October, 1927, at 105 Per Cent.;
AND
£4 Per Cent. BONDS. Repayable 1st October, 1927, at 100 Per Cent.;
("Income Tax Compounded.")

Interest payable half-yearly on the 1st APRIL and 1st OCTOBER. First Dividend payable 1st APRIL, 1918.

PRICE OF ISSUE £100 PER CENT.

PAYABLE ON APPLICATION.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised by the Lords Commissioners of His Majesty's Treasury to receive on the 2nd October, 1917, and thereafter until further notice, applications for the above Bonds. Applications may be lodged at any Office of the Banks hereafter mentioned.

The Principal and Interest of the Bonds are chargeable on the Consolidated Fund of the United Kingdom.

Bonds of this issue, and the interest payable from time to time in respect thereof, will be exempt from all British taxation, present or future, if it is shown in the manner directed by the Treasury that they are in the beneficial ownership of a person who is neither domiciled nor ordinarily resident in the United Kingdom of Great Britain and Ireland.

Further, the interest payable from time to time in respect of £5 per cent. Bonds of this issue will be exempt from British Income Tax, present or future, if it is shown in the manner directed by the Treasury that the Bonds are in the beneficial ownership of a person who is not ordinarily resident in the United Kingdom of Great Britain and Ireland, without regard to the question of domicile. Where such a Bond is in the beneficial ownership of a person entitled to exemption under these provisions the relative Coupons will be paid without deduction for Income Tax or other taxes, if accompanied by a declaration of ownership in such form as may be required by the Treasury.

Interest on the £4 per cent. Bonds will be exempt from liability to assessment to British Income Tax other than Super-Tax. For the purposes of Super-Tax and in computing total income for the purposes of Exemption, Abatement, reduced rate of Income Tax on earned or unearned income, etc., the income derived from such interest will be treated as if the amount received represented the net income after deduction of Income Tax at the full normal rate. There will, however, be no title to repayment of Income Tax in respect of such untaxed interest.

Bonds of this issue will be accepted at their nominal value, with due allowance for any unpaid interest thereon, by the Commissioners of Inland Revenue in satisfaction of amounts due on account of Death Duties, Excess-Profits Duty or Munitions Exchequer Payments; provided, in the case of Death Duties, that such Bonds have formed part of the Estate of the deceased continuously up to the date of death from the date of the original subscription or for a period of not less than six months immediately preceding the date of death, and, in the case of Excess Profits Duty or Munitions Exchequer Payments, that they have been held continuously by the firm, company or other person, liable for such Duty or Payment, since the date of the original subscription or for a period of not less than six months before such Duty or Payment becomes due and payable.

Holders of £5 per cent. Bonds of this issue may convert their holdings within 14 days after any half-yearly interest date (viz., 1st April and 1st October), and as on such interest date, into £5 per Cent. War Loan, 1929-1947, at the rate of £100 £5 per cent. War Loan, 1929-1947, for each £95 nominal value (excluding any redemption premium) of £5 per Cent. National War Bonds surrendered; and holders of £4 per Cent. Bonds of this issue may convert their holdings at the same times, and in like manner, into £4 per Cent. War Loan, 1929-1942 ("Income Tax Compounded") at the rate of £100 £4 per Cent. War Loan, 1929-1942, for each £100 nominal value of £4 per Cent. National War Bonds surrendered.

The first dividend on a holding of £5 per Cent. War Loan, 1929-1947, or of £4 per Cent. War Loan, 1929-1942, issued in lieu of National War Bonds converted, will represent interest from the date of conversion to the next succeeding interest date of the Loan into which the Bonds have been converted.

In the event of future issues (other than issues made abroad or issues of Exchequer Bonds, Treasury Bills, or similar short-dated Securities) being made by His Majesty's Government, for the purpose of carrying on the War, Bonds of this issue will be accepted at par as the equivalent of cash for the purpose of subscriptions to such issues, and an allowance will be made for any interest accrued on Bonds so accepted.

The Bonds will be issued in denominations of £50, £100, £200, £500, £1,000 and £5,000, and the interest thereon will be payable half-yearly by Coupon, the first Coupon on each Bond representing interest from the date on which application is lodged and payment made for the Bond at any office of one of the Banks hereafter mentioned.

Bonds of this issue may be registered free of cost in the Books of the Bank of England, or of the Bank of Ireland, as

1. "Transferable in the Bank Transfer Books," or
2. "Transferable by Deed."

Allotments may be obtained in Registered Form or in Bonds to Bearer at the option of the applicant.

Holdings of Registered Bonds, which will be transferable in any sums which are multiples of a penny, may be re-converted at any time, in whole or in part (in multiples of £50), into Bonds to bearer with Coupons attached.

Dividends on Registered £5 per Cent. Bonds of this issue will be paid without deduction of Income Tax, but the income derived from such dividends will be assessable to Income Tax in the hands of the recipients at the rates of tax appropriate to their respective incomes. Dividend Warrants will be transmitted by post.

Applications for Bonds, which must in every case be accompanied by payment of the full amount payable in respect of the Bonds Applied for, may be lodged at any office of the following Banks at any time at which such offices are open for business, viz.: (Then follow the names of 69 Banks), or they may be forwarded by post to the Bank of England Loans Office, 5 and 6, Lombard Street, E.C. 3.

CONVERSION OF

£4 10s per Cent. War Loan, 1925-1945.
£5 per Cent. Exchequer Bonds, 1919.
£5 per Cent. Exchequer Bonds, 1920.
£5 per Cent. Exchequer Bonds, 1921.
£6 per Cent. Exchequer Bonds, 1920.

Holders of the above issues, in pursuance of the options granted in the several Prospectuses relating thereto, may convert their holdings, in whole or in part, into the following Bonds of the present issue, at any time during the continuance of the issue of such Bonds, viz.:—

£5 per Cent. National War Bonds, repayable 1st October, 1924;
£5 per Cent. National War Bonds, repayable 1st October, 1927; or
£4 per Cent. National War Bonds, repayable 1st October, 1927 ("Income Tax compounded.")

Holders who convert will receive an allotment at the rate of £100 National War Bonds for each £100 £4 10s per Cent. War Loan or Exchequer Bonds converted.

National War Bonds issued in exchange for converted holdings will carry interest from the dates on which the relative requests for conversion have been lodged with the Bank of England. A separate dividend will be paid for interest, if any, accrued to date of conversion on a converted holding. Where a request for conversion of a holding in any issue, whether "registered" or "to bearer," is lodged after the balance of such issue has been struck for the preparation of a dividend and before the date on which the said dividend is due, such conversion will be effected as on the latter date.

N.B.—Applications for the conversion of Stock inscribed or Bonds registered in the Books of the Bank of Ireland, should be forwarded to the Bank of Ireland, Dublin.

Stock registered in the Books of the General Post Office, and Bonds issued by the General Post Office, will not be convertible at the Bank of England. They will be convertible at the Post Office under the arrangements set forth in the separate Prospectus issued by H.M. Postmaster-General.

A commission of one-eighth per cent. will be allowed to Bankers, Stockbrokers and Financial Houses on allotments made in respect of cash applications for this issue bearing their Stamp, but no commission will be allowed in respect of applications for conversion.

Applications must be made upon the printed forms which may be obtained, together with copies of this Prospectus, at the Bank of England; at the Bank of Ireland; of Messrs. Mullens, Marshall & Co., 13, George Street, Mansion House, E.C. 4; and at any Bank, Money Order Office or Stock Exchange in the United Kingdom.

BANK OF ENGLAND, LONDON,
1st October, 1917.

7. *Second Liberty Loan of the United States $3,000,000,000 10-25 Year 4% Convertible Gold Bonds. October 1, 1917*

$3,000,000,000

UNITED STATES OF AMERICA

10-25 YEAR 4% CONVERTIBLE GOLD BONDS

SECOND LIBERTY LOAN

Bearing interest from November 15, 1917 **Due November 15, 1942**

Redeemable at the option of the United States, at par and accrued interest, on and after November 15, 1927

Interest payable May 15 and November 15

Authorized by an act of Congress approved September 24, 1917. Offered for subscription in Department Circular No. 90, dated October 1, 1917, to be found on the following pages, to which reference is made for full information concerning the bonds and this offering, and from which the statements on this page are summarized.

DENOMINATIONS: Coupon and registered bonds, $50, $100, $500, $1,000, $5,000, $10,000; and registered bonds of $50,000 and $100,000.

EXEMPT as to principal and interest from all taxation by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (*a*) estate or inheritance taxes, and (*b*) United States graduated additional income taxes (commonly known as surtaxes) and excess-profits and war-profits taxes. The interest on an amount of bonds and certificates authorized by said act, the principal of which does not exceed in the aggregate $5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (*b*) above.

CONVERTIBLE upon the terms and conditions stated in said circular into higher rate bonds if and when higher rate bonds are next issued during the war.

APPLICATIONS must reach the Treasury Department, Washington, D.C., a Federal Reserve Bank or branch thereof, or some incorporated bank or trust company within the United States (not including outlying territories and possessions) on or before the close of business October 27, 1917, the right being reserved by the Secretary of the Treasury to close the subscriptions at any earlier date.

TERMS OF PAYMENT:

2 per cent. with application.
18 per cent. on November 15, 1917.
40 per cent. on December 15, 1917.
40 per cent. on January 15, 1918 (with accrued interest on both deferred installments).

Payment in full of any subscription for an amount of bonds not in excess of $1,000, at face value without interest, may be made with the application, if the subscriber prefers, in which case prompt delivery of a bond or bonds dated and bearing interest from November 15, 1917, will be made. Except in such cases payment for the amount allotted can only be completed on November 15, or, with accrued interest, on December 15 or January 15, previous installments having been duly paid.

ALLOTMENT: Subscriptions for $3,000,000,000 of these bonds are invited, the right being reserved to allot additional bonds up to one-half the amount of any over-subscription. Every subscriber for an amount of bonds not in excess of $1,000 will receive the full amount of bonds subscribed for. Other applications are received subject to allotment.

DELIVERY: Bonds as described in the circular will be delivered promptly upon completion of payments

PRICE, 100% AND ACCRUED INTEREST

TREASURY DEPARTMENT, *Washington, October, 1, 1917.*

8. *Canada's Victory Loan of $150,000,000 5½% Gold Bonds at par. November, 1917*

The MINISTER OF FINANCE offers for Public Subscription

Canada's Victory Loan

Issue of

$150,000,000 5½% Gold Bonds

Bearing interest from December **1st, 1917**, and offered in three maturities, the choice of which is optional with the subscriber, as follows:

5 year Bonds due December 1st, 1922
10 year Bonds due December 1st, 1927
20 year Bonds due December 1st, 1937

This Loan is authorized under Act of the Parliament of Canada, and both principal and interest are a charge upon the Consolidated Revenue Fun

The amount of this issue is $150,000,000, exclusive of the amount (if any) paid by the surrender of bonds of previous issues. The Minister of Finan however, reserves the right to allot the whole or any part of the amount subscribed in excess of $150,000,000.

The Proceeds of this Loan will be used for War purposes only, and will be spent wholly in Canada.

Principal and Interest payable in Gold
Denominations: $50, $100, $500 and $1,000

Subscriptions must be in sums of $50 or multiples thereof.

Principal payable without charge at the Office of the Minister of Finance and Receiver General at Ottawa, or at the Office of the Assistant Recei General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary and Victoria.

Interest payable, without charge, half-yearly, June 1st and December 1st, at any branch in Canada of any Chartered Bank.

Bearer or Registered Bonds

Bonds may be registered as to principal or as to principal and interest.

Scrip certificates, non-negotiable, or payable to bearer, in accordance with the choice of the applicant for registered or bearer bonds, will be issued aft allotment in exchange for provisional receipts. When these scrip certificates have been paid in full, and payment endorsed thereon by the bank receiving the mone they may be exchanged for bonds, when prepared, with coupons attached, payable to bearer, or registered as to principal, or for fully registered bonds whe prepared, without coupons, in accordance with the application.

Delivery of interim certificates and of definitive bonds will be made through the Chartered Banks.

Bearer bonds with coupons will be issued in denominations of $50., $100., $500., and $1,000. and may be registered as to principal only. Fully registered bonds, the interest on which is paid direct to the owner by Government cheque, will be issued in denominations of $1,000., $5,000. or any authorize multiple of $5,000.

Subject to the payment of 25 cents for each new bond issued, holders of fully registered bonds without coupons, will have the right to convert into bond of the denomination of $1,000 with coupons, and holders of bonds with coupons will have the right to convert into fully registered bonds of authorized denominations without coupons, at any time, on application to the Minister of Finance.

Surrender of Bonds

Holders of Dominion of Canada Debenture Stock, due October 1st, 1919, and bonds of the three preceding Dominion of Canada War Loan Issues have the privilege of surrendering their bonds in part payment for subscriptions to bonds of this issue, under the following conditions:—

Debenture Stock, due October 1st, 1919, at Par and Accrued Interest.
War Loan Bonds, due December 1st, 1925, at 97½ and Accrued Interest.
(The above will be accepted in part payment for bonds of any of the three maturities of this Issue)

War Loan Bonds, due October 1st, 1931, at 97½ and Accrued Interest.
War Loan Bonds, due March 1st, 1937, at 96 and Accrued Interest.
(These will be accepted in part payment for bonds of the 1937 maturity ONLY of this Issue.)

Bonds of the various maturities of this issue will, in the event of future issues of like maturity, or longer, made by the Government, other than issu made abroad, be accepted at par and accrued interest, as the equivalent of cash for the purpose of subscription to such issues.

Issue Price Par

Free from taxes—including any income tax—imposed in pursuance of legislation enacted by the Parliament of Canada.

Payment to be made as follows:

10%	on December 1st, 1917	20%	on March 1st, 1918
10%	on January 2nd, 1918	20%	on April 1st, 1918
20%	on February 1st, 1918	20%	on May 1st, 1918

A full half year's interest will be paid on 1st June, 1918.

The Bonds therefore give a net interest yield to the investor of about:

5.61% on the 20 year Bonds
5.68% on the 10 year Bonds
5.81% on the 5 year Bonds

All payments are to be made to a Chartered Bank for the credit of the Minister of Finance. Failure to pay any instalment when due will render previous payments liable to forfeiture, and the allotment to cancellation. Subscriptions accompanied by a deposit of 10% of the amount subscribed, must be forwarded through the medium of a Chartered Bank. Any branch in Canada of any Chartered Bank will forward subscriptions and issue provisional receipts.

In case of partial allotments the surplus deposit will be applied toward payment of the amount due on the January instalment.

Subscriptions may be paid in full on January 2nd, 1918, or on any instalment due date thereafter under discount at the rate of 5¼% per annum. Under this provision payments of the balance of subscriptions may be made as follows:

If paid on January 2nd, 1918, at the rate of 89.10795 per $100.
If paid on February 1st, 1918, at the rate of 79.46959 per $100.
If paid on March 1st, 1918, at the rate of 59.72274 per $100.
If paid on April 1st, 1918, at the rate of 39.90959 per $100.

Forms of application may be obtained from any branch in Canada of any Chartered Bank, or from any Victory Loan Committee, or member thereof.
The books of the Loan will be kept at the Department of Finance, Ottawa.
Applications will be made in due course for the listing of this issue on the Montreal and Toronto Stock Exchanges.

Department of Finance,
Ottawa, November 12th, 1917.

Subscription Lists will close on or before December 1st, 1917.

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Business Profits and Income Taxes in Operation

Taxation of Incomes Over $1,500 Begins Next Month—Details and Explanations of the Measures

LAST year witnessed the establishment of income tax legislation in Canada. It is not proposed to substitute the income tax for the Business Profits War Tax Act, but to use both measures at present. Up to the end of 1918, the situation remains as it is for the reason that, although the Business Profits War Tax Act expired at the end of 1917, the tax on last year's profits will be paid this year. If the war should continue beyond this year, it will be the duty of parliament, said the minister of finance, to re-enact the measure. If the war should end before 1919, the country would hardly desire to carry forward such a heavy impost during the days of reconstruction. During the current year, companies will pay whichever is the heavier tax of the two, the income tax or the business profits tax.

The following statement in regard to the amendment to the business profits war tax act was issued by the department of finance, Ottawa, on May 16th, 1917: "In the discussion of the budget amendment to the business profits war tax act, by which a greater percentage of excess profits is taken by the government to assist in meeting its war expenses, it was made clear by the minister of finance that the liability to taxation under the business profits war tax act ceases at the end of the present year, and that the proposed increased taxation applies only to the last annual accounting period of three accounting periods to which the act of last year applies.

"To be precise, the increased taxation will affect only annual accounting periods which end after December 31st last. That is to say, for example, if a company's accounting period ends on May 31st of this year the company will pay the increased tax in respect of its fiscal year beginning June 1st, 1916, and ending May 31st, 1917, and it will not be liable upon its profits earned after May 31st, 1917. The new taxes therefore cannot apply to new companies about to establish themselves in Canada."

PROVISIONS OF INCOME TAX

Definition of Income—How the Tax Works

The income tax law provides that there shall be assessed, levied and paid upon the income during the preceding year of every person residing or ordinarily a resident in Canada or carrying on any business in Canada, the following taxes:—

(a) 4 per cent. upon all incomes exceeding $1,500 in the case of unmarried persons and widows or widowers without dependent children, and exceeding $3,000 in the case of all other persons; and

(b) 2 per cent. upon the amount by which the income exceeds $6,000 and does not exceed $10,000; and

(c) 5 per cent. upon the amount by which the income exceeds $10,000 and does not exceed $20,000; and

(d) 8 per cent. of the amount by which the income exceeds $20,000 and does not exceed $30,000; and

(e) 10 per cent. of the amount by which the income exceeds $30,000 and does not execed $50,000; and

(f) 15 per cent. of the amount by which the income exceeds $50,000 and does not exceed $100,000; and

(g) 25 per cent. of the amount by which the income exceeds $100,000.

Corporations and Joint Stock Companies.

(2) Corporations and joint-stock companies, no matter how created or organized, shall pay the normal tax upon income exceeding $3,000, but shall not be liable to pay the supertax; and the minister may permit any corporation subject to the normal tax, the fiscal year of which is not the calendar year, to make a return and to have the tax payable by it computed upon the basis of its income for the 12 months ending with its last fiscal year preceding the date of assessment.

(3) Any persons carrying on business in partnership shall be liable for the income tax only in their individual capacity.

(4) A person who, after the first day of August, 1917, has reduced his income by the transfer or assignment of any real or personal, movable or immovable property, to such person's wife, or husband, as the case may be, or to any member of the family of such person, shall, nevertheless, be liable to be taxed as if such transfer or assignment had not been made, unless the minister is satisfied that such transfer or assignment was not made for the purpose of evading the taxes imposed under this act or any part thereof.

(5) Taxpayers shall be entitled to the following deductions from the amounts that would otherwise be payable by them for income tax:

(a) from the income tax accruing for the year 1917 the amounts paid by any taxpayer for taxes accruing during the year 1917 under the provisions of part 1 of the special war revenue act, 1915, and from the income tax payable for any year thereafter the amounts paid by the taxpayer for taxes accruing during such year under the said part 1 of the said act; and

(b) from the income tax accruing for the year 1917 the amounts paid by any taxpayer under the business profits war tax act, 1916, and any amendments thereto for any accounting period ending in the year 1917. In the case of a partnership each partner shall be entitled to deduct such portion of the tax paid by the partnership under the business profits war tax act, 1916, as may correspond to his interest in the income of the partnership.

Regulations Under Act.

In the act, and in any regulations made under the same, unless the context otherwise requires:—

(a) "board" means a board of referees appointed under section 12;

(b) "minister" means the minister of finance;

(c) "normal tax" means the tax authorized by paragraph (a) of section 4 of this act;

(d) "person" means any individual or person and any syndicate, trust, association or other body and any body corporate, and the heirs, executors, administrators, curators and assigns or other legal representatives of such person, according to the law of that part of Canada to which the context extends;

(e) "supertax" means the taxes authorized by paragraphs (b) to (g), both inclusive, of section 4 of this act;

(f) "taxpayer" means any person paying, liable to pay, or believed by the minister to be liable to pay, any tax imposed by this act;

(g) "year" means the calendar year.

Definition of Income.

Income, according to this act, means the annual profit or gain or gratuity, whether ascertained and capable of computation as being wages, salary, or other fixed amount, or unascertained as being fees or emoluments, or as being profits from a trade or commercial or financial or other business or calling, directly or indirectly received by a person from any office or employment, or from any profession or calling, or from any trade, manufacture or business, as the case may be; and shall include the interest, dividends or profits directly or indirectly received from money at interest upon any security or without security, or from stocks, or from any other investment, and, whether such gains or profits are divided or distributed or not, and also the annual profit or gain from any other source; with the following exemptions and deductions:

(a) the value of property acquired by gift, bequest, devise or descent;

(b) the proceeds of life insurance policies paid upon the death of the person insured, or payments made or credited to the insured on life insurance endowment or annuity contracts upon the maturity of the term mentioned in the contract or upon the surrender of the contract;

(c) such reasonable allowance as may be allowed by the minister for depreciation, or for any expenditure of a capital nature for renewals, or for the development of a business, and the minister, when determining the income derived from mining and from oil and gas wells, shall make an allowance for the exhaustion of the mines and wells;

(d) the amount of income the tax upon which has been paid or withheld for payment at the source of the income under the provisions of this act;

(e) amounts paid by the taxpayer during the year to the Patriotic and Canadian Red Cross funds, and other patriotic and war funds approved by the minister;

(f) for the purposes of the normal tax the income embraced in a personal return shall be credited with the amount received as dividends upon the stock or from the net earnings of any company or other person which is taxable upon its income under this act.

Outside of Canada.

(2) Where an incorporated company conducts its business, whether under agreement or otherwise, in such manner as either directly or indirectly to benefit its shareholders or any of them, or any persons directly or indirectly interested in such company, by selling its product or the goods and commodities in which it deals at less than the fair price which might be obtained therefor, the minister may, for the purposes of this act, determine the amount which shall be deemed to be the income of such company for the year, and in determining such amount the minister shall have regard to the fair price which, but for any agreement, arrangement or understanding, might be or could have been obtained for such product, goods and commodities.

(3) In the case of the income of persons residing or having their head office or principal place of business outside of Canada but carrying on business in Canada, either directly or through or in the name of any other person, the income shall be the net profit or gain arising from the business of such person in Canada.

(4) For the purpose of the supertax only, the income of a taxpayer shall include the share to which he would be entitled of the undivided or undistributed gains and profits made by any syndicate, trust, association, corporation or other body, or any partnership, if such gains and profits were divided or distributed, unless the minister is of opinion that the accumulation of such undivided and undistributed gains and profits is not made for the purpose of evading the tax, and is not in excess of what is reasonably required for the purposes of the business.

The following table shows how the tax, which will become operative next month, will affect incomes:—

Income of	(Unmarried men and widowers without dependent children) Exempt $1,500.	All other persons Exempt $3,000.
$ 4,000	$ 100	$ 40
5,000	140	80
7,000	240	180
10,000	420	360
12,000	600	540
15,000	870	810
20,000	1,320	1,260
30,000	2,520	2,460
50,000	5,320	5,260
75,000	10,020	10,010
100,000	14,820	14,760
150,000	29,320	29,260
200,000	43,820	43,760

The Canadian Senate on September 4th passed amendments, on second reading, to the Income Tax Act, 1917, approved by the House of Commons on August 17th. The section defining the income that is subject to taxation was amended so that taxable income is declared to be the "annual net profit" instead of the "annual profit" as in the original bill.

Other amendments were made to the same clause to make it clear that while bequests and proceeds of life insurance policies were not to be regarded as income, the earnings of the bequests and the policies were income and subject to taxation.

Another amendment declared that in computing income the person taxed shall not be allowed to deduct the amount of personal or living expenses.

FALSE STATEMENTS WILL BE COSTLY

Regulations Under Income Tax Law—List of Exemptions

Under the income tax measure any person making a false statement in any return required by the minister of finance shall be liable on conviction to a fine not exceeding $10,000 or six months' imprisonment, or both. For each default in complying with provisions of the act governing returns the person shall be liable to a penalty of $100 a day during the period of default.

Boards of referees, consisting of not more than three members, are to be appointed by the Governor-General-in-Council and shall act as courts of revision and hear appeals. The board will have power to confirm or amend an assessment. If an appeal is unsuccessful, the board may direct that the appellant shall pay the costs or part of the costs, but, if the appeal is successful, it may recommend that all or part of the costs be paid by the Crown. The exchequer court fees will apply in connection with the administration of the act. If a taxpayer is dissatisfied with the decision of a board of referees, he may within twenty days appeal to the finance minister. Such appeals will come under the exclusive jurisdiction of the exchequer court.

Employers to Make Returns.

The bill provides that "Every person liable to taxation under this act, shall, on or before February 28th in each year, without any notice or demand, deliver to the minister a return, in such a form as the minister may prescribe, of his total income during the last preceding calendar year. In such return the taxpayer shall state an address in Canada to which all notices and other documents to be mailed or served under this act may be mailed or sent."

The bill also provides that all employers shall make a return of all persons in their employ, liable to taxation under the act and all corporations, associations and syndicates shall make a return of all dividends or bonuses paid to shareholders or members and these returns must be forwarded to the minister of finance on or before February 28th in each year.

Returns in the case of corporations, associations or other bodies shall be made and signed by the president, secretary or chief agent having a personal knowledge of the business.

The act makes it compulsory on the part of employers to deduct from salaries of employees subject to the income tax, the amount of the tax and to forward it to the finance department.

Incomes Which are Exempt.

The following incomes are exempt from the operation of the tax: The income of the Governor-General and of consuls and consuls-general who are citizens of the countries they represent and not engaged in any other business or profession; the income of any company, commission or association of which not less than ninety per cent. of the stock is owned by a province or municipality; the income of any religious, charitable, agricultural and educational institution, boards of trade, chambers of commerce, labor organizations and benevolent and fraternal societies; the incomes of mutual corporations, not having a capital represented by shares and no part of the income of which inures to the profit of any member thereof and of life insurance companies, except such amount as is credited to the shareholders' account; the incomes of clubs, societies and associations organized and operated solely for social welfare, civic improvement, pleasure, recreation or other non-profitable purposes, no part of the income of which inures to the profit of any stockholder or member; the incomes of such insurance, mortgage and loan associations operated entirely for the benefit of farmers as are approved by the minister; the incomes derived from any bonds or other securities of the Dominion of Canada, issued exempt from any income tax; the military and naval pay of persons who have been on active service overseas during the present war in any of the naval or military forces of His Majesty or any of His Majesty's allies.

Deductions From Tax.

From incomes the following will be deducted for the purpose of the tax: The value of property acquired by gift, bequest, device or descent; proceeds of life insurance policies paid upon the death of the person insured; such reasonable allowance as may be allowed by the minister when determining the income derived from mining and from oil and gas wells as shall make an allowance for the exhaustion of the mines or wells; the amount subscribed and paid by a taxpayer during the year to the Patriotic and Canadian Red Cross funds and other patriotic and war funds approved by the minister; for the purposes of the normal tax the income embraced in a personal return shall be credited with the amount received as dividends upon the stock or the net earnings of any company or other person which is taxable upon its income under the bill.

BUSINESS PROFITS TAX

Its Operation Will Cease This Year, Unless New Legislation is Passed

The business profits war tax act which came into force in 1916 will operate until 1918. Under its provisions, incorporated companies were taxed 25 per cent. on net profits exceeding 7 per cent. upon capital employed (throughout the accounting period) of $50,000, or over. The profits of a business owned other than by an incorporated company, were taxed 25 per cent. on net profits exceeding 10 per cent.

The taxation applies also to businesses with capital less than $50,000 and making munitions to the extent of 20 per cent. of their output.

The amendment to the act, introduced by Sir Thomas White in the House at Ottawa in April, changed the fixed tax to a progressive one. A company's profits up to 7 per cent. are exempt. On profits from 8 per cent. to 15 per cent. inclusive, 7 per cent. is exempt, the balance being taxed 25 per cent. On profits exceeding 15 per cent. to 20 per cent. inclusive, 7 per cent. is exempt, 8 per cent. will be taxed 25 per cent. and the balance (not exceeding 5 per cent.) will be taxed 50 per cent. On profits exceeding 20 per cent., 7 per cent. is exempt, 8 per cent. will be taxed 25 per cent., 5 per cent. will be taxed 50 per cent., and the remainder will be taxed 75 per cent. How this progressive tax works on the profits of a company with capital of $100,000, for example, is shown in the accompanying table. The table also shows how the new income tax works.

Capital employed includes (a) amount of capital stock of a company paid up in cash (or a fair valuation of such stock if issued against any other consideration than cash); (b) actual unimpaired reserves, or accumulated profits. An incorporated company's capital (plus unimpaired reserve, rest or previously accumulated profits if used as capital) existing at the beginning of the accounting period is the basis for the allowance of the 7 per cent. exemption.

Accounting Periods.

The amended act provides that the increases in the tax "shall be levied against and paid by the person owning such business for each and every accounting period ending after December 31st, 1916." The tax, therefore, will cover most of the year 1916 for a large number of companies, but those whose fiscal years conform to the calendar year, will not pay the additional taxation during the latter part of 1916. The tax apparently is computed for the full year for each company from the beginning of the accounting period. Where the company's year ends January 31st, 1917, the tax commences from February 1st, 1916.

In the original act, the tax was retroactive and to be levied for three years upon the next profits shown to any accounting period (fiscal year) after December 31st, 1914. Dividends re-

HOW THE BUSINESS PROFITS WAR TAX AND THE INCOME TAX OPERATE ON PROFITS OF A COMPANY WITH CAPITAL OF $100,000

	A Joint Stock Company or Corporation, with Capital of $100,000, earning	Is Free of Taxation up to 7% under Business Profits Tax.	Is Free of Taxation up to $3,000 under Income Tax.	Under the Business Profits Tax, Company pays on the Balance of its Profits.						Under Income Tax Company pays on Balance of its Profits 4% of	or	Thus, of Profits of	The Company retains of its Profits under Business Profits Tax	And under Income Tax	Government gets under Business Profits Tax	Government gets under Income Tax
				25% of	or	50% of	or	75% of	or							
	%	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
1	10	7,000	3,000	3,000	750	......	......	......	......	7,000	280	10,000	9,250	9,720	750	280
2	15	7,000	3,000	8,000	2,000	......	......	......	......	12,000	480	15,000	13,000	14,520	2,000	480
3	20	7,000	3,000	8,000	2,000	5,000	2,500	......	......	17,000	680	20,000	15,500	19,320	4,500	680
4	25	7,000	3,000	8,000	2,000	5,000	2,500	5,000	3,750	22,000	880	25,000	16,750	21,120	8,250	880
5	30	7,000	3,000	8,000	2,000	5,000	2,500	10,000	7,500	27,000	1,080	30,000	18,000	28,920	12,000	1,080
6	50	7,000	3,000	8,000	2,000	5,000	2,500	30,000	22,500	47,000	1,880	50,000	23,000	48,120	27,000	1,880
7	100	7,000	3,000	8,000	2,000	5,000	2,500	80,000	60,000	97,000	3,880	100,000	35,500	96,120	64,500	3,880
8	200	7,000	3,000	8,000	2,000	5,000	2,500	180,000	135,000	197,000	7,880	200,000	60,500	192,120	139,500	7,880

ceived from the stock of any incorporated company taxed under the act, were not included in the profits taxed. Reasonable deductions from gross profits for depreciation, renewals, etc., were allowed.

The periods during which the tax was payable under the old act were as follow:—Any company, firm or individual which was liable on July 1st, 1916, to a tax on two or more accounting periods covering two years, the tax covering the first twelve months could be paid on November 1st, 1916, the tax covering the second twelve months on November 1st, 1917; and the third and last year's tax on November 1st, 1918. Interest at 7 per cent. is chargeable on taxes in arrears.

Under both the original and the amended act companies with a lesser capital than $50,000, 20 per cent. or more of whose business is, or has been in manufacturing or dealing in munitions or war supplies, are subject to the tax.

The amended act applies to all incorporated companies or private firms to which the original act applied.

Provisions of Original Act.

The main provisions of the original act may be briefly summarized as follows:—In determining the profits of mining companies an allowance will be made by the finance minister for exhaustion of the mines.

A company cannot evade the tax by selling its goods or products to its shareholders or others at less than a fair price, and the finance minister has full power to demand additional information (on oath if necessary) and to re-value the assets in any statement submitted to him.

The minister of finance requires, in duplicate, a return on or before July 1st each year, and neglect to make such return renders the delinquent liable to a penalty of $200 for each day of default. The penalty for false statement in any return is $10,000, or six months imprisonment, or both.

On or before September 1st each year, the finance minister forwards notice of assessment of taxable profits to each company, firm and individual, and the tax is payable on or before November 1st following.

Deductions from gross profits for remuneration of directors, managers, etc., were not, without consent of the minister of finance, to exceed the sums deducted for those purposes in the accounting period ended before January 1st, 1915, and no deductions of any nature will be permitted which improperly reduce the taxable profits of the business. The spirit of this provision still applies.

Appeals against the minister's assessment of taxes may be made in form prescribed by the act, to a board of referees appointed by the finance minister, within twenty days after date of mailing of notice of assessment, and if the taxpayer is dissatisfied with the decision of the board, he may within twenty days after mailing of the decision give the finance minister written notice, in form prescribed by the act, of his intention to appeal the decision. The matter will then be referred to the Exchequer Court of Canada, whose decision is final.

The accompanying table shows what a corporation, with $100,000 capital, will pay under the business profits tax and under the income tax.

CANADIAN RAILROAD MATURITIES THIS YEAR

The following table shows the dates upon which Canadian railway notes fall due this year:—

January 10th.—Canadian Northern secured notes, 6 per cent.	$ 1,250,000
January 10th.—Grand Trunk 3-year secured notes, 5½ per cent.	5,000,000
July 10th.—Canadian Northern secured notes, 6 per cent.	3,000,000
July 10th.—Canadian Northern 1-year notes, 6 per cent.	2,700,000
August 1st.—Grand Trunk 2-year notes, 5 per cent.	2,000,000
August 12th.—Canadian Northern second sterling notes, 5 per cent.	9,733,333
September 1st.—Canadian Northern common notes, 6 per cent.	10,000,000
September 1st.—Canadian Northern 1-year terminal notes, 6 per cent.	1,750,000
October 1st.—Grand Trunk 5-year notes, 5 per cent.	10,000,000
Total	$45,433,333

MUNICIPAL FINANCE IN SASKATCHEWAN

Rural Telephone Companies' Borrowings Last Year Were Substantial

By S. P. GROSCH.

Reports from rural municipalities throughout Saskatchewan indicated that even during October and November large amounts of taxes had been received, notwithstanding the fact that such taxes are not subject to penalties till the end of the year. According to the 1916 annual financial statements of these rural municipalities, there was an average cash balance of approximately $7,500. The indications for the present year are for an equally good, if not better, showing. Lands which had been sold for taxes two years ago under the provisions of the arrears of taxes act, have nearly all been redeemed. The excellent financial condition of the rural municipalities and rural districts generally, may be taken as a reason for the increased borrowings for the construction of rural telephone lines, which borrowings are shown in a comparative statement of the amounts authorized by the Saskatchewan local government board during the first 11 months of the years 1914, 1915, 1916 and 1917. The period of 11 months is adopted as figures for the month of December, 1917, were not available at the time of writing:—

	1914, first 11 m'ths.	1915, first 11 m'ths	1916, first 11 m'ths.	1917, first 11 m'ths.
Cities	$4,299,467	$ 739,012	$ 150,376	$ 87,082
Towns	600,483	307,772	102,500	87,061
Villages	116,300	94,850	63,150	83,200
Rural municipalities	154,500	62,000	11,000	63,000
Schools	1,051,100	613,675	520,560	527,445
Rural telephone companies	949,100	1,133,450	1,902,125	3,190,725
Totals	$7,170,950	$2,950,759	$2,749,711	$4,038,513

Rural Municipal Borrowings.

If authorizations to rural telephone companies are deducted (as they are not municipals), the comparison is as follows:—

First 11 months.	Amount.
1914	$6,221,850.00
1915	1,817,309.00
1916	847,586.00
1917	847,787.82

An examination of this statement will show that while during 1914, urban municipalities borrowed much more heavily than did the rural municipalities; during 1917, the comparative borrowings were reversed. The increased borrowings of rural municipalities is due in part to their undertakings in respect to the erection and equipment of union hospitals. Continued expenditure for this purpose may be expected.

The officials of urban municipalities are realizing that the speculative value in lands has disappeared and the assessment on lands within the areas of such municipal centres has been lowered accordingly. An examination of the above statement will also show that thrift and economy are being practised and that new expenditures are being incurred only where absolutely necessary.

Rural Telephone Bonds.

Owing to the high cost and scarcity of materials and labor, and the fact that long distance telephone lines will not be materially extended during the coming season, there will be a large decrease in borrowings by rural telephone companies during 1918, the probability being that such construction as may take place will be largely through extensions of present systems and new lines from centres which at present have long distance service.

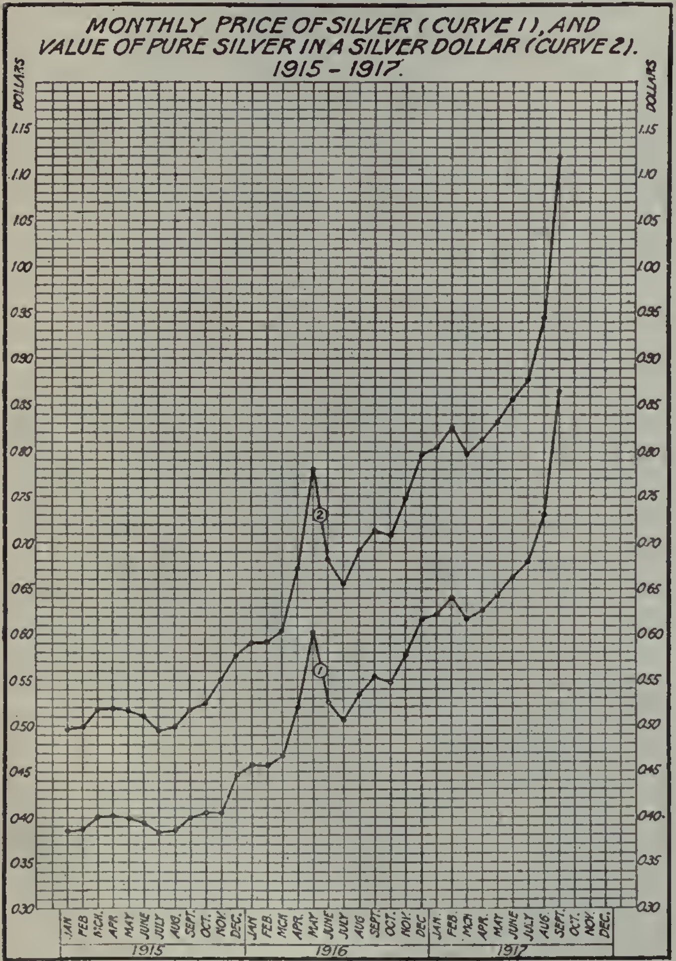
Remarkable as was the success of the Victory Loan campaign with respect to the amount of money raised, its educational features have not been sufficiently recognized. All classes of people are now bondholders. This being the case, every precaution should be taken to protect the small investor against undue losses in case he should be compelled to sell his Victory bonds, otherwise the benefits of the campaign in this respect may be nullified.

The local government board has been encouraging municipalities to place their debentures locally, and the features of the Victory Loan campaign above referred to, should assist in further extending this policy, particularly at a time when general financing must be done to a large extent internally. Every assistance in the issuing of debentures in such form and denominations as to make them attractive to local purchasers has been rendered by the board, with the result that in many instances much better prices have been secured than would have been obtained if the debentures had been placed upon the present unreceptive market.

SILVER AT DOLLAR AN OUNCE

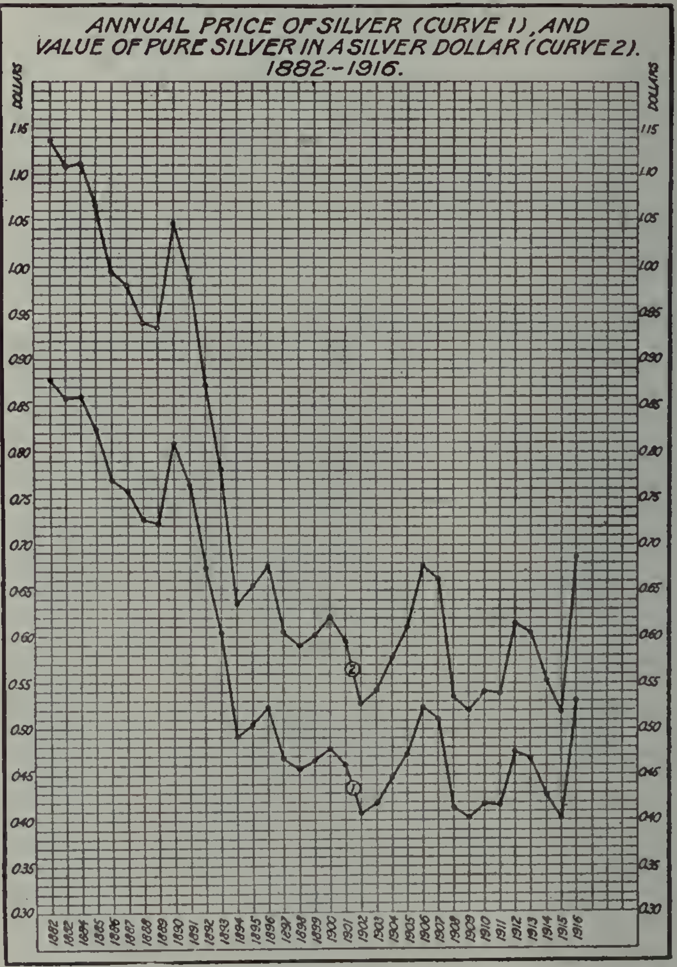
Last Year's Rapid Rise in Price Benefited Canada—How Prices Varied During Past Years

The increase in the price of silver last year was a matter of keen interest to Canada, which is the world's third largest producer of that metal. Last year the Dominion produced approximately 30,000,000 ounces of silver, an output which at the high prices was a considerable source of wealth.


MONTHLY PRICE OF SILVER (CURVE 1), AND VALUE OF PURE SILVER IN A SILVER DOLLAR (CURVE 2). 1915 - 1917.

The advances last fall carried the price of silver to the highest level in more than two decades, the official quotation for commercial silver in New York on September 21st being $1.08 an ounce and in London 55d. Sales for delivery at Vancouver were reported at $1.02 when the official New York price was 95⅝ cents. On September 28th, the Mining Corporation of Canada sold 200,000 ounces of silver on a basis to net the company in Toronto $1.16 7/16. The official price for bar silver on the same day in New York was $1.08½, an advance of .08 cents during the week, of 17⅞ cents since September 1st, and of 33⅛ cents since January 1st, 1917. Silver was then nearly 60 per cent. higher than it was a year previously. On the same date, the London price stood at the highest since March, 1878. The upward movement persisted steadily since the middle of January, 1917. The following table compares last year's highest quotations at New York and London with levels ruling during the war period:—

	New York.	London.
September 1st, 1915	46⅜c.	23 3-16d.
September 1st, 1916	67¼c.	32d.
January 1st, 1917	75⅜c.	36½d.
December 21, 1917	86⅝c.	43⅜d.


ANNUAL PRICE OF SILVER (CURVE 1), AND VALUE OF PURE SILVER IN A SILVER DOLLAR (CURVE 2). 1882-1916.

History of Silver.

For centuries silver and gold had equal purchasing power. In Arabia at one time, silver was assigned a greater value than gold. This has not been the case in any of the European countries. From 1257 to 1664 the value of gold coins in England was regulated by proclamation. From 1664 to 1717 its value was not fixed and subject to constant fluctuations. At the beginning of the eighteenth century English merchants started to pay a small premium (between two and three per cent.) on gold, giving it preference, owing to the large amount of spurious silver coins which commenced to appear in the market. For a long period previous to 1797 the Bank of England found it cheaper to purchase gold in the open market at a fixed ratio to discharge its obligations. While in practically all European countries this ratio varied between 9 and 15 to 1, Japan, around the end of the eighteenth century, still maintained a ratio of 5 to 1, quickly correcting it when European financiers commenced to exchange European silver for Japanese gold. The first act restricting the free use of silver as legal tender was passed in England under Lord Liverpool in 1816. Germany continued to favor silver, and English financiers were not slow in discovering a profit in shipping silver to Germany and bringing back its gold. Whether it was the profit in the business, or whether British foresight played a part in it, suffice it to say that Great Britain's gold supply increased as Germany's silver supply became larger. When after the war of 1870 Germany tried to unload some of its silver in the London market, the price per ounce dropped from $1.20 to 80 cents. The discovery of silver mines in Mexico brought the price of silver down to 45 cents per ounce, the lowest on record. In recent years its value has been around 60 cents per ounce, but what has always happened when war has broken out is taking place during the present European conflict, a part of the population

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of the belligerent and other countries is hoarding gold and silver coins. In India the disappearance of silver coins has been especially noticeable. France and England have been importing large quantities to replace the disappearing coins. and also to coin additional quantities needed in payment of the armies in the field.

Ratio of silver to gold and value of the pure silver in a silver dollar at various prices of silver.

Price of silver per fine ounce.	Ratio of silver to gold.	Value of pure silver in a silver dollar.	Price of silver per fine ounce.	Ratio of silver to gold.	Value of pure silver in a silver dollar.	Price of silver per fine ounce.	Ratio of silver to gold.	Value of pure silver in a silver dollar.
$0.50	41.34	$0.387	$0.77	26.85	$0.596	$1.04	19.88	$0.804
.51	40.53	.394	78	26.51	.603	1.05	19.69	.812
.52	39.75	402	79	26.17	.611	1.06	19.50	.820
.53	39.00	410	80	25.84	.619	1.07	19.32	.828
.54	38.28	.418	81	25.52	.626	1.08	19.14	.835
.55	37.58	.425	82	25.21	.634	1.09	18.96	.843
.56	36.91	.433	.83	24.91	.642	1.10	18.79	.851
.57	36.27	.441	.84	24.61	.650	1.11	18.62	.858
.58	35.64	.449	.85	24.32	657	1.12	18.46	.866
.59	35.04	.456	.86	24.04	.665	1.13	18.29	.874
.60	34.45	.464	.87	23.76	673	1.14	18.13	.882
.61	33.89	.472	.88	23.49	.681	1.15	17.97	.889
.62	33.34	.480	.89	23.23	.688	1.16	17.82	.897
.63	32.81	487	.90	22.97	.696	1.17	17.67	.905
.64	32.30	495	.91	22.72	.704	1.18	17.52	.913
.65	31.80	.503	.92	22.47	712	1.19	17.37	920
.66	31.32	.510	.93	22.23	719	1.20	17.23	.928
.67	30.85	.518	.94	21.99	727	1.21	17.08	.936
.68	30.40	.526	.95	21.76	735	1.22	16.94	944
.69	29.96	.534	.96	21.53	742	1.23	16.80	951
.70	29.53	.541	.97	21.31	750	1.24	16.67	959
.71	29.12	.549	.98	21.09	758	1.25	16.54	967
.72	28.71	.557	.99	20.88	766	1.26	16.41	975
.73	28.32	.565	1.00	20.67	773	1.27	16.28	982
.74	27.93	.572	1.01	20.47	781	1.28	16.15	990
.75	27.56	.580	1.02	20.27	789	1.29	16.02	998
.76	27.20	.588	1.03	20.07	797	1.2929	15.988	100

[1] Parity at United States coinage ratio.

Silver Market Last Year.

The following table shows the high and low prices of silver at New York and London last year:—

	London.		New York.	
	High.	Low.	High.	Low.
Jan. 6	36½	36½	75⅜	75⅜
Jan. 13	36⅜	36	75¼	74⅜
Jan. 20	37	36	76⅛	74⅜
Jan. 27	37 7-16	37 3-16	77	76½
Feb. 3	37⅜	37¼	76⅞	76⅝
Feb. 10	37⅝	37⅜	77⅜	76⅞
Feb. 17	38 7-16	38⅛	79	78⅜
Feb. 24	38⅛	37⅝	78⅜	77⅜
Mar. 3	37½	37⅛	77⅛	76¼
Mar. 10	37 5-16	37⅛	76⅝	75⅜
Mar. 17	36⅞	35⅞	75	73
Mar. 24	36 3-16	35¾	72⅞	71⅞
Mar. 31	36½	35 11-16	73⅜	71¾
Apr. 7	36 13-16	36⅝	74⅛	73⅝
Apr. 14	36⅝	36 9-16	73¾	73⅝
Apr. 21	37 3-16	36 9-16	74⅞	73⅝
Apr. 28	37⅝	37	74⅛	72⅞
May 5	38⅛	37¾	75⅛	74⅜
May 12	38	37⅞	74⅞	74⅝
May 19	38	37⅞	74⅞	74⅝
May 26	38	37⅞	74⅞	74⅝
June 2	38⅛	37⅞	75⅛	74⅝
June 9	38 7-16	38⅛	75¾	75⅛
June 16	39 1-16	38¾	77	76⅜
June 23	39⅞	39½	78½	77⅞
June 30	39⅞	39½	78½	77⅞
July 7	39⅞	39½	78½	77⅞
July 14	41	39 15-16	80⅞	78¾
July 21	41¼	39 13-16	81¼	78½
July 28	39⅞	39⅝	78⅝	78½
Aug. 4	40⅝	39⅝	80¾	78⅛
Aug. 11	42 1-16	41½	82⅞	80¾
Aug. 18	44	42 1-16	86¾	82⅞
Aug. 25	44⅞	44½	88½	87¾
Sept. 1	46	45	90¾	88¾
Sept. 8	48½	46	96⅝	90¾
Sept. 15	51	49	100½	96⅝
Sept. 22	55	51	108½	100½
Sept. 29	55	49½	108½	97⅝
Oct. 6	49	46¼	96⅝	91⅛
Oct. 13	46	45⅛	90⅝	88⅞
Oct. 27	42¼	41⅞	83½	82½
Nov. 3	46	42¼	90⅝	83¼
Nov. 10	44⅞	43¾	88⅜	86⅛
Nov. 16	43¾	43½	86⅛	85¾
Nov. 23	43⅜	42 15-16	85½	84⅝
Nov. 30	42¾	42 5-16	84¼	84¼
Dec. 7	43	42¾	85⅞	84¼
Dec. 14	43⅛	42⅞	86⅛	85⅝
Dec. 21	43⅜	43	86⅝	85⅞

The following table gives the high and low quotations of silver, expressed in pence, at London, being the silver market of the world, covering a period of years, and showing that the last year's prices were the highest since 1891:—

	High.	Low.
1917	48½	36
1916	37⅛	26 11-16
1915	27¼	22½
1914	27¾	22⅛
1913	29⅜	26 1-16
1912	29 11-16	25⅛
1911	26⅛	23 11-16
1910	26¼	23 3-16
1909	24⅞	23 9-16
1908	27	22
1907	32 7-16	24 9-16
1906	33⅛	29
1905	30 3-16	25 7-16
1904	28 9-16	24 7-16
1903	28½	24 11-16
1902	26 3-16	21 15-16
1901	29 9-16	24 15-16
1900	30 3-16	27
1895	31⅜	27⅛
1894	31¾	27¼
1893	38¾	30½
1892	43¾	37⅞
1891	48¾	43½
1890	54⅝	43⅝
1889	44⅜	41⅞
1888	44⅝	41⅝
1887	47⅛	43¼
1886	47	42
1885	50	46⅞
1884	51⅜	49½
1883	51	50
1882	52½	50
1881	52⅞	50⅞
1880	52⅞	51⅝
1879	53¾	48⅞
1878	55¼	49½

Nearly Gold's Worth.

To make the metal in an American silver dollar intrinsically worth as much as the gold in the gold dollar, silver would have to sell on the market at $1.29¼ per ounce. It has not sold as high as that since the middle of 1873; before that, it had long sold at or above the coinage parity. In 1890, when Congress passed the Silver Purchase Bill, the price, which had averaged 93½ cents the year before, rose to $1.21. But it got no higher; it was down to 98 cents in another month or two. In December, 1902, when the London price reached 21 3-16 pence per ounce—the lowest ever recorded, before or since—the New York price was down to nearly 50 cents.

Here is an explanation of the method of arriving at the intrinsic value of the dollar: "A standard silver dollar contains 371¼ grains pure silver and 41¼ copper alloy, making up the total weight of 412½ grains. A Troy ounce contains 480 grains. By multiplying the price of silver on any day by 371¼ and dividing by 480 the result would be the bullion value of a silver dollar."

Of the 12,000,000 dwellings in the United States, 96 per cent. are protected, at least to some extent, by fire insurance. But of the 100,000,000 inhabitants only 18 per cent. have taken out life insurance policies.

Revised figures showing the results of railway operations in 1916, published by the United States Interstate Commerce Commission in its annual report to Congress, place the average rate of return on the investment in railway property in the most prosperous year in their history at only 5.8 per cent.

The recent order-in-council, making is necessary to obtain a certificate prior to the issue of securities or stock, applies to all treasury stock, not yet issued. With regard to mining companies, the policy of the government will probably be to authorize the issue of stock and other securities as the importance of the mining industry is fully recognized. It is likely that the regulations may be made whereby certain classes of companies will be exempt from the necessity of obtaining the certificate called for by the order-in-council. The object of the measure is to regulate important issues of securities which might seriously affect the market and market rates and to prevent the absorption of capital into new industries of a non-essential character.

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BRITISH COLUMBIA'S MUNICIPAL FINANCE

Further Reduction in Assessed Values of Properties—Improvement in Collection of Taxes

By R. BAIRD.

The past year has shown a continued application on the part of the municipalities of this province to the task of placing municipal finance on a sound basis. A continuance of the policy of close economy, a further reduction in the assessed values of property, and an improvement in the collection of taxes, notwithstanding that no effort is made to collect taxes on soldiers' property, are the features of the year's financial administration.

The assessed value of land in 1914 stood at $517,678,756.54. In 1917 the assessed value was $397,538,547.10. It was found in 1914 that the period then closing of activity in real estate had resulted in a serious inflation of assessed values and in the following year a very serious attempt was made by the legislature to devise the fairest means of bringing them back to a reasonable basis, and at the same time to give the municipalities a reasonable time to adjust themselves to the new conditions. It was recognized that the previous basis of actual value was temporarily, at least, impracticable for the reason that selling values had, for the time, disappeared, and values based on revenues were precarious.

Assessments Readjusted.

By an amendment to the municipal act, it was provided that there should be no appeal from the decision of the court of revision, in any case where the aggregate assessment of lands in a municipality was less by 10 per cent. than the assessment of the year next preceding and where the assessment of the land in question was also 10 per cent. less than its assessment in the year previous, provided that the assessed value of the land in question was fair in comparison with lands of the same class in the municipality, the basis of comparison to be the assessment roll of 1914. The object aimed at has been substantially gained. Assessments have been readjusted without embarrassment to the municipalities.

Such borrowings as have been made during the current year have been almost wholly for current purposes and to take care of liabilities incurred in previous years. New undertakings in 1917 involved borrowing in so far as reports are complete only to the amount $133,000, the expenditures being, for water and electric light $103,000, for sewers $14,000, for schools $10,000 and for parks $6,000.

To Protect Soldiers' Property.

The financial problem arising out of a large percentage of land owned in this province by soldiers and soldiers' families is still an unsettled one. The statutes now provide for the levy of the usual taxes on such property, but the enforcement of the collection is deferred. It is quite evident that such a provision furnishes no means of final settlement, but it is hoped that in the near future a solution will be found which will protect the soldiers' property and at the same time prevent embarrassment of the municipalities. The question is a serious one and still requires a great deal of careful consideration. Municipal councils cannot afford to ignore the fact that sooner or later they must assume a large burden still resting upon the men on military service, and the sooner preparations are made to take care of the burden, the lighter it will be.

Improvement of Conditions.

While conditions have materially improved during the past two years it would be misleading to say that a complete solution of all the financial problems arising out of the situation created in 1914 is at hand. Increased industrial activity and the passing of land into firmer hands have had a good effect and have relieved municipal burdens, but it appears evident that easy times will come again only after a continued period of the closest attention to economy in administration.

AUTOMOBILES IN CANADA

There is One Auto for Every Forty of Population—Nearly Seventy-six Thousand New Cars in 1917

By PERCY C. CHERRY.

One automobile for every forty individuals in the country is Canada's record. This might be said to represent one car for every eight families in the Dominion, and probably involves a capital expenditure of $200,000,000, or a per capita investment of $25. It may mean that during the year just ended the people of Canada have spent no less than between $30,000,000 and $40,000,000 on the automobile alone.

Accepting the following figures as the most authentic available, the increase of the cars operating in Canada during 1917 over those registered in 1916 shows that, in spite of war conditions and the doctrine of thrift preached far and wide, the automobile is constantly growing in popularity. The comparison of the two years is as follows:—

	1916.	1917.
Alberta	8,094	21,061
British Columbia	7,243	10,600
Manitoba	11,727	18,500
New Brunswick	2,866	5,160
Nova Scotia	4,510	5,054
Ontario	52,359	78,193
Prince Edward Island	....	291
Quebec	15,047	21,295
Saskatchewan	13,751	31,364
	115,597	191,518

New Cars, 76,000.

Without making any allowance for cars scrapped and replaced by new cars, there were nearly 76,000 new cars registered in Canada during 1917, more cars than were operating in the Dominion in 1914. The number of cars in the provinces of Alberta and Saskatchewan have more than doubled in one year. With the increase in Manitoba, it shows that the farmer is keeping well abreast of the times, and with his greater prosperity is demonstrating that he feels he can at least put a good deal of his money in circulation for luxuries and modern conveniences.

Ontario continues to keep well in the lead with more than the total of any other three provinces combined. Of the cities, Toronto maintains its lead of many thousands. A comparison of the numbers of cars in the larger cities is as follows:—

Calgary	2,663	Regina	1,411
Edmonton	1,048	Saskatoon	1,225
Hamilton	3,542	Toronto	18,342
London	1,858	Vancouver	4,639
Montreal	8,407	Victoria	2,007
Ottawa	1,864	Winnipeg	6,222

Commercial Cars.

No consideration has been given in the above figures to the commercial cars. These are included along with the pleasure cars and constitute the smaller portion of the cars registered in most provinces. In British Columbia there are 2,650 commercial cars and in Ontario 5,000. Close figures are not available for the other provinces.

There are many ways of profitably analysing the distribution of cars—by makes, by territory, by values. As no one has hitherto attempted to show the distribution in the rural communities and in the smaller places, so far as the writer is aware, the percentage proportion of cars in places, in each province, with a population of 5,000 and under, is as follows:—

Alberta	74%	Ontario	50%
British Columbia	34%	Prince Edward Island	53%
Manitoba	59%	Quebec	42%
New Brunswick	72%	Saskatchewan	86%
Nova Scotia	53%		

It was stated at Ottawa last week that the railways of Canada will not be taken over by the government as has been done in the United States.

The British government has prohibited the import of securities or the export of capital by any resident of the United Kingdom without Treasury permission in writing.

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DOMINION GOVERNMENT LOANS LAST YEAR

Three Were Made Involving Total of $650,000,000—Anglo-Canadian Financing

Last year the Dominion government made three loans as follow:—

Sold in—	Month.	Amount.	Rate per cent.	Term, years.	Issue price.
Canada	March......	$150,000,000	5	20	96
New York ..	August......	100,000,000	5	2	98
Canada	November..	400,000,000	5½	5, 10, 20	Par

The final loan of the Dominion government during the past year was the $150,000,000 Victory war loan made in Canada in November. This was subscribed to the extent of $418,000,000, of which about $400,000,000 was allotted. Full details of the Dominion government loans last year appear in the bond sales tables on another page.

Last year's figures compare with two Dominion government loans in 1916 as follow:—

Sold in—	1916.	Amount.	Rate per cent.	Term, years.	Issue price.
New York	March....	$ 25,000,000	5	5	99.56
New York	March....	25,000,000	5	10	97.13
New York	March....	25,000,000	5	15	94.94
Canada	September	100,000,000	5	15	97.50
Total		$175,000,000			

Dominion loans since 1912 to date have been as follow:—

1912	$ 25,000,000
1913	34,066,666
1914	48,666,666
*1915	170,000,000
*1916	175,000,000
*1917	650,000,000

---

*Including domestic war loans.

For the period September, 1914, to March 31st, 1915, Canada arranged with the Imperial government for war loans of £12,000,000, the understanding being that Canadian war loans would be issued in Great Britain to repay borrowings from the British authorities, at times to be agreed upon by the British chancellor and the Canadian finance minister. This arrangement was duly extended, but since the summer of 1915 Canada has been able to finance its war expenditures in this country without the aid of further war loans from the United Kingdom. Great Britain is making us advances in regard to our expenditures overseas. We are establishing credits here for Great Britain. Up to September last, Canada advanced in cash and securities $100,000,000 more to Great Britain than Great Britain had advanced to Canada since the outbreak of war.

Only one public loan has been floated in London by the Dominion since the war. This was in March, 1915, for £5,000,000 4½ per cent. bonds, redeemable in 5 or 10 years, and issued at 99½. It was oversubscribed. The loan was for public works.

Benefit of Loans in United States.

Canadian government loans in the United States since the war are tabulated in an article headed, "Dominion Loan in United States Last Year." Among the reasons favoring Canadian government loans in New York are the following: (1) Relief to the amount of the loan will be given to the London market, which is the source of the imperial borrowings from which the war expenditure of the Empire is financed. (2) By borrowing in New York rather than in London the exchange situation now so greatly against the latter will be benefited. (3) A loan of a large amount effected in New York should tend to improve exchange conditions between Canada and the United States, exchange at present being strongly in favor of the latter.

Victory Loan Returns.

Of the approximate total of $400,000,000 allotted of Canada's Victory Loan, all was sold in Canada with the exception of about $10,000,000. The total subscriptions received were divided as follows, according to official returns (subject to further revision), to December 21st, 1917:—

	Population.	No. of subscribers.	Per capita.	Amount subscribed.	Subscription per capita.
Alberta	496,000	55,408	1 in 8.9	$ 16,515,150	$33.29
British Columbia	394,000	45,834	1 in 8.5	17,820,500	45.23
Manitoba	555,000	78,856	1 in 7.0	32,326,600	58.25
New Brunswick	350,000	20,000	1 in 17.5	10,250,000	29.29
Nova Scotia	508,000	39,521	1 in 12.8	18,588,150	36.59
Ontario	2,582,000	362,900	1 in 7.11	203,823,500	78.94
Quebec	2,263,000	125,867	1 in 17.97	93,798,100	41.45
Prince Edward Island	93,000	5,300	1 in 17.54	2,331,350	25.07
Saskatchewan	650,000	73,675	1 in 8.82	21,777,050	33.50
	7,891,000	807,361	1 in 9.77	$417,230,400	$52.87

RECORD OF CANADA'S FOUR WAR LOANS TO DATE

	First War Loan November, 1915	Second War Loan September, 1916	Third War Loan March, 1917	Fourth War Loan November, 1917
Amount of Loan....................	a) $50,000,000	$100,000,000	$150,000,000	(d) $150,000,000
Public subscriptions...........	$78,729,500	(b) $151,444,800	(c) $200,768,000	(e) $418,000,000
Banks' subscriptions	$25,000,000	$ 50,000,000	$ 60,000,000	....
Total over-subscription..................	$53,729,500	$101,444,800	$110,000,000	$268,000,000
Total over-subscription by public.........	$28,729,500	$ 51,444,800	$ 50,000,000	$268,000,000
Number of subscribers	24,862	34,526	40,800	802,000

(a) Ultimately increased to $100,000,000. (b) Includes $6,073,800 of the first loan converted. (c) Includes $18,131,000 of the first loan and $5,983,000 debenture stock converted. (d) Ultimately increased to approximately $400,000,000. (e) Approximately $400,000,000 was allotted.

For the first time the savings deposits in the banks of the Dominion passed $1,000,000,000 in November, 1917. The bank statement for that month, issued last week, shows the total savings deposits at $1,008,657,874. The deposits payable on demand also made a new high record, at $538,869,362. The prosperity and growth of the Dominion since the war is reflected in the increasing deposits since 1913, as shown by the following figures, giving the November savings deposits for each year since 1913: 1913, $625,803,150; 1914, $665,994,852; 1915, $714,219,286; 1916, $836,593,269; 1917, $1,008,657,874.

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How Our Four War Loans Compare

(Compiled for *The Monetary Times*)

	Loan of November, 1915.	Loan of September, 1916.	Loan of March, 1917.	Loan of November, 1917.
Amount of loan offered	$50,000,000 (later increased to $100,000,000)	$100,000,000	$150,000,000	$150,000,000. (Minister of Finance reserved right to allot any portion of amount subscribed in excess of $150,000,000)
Bonds maturing in	10 years	15 years	20 years	5, 10 and 20 years
Rate of interest	5%	5%	5%	5½%
Issue price	97½	97½	96	Par
Yield to investor	5.42%	5.30%	5.40%	5.81, 5.68 and 5.61%
Cost of $1,000 bond to investor, if paid for by instalments	$975	$975	$960	$1,000
Cost of $1,000 bond to investor who discounts instalments and makes all outstanding payments on given date	$962.70	$970.40	$957.35	$986.80
Discount-of-instalment privilege given	42 days from date of issue	34 days from date of issue	35 days from date of issue	51 days from date of issue
Instalments discounted at	4%	4%	4%	5½%
Instalments payable between	November 22nd, 1915, and May 1st, 1916	September 12th and December 15th, 1916	March 12th and June 15th	December 1st, 1917, and May 1st, 1918
Instalment payments spread over	159 days	94 days	96 days	152 days
First payment for bonds made	Upon application	Upon application	Upon application	18 days after lists opened
Interest payable, half-yearly, on	June 1st and December 1st	April 1st and October 1st	March 1st and Sept. 1st, 1917	June 1st and December 1st
Proceeds of loan to be used only for	War purposes	War purposes	War purposes	War purposes
Denominations of coupon bonds	$100, $500, $1,000	$100, $500, $1,000	$100, $500, $1,000	*$50, $100, $500, $1,000
Denominations of fully registered bonds	$1,000, $5,000, or authorized multiple of $5,000	$1,000, $5,000, or authorized multiple of $5,000	$1,000, $5,000, or authorized multiple of $5,000	*$1,000, $5,000, or authorized multiple of $5,000
Privilege of converting war bonds into bonds of future war issues	Privilege allowed. (Bonds of this issue accepted at 97½ plus accrued interest as equivalent of cash for purpose of subscription to new war loan issues)	Privilege not allowed at time of issue, but was granted by order-in-council, May, 1917, so far as concerned future loans with a maturity of 20 years or more	Privilege not allowed at time of issue, but was granted by order-in-council, May, 1917, so far as concerned future loans with a maturity of 20 years or more	Privilege allowed on future issues of like maturities or longer
Final allotment of bonds	$100,000,000	$100,000,000 (exclusive of amount paid for by surrender of first war loan bonds)	$150,000,000 (exclusive of amount paid for by surrender of first war loan bonds and debenture stock)	†Approximately $400,000,000 of the $418,000,000 subscribed.
Fee for conversion of fully registered bonds without coupons to bonds with coupons and vice versa		25 cents	25 cents	25 cents

*All bonds could be registered as to principal or as to principal and interest on this occasion.

†Final allotment figures were not available when this table was compiled.

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BILLION DOLLARS OF BULLION

Canada Has Handled It Since Beginning of the War—Record of Shipments

Canada has handled $1,000,000,000 in bullion for the Imperial government and the Bank of England since the war broke out. The amount of gold in coin and bars handled by the Canadian finance department since August, 1914, is twice the total amount of gold that there was in England when the war commenced. This supply came to Canada from Great Britain, Japan, Russia, South Africa and other countries, via Halifax and Vancouver. The Ottawa Mint some time ago was enlarged to refine gold capacity of any gold refinery in the world, capable of treating 250,000 ounces, or $5,000,000 a week under the chlorine process. Much of the gold was treated at Ottawa and reshipped to New York. The largest gold refinery in the world is the one at Ottawa.

Establishment of Depository.

The gold depository at Ottawa of the Bank of England was not quite as busy last year as in 1916, owing to the entrance of the United States into the war. The establishment was fully occupied, however, This depository, it will be recalled, was established so that bankers on this side of the Atlantic could pay gold due to London through Ottawa and vice versa, thus avoiding the risk of gold shipments across the ocean in time of war. The authorities at Ottawa will not issue any figures regarding this arrangement without the consent of the Bank of England, but it is generally understood that the total deposited at Ottawa was originally $110,000,000. A number of transactions, of which no details have been given, have since occurred. The supply is being constantly replenished by arrivals from the South African mines and by shipments from London, via Halifax.

On August 12th, 1915, the first shipment of gold, since the beginning of the war, direct from Great Britain, was received, via Canada, in New York Further shipments were made from Great Britain, but on account of war precautions no publicity has been given to them in Canada.

About October, 1914, United States bankers supplemented the Ottawa arrangement by the formation of a $100,000,000 gold pool in New York. This gold pool was terminated in March, 1915.

The minister of finance tells *The Monetary Times* that the arrangement under which he is authorized to receive gold in trust for the Bank of England is as follows:—

The minimum of the transaction was established at $20,000; shipments to be made in kegs or boxes and a statement that the amount was to be held in trust for the Bank of England to accompany the shipment, which was to be addressed to the minister of finance and receiver-general of Canada, Ottawa; the minister to be advised also as to whom the proceeds were to be paid in London.

On the gold being received and checked, the Bank of England was advised by cable of the amount and to whom the proceeds were payable in London. The rate established by that institution for gold was 77/6d. per ounce for standard fine bars and 76/½d. per ounce for eagles. If sovereigns were accompanied by a guarantee from the person shipping same that they were of correct standard weight, namely, 122.5 grains for sovereigns and 61.125 for half-sovereigns, the bank would pay out a like amount in pounds in London, less three pence per ounce to cover freight and insurance.

The following table, compiled by *The Monetary Times*, shows the imports to and exports by Canada of coin and bullion month by month since the beginning of 1914 to 1916:—

Imports.

	1914.	1915.	1916.
January	$ 429,627	$ 638,174	$11,716,848
February	406,726	288,916	2,109,968
March	1,409,125	446,795	531,383
April	333,674	572,116	464,789
May	537,594	656,136	632,369
June	206,634	459,537	388,438
July	233,899	744,119	404,102
August	11,452,719	812,891	17,721,634
September	15,885,221	597,378	578,686
October	52,578,669	1,924,605	781,115
November	48,328,727	4,705,933	1,411,478
December	1,061,970	9,429,288	611,512

Exports.

	1914.	1915.	1916.
January	$ 3,974,764	$ 863,007	$ 112,736
February	859,887	2,530,088	116,288
March	10,604,330	21,793,481	192,274
April	1,242,606	4,980,701	71,619
May	433,294	1,455,457	156,783
June	671,215	44,259,738	27,182,099
July	286,646	13,127,009	14,232,189
August	471,208	4,754,398	32,344,620
September	354,451	144,282	151,604
October	308,328	24,462,311	5,037,078
November	332,121	9,865,896	161,707
December	79,923	101,342	147,143

The following table, compiled by the chief trade statistician, Ottawa, for *The Monetary Times Annual*, gives details of imports and exports of coin and bullion last year up to August:—

Imports into Canada.

Imports (month) 1917.	Coins, British and Canadian, and foreign gold coin.	Gold bullion, in bars, blocks, ingots. drops, sheets or plates, unmanufactured.	Silver bullion, in bars, blocks, ingots, drops, sheets or plates, unmanufactured.	Total coin and bullion.
January	$2,488,668	$243,162	$196,448	$2,928,278
February	350,694	114,256	60,519	525,469
March	1,433,336	117,371	82,243	1,632,950
April	334,037	95,389	72,936	502,362
May	876,751	122,927	123,811	1,123,489
June	657,281	82.394	36,879	776,554
July	1,933,275	102,402	49,049	2,084,726
August	1,091,470	361,370	36,414	1,489,254
September	2,087,874	47,983	46,651	2,182,508
October	(Details not available)			489,370

Exports from Canada.

Exports (months) 1917.	Gold coin		Copper coin		Silver coin		Total coin and bullion.
	Canadian. $	Foreign. $	Canadian. $	Foreign. $	Canadian. $	Foreign. $	$
Jan.	...	16,120	....	741	9,560	117,068	.143,489
Feb.	...	10,030	10	1,141	18	116,315	127,514
Mar.	..	99,430	7	465	100	128,925	228,927
Apr.	...	8,550	. ..	337	....	59,714	68,601
May	275	298,984	2,000	999	75,050	102,169	479,477
June	...	40,886	....	878	50,150	115,360	207,274
July	...	49,025	....	353	100,000	69,006	218,384
Aug.	290	793,713	....	355	....	179,442	973,800
Sept.	100	93,027	....	891	....	156,510	250,598
Oct.	(Details not available)						·283,978

Last year, the import movement did not make a monthly record of anything like the total for August, 1916, for example, when $17,721,634 of coin and bullion was imported. The exports were also considerably smaller last year than in 1916.

DOMINION GOVERNMENT LOANS ISSUED SINCE WAR COMMENCED.

Date	Market	Amount	Rate %	Term (years)	Issued at
1915, March	Great Britain..	£5,000,000...	4½...	5 and 10...	99½
1915, July...	United States..	$45,000,000..	5 ...	1 ...... 2	Par 99½
1915, Nov....	Canada	$100,000,000	5 ...	10........	97½
1916, March	United States..	$75,000,000..	5 ...	5...... 10...... 15	99.56 97.13 94.94
1916, Sept....	Canada	$100,000,000	5 ...	15........	97½
1917, March	Canada	$150,000,000	5 ...	20.... ...	96
1917, Aug....	United States..	$100,000,000	5 ...	2........	98
1917, Nov....	Canada ....*	$150,000,000	5½...	5.... 10 .. 20....	Par

*Approximately $418,000,000 was subscribed and $400,000,000 allotted.

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CANADA'S BOND SALES LAST YEAR

They Exceeded $726,000,000, of Which 75 Per Cent. Were Sold at Home

With its Victory Loan allotted to the extent of about $400,000,000, Canada last year sold more bonds than in any other one year of its history. The total sales in 1917 were $726,039,079, compared with $314,882,542 in 1916. How these bonds were marketed is shown in the following table:—

Sold in	Amount. 1916.	Amount. 1917.	% of total. 1916.	% of total. 1917.
Canada	$102,938,778	$546,330,714	32.80	75.26
United States ...	206,943,764	174,708,365	65.90	24.06
United Kingdom	5,000,000	5,000,000	1.30	0.68
	$314,882,542	$726,039,079		

Government Issues Large.

In 1916, the United States bought nearly 66 per cent. of our bond issues, Canadian investors taking practically all the remainder. This year, Canada purchased more than 75 per cent. of its bond issues, only 24 per cent. going to the United States. This is the highest percentage share of our bonds taken in any one year by our own people.

Including the war loans, the total bond sales last year were divided into the following classes:—

Bonds.	Amount. 1916.	Amount. 1917.	% of total. 1916.	% of total. 1917.
Government	$208,173,000	$665,300,000	66.50	91.6
Municipal	51,977,542	24,189,079	16.40	3.4
Railroad	22,240,000	17,700,000	7.00	2.4
Corporation	32,492,000	18,850,000	10.10	2.6
	$314,882,542	$726,039,079		

Mostly in Canada.

Because of war loans, the government issues last year accounted for over 91 per cent. of the bonds sold, as compared with 66 per cent. in the previous year. Last year, the Dominion government issues totalled $650,000,000 including the Victory Loan. Of that sum, $550,000,000 was taken in Canada, the remaining $100,000,000 being sold in the United States in July. That was the only foreign government loan which the United States government allowed to be issued there since the entry of the United States into the war. The remaining government issues of $15,300,000 were those of our provincial governments, Ontario accounting for $9 000,000 of the total. This substantial sum included an issue of $8,000,000 on behalf of the provincial Hydro-Electric Commission in regard to the acquisition by the commission of the Ontario Power Company. Of our total government bond sales last year, $138,000,000 went to the United States and $527,300,000, or over 79 per cent., were sold in Canada.

Municipal, railroad and corporation bond issues were considerably smaller than in 1916. Last year they accounted for approximately $60,000,000, or a little more than 8 per cent. of the total. In 1916 they accounted for $106,000,000, or 33 per cent. of the total.

The outlook for the coming year is for a continued monopoly of the money markets by war loans. This will be accentuated by the new regulations of December, 1917, by which all new issues will be subject to the approval of the finance minister.

CANADA'S MUNICIPAL BOND SALES

Total in 1917 Was Smallest in Recent Years, Being Less Than One-half That of 1916

Canada's municipal bond sales, according to the records of *The Monetary Times*, totalled in 1917 $24,189,079, as compared with $51,977,542 in 1916, $67,393,000 in 1915 and $79,133,994 in 1914. The sales during the past three years were divided as follows:—

In	1915.	1916.	1917.
Canada	$31,910,214	$19,640,778	$17,955,714
Great Britain	....	....	....
United States	35,483,114	32,336,764	6,233,365
	$67,393,000	$51,977,542	$24,189,079

In 1916, the municipal bonds sold were more than double those marketed last year. In 1915, the sales were almost three times as great as those of last year. The total of $24,189,079 for 1917 is the smallest for many years past. In previous years, Great Britain and the United States have usually taken more than half of our municipal bonds. In 1916, the United States took over 62 per cent., Canadian investors purchasing the balance. Last year Canadian investors took 70 per cent. of the issues, making a new high record, the United States purchasing the balance.

The Monetary Times' monthly record of sales of municipal bonds in the United States market during 1913 shows the total was $20,168,053 and for the past four years as follow:—

	1914.	1915.	1916.	1917.
January	....	$ 340,000	$ 3,183,215	$2,454,000
February	$ 50,000	6,471,000	899,500	485,725
March	18,000	6,543,947	595,000	120,440
April	25,000	7,100,825	2,158,306	1,563,200
May	1,750,000	600,000	7,219,000	......
June	2,100,000	......	3,393,243	80,000
July	1,130,000	890.000	3,631,200	1,530,000
August	35,000	750,000	97,300	......
September ...	90,000	6,748,342	200,000	......
October	....	1,589,000	....	......
November ...	170,200	4,000.000	7,894,000	......
December	6,935,000	450,000	3.065,000	......
	$12,303,200	$35,483,114	$32,335,764	$6,233,365

There were few sales of Canadian municipal bonds in any market during November and December last, owing to the Victory Loan campaign. The only exceptions were a substantial block of Quebec province municipals and a few Saskatchewan school district bonds. The Victory and Liberty Loans campaigns in Canada and the United States, the Dominion election last month, and the Christmas holidays, constituted a combination which practically removed the market for municipal bonds. The Quebec province municipals sold in November and December totalled $1,508,000, and, with a small block of school district bonds, made the only issues for those two months.

There are necessary expenditures awaiting a better money market. Such issues will probably receive the sanction of the finance minister under the order-in-council passed in December, 1917, making his consent necessary to all new stock and bond issues. *The Monetary Times'* bond record shows the sales in the Dominion during the twelve months of 1917, compared with the seven previous years. This is printed below:—

Canadian Municipal Bond Sales in Canada Only, by Months, 1910-1917.

	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.
January	$ 881,838	$ 420,337	$ 2,133,531	$ 1,337,500	$ 1,953,137	$ 1,784,947	$ 1,909,441	$ 1,969,256
February	1,272,977	1,037,287	2,596,378	1,038,806	5,995,336	3,047,011	1,419,909	458,874
March	1,169,730	6,271,925	1,926,716	335,492	5,123,176	2,572,357	2,027,741	229,013
April	6,805,078	3,910,288	927,169	3,693,857	2,847,953	8,603,094	1,979,852	1,182,974
May	5,964,896	3,946,047	1,928,748	880,630	6,400,755	3,464,281	2,649,000	1,375,039
June	2,187,588	3,983,670	1,690,344	2,435,726	4,617,857	2,395,744	3,043,283	1,642,003
July	1,536,424	1,594.566	1,967,476	1,591,924	2,180,758	1,618,422	1,521,525	3,814,489
August	1,312,953	1,493,507	1,649.547	526,300	395,395	1,087,415	852,447	4,637,836
September ...	2,841,486	1,748.778	1,998.605	1,663,260	535,050	2,768,484	960,435	440,268
October	2,211,461	1,730,075	1.060.507	3,452,282	2.874,872	1,245,874	1,361,665	398,771
November ...	2,292,781	2,915,765	1,396 664	2,481,062	622,049	1,645,892	1,246,480	917,191
December	566,113	1,243.593	491.590	1,113.400	937,022	1,676,693	669,000	890,000
Totals ...	$20,043,325	$30,295,838	$19,767,365	$20,550,239	$34.483.360	$31,910,214	$19,640.778	$17,955,714

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THE COMPANIES ACT AMENDMENT ACT, passed by the Dominion Parliament and assented to on September 20th, 1917, provides under Section 105, Paragraph 3, that every balance sheet shall be drawn up so as to distinguish severally certain specified classes of assets and liabilities. The value of Lands, Buildings and Plant must be shown on the balance sheet separately from Goodwill, Patents, Leases, Franchises, etc.

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CANADA'S SPECIAL WAR MEASURES

Summary of Important Dominion Legislation Since War Commenced

When war broke out forty-two months ago, no time was lost by the Dominion government and the bankers of Canada in handling the financial situation. Undoubtedly, financial and business disaster in the Dominion was prevented by the rapid framing of special financial measures to cope with the crisis. Generally speaking, the emergency legislation has operated very smoothly, and in some cases no necessity has arisen for making use of the new laws. Here is a brief summary of our national war measures since the outbreak of war to date:—

1914.

(1) The Dominion government stood ready to issue Dominion notes to such an amount as was necessary against securities deposited by the banks and approved by the minister of finance.

(2) The government authorized the chartered banks of Canada to issue excess circulation to an amount not exceeding 15 per cent. of their combined unimpaired paid-up capital and rest or reserve fund from August until further official announcement.

No Gold Payments.

(3) The government authorized the chartered banks of Canada to make payments in bank notes instead of in gold or Dominion notes until further official announcement in that behalf.

(4) The redemption in gold of Dominion notes was suspended.

(5) Legislation was obtained to declare a moratorium if necessary. It has not been found necessary to declare a moratorium.

(6) The power of issue of Dominion notes was increased by providing that the finance minister should hold gold to the amount of 25 per cent. of the Dominion notes issued up to a total issue of $50,000,000, and in regard to Dominion notes issued in excess of that amount, gold to be held equal to such excess.

Heavy War Appropriations.

(7) A war appropriation of $50,000,000 was voted in August, 1914, for the fiscal year which ended on March 31st, 1915.

(8) Tariff legislation was passed on August 20th, 1914, involving new taxation to increase revenue, and affecting chiefly sugar, coffee, liquors and tobacco.

1915.

(9) Further taxation measures were announced on February 11th, 1915. These were special taxes on financial institutions, telegraph messages, passenger fares, and stamp taxes. Slight changes were made in the tariff.

(10) A further war appropriation of $100,000,000 was made.

(11) An amendment to the bank act was made in March permitting the banks temporarily to lend money for the purchase of seed grain upon the security of the grain purchase, the crop to be grown therefrom and the grain thrashed from the crop.

(12) Arrangement made in the fall for loan of £30,000,000 from British government for war purposes, to be drawn upon as necessary.

(13) First war loan, for $50,000,000, issued in November; $100,000,000 subscribed and allotted.

1916.

(14) A further war appropriation of $250,000,000 was authorized in February, 1916.

(15) Tariff on apples, oils and petroleum increased February, 1916.

(16) War tax on business profits instituted for a period of three years, to end December, 1917, taxes for which year will be paid during 1918.

(17) Measure for compulsory investment in Dominion securities by life insurance companies enacted. This expired December 31st, 1917.

(18) Sale of Dominion 5 per cent. 3-year debenture stock authorized, February, 1916; first sales, October, 1916.

(19) Second war loan, for $100,000,000, issued in September.

1917.

(20) War savings certificates of $25, $50 and $100 were first offered in January. Certificates of $10 denomination were issued in August. The prices of the four denominations were $8.60, $21.50, $43 and $86, repayable at face value in three years.

(21) A further appropriation of $500,000,000 was authorized in February for fiscal year ending March 31st, 1918.

Profits Tax Extended.

(22) Business profits war tax act, 1916, extended to take increased share of profits, viz., 50 per cent. of all profits in excess of 15 per cent., but not exceeding 20 per cent. per annum, and 75 per cent. of all profits in excess of 20 per cent. per annum upon capital. This new legislation applies to the last accounting period of the three years' term provided for by the original act.

(23) Third war loan, for $150,000,000, issued in March.

(24) Federal income tax measure became law, providing for a tax of 4 per cent. on incomes of married persons in excess of $3,000, and on incomes of unmarried persons in excess of $1,500, with provision for super-taxes in case of incomes exceeding $6,000. Residents of Canada and corporations operating in the Dominion are required to submit to the Dominion officials on or before February 28th, 1918, their declarations of 1917 income. The tax is payable on June 1st, 1918.

(25) Fourth war loan, for $150,000,000, issued in November.

CANADA'S VICTORY LOAN; LATEST FIGURES

The following returns to date in regard to Canada's Victory Loan have been furnished to *The Monetary Times* by Mr. W. S. Hodgens, chairman of the Dominion Business Committee of the Victory Loan campaign:—

	Population.	No. of subscribers.	Per capita.	Amount subscribed.	Subscription per capita.
Alberta	496,000	55,408	1 in 8.9	$ 16,515,150	$33.29
British Columbia	394,000	45,834	1 in 8.5	17,820,500	45.23
Manitoba	555,000	78,856	1 in 7.0	32,326,600	58.25
New Brunswick	350,000	20,000	1 in 17.5	10,250,000	29.29
Nova Scotia	508,000	39,521	1 in 12.8	18,588,150	36.59
Ontario	2,582,000	362,900	1 in 7.11	203,823,500	78.94
Quebec	2,263,000	125,867	1 in 17.97	93,798,100	41.45
Prince Edward Island	93,000	5,300	1 in 17.54	2,331,350	25.07
Saskatchewan	650,000	73,675	1 in 8.82	21,777,050	33.50
	7,891,000	807,361	1 in 9.77	$417,230,400	$52.87

How to obtain a safe and certain 5% for your savings in place of the usual 3%.

To increase the rate of interest earned by your savings is to increase the savings themselves in a very marked way. Thus, if you save $100 every six months for 10 years, at the end of that time you would have $2,618.33 if invested at 5 per cent., but only $2,347.05 if invested at 3 per cent.

That is, while the yearly amount saved is the same in both cases, the higher rate of interest has added over $271.00 to your capital.

This result can be safely and easily secured by investing in Standard Reliance Mortgage Corporation 5% debentures, which are issued in amounts from $100 to $10,000.

Interest at 5% is payable in cash at your local bank on the day it is due. Principal on the date agreed upon.

An interesting booklet about "PROFITS FROM SAVINGS," which gives some very valuable advice, will be sent free on request. Write for it to-day.

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MORTGAGE CORPORATION
Head Office, 82-88 King St. E. Toronto

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UNITED STATES' BAN ON GOLD EXPORTS

Its Effect on Exchange—Arrangements Were Made for $25,000,000

The export from the United States of coin, bullion and currency was forbidden by President Wilson in September, except with the consent of the Federal Reserve Board, subject to the approval of the United States treasury secretary. The executive order was dated September 1st, 1917, and contained these clauses:—

"1. Any individual, firm or corporation desiring to export from the United States or any of its territorial possessions to any foreign country named in the proclamation dated September 7th, 1917, any coin, bullion or currency shall first file an application in triplicate with the Federal Reserve Bank of the district in which such individual, firm or corporation is located, such application to state under oath and in detail the nature of the transaction, the amount involved, the parties directly and indirectly interested, and such other information as may be of assistance to the proper authorities in determining whether the exportation for which a license is desired will be compatible with the public interest.

Copy of Each Application.

"2. Each Federal Reserve Bank shall keep a record copy of each application filed with it under the provisions of this regulation, and shall forward the original application and a duplicate to the Federal Reserve Board at Washington, together with such information or suggestions as it may believe proper in the circumstances, and shall, in addition, make a formal recommendation as to whether or not in its opinion the exportation should be permitted.

"3. The Federal Reserve Board, subject to the approval of the secretary of the treasury, is hereby authorized and empowered upon receipt of such application and the recommendation of the Federal Reserve Bank to make such ruling as it may deem proper in the circumstances, and if, in its opinion, the exportation in question be compatible with the public interest, to permit said exportation to be made; otherwise to refuse it."

Wide Fluctuations in Exchange.

The wide fluctuations of the exchange market last year occasioned much inconvenience to merchants and manufacturers in both Canada and the United States. The business of importers and exporters naturally would be facilitated if as a result of mutual concessions the two governments permitted a moderate movement of gold either way when conditions warranted. Then it would be possible to make finer prices, as the necessity for allowing for possible heavy losses in exchange would not be present.

It was pointed out by experts that the United States, and New York particularly would derive substantial advantages from a policy of liberality in Washington in the matter of loans and gold shipments to the Dominion. Take the Canadian bank reserves in New York, for example. Ten years ago the aggregate of call loans and net bank balances carried in New York and London by the Dominion's chartered banks was $67,000,000; whereas the bank statement just published for September 30th, 1917, shows a total of $234,000,000, most of the amount being employed in New York.

As our banking system developed the external reserve was steadily built up in the belief that the balances were practically equivalent to gold. So a mild or liberal administration by Washington of its gold policy in regard to Canada, now that the metal is specially needed in the Dominion, would have a tendency to maintain the high character of our external reserves in the eyes of Canadian bankers; and with the further rapid development of our country's financial power it is quite probable that our balances and loans in New York will reach much larger figures in a few years

Canadian Bankers in Washington.

A party of prominent Canadian bankers visited Washington on October 30th, where they conferred with treasury department officials and members of the Federal Reserve Board relative to arranging for the raising of the embargo placed on gold shipments from the United States to Canada. Canadian funds had been accumulating in New York, largely as a result of the sale of Canadian grain bills at that centre. Ordinarily, the movement would be satisfied by gold exports from the United States, but the embargo put a stop to this. Following the conference in Washington there was a material recovery in the Canadian exchange situation, but even then New York funds were quoted in the neighborhood of $3 discount.

Exportation of $25,000,000.

The United States Federal Reserve Board finally agreed to sanction the exportation of $25,000,000 in gold to Canada on condition that it be returned when the exchange situation is re-established on favorable terms to Canada. This will probably occur early this year. At the beginning of 1917, New York funds in Montreal were selling at fully as high a premium quotation as the discount at the end of the year.

Gold in United States.

The net increase in the stock of gold in the United States through recorded net imports since August 1st, 1914, is seen in the following table:—

[000's omitted.]

	Imports.	Exports.	Excess of imports over exports.
Aug. 1st to Dec. 31st, 1914	$ 23,253	$104,972	*$ 81,719
Jan. 1st to Dec. 31st, 1915	451,955	31,426	420,529
Jan. 1st to Dec. 31st, 1916	685,745	155,793	529,952
Jan. 1st to Oct. 12th, 1917	545,080	353,646	191,434
Total	$1,706,033	$645,837	$1,060,196

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*Excess of exports over imports.

WHEN OUR BANKS COMMENCED BUSINESS

No	Bank	Charter Obtained	Commenced Business	Banks Absorbed—Remarks
3	British N. America	1840	1836	Bank of St. Stephen, 1910
10	Commerce........	1866	1867	Gore Bank, May, 1870 Bank of B.C., Jan., 1901 Halifax Bk. Co., June, '03 Merch'ts of P. E. I., June, '06 Eastern Townships
12	Dominion	1870	1871	
13	Hamilton	1872	1872	
15	Hochelaga........	1873	1874	
18	Home	1903	1906	Internationale, 1912
17	Imperial..........	1873	1875	Niagara District Bank, July 2nd, 1875
7	Merchants	1861	1864	Commercial Bk., Mar., '68
5	The Molsons......	1855	1855	
1	Montreal....	1817	1817	Ex. Bk. of Yarm'th, Aug., '03 Peoples Bk. of Hlfx, July, '05 Peoples Bk. of N. B., Apr., '07
6	Nationale.........	1859	1860	
19	Northern Crown ..	1903	1905	Northern Bk. amalgamated with Crown Bk., July 2, '08
2	Nova Scotia	1832	1832	Union of P. E. I., Oct. 1, 1883 Picton Bank, 1886 Bk. of New Brunswick, 1912 Metropolitan Bank, 1914
16	Ottawa...........	1874	1874	
8	Provinciale........	1900	1900	La Banque Jacques Cartier, July, 1900
11	Royal......	1869	1869	Union of Halifax, 1910 Traders Bank, 1912 Quebec Bank, 1916
14	Standard..........	1873	1873	St. Lawrence Bank, 1875 Western, 1909
20	Sterling...........	1905	1906	
4	Toronto...........	1855	1856	
9	Union of Canada...	1865	1865	United Empire, 1911
21	Weyburn Security..	1910	1911	

*Number of bank in Government monthly bank statement.

PROSPEROUS MANITOBA

invites Settlers, Investors, Manufacturers and Miners

MANITOBA is the first and oldest of the provinces of the Great Canadian West, and yet the illimitable natural resources of the province are only beginning to be dimly realized. Even the horizon of her agricultural possibilities is widening as more intensive mixed farming and stock raising are bringing fresh proof that she is blessed with a combination of fertile soil, climate and other natural advantages such as no other of the provinces of Confederation can boast.

Manitoba still has millions of acres of unoccupied land, and, on the basis of production, it is the cheapest land on the North American Continent to-day.

AGRICULTURE

Field crops of Manitoba in 1917 brought Manitoba farmers over $181,000,000.

Live stock on Manitoba farms in 1917 was worth over $126,000,000.

Mixed farming is increasing by leaps and bounds and is bringing certain and sure returns ***every year.*** Dairy products alone amounted to over $5,000,000 this year, and Manitoba, which a few years ago was importing butter in large quantities, shipped out over ninety carloads of creamery butter alone. No finer butter is made in Canada.

MANUFACTURING

Manufactures in the City of Winnipeg alone in the year 1916 amounted to $52,000,000, and yet Manitoba is importing tens of millions of dollars' worth of manufactures that might be produced at big profits here. Materials are available, power is plentiful and cheap, sites are plentiful and low-priced. There are many openings which invite the careful investigation of the manufacturer and investor.

MINING

Manitoba has not in the past figured as a mining province, but to-day Manitoba bids fair to become the greatest mining province of Canada. The discoveries of copper and gold in northern Manitoba, close to the line of the new Hudson Bay Railway, are not simply promising; they are proved. The biggest mining interests in the United States are there already and are investing millions, with sure and certain returns in sight. As yet only the edge of the great mineral belt has been prospected. Keep your eye on northern Manitoba. It is just opening up. It is rich not only in minerals, but in timber, fish and furs, and it has unlimited waterpower.

MANITOBA CHAMPIONSHIPS

For the first time in a great many years Manitoba farmers entered into competition with the other provinces and the states at the annual International Dry-Farm Products Exposition, held this year at Peoria, Illinois, in September. Competition was open to the world. Manitoba won more championships and other prizes than any single province or state in the history of the competition. Look at this partial list:

First, second and third prize for hard red spring wheat
First prize for white oats
First and second for flax
First for mangels
First for dry farm barley
First for table beets
First for cauliflower
Sweepstakes for hard spring wheat
First and third and sweepstakes for rye
Second for potatoes (all America competed)
First for sugar beets
First for garlic

The above winnings, in competition with the provinces and states, furnish incontrovertible evidence of the premier advantages of Manitoba in agricultural production.

Further information, pamphlets, booklets, maps, etc., will be supplied on application to

SUPT. IMMIGRATION AND COLONIZATION
Province of Manitoba
439 Main Street, Winnipeg

J. A. MACDONALD
Publicity Commissioner
Parliament Buildings, Winnipeg

REGINA

Saskatchewan's **Capital**

Regina is the Capital and Commercial Centre of Saskatchewan, the Grain Growing Province of the Dominion.

REGINA is growing solidly and steadily. Note these figures:

Surplus of Assets over Liabilities, Six and a Half Millions.

Total Assessment,	**1906**	**$ 7,047,267**
" "	**1917**	**58,576,220**
Taxable Assessment,	**1906**	**5,889,734**
" "	**1917**	**43,693,550**

POST OFFICE BUSINESS RETURNS

1914	**$ 2,746,154**
1915	**3,064,312**
1916	**6,377,986**
1917 (eleven months)	**8,887,562**

BANK CLEARINGS

1910	**$ 50,739,159**
1915	**87,122,611**
1916	**124,349,589**
1917 (eleven months)	**152,236,099**

CUSTOMS RECEIPTS

1915	**$ 653,915**
1916	**1,505,019**
1917 (eleven months)	**1,799,519**

Earnings, City Owned Utilities, 1911	**$249,000**
Earnings, City Owned Utilities, 1917 (with rates materially reduced),	**696,000**

Manufacturers and Wholesalers

REGINA is noted as an industrial and distributing centre, has a model industrial section, so planned and laid out as to incorporate all possible advantages for your business.

This district is served by spur tracks from the three trans-continental railways; has pavements, sewers, water, electric light and power, street railway services, etc. Sites in this district can be purchased at low prices by *bona fide* firms. The city owns in this district warehouse property valued at two million dollars. The Municipal Power Plant supplies power for manufacturing at exceptionally low rates. Over two score of new business enterprises have been established in this district since the war started, among which are three of the largest concerns in Canada, who have invested here several millions. Applications invited and detailed information furnished promptly.

CITY COMMISSIONER, Regina, Saskatchewan.

Annual Stock Exchange Record of The Monetary Times

High and Low Prices and Sales of Securities on the Canadian Exchanges during 1917, with Comparisons

STOCK EXCHANGE NEW LISTINGS

Large Volume of Securities Listed on Canadian Exchanges in 1917

The following securities were listed on the Canadian stock exchanges last year:—

Montreal Stock Exchange.

Company.	Stock.	Listed on.	Amount.
Cons. Mining & Smelting	Ordinary	Jan. 23	$2,107,250
Royal Bank		Jan. 22	911,700
Standard Bank		Jan. 23	500,000
Ottawa Car	Ordinary	Feb. 20	1,177,900
Ottawa Traction	Ordinary	Feb. 20	5,630,700
Detroit United	Ordinary	Feb. 21	2,500,000
Brompton Pulp & Paper	Common	Mar. 13	7,000,000
Howard Smith Paper	Common	May 14	1,062,500
Howard Smith Paper	Preferred	May 14	475,000
Provincial Paper	Common	June 26	2,481,300
Provincial Paper	Preferred	June 26	1,700,000
Canadian Car & Foundry	Common	July 18	750,000
Abitibi Power & Paper	Common	July 24	5,000,000
Abitibi Power & Paper	Preferred	July 24	1,000,000
Dominion War Loan, 1937	Bonds	July 24	150,000,000
Nova Scotia Steel	Common	Oct. 9	7,500,000

Toronto Stock Exchange.

Company.	Stock.	Listed on.	Amount.
Royal Bank		Jan. 26	$ 911,700
Standard Bank		Mar. 16	500,000
Standard Chemical	Common	Mar. 23	1,250,000
Standard Chemical	Preferred	Mar. 23	3,602,700
Dominion War Loan, 1937	Bonds	April 4	150,000,000
Quebec Railway	Ordinary	June 5	699,000
Quebec Railway	Bonds	June 5	1,353,400
Detroit United	Ordinary	June 25	2,500,000
Howard Smith Paper	Common	July 11	1,062,500
Howard Smith Paper	Preferred	July 11	475,000
Provincial Paper	Common	July 26	2,481,000
Provincial Paper	Preferred	July 26	1,700,000
Nova Scotia Steel	Ordinary	Aug. 28	7.500.000
Consumers' Gas	Ordinary	Dec. 7	478.700

CANADA'S YEARLY FIRE WASTE

According to the record of *The Monetary Times* the fire losses in Canada during 1917 amounted to $20,086,085, as compared with $20,487,509 in 1916.

The following are comparisons of other features of the fire waste:—

	1914.	1915.	1916.	1917.
Average monthly loss	$2,026,751	$1,139,210	$1,707,292	$1,673.840
Loss per capita	$3.15	$1.78	$2.56	$2.60
Fires with damage of $10.000 or over	302	237	216	238

Here are the $10,000 and over fires, month by month, compared with the five previous years:—

Month.	1912.	1913.	1914.	1915.	1916.	1917.
January	51	22	41	35	28	28
February	19	26	45	25	30	31
March	30	19	28	24	30	26
April	20	23	31	22	13	13
May	34	35	29	23	23	11
June	27	39	23	18	9	17
July	23	40	29	11	13	16
August	19	45	16	10	14	14
September	16	33	13	20	12	10
October	24	27	18	17	14	15
November	18	28	11	13	14	26
December	37	21	18	19	18	31
Totals	318	358	302	237	218	238

The following table compiled by *The Monetary Times* shows the number of deaths caused by fire during the last eight years:—

	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.
January	27	27	27	14	26	3	10	21
February	15	12	11	21	18	11	23	19
March	20	18	24	22	27	23	23	20
April	37	20	15	11	22	14	6	15
May	15	28	18	33	8	5	14	12
June	52	13	6	18	12	2	6	9
July	15	110	9	9	8	13	268	19
August	11	22	16	29	3	14	30	12
September	10	13	6	27	9	27	6	21
October	16	17	21	15	9	7	39	23
November	19	20	22	24	14	12	12	21
December	19	17	28	13	19	11	94	15
Totals	256	317	203	236	175	141	532	207

The December total fire loss in 1917 was the heaviest on record in recent years. The high total was due chiefly to the Halifax disaster, and to an exceptionally large number of fires with losses considerably exceeding $10,000.

A committee of 3 adjusters was appointed to apportion the Halifax losses. These adjusters were appointed by various companies interested, and there is no obligation on any company to employ them. Every company may appoint its own adjuster.

The fire loss figures of the Commission of Conservation are a little higher than those of *The Monetary Times*. According to the Commission's records, fire losses in Canada during 1917 totalled $23,251,604, and the number of fires reported totalled 14,092. Over $15,500,000 of damage resulted from 76 fires.

MANITOBA'S DAIRY PRODUCTS

The dairy products of Manitoba were valued at $5,900,000 in 1917.

The following record of *The Monetary Times* shows Canada's fire losses month by month for the last eight years:—

	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.
January	$ 1,275,246	$ 2,250,550	$ 3,002,650	$ 3,913,385	$ 2,796,312	$ 1,249,886	$ 1,649.217	$ 1,918,660
February	750,625	941,045	1,640,153	2,037,386	2,920,749	1,019,556	3.275,600	2,009,953
March	1,076,253	852,380	2,261,414	1,710,756	2,660.666	1,631,696	1.406,501	2,050,650
April	1,717,237	1,317,900	1,355,055	1,470,622	1,916,235	1,463,747	1,460,437	1,317,714
May	2,735,536	2,564,500	2,251,815	2.123,868	1,935,516	881,855	1,850.205	1,163.110
June	1,500.000	1,151,150	4,229,412	3,069.446	1,267,416	1,157,156	494.557	1,184.627
July	6,386,674	5.384.300	1,741,371	2,579,698	2,033,139	773,269	3,039,634	1,101.734
August	1.667,270	920.000	1,164,760	3,034.775	2,921,379	403,693	1,057,109	1,230,183
September	894.125	1.123,550	883.949	1,468,324	1,356,281	1,116,109	981.703	1.301,700
October	2,195.781	780,750	1,416,218	1,383.572	1,326,565	1,290,325	1,077,815	704.605
November	1,943.708	1,506,500	1,184,010	2,200,486	1,524,932	1,087,980	923,235	959.049
December	1,444,860	2,866,950	1.769,905	1,354.300	1,661,822	1,595.255	3.271.496	5.144.100
Totals	$23,593,315	$21,459.575	$22,900,712	$26,346,618	$24.321,012	$13,670,527	$20.487.509	$20.086.085

MONTREAL STOCK EXCHANGE

	STOCKS	1916		JANUARY		1917		1916		FEBRUARY		1917		1916		MARCH		1917	
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Ames-Holden-McCready, Com.	24	20	10,472	23¾	20	518	23	20	1,844	19	16	760	28¼	20	12,194	20	17	380
2	" " " Pref.	77	70	2,139	61	56	120	73	71	734	52½	48	380	74½	70	1,706	60	48	230
3	Asbestos Corporation Com.				21	20	100½				20	20	50				14	14	25
4	" " Pref.				53	52	190				50	50	80				49	48	27
5	Bell Telephone	149½	143	6:6	146	144	256	148	144	512	150	144	284	148	145	198	148	146½	199
6	Brazilian T. L. & P. Co.	54	54	420	47¾	43½	4,145	54	54	68	44½	43	2,486	54	54	22	44	42	3,740
7	British Columbia Fishing & Packing Co.	60	60	5				60	60	25	56	45	95	62⅝	60½	285			
8	Canada Cement Com.	51⅝	37¾	41.9 3⅛	69	63	5,830½	48½	43½	5,207	62½	57	3,075	55¼	45	13.984	65	59½	4.854
9	" " Pref	93	90½	1.284	95¾	92¾	703	91½	90½	590	93	91½	563	92½	90½	1.499	94	92	587
10	Canada Foundries & Forgings Com.	217	189½	558	205	190	945	170	170	21	181	170	830	192	180	65	150	150	51
11	" " " Pref.																		
12	Canada Steamship Lines, Ltd. Com.	19	16	1,647	38	31	2,228	19½	15	2 280⅞	35	29¾	2,380	19¾	15	2,697⅞	40¼	34	4,025
13	" " " " Pref.	73½	70	1,727	93½	91	1,980	76	72	3,346½	93¾	84	2,776	78½	72	4,442¼	85¼	83½	2,082
14	" " " Voting Trust	17	14	1,864	35	35	25	17¼	16½	880				17¼	15	321	33	33	1
15	Canadian Fairbanks-Morse Pref.																		
16	Canadian Pacific Railway	182¾	166½	1,189	164½	158	70	176	167½	1,000	158½	152½	71	166½	165	263	153¾	152½	19
17	Canadian Car and Foundry Com.	85	61¾	9,645	46½	25⅛	9,622	75	64	3,255	30	25½	1,608	71	63	938	31¾	27	4,146
18	" " " Pref	101	98	1,660	89	59	16,842				76	66	3,478				75½	69	2,878
19	Can. Consolidated Rubber Co. Com.				97½	97½	100							91	91	28	90	90	1
20	" " " Pref.				96	96	37							97	97	7	95	95	2
21	Canadian Converters	34	34	25	40	40	100				40	39	100				41½	40¼	210
22	Canadian Cottons, Limited Com.				56	55	30	41	36	1,068	53	51	275	44	39½	948	55	52	290
23	" " " Pref.	77	75	276	82	78	250	77	75½	251	79	78	97	78	75	242	60	78	116
24	Canadian General Electric	115	108	1,288	114¾	111	526	117	108	2,634	111	106	480	115	108¾	1,442	112	108	833
25	Canadian Locomotive Com.	63	57	2,700	58	57	620	60	58	405	57	52½	710	61¾	53	1,636	57½	54½	1,535
26	" " Pref.				88	88	5				88¾	84	15				89½	88	51
27	Carriage Factories Com.	48	40	2,840	25	25	125	40	29	1,313	15	12	210	39	30¼	1,351			
28	" " Pref.																		
29	Cedar Rapids	78	73¼	869				73½	71	689				78	70	5,133½			
30	Civic Investment Co.				83	81	12 197				82¼	78	13,463				82	81	2,963
31	Consolidated Min'g & Smelt. Co. $.25 par				35¼	32	3,010	163	146	2,740	32½	26	7.477	151	146	1,060	33¾	31	2,841
32	Crown Reserve	.53	.40	9,525	.44	.37	15,910	.45	.42	4,710	.36½	.33	10,300	.45	.45	500	.34	.32	2,278
33	Detroit United	80	69	4,438	128	120	2,206	89¼	75	18,132	122	113½	6,802	89	85½	4,283	118¼	113½	8,303
34	Dominion Bridge	231½	219¾	2,365	170	146½	4,399	224	199	5,663	142¼	130	1,860	218½	204	3,782	140	134	1,026
35	Dominion Canners Com.				20	19½	85				21½	19¾	170				26	20	140
36	" " Pref.										65	65	100						
37	Dominion Coal Pref.	99	98	34	96½	93½	43							98	98	15	94	93½	10
38	Dominion Steel Corporation Com.	49	44½	12,611	71⅛	60¾	50,348	46	40	8,336	62½	52¾	38,566	47	40½	17,785	69	61¼	23,676
39	" " " Pref.																		
40	Dominion Iron and Steel Co. Pref.	98	96	104	95	92	374	98	96	241	93½	91	228	98	95	168	95	91	128
41	Dominion Textile Com.	80	74	1,290	82	80	483	80	76	426	80¾	76½	487	80	76	819	85	80½	458
42	" " Pref.	101	101	76	103	102¼	21	102	101	40	104	100	112	102¼	101	28	103	103	7
43	Duluth Superior Traction																		
44	Goodwins Limited Com.																		
45	" " Pref.																45	45	10
46	Gould Manufacturing Co. Com.																		
47	" " " Pref.																		
48	Hillcrest Collieries Com.																		
49	" " Pref.																		
50	Illinois Traction Com.																		
51	" " Pref.	91	91	93	88½	88	101	91	91	16	89	87½	25	91	91	188	88	87	103
52	Lake of the Woods Milling Co. Com.	135	133	297	130	129½	45	133½	130	240	126	125	52	133	130	109	126	125¾	82
53	" " " " " Pref.				116	116	2												
54	Laurentide Co.	194½	185½	1,297	195	181	916	186	176½	1,290	186	176	1,888	184	176	1,976	191	180	881
55	" " New																		
56	Lyall Construction Co. Com.	34½	25	909¼	69	64	160	39¾	31	3.605	65	65	1	88¾	36	13,038¾	80	63	1,629
57	Macdonald Co., A., Ltd. Com.	10½	10	325	13½	11	321	12	9½	1,231	15	8	1,781	19¼	10½	4.484	15½	13½	1,449
58	Mackay Companies Com.	80	65¾	65	87¾	83¾	20	89	80	390	90	87½	125				89¼	88	130
59	" " Pref.	67½	66	120	67⅝	66	72	68	66¾	49	67¼	67¼	11	68	66½	37	66½	66¼	1
60	Maple Leaf Milling Co. Com.				103	96	271				98	93	45				115	97½	2,749
61	Mexican Light and Power Com.																		
62	" " " " Pref.																		
63	Minn., St. Paul & Sault Ste. Marie Com.																		
64	" " " " " Pref.																		
65	Montreal Cottons, Limited Com.	52½	51½	85	59	58	61				54	50	104	51	51	140	55	51	160
66	" " " Pref.	100	99	53	103	102	146	100	99	65	103	102	21	100	99	17	103	103	35
67	Montreal Loan and Mortgage				165	165	1				165	165	50				165	165	40
68	Montreal Telegraph	136	136	15	138	138	2	136	136	30							135	135	4
69	Montreal Tramways				181	180	50				175	175	13						
70	National Breweries Com.																		
71	" " Pref.																		
72	Nipissing $5 per share																		
73	Nova Scotia Steel and Coal Co. Com.	102	94¾	4.165	126	107	8,265	99	92½	8,547	111	91	7,768	110½	93	34.804	106	97¼	5,390
74	" " " " " Pref.	110	110	15	112	112	25	112½	110	329	112	112	5	115	112	110	110	110	14
75	Ogilvie Flour Mills Co. Com.	134	132½	223	143	141	265	135	132	132	141½	137	481	133	131	63	141	137½	315
76	" " " Pref.	116	116	25	115	113	75	115¾	115	30	111	110	167	115¾	115	69	112½	112	77
77	Ontario Steel Products Ltd. Com.	21	19	100	34	32	32	25	19	505	25	25	110	34	20	3,230	20	18	445
78	" " " " Pref.													74	73	160			
79	Ottawa L. H. & P.				95	90	84							120	120	1	90	83½	100
80	Paton Manufacturing																		
81	Penman's Limited Com.	60	59	422	71	70	222	63	59	1,639	70	69½	110	63	60	1,066	73½	69	711
82	" " Pref	82	82	93	85	81½	30	82	82	39¾	85	85	22	85	85	60	85	82	28
83	Porto Rico Com.				40	35	127												
84	Price Bros. Com.				120	120	57	60	60	25							120	115	195
85	" " Pref.																		
86	Quebec Railway, Light, Heat & Power Co.	15¾	14	925	35	21	15,675	19	13½	2,985	27	22	9,355	19¼	16	3,105	28½	24¼	2,588
87	Richelieu and Ontario							90	90	3									
88	Riordon Pulp & Paper Co. Com.				127	115	1,721				120	106	1,381				123	116	1,608
89	" " " " Pref.				93	90	226				92	90	105				95	92½	107
90	Russell Motor Car Com.																		
91	" " " Pref.																		
92	Sawyer-Massey Com.													31	25	347			
93	" " Pref.													74¼	69½	125			
94	Shawinigan Water and Power Co.	136	130	2,255	131	127	970	134	130	2,195	128	123	1,983	135	130	1,850	127½	124	741
95	" " New																		
96	Sherwin-Williams Com.	57	56	35	59	58½	353	69	55	87	59	56	26	55	55	165	59¾	59	94
97	" " Pref.	100	99¾	43	100	98	51	99½	99	14	100	99½	35	99¾	99	55	99	99	15
98	Smart Woods Co. Com.				55	50	160	35	33	52	50	50	10				50	50	50
99	" " " Pref.																		
100	Spanish River Paper & Pulp Co. Com.	4	3½	345	19	14	779	5½	4	170	17	13	1,820	11¼	5½	3.929½	18	16	1,356
101	" " " " Pref.				59¼	52	280				57	51	606	35	35	15	55	51½	715
102	Steel Company of Canada Com.	40	35	11,975	71½	61½	31,130	42¼	34½	26,467	62¾	52	26.754	47⅛	39	49,196	69	59¼	38,381
103	" " " Pref.	95½	87	728	100	95½	327	89	86	897	95	93¼	164	93½	88½	1,132	96½	94	449
104	Tooke Bros. Com.													20	16	124			
105	" Pref.				79	79	15												
106	Toronto Railway	111	111	122	83½	76	1406	111	111	15	87	76¾	2,238	111	111	67	91	85½	1,387
107	Tri-City Pref.																		
108	Tuckett Tobacco Co. Com.				22½	21½	110				22	20	125				19½	19½	50
109	" " " Pref.	90	90	5	83½	83½	50				81¼	81¼	10				80	80	3
110	Twin City	96½	96	26	95	94⅜	109	96¾	95	65	93¼	93¼	50	96	95½	15			
111	W. Kootenay P. & L. Com.																		
112	Winnipeg Electric				81	79	77				80	80	50				75	69	30
113	Wayagamack				97	90	1,405				85	81	510				83½	80	1,300

PRICES AND SALES —1917 (WITH COMPARISONS)

1916 APRIL			1917			1916 MAY			1917			1916 JUNE			1917			1916 JULY			1917			
igh	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
30½	27	6,685	16	16	135	34½	26	8,670				35	27¾	2,493	17	17	15	29	19½	1,676				1
75¾	72	1,285	59	55	50	80	72	2,469	50	50	10	79¾	73½	1,468	50	48	175	72½	52	7,007	49	49	139	2
			16	12	51																45	44¾	20	3
									45	45	5½				45	42	59½							4
146	143	393	145	144	195	147¾	145	493	141	140	101	152	147	1,408	142	140	309	152	148	271	139	136	131	5
56	54	11,835	47½	37⅜	8,886	62½	54	25,473	41	38½	4,852	62	57	6,006	39¾	38	1,855	61	57½	5,161	40½	38¾	2,508	6
67	61	1,705	45	45	140	61½	60	285	45	39	230	60	60	5	43	43	15	58	55	35	44	44	10	7
65	54	22,895	64½	60	1,966	70	61½	22,249	64½	57½	4,364	72¾	65½	15,580	64	60	3,427	70	60	12,204	62	60¼	1 414	8
95	92	794	95¼	92½	395	99	93½	1,177	93	91¾	569	97½	95	691	93¼	91½	701	95	91	854	92½	91	334	9
						195	175	573				208	195	912				200	197	100	142	139½	15	10
			82	82	30	88	85	85	84	84	20				65	85	25							11
28½	19½	16,022	40½	37	2,805	28	24¾	5,237½	40	37	1,760	30	27	8,355 7/10	45	36	21,292	28½	24¼	968	44	41	2.645	12
82½	76	6,373	87⅝	84	3,325	85½	80¾	7,598⅞	88	85½	2,945	87½	84	6,283⅓	81¼	78½	1,655	84½	81	1,583	81	78½	1,119	13
26	17½	3,728	39	36	200	26	24½	1,130	39	37½	550	27	24½	268	40	38½	235				41	38½	355	14
																								15
169½	165	174	165	159½	70	182½	167	1,009	161½	156	37	178½	175½	206	159¾	159	70	182¼	177	625				16
73	66	3,775	31½	28	1,022	75½	65	6,312	29	28	1,401	71	66	1,025	32½	28	2,403	68	45	3,448	32¼	31½	610	17
			74	70	1,055	91¼	65	1,320	71	66	1.134	87	84½	195	75	68	411	85⅝	76	1,010	71¼	89	649	18
99	99	25				100	100	26																19
																					97	96½	43	20
34	34	102	41	41	25				41	40	150	34	34	30	41	40	75				43	41¾	338	21
			51	51	85	52	46½	4,383	52¼	51½	230	51½	48½	622	54	51	60	50	48	269	52	52	5	22
79	76½	318	79	76½	72	80½	78	636	80	78	376	81½	79½	586	80	79	82	80	79	338	79½	78	376	23
112	109	1,080	112	107½	366	115	109	1,700	108⅞	106½	516	120½	113½	2,973	108½	103½	155	118	114½	628	103	101	370	24
61¼	58	1,935	63½	57	2,767	67½	57	6,256	60	57	350	65	57¼	901	59½	57	85	59½	59	50	64	57	1,567	25
81	81	2	90	90	5	85	82	102	89	89	10	80	84¼	4							88½	87	137	26
37½	34	491	12	10	35	41	35	745	12	9	70	40	38	250	10	9½	45	44	38	3,445	11	9½	55	27
																		75	70	115				28
78	71½	2,754½				83¼	75	7,416	79	79	¾	82	77	2,657¾				80	76½	517				29
			81½	79	5,474				79½	77	6,177				78	75½	5,086				76¼	75	2,402	30
157	146	1,468	31½	27	2,455				29	26	5,526				28	25	5,454				27½	21	2,553	31
.57	.46	4,960	.31	.32	300	.55	.48	2,515	.32	.32	1,600	.58	.59	8,585				.48	.48	600				32
100½	88¾	15,315	120	113	6,010	117¾	99½	25,675	114	110	3,391	117¾	113	10,150	110	107¾	2,903	119¼	115	6,399	110½	107½	3,591	33
230	207	10,170	135	128	1,192	228	210	7,061	130	137	405	227	214	2,382	130	125	19	222	210	1.220	130	125	558	34
			23	23	170										23½	23¼	40				22½	22½	10	35
																								36
98	98	25	95	94	24	98	98	32	92	88	8	96	95	70				96	93	95	94½	85	27	37
52¾	46	37,231	66	59¾	10,786	59⅞	48¼	82,281	67½	58½	25,610	58¾	52½	26,529	67	60¼	19,205	56½	52	14,779	61	59	5,463	38
																								39
100	96	219	91½	90	217	101½	96½	125	92	89	365	105	96	282	90½	90	465	98	92	437	92	91	174	40
85	78	4,065	84½	82	430	85	82	4,008	89	83	3,054	65¼	79	2,456	88	83½	145	81	79¼	487	84	83	236	41
101	101	37	105	102	25	101½	101	178	103	102	60	103	100½	149	102½	102½	7	103	102½	95	101	99½	25	42
																								43
						26	26	100																44
						75	75	100	43	43	14							40	40	236				45
			100	100	102										100	100	5							46
			100	100	85																			47
									14¾	14¾	200				15	15	100							48
																								49
																								50
91	91	42	88	85	51	91	91	311	87	83	114	91	91	246	86	83½	110	90¾	90½	290	87⅞	84	318	51
130½	129	80	126	124	108	129	129	255				129	129	5	130	125	78	129	127	157	126	125	35	52
						120	120	12				120	120	14										53
191	180½	1,370	183	183	17	189	183	1,085	180	177	290	188	179	563	177	170	216	189¼	180	1.755	172	170	975	54
																								55
71	65	552	80	79	210	76⅛	66	3,775½	73	65	567	93	74	5,979½	74	70	250	86½	74	365				56
19¾	13¾	2,284	13½	12	395	15	12	575	12	11	120	12¼	11	411	16	11	420	14	11	2:3	15	13½	295	57
79¾	79¾	50	85½	85½	31	85¾	82¼	107	85¾	85¾	10	83	82	6	83½	83½	10	83½	82¾	185	82¼	82¼	100	58
68½	68	27	65¾	65	27	67¼	67⅜	135				68½	68¼	1				68⅝	68⅝	20				59
			113	110	180				107	101	270				106	102	110				104¾	104¾	10	60
																								61
																								62
																								63
																								64
54	51	130	52	51	42	54½	53	98	53	50	106	56	53	120	49	49	8	52	50	160	53	51	55	65
100	99	125	102	101½	144	101	100	150	102	101½	47	103	101	72	101	100	4	102¾	101¼	72	106	99	15	66
			165	165	80	160	160	10	165	165	1				162½	162½	50	175	175	26				67
136	136	35	136	136	15	136	136	75				136	136	76	136	136	3	136	136	64	135	135	4	68
																		200	185	9				69
																								70
																								71
																								72
110	104½	8,122	100	88	4,787	135	107	35,223	95⅜	89	3.404	132	120	14,789	108	93½	9,395	132	123	5,676	100	94	4.066	73
114	112	88	107	107	5	115	112	120							107	105	35	113	112	30	105	105	5	74
133½	131	43	144¾	140	139	131	128½	169	145	144	502	136	129	545	144	140	191	135	130	267	150	140	558	75
115	113	20	112	112	71	113	113	111	112¼	110¼	125	115	113	109	112¼	110¼	20	115	114½	59	112½	112½	10	76
41¾	30	5,203	23	20	495	42½	36	1,916	22½	20	95	41⅛	38	1,515	24	22	135	40½	36	375	24	24	190	77
75½	73½	202	74	74	25	77	75	128				76½	76	150				76	76	15				78
			90	83½	32				80	80	131	95	95	40				95	95	8				79
			130	130	103				130	130	25				130	130	8	102½	102½	25				80
62½	61	846	73½	70	162	62¾	61	1,260	72	68	312	62½	61	431	72	71	303	62	60½	106	72	70	151	81
85	85	100	86	80	28	85	83	8¾	83	82	6	87	84	11¾	83	83	5							82
						60	60	5																83
64	60	665	117	115	105	60½	60	30				66	64	60	115	115	264	76	71	288	134	125	140	84
																								85
26¼	19	25,839	28¼	26	1,551	31½	25	29,359	29½	20¾	5.612	30	28	4,659	20½	18½	1,668	34½	29¾	10,530	22½	17	2,740	86
90	90	1				97	97	1																87
			127	108	2,060				125	112	2,370				125	121	920				124	119	416	88
			94	92½	157				93	92	109										93	90	48	89
																								90
																								91
32	27	380																						92
76½	74½	360										75	74¼	45										93
134¼	130	3,227	124	121	1,379	135	130½	4,388	122¼	121	1,128	133½	130	2,573	122¼	119¼	711	132½	129¾	1,740	121	119	426	94
																								95
55	55	50	59	59	23	55	55	20	58½	58½	1	55	55	3							58	56	116	96
99½	99	65	99	98	47	99½	97¼	85	99	98	111	99	99	7				99	97¼	38	99	99	10	97
34	33	81	50	50	10	41	35	290	50	43	48	41⅛	40	251				41	38	87	45	45	50	98
			80	80	10				80	80	15	90	90	12	80	80	20							99
8¾	7	1,167	17¾	15½	11	10½	6	3,446½	17	13½	276	9¼	8	270	15½	14	545	11	8	2,081	14	13	3 5	100
35	35	250	54¾	50	75	35	31	317	50½	49½	212	32	31	60				33½	29	135				101
63	46½	122,610	68	59	10,944	64⅞	57½	52,154	64⅜	56½	11,182	64¾	54¾	26,937	63⅞	57¾	7,965	59⅛	52¾	16,365	59	53¾	4,888	102
93½	88	919	94½	91½	165	90¼	88	915	93	91	121	91¼	90	678	92	90	488	90¼	87¾	195	92	90	530	103
25	24	150										24	24	5				21	21	25				104
80	75	10							75	75	19	80	78½	50	74	72	80	80	80	20				105
111	111	109	88	83	511	111	100	2,938	82	76	75	103	100	2,339	80	75	525	101	89	4,000	75	73	444	106
																								107
			19	19	50				19	18½	55				19	19	25	23	22	1:7				108
																					80	80	40	109
96¼	96¼	25				98¼	95¾	119	89¾	87½	50	98½	98	36				98¼	96¼	45				110
																								111
						110	110	10	50	48	35							100	95	100				112
			81¼	73	1,980				74	67	1,730	55	50	4,421	68	67	72	66	53	3,496	67	60½	205	113

MONTREAL STOCK EXCHANGE

	STOCKS		1916	AUGUST		1917			1916	SEPTEMBER		1917			OCTOBER 1916		
			High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Ames-Holden-McCready	Com.	24½	21	1,968	15½	14	477	25	21½	1,985	15½	15	330	26	23½	1,905
2	" " "	Pref.	60	57½	357	51	48½	466	68	58	185	50	49	155	65½	59	753
3	Asbestos Corporation	Com.															
4	" "	Pref.															
5	Bell Telephone		150	148	180	137½	137	238	151	146	486	137	135	86	149	147¾	368
6	Brazilian T. L. & P. Co.		61½	57	6,542	41¼	38½	2,368	60½	57	9,951	40¾	38⅞	3,019	57½	52½	12,905
7	British Columbia Fishing & Packing Co.		60	56	275	44	43½	35	60	58	375				63	58	720
8	Canada Cement	Com.	69	55	26,383½	63⅛	61	2,116	66½	60	12,222	62½	58½	1,055	70¼	64	15,728
9	" "	Pref.	92¾	90½	550	92	90	234	95	92	587	92½	90	248	95	93¼	870
10	Canada Foundries & Forgings	Com.	190	183	66	178	150	825	200	195	1,473	167	155	280	196	190	70
11	" " "	Pref.															
12	Canada Steamship Lines, Ltd.	Com.	31¼	25	5,014	45⅝	42	8,838	38	30	12,212	44	40⅝	2,464	36	32	1,981
13	" " " "	Pref.	86½	84	1,986	79½	78¾	712	91¾	86	6,076	79	77	932	90¼	89	3,149
14	" " "	Voting Trust	30	26	1,800	41	39	236	35¾	30	1,009	40	40	25			
15	Canadian Fairbanks-Morse	Pref.															
16	Canadian Pacific Railway		178⅛	174½	223	162¾	160½	175	180½	175¼	222	156⅛	148	199	181	174⅞	432
17	Canadian Car and Foundry	Com.	53	42	3,806	32	29⅞	2,300	48½	36	4,365	30½	25	545	45	36½	1,380
18	" " "	Pref.	76	72	1,487	70	66	430	78	63	2,717	66	55	1,270	77	67	950
19	Canadian Consolidated Rubber Co.	Com.										99¾	95	7			
20	" " "	Pref.															
21	Canadian Converters								30	30	130				40	34	285
22	Canadian Cottons, Limited	Com.	49½	45	283	51	50	146	53½	48½	4,003	51	46⅞	260	70	53	6,030
23	" " "	Pref.	80	78½	270	78	75½	61	82	79½	480	76	75	58	82	80	749
24	Canadian General Electric		118	115½	323	103¼	102	296	121	116½	1,516	105¼	102	334	122	117	1,541
25	Canadian Locomotive	Com.	62½	55	1,022	62	61	271	59	55¾	252				57	51	578
26	" "	Pref.	88	87¾	20	88½	88½	25				85	83½	21			
27	Carriage Factories	Com.	42½	40½	230	22	12	1,645	37	37	5	22	20	340	38	37	185
28	" "	Pref.															
29	Cedar Rapids		80	76⅞	15¼				79	79	¾				80	80	¼
30	Civic Investment Co.		80¾	79	4,576	76	73½	2,716	82¼	79	19,399	74⅞	71	3,137	83	80½	19,274
31	Consolidated Mining & Smelting Co.	$25 par				30¼	26⅝	4,484				27¾	26	1,738			
32	Crown Reserve		.43	.39	8,950				.60	.43	22,228	.29	.26	150	.51½	.48	9,475
33	Detroit United		120	115⅜	4,311	111	106	3,137	117	115	5,436	112¾	106	5,886	120	116	6,094
34	Dominion Bridge		225	208	5,419	152½	128¼	3.611	231¾	205	10,973	154	137	4,329	218½	212	2,531
35	Dominion Canners	Com.	11	11	15										20	18	300
36	" "	Pref.															
37	Dominion Coal	Pref.	94¾	91	10				95	94	30	96	90	7	95	95	5
38	Dominion Steel Corporation	Com.	56¾	53	12,564	68½	59¾	27,555	67½	55	83,298	63¾	59	10,682	72¾	61½	78,006
39	" " "	Pref.															
40	Dominion Iron and Steel Co.	Pref.	98	94	345	92	90	93	99¾	92	532	92	89	158	95	93	605
41	Dominion Textile	Com.	83½	79	785	84	83	477	84	81	1,210	84	80¼	475	90½	84	5,403
42	" "	Pref.	104	102½	50	101	99¾	10	105	103	14	101½	101½	20	104½	104	31
43	Duluth Superior Traction														44	43¾	40
44	Goodwins Limited	Com.															
45	" "	Pref.	40	40	10							45	45	5	47½	47½	50
46	Gould Manufacturing Co.	Com.															
47	" " "	Pref.															
48	Hillcrest Collieries	Com.															
49	" "	Pref.															
50	Illinois Traction	Com.	44½	44½	12							35	35	85			
51	" "	Pref.	90	89	191	84	84	35	90	87½	337	83⅛	80	30	89	87¾	120
52	Lake of the Woods Milling Co.	Com.	130	128	219	125	124	33	136½	128	1,357	125	125	10	133½	132	365
53	" " " " "	Pref.	120	120	8				120	116	15				116	116	21
54	Laurentide Co.		190	184	3,041	175½	170	1.215	196	186	5,358	171	165	397	216	190	12,928
55	" "	New															
56	Lyall Construction Co.	Com.	73½	68	210	70	67	85	83	69	2,121	70	53	837	86	76	3,065
57	Macdonald Co., A., Ltd.	Com.	13¾	10½	440	15¼	14	1,430	14½	12	316	15½	13½	1,090	18	14	2,058
58	Mackay Companies	Com.	85	81¾	170	81¾	81¾	50	86⅛	85¾	40	81¾	79½	21	86	85½	16
59	" "	Pref.	68½	68¼	30	65	63⅞	16	67	67	35	64	64	15	67½	66¼	163
60	Maple Leaf Milling Co.	Com.				100	100	5				109	100	866			
61	Mexican Light and Power	Com.															
62	" " "	Pref.															
63	Minn., St. Paul & Sault Ste. Marie	Com.													129½	129½	26
64	" " " "	Pref.															
65	Montreal Cottons, Limited	Com.	50½	50	11	54	52	210	50	50	55	51	51	5	62¾	52	2,494
66	" " "	Pref.	103	100	56	100	100	20	101½	101	98	100	99½	7	103	101½	92
67	Montreal Loan and Mortgage		165	165	100				165	165	162				164	164	6
68	Montreal Telegraph		136	136	20				136	136	9	135	115	48			
69	Montreal Tramways								175	175	1						
70	National Breweries	Com.															
71	" "	Pref.							75	75	50						
72	Nipissing	$5 per share							8.75	8.00	700	9.40	9.40	10			
73	Nova Scotia Steel and Coal Co.	Com.	130	123	6,404	108½	97	3,621	140	126	16,668	97	90	1,756	144	133½	12,148
74	" " " " "	Pref.				110	110	30	112	110	39	105	105	5	113	113	15
75	Ogilvie Flour Mills Co.	Com.	138½	133	826	148	144	617	152	140	3,929	158	140	451	146	142	495
76	" " "	Pref.	115	114	74	112¼	110	76	114	113½	39	112¼	111½	11	114	112½	127
77	Ontario Steel Products Ltd.	Com.	39	36	50	30	25	95	37	37	16	33	20	1,045	42½	38½	2,365
78	" " " "	Pref.	73	73	3										91½	77	208
79	Ottawa L. H. & P.		95	95	10	78	77	30	95	95	53	70	70	35	95	95	95
80	Paton Manufacturing					130	130	5				124	124	15			
81	Penman's Limited	Com.	62½	60	228	71¾	70	290	75	63	2,834	70	69	76	78	70	1,212
82	" "	Pref.	90	85	30	82½	82½	5	86	86	60	84	82	26	86	85	31
83	Porto Rico	Com.							30	30	448						
84	Price Bros.	Com.	85	78	113	131	131	10	92	83½	439	120	120	50	110	105	48
85	" "	Pref.															
86	Quebec Railway, Light, Heat & Power Co.		34⅝	32½	3,785	22½	19	2,001	37¼	33¼	11,848	19	16	1,082	36½	34½	5,116
87	Richelieu and Ontario								124	124	1						
88	Riordon Pulp & Paper Co.	Com.	67	59	4.514	122	118	675	90	63	11,860	118	116	325	128½	88½	19,862
89	" " " "	Pref.	94	94	15	93½	93½	5	93	93	15				96	95	122
90	Russell Motor Car	Com.															
91	" " "	Pref.													95	95	15
92	Sawyer-Massey	Com.							27	23	50						
93	" "	Pref.															
94	Shawinigan Water and Power Co.		132	130	904	120½	119	495	136	130¼	4,669	119½	117½	372	137	133	1,608
95	" " " "	New	129	127	43				130	128½	9						
96	Sherwin-Williams Co.	Com.	45	45	15	58	56	80	55	54½	263	59	59	45	59	56	186
97	" " "	Pref.	99	99	53	99	98	22	97½	97½	65	98	98	10	98	97½	54
98	Smart Woods Co.	Com.				55	54	300	41	40	60	49	49	10	42	40¼	218
99	" " "	Pref.													85	85	30
100	Spanish River Paper & Pulp Co.	Com.	15	10	6,101	19	12½	2,137	13	11	3,740	16½	14	628	21¼	12½	30,090
101	" " " " "	Pref.	44	33	298	53½	47	473	39¾	35½	288	50	48½	55	61	38½	9,824
102	Steel Company of Canada	Com.	59¾	52⅜	12,138	61	55½	10,895	66¼	57⅞	50,734	58½	51½	12,064	66½	60¼	30,082
103	" " "	Pref.	88½	86	318	92	90½	713	94	88½	620	91	87½	357	94¼	91	295
104	Tooke Bros.	Com.							20	20	10						
105	" "	Pref.				70	70	25	75	75	15	76	76	5			
106	Toronto Railway		93	89¾	1,598	75½	74½	252	95⅝	89.	1,038	75	65	2,151	90	88	1,052
107	Tri-City	Pref.															
108	Tuckett Tobacco Co.	Com.				20	20	50	23¼	23¼	100	20	20	25	23½	23½	60
109	" " "	Pref.										80	80	5	90	90	25
110	Twin City					85	85	25	97	96½	26				97¼	96	83
111	West Kootenay P. & L.	Com.															
112	Winnipeg Electric					44	42	99	95	95	50	50	47	40	92½	90	215
113	Wayagamack		66¼	60	2,220	59	50	927	66¼	60	2,012½	56	51½	265	95	66¼	10,140

PRICES AND SALES 1917—(WITH COMPARISONS)

OCTOBER 1917			1916 NOVEMBER			1917			1916 DECEMBER			1917			1915			1916			1917			
High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
15	12	205	24	22½	365				24½	20	730				23	7	50,500	35	19½	50,967	23¼	12	2,820	1
			65	63	345	47	47	5	63½	55	389				75	55	8,968	80	52	18,777	61	47	1,730	2
15	12	340				15	15	4	24	23	65							24	23	65	21	12	570½	3
47	44	18				46	46	70	60	53	465	46	46	15				60	53	465	53	42	485	4
133	129	540	148	146½	304	130	130	74	147	145	387	130	130	34	159	140	6,056	152	143	5,646	150	129	2,438	5
40	31¾	6,233	53	41¾	8,274½	32¾	32	3,701	46¾	43	6,503	32	32	309	60	51	20,082	62½	43	93,162½	47¼	31¾	43,102	6
40	35	340	61½	60	235										65	57	1,050	67½	55	3,950	56	35	865	7
59½	57	2,771				57½	57	465				58½	57	520	124	105	1,438				69	57	31,887½	8
92	90	578	95	92½	935	90	90	247	95	90	389	90	90	93	92	90½	5,126	99	90½	10,220	95¾	90	5,243	9
150½	150½	25	215	190	3,064				227	180	2,015				243	65	10,178	227	170	8,917	205	139½	2,971	10
			90	90	20							76	76	10				90	85	105	85	76	75	11
42½	38½	4,791	42½	35	10,982⅞	39½	39½	837	45	32	12,084	39½	39½	50	20	5⅞	18,782	45	15	79,481 7/10	45⅞	29¾	54,115	12
80¼	76	1,969	93½	89	8,737½	76	76	330	85	88	7,064	76	76	32	76	59	21,497	95	70	58,367½	93¼	76	19,866	13
			39½	35¾	1,215	40	38	1,710	41½	30	1,580				15	5	3,890	41½	14	13,795	41	33	3,337	14
															95	95	3							15
148	140	100	174	170½	43	135	131	161	167½	165	107	132½	127¾	70	193½	139¾	6,714	182½	165	5,494	165	127¾	1,072	16
22½	18	956	47	40	3,563	18½	18½	30	45	32	2,100	18½	18⅝	10	120	50	63,069	85	32	43,612	46½	18	24,653	17
54	50	1,101	85	71	3,355	49½	49½	190	84	69	3,385	49½	49½	170	126	98	16,078	101	63	16,079	89	49½	29,908	18
						99¾	99¾	50							91	91	50	100	91	79	99¾	90	158	19
			97	97	25										101	100	200	97	97	32	97	95	82	20
			46	39	620				44	40	130				34	34	56	46	30	1,322	43	39	998	21
49	48½	57	66½	59	2,785	49	48½	103	63	53	911	48½	48½	43	40	25	3,603	70	36	23,099	56	46¾	1,584	22
77	75	12	82½	81	322	76	76	12	82	79½	149	76	76	7	77	71	3,062	82½	75	4,617	82	75	1,519	23
103½	100	564	125½	118½	4,699	101½	101½	41	120½	109	1,463	101½	101½	42	132	91	18,958	125½	100	21,287	114¾	100	4,523	24
59	58	20	60	55	1,400	58	58	18	58	52	1,920				64½	36	37,786	67½	51	19,055	64	52½	7,973	25
85	84½	90				84½	84½	5							83½	78	272	88	81	128	90	63½	364	26
16	15	235	37	37	10										53½	35	18,075¾	48	29	10,865	25	9	2,760	27
									60	60	5				81	75	220	75	60	120				28
															79½	77	2,780	83½	70	20,052	79	79	¾	29
72	68½	4,105	83¼	80¾	16,599	68½	68½	1,642	82	79	11,658	68½	68½	1,078				83¼	79	71,506	83	68½	60,440	30
27	25	4,752				25	25	752				25	25	339				163	146	5,268	35½	24	41,381	31
.25	.23½	801							44	38	7,500				1.00	.32	151,794	60	39	79,548	44	23½	31,339	32
110½	104¾	1,223	122¼	116½	9,801	104¾	104¾	235	128½	118	14,624				73	82	11,966	128½	69	124,858	128	104¼	43,687	33
139½	128	1,483	212	190	8,265	128	128	239	196¾	160	7,210	128	128	23	237	107	135,518	231¾	160	67,041	170	125	19,144	34
			20	20	20				20	18½	168				35	31	1,985	20	11	503	26	19½	615	35
																					65	65	100	36
			98	95	12				98	98	97				101	98	165	99	91	425	96½	85	119	37
60	52	15,713	76	68½	100,940	54½	52	6,665	82	60½	149,351	53⅜	52	22,892	52½	20	247,356	82	40	623,711	71⅞	52	257,161	38
																								39
89	87½	204	97	93½	600	88	88	38	97	94	245	88	88	35	96	72	4,068	105	92	3,903	95	87½	2,479	40
82½	80½	610	89¾	84	1,664	80¾	80¾	187	86½	80	899	80¾	80¾	336	77	64	12,939	90½	74	23,512	89	76¼	7,378	41
101	99½	53	105	104	212	100½	100	50	104½	103¾	15				103	99	639	105	101	925	105	99½	390	42
									41¾	41	30							44	41	70				43
															26	26	1	26	26	100				44
																		75	40	396	45	43	29	45
100	100	110																			100	100	217	46
100	100	10							80	80	5							80	80	5	100	100	95	47
																					15	14¾	300	48
															70	70	280							49
32½	32½	7	44	44	10													44½	44	22	35	32¼	92	50
80	79	14	90	89	258	80	80	11	90	90	41	80	80	4	91	91	1,334	91	87½	2,133	89	79	916	51
120½	120	105	133	132	97	120½	120½	40	132½	126	115	120½	120⅛	90	137	129	1,694	136½	126	3,276	130	120	678	52
			116	116	5				116	116	4				122	120	142	120	116	79	116	118	2	53
165	152	1,575	217½	206	7,446	152	152	94	210	190	1,140	152	152	477	198	160	34,617	217½	176	39,549	195	152	8,941	54
																								55
			84	77	777½				77	69	805				39	14½	9,691	93	25	35,203½	80	53	3,739	56
15	13½	625	17½	14	1,561	13½	13½	45	14	12	580	13½	13½	35	14	7	4,690	19¾	9½	14,488	16	8	8,006	57
76	73¾	68	86½	86	118				84	83½	68	74½	74	160	84	74	472	89	65¾	1,235	90	73¾	725	58
62¼	62¼	12	66½	66½	10	61	60	14	65⅞	64¾	112				73½	65	992	68⅞	64¾	739	67⅝	60	168	59
108	98¼	179	122	107	1,770	104	98½	145	115	96½	1,740	94	91	72				122	96½	3,510	115	91	4,902	60
																								61
																								62
															126¾	117⅛	190	129½	129½	26				63
																								64
			62½	56	752	50	50	25	59½	55	155				57	51	1,790	62¾	50	4,200	59	49	776	65
100	99	40	103	101	232										100½	99	606	103	99	1,032	102	99	479	66
			165	165	44										175	165	55	175	160	348	165	162½	222	67
120	119	195	136	135	207	120	120	50	136	135	85				140	136	267	136	135	616	138	115	321	68
165	165	2							180	180	140				220	220	476	200	175	150	181	165	65	69
															49½	49½	10							70
															95	95	22	75	75	50				71
															8.55	5.50	1,640	8.75	8.00	700	9.40	9.40	10	72
90	79	2,476	154½	139¾	11,525	79½	79½	100	149	104	12,358	66	66	5	107½	45¾	134,633	154½	92½	170,629	128	66	51,033	73
			115	112	95	105½	105½	10	112	112	20				125	110	858	115	110	861	112	105	134	74
143	140	285	146	144	480	140	140	194	150	145	410	145	140	131	144	110	5,179	152	128½	7,582	158	137	4,129	75
110	107	6	113	113	32	110	110	5	114	113	9				120	113	549	116	112½	714	115	107	643	76
25¼	25¼	25	45	40	2,600	22½	22½	5	39	30	390				123	120	1,196	45	19	18,265	34	18	2,682	77
			77	77	25				80	80	6				27½	13¾	5,526	91½	73	897	74	71	25	78
69¾	69¾	15	95½	93	87				94½	92	60				74½	72½	1,017	120	92	354	95	69¾	427	79
															85	85	100	102½	102½	25	130	124	156	80
69	64	365	78	73	732	66	65	42	74½	70	215	65	65	11	63	49	8,532	78	59	10,991	73½	64	2,755	81
82	81⅞	94	82	82	5	81⅞	81⅞	35	86	84	21	81⅞	81⅞	5	84	82	581½	90	82	460½	86	80	254	82
									30	30	448							60	30	901	40	35	127	83
			132	130	183	120	120	105	130	120	492							132	60	2,343	134	115	926	84
																								85
17½	14¾	2,076	44½	35	28,101	15	15	93	45	25	29,672	15	15	20	20½	9½	56,521	45	13½	155,924	35	14¾	44,461	86
															80	75	31	124	90	6				87
122	115	1,394	150	128	13,332	117½	117½	31	144¾	111	5,082							150	59	54,650	127	106	12,901	88
94	91	45	96	95½	70	92½	92	17	95	92	318	92	92	8				96	92	540	95	90	827	89
																								90
																		95	95	15				91
															31½	30	125	32	23	777				92
															74¾	69	120	76½	69½	530				93
116	107	2,304	135	133	911	107	107	1,197	134	126¾	1,189	107	107	336	139½	110	37,363	137	126¾	27,509	131	107	12,042	94
															136	116½	557	130	127	52				95
60	59	362	59	57	375				57	57	75				65	55	475	60	45	1,274	60	56	1,100	96
98	98	7	99	99	46	99	99	3	99	97½	130				100½	99	768	100	97½	655	100	98	311	97
53½	50	119	51½	42	267	61	54	468	65	50	486				45	20	878	65	33	1,742	61	43	1,225	98
			86	84	370	86	86	4	86	86	84							90	84	496	86	80	49	99
15	13	788	25	17½	29,280½	13	13	80	23	15	5,026½				7¼	3	3,439	25	3½	85,620	19	12½	9,545	100
49	49	2	69½	55	8,317				66	56½	1,976				35	35	55	69½	29	21,480	59½	47	2,418	101
55¾	49½	7,678	82	66	113,615	50⅝	49½	3,743	88	53¾	131,880	50½	49½	2,141	52½	8½	157,918	88	34½	644,153	71½	49½	167,765	102
88	85	360	100½	92	2,315	85¼	85¼	17	107½	91	1,425	85¾	85¼	15	95	69	7,149	107½	86	10,437	100	85	3,706	103
			22½	20	65				22	22	25	19	19	4	20	16	214	25	16	404	19	19	4	104
			83	80	134							72½	72½	10				83	75	229	79	70	154	105
65⅝	60	747	88	78	2,750	60	60	264	81	73	2,601	60½	60	268	117½	111	17,408	111	73	18,629	91	60	10,977	106
															89	89	5							107
18½	18½	25	24	23½	430				24	23⅛	160				29¼	29	506	24	22	877	22½	18½	515	108
															90	90	64	90	90	30	83½	90	108	109
79½	79¼	10	97	96½	20	71	69½	75	93⅜	93⅜	15				101	95	517	98½	93⅜	475	95	69½	319	110
																								111
48	48	50													180	180	229	110	90	375	81	42	381	112
50½	50	55	112½	89	13,505	50	50	5	106	91	2,736							112½	50	38,530½	97	50	8,454	113

TORONTO STOCK EXCHANGE

	STOCKS	JANUARY						FEBRUARY						MARCH					
		1916			1917			1916			1917			1916			1917		
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	American Cyanamid Co. ....Com.	68	63½	655	30	30	50				29½	28	275						
2	" " ....Pref.	66	66	18	55	55	2				51	50	200				52	51½	20
3	Ames-Holden-McCready ....Com.	Listed Feb. 11, 1916						20½	20	20				28	22	724	19½	19½	20
4	" " " ....Pref.	Listed Feb. 11, 1916									50	50	10	73⅞	70	65	59	50	25
5	Barcelona	10	9	110	14¼	12½	1,594	9¾	8½	272	12¾	11⅜	1,620	10	9	538	12⅞	12	1,258
6	Bell Telephone	144	143	26	143¾	143¾	15	146	145½	21	149	149	85	148¼	146	35			
7	Brazilian ....Com.	53	53	315	47¾	43½	4,999	53	53	425	45⅞	43	2,102	53	53	13	44	41⅞	3,628
8	" ....Pref																		
9	B.C. Fishing and Packing Co.	60½	60½	5							57	57	25	61	61	20			
10	Burt Co., F. N. ....Com.	80	72½	581	78	78	70	79	78	71	85	78	157	79	76	265	85	84	114
11	" " ....Pref.	95	92¼	161	91	91	12	92½	91	94	92¼	89	252	93	90¼	170	93½	90¼	42
12	Canada Bread ....Com.	30	30	10	17	16	167				17	16	280				16⅝	16	585
13	" " ....Pref.	90	90	58	86½	86½	40	90	90	10	85½	85½	2	90	90	10	85½	85	78
14	Canada Cement Company ....Com.	52	38¾	17,413	69⅞	62½	4,115	48¾	43¼	3,557	62⅛	56	4,859	55½	44⅞	11,611	64¾	59	1,778
15	" " " ....Pref.	92	91	55	95¼	94	52	91	90½	56	93	91¾	25	92	90½	186	92½	92	30
16	Canada Foundries & Forgings ....Com.				190	190	25												
17	" " " ....Pref.																		
18	Canada Steamships Co., Ltd. ....Com.	18¾	15⅝	1,800	37⅞	33½	3,065	19⅜	16¼	3,249	35⅛	30½	3,479	20	16	10,035	40¼	34⅜	10,028
19	" " " " ....Pref.	73⅝	69¾	1,731	93¾	91	1,893	76½	72¾	2,484	93½	85	3,460	78⅞	73½	4,001	85½	83½	1,460
20	" " " Voting Trust	17⅛	13⅝	425				17½	17	255				17¼	15¼	225	32½	32½	100
21	Canadian Locomotive ....Com.	60	59½	110	58	57⅛	25				57	52½	283	61½	56	230	56	55	312
22	" " ....Pref.	89	85	8	89	88	49	86	84	29	90	88	64	84	82	48	90	88	260
23	Canadian Car & Foundry ....Com.	81	75½	180	35	26½	325	69¾	63	35				69	68	75	27	26¾	25
24	" " " ....Pref.	99	98	45	88	60	396				74	68	70						
25	Canadian General Electric ....Com.	114¾	109	821	114	111	392	116¾	108½	1,184	111	102	488	115	108⅞	1,044	111¼	108	698
26	" " " ....Pref.	110½	110½	25	106½	106½	20				106	106	20				105½	105½	36
27	Canadian Pacific Railway	179¾	167	46	164⅛	160¼	141	175	168	158	158	149½	638	169	164¾	37	166½	151⅞	174
28	Canadian Salt																136	128	42
29	City Dairy ....Com.	98	98	1													30	30	1
30	" ....Pref.	100	100	1				101	100	48				100	100	47			
31	Confederation Life	350	350	10	330	330	100												
32	Coniagas Mines, Ltd. ....($5 per share)	5.00	4.00	900	4.70	4 00	3,416	4.40	4.05	450	4.20	4.00	2,206	4.50	3.90	450	3.75	3.50	1,025
33	Consumers Gas	176	176	49	165¼	164½	789	176	176	111	165	164½	254	176	176	87	165	162½	427
34	Crow's Nest Pass Coal Co.	80	75	548				83	79	245				77½	76	80	70	70	25
35	Crown Reserve ....($1 per share)	52½	42	3,300	43	43	250	44	44	200	37	37	150				35	35	1,000
36	Detroit United	79½	70¾	720	127	120¾	115	88½	75½	586	120	113½	225	88	86¾	55	117¾	115¾	100
37	Dome Mines ....($10 par)	28.50	28.50	50	23.25	20.62	230	29.25	23.88	698	20.00	19.75	50	25.25	23.75	200			
38	Dominion Canners ....Com.				20	19	195				23	20½	225				25	21	360
39	" " ....Pref.										68	65	60				78	63	704
40	Dominion Coal Co. ....Pref.																		
41	Dominion Iron & Steel ....Pref.							88	88	25				97¾	97¾	23			
42	Dominion Steel Corporation ....Com.	47¾	44½	489	71¼	60⅝	10,382	45⅛	42½	690	63	53	11,840	47⅛	44	815	68⅞	61¼	9,151
43	" " " ....Pref.																		
44	Dominion Telegraph				90	90	60				89	89	9						
45	Duluth Superior				50½	43	971	43⅞	40	484	51	46⅜	470	49	41⅜	545	50½	50	361
46	Electrical Development ....Pref.																		
47	Illinois Traction ....Pref.																		
48	International Petroleum Co. ....($5 par)	13.25	12.40	8,190	14.45	11.10	997	13.36	12.70	8.075	12.50	11.25	1,600	13.25	11.75	1,275	15.30	11.62	4,130
49	Lake Superior Corp.																		
50	Lake of Woods Milling Co ....Com.																		
51	" " " ....Pref.																		
52	La Rose Consolidated ....($5 per share)	.67	.67	100	.53	.53	1,000	.67	.65	1,260	.52	.49½	1,260	.63	.60	1.350	.56	.50	3,760
53	Mackay Companies ....Com.	80⅝	79	1,413	89½	83	3,243	90½	79	5,421	90	85½	2,018	82	79½	1,315	89¾	86½	1,549
54	" " ....Pref.	68	66	593	68	64¼	362	68	67	528	68	65	469	68⅜	67	375	67	65	815
55	Maple Leaf Milling ....Com.	75	60	2,466	102½	97	985	76	70	607	99	90	576	96	71	8,741	115	100	7,847
56	" " ....Pref.	98	94⅞	248	97½	94¼	201	98	96¾	129	95½	94¾	367	100	98	287	95	94	497
57	Mexican Light & Power ....Com.																		
58	" " " ....Pref.																		
59	Minn. St. P. & S. S. M. (Soo) ....Com.																		
60	Monterey Railway L. & P. ....Pref.																		
61	Monarch Knitting ....Com.	30	25⅛	8	40	35	51	25⅜	25⅜	5	40	40	213				40	40	203
62	" " ....Pref.	82	82	76	81	80	80				81	80	23				80½	80	109
63	National Steel Car Co. ....Com.				21	15½	487				16½	14½	383				14½	10¼	459
64	" " " " ....Pref.				78	64	161				61	55	146				47	37	160
65	Nipissing ....($5 per share)	7.75	7.10	130	8.50	8.30	830	7.25	6.55	745	8.40	7.90	700	7.45	6.40	215	8.05	7.80	497
66	Nova Scotia Steel and Coal ....Com.	102	95¼	1,089	128	107	3,210	99¼	90	1.755	110½	91	1,825	110⅜	93½	16,568	106	98	1,425
67	" " " " " ....Pref.				70	70	10												
68	Ogilvie Flour Mills ....Com.																		
69	" " " ....Pref.							116	116	25	111¼	111¼	5	116	115⅜	54			
70	Pacific-Burt ....Com.	30	29	66	29	28	145				31	30	29				40	35¼	390
71	" ....Pref.	83½	83	40	80½	80	154	83	80	18	81	81	4	83	83	17	91	80	23
72	Penman's Limited ....Com.	60⅛	59⅞	370				62	59¾	59				63	61	140			
73	" " ....Pref.							82	82	20	83	83	10	87	82	61	81¾	81¾	5
74	Porto Rico ....Com.				42	35	637				40	35	27				40	36	202
75	" " ....Pref.																		
76	Quebec Railway L. H. & P.				34⅝	21¼	4,150				27½	22	2,080	19	18	275	28	24½	660
77	Riordon Pulp & Paper Co. ....Com.				123	117	145				118¼	106	120				118	117½	75
78	Rogers, William A. ....Com.							95	95	58	80	74	37				75	74	27
79	" " ....Pref.	99	99	5	92	92	10	99	99	5	91	90	60	99	99	85	90⅛	90	37
80	Russell Motor Car ....Com.	35	35	11	95	72	319	32	32	10	85	70	374	44	32	250	90	82	555
81	" " " ....Pref.	68⅛	66	90	115	100	521	65	65	2	112½	100½	777	75	60	513	121	110	1,216
82	Sawyer Massey ....Com.													31	25	812	24	19	240
83	" " ....Pref.	74	74	5										72	69	160			
84	Shredded Wheat Co. ....Com.	103½	102¼	360				110	105	165	136	136	30	113¾	107¾	606	137¾	135	30
85	" " ....Pref.	95	95	10							95	95	10	97¼	95	30			
86	Spanish River Paper & Pulp ....Com.	5	5	10	18	16	244				17¼	15¼	319	10½	5	759	18	16	355½
87	" " " " ....Pref.				59	51⅜	115				57	51⅜	95						
88	Steel Co. of Canada ....Com.	40	34¾	3,841	70¾	61½	4,465	42	34½	8,478	62	52	6,622	47	39	12,599	69	59¼	17,610
89	" " " ....Pref.	94	87½	73	100½	95½	463	89	86	477	95	93¼	532	93	89	763	97	94	1,383
90	St. Lawrence & Chicago	120	115	66				119	116	42				165	117	551			
91	Tooke Bros., Ltd. ....Com.													21	21	25			
92	" " " ....Pref.																		
93	Toronto Paper Co	46	46	5	74½	72	390	43	43	5	74½	74½	25	42	42	10	89	78	525
94	Toronto Railway				83	76	824	111	111	25	86½	77	823	111	111	4	90⅛	85½	255
95	Trethewey ....($1 par)	19	18	1,300	19	17	4,500				18	16	1,750				17	16½	2,800
96	Tuckett Tobacco Co. ....Com.				22½	22½	25				20	20	225						
97	" " " ....Pref.																		
98	Twin City ....Com.	96¼	94¾	350	95	93	452	96½	94¾	213	94½	93	439	96½	94½	105	94	93	111
99	Western Canada Flour													102	102	5			
100	Winnipeg Electric				80	78	52				80	78	92				75½	72	163
	RIGHTS																		
101	Consolidated Mining & Smelting Co.																		

PRICES AND SALES 1917—(WITH COMPARISONS)

APRIL						MAY						JUNE						JULY						
1916			1917			1916			1917			1916			1917			1916			1917			
igh	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
	66	10				46	39¾	250				44½	44¼	50				40	40	20	20	19	125	1
	66	40				70⅞	65	420				71	70½	100										2
	26½	385	17	17	25	33½	25	310				34½	28	198				20½	20½	10				3
5	74⅛	55				78½	73	732				80½	78	400	49	49	10	65	54	235				4
2½	10¼	2,414	12	11⅜	920	14¼	10½	6,088	11½	11	350	14	12	1,090	11¾	10½	335	15¾	13½	3,733	11½	10¾	534	5
16	143	35	144½	143¾	120	147	145¾	77	142	140	84	152	147	232	141	139⅝	161	151½	147⅝	446	136	136⅝	14	6
6	53	7,669	43½	37	16,129	62⅜	50½	12,291	40¾	38⅜	4,595	61⅞	57	4,418	40	38	3,792	61	57	2,444	40¾	38¾	4,424	7
																								8
7	60⅜	435				62	59¾	95	45	45	75	59½	59½	10				59	59	5				9
6	75	190	80	80	1	75	74	51	80	79	90	75	73	60				81	80½	40				10
2	90	319	90	89	145	95	91½	217	90	88	100	95	93	53	90	89	97	95	93	52	89	84½	32	11
			16⅛	16⅛	50	26¼	23½	5,605	15	15	30	25	22	784	15	15	10	22	21	165	15	15	134	12
0	90	1				88	87½	192				87½	87½	36				88	88	1				13
4¼	54¼	15,324	64½	59½	1,471	69⅞	62	13,235½	65	57½	5,330	73	65¼	11,570	64½	59¾	2,480	70	59⅞	6,525	61½	60	278	14
4¼	92	196	95	95	10	96¼	93¾	79	92¾	92½	55	97	95	273	92¾	91¾	60	94¾	93½	75	92½	90	38	15
																								16
																								17
8⅜	19½	28,724	40½	36½	6,052	27⅛	24½	5,270	40⅛	36	8,282	30	27⅝	10,715	45½	36	18,788	28⅞	24¼	2,382	44	40⅛	1,716	18
2⅜	76½	9,419	87	83½	3,452	86	80	5,137	87⅞	85	2,998	87½	84	3,617	81	77	2,982	85	81	1,469	81½	78½	698	19
5⅜	17¾	1,140				25¾	25	400				26	25	125										20
0⅜	58	419	63¾	58	873	66¼	57	320	60	57½	254	65	62	126	59½	57	85				63¾	57½	860	21
2½	82½	25	91½	89	96	84½	82	60	88	87	42	87½	85	175	86½	85½	26	87½	87½	7	90	88	59	22
72	70½	80	28	28	25	73¾	65	300	29	28½	15	70⅜	70⅜	30	31½	28¾	20	52¾	47	127				23
			69	69	2	92	88	75	68	65⅝	70	89	83	25	74	73	20	85	82	35	69¾	66¾	5	24
13	108	1,179	114½	108	624	115⅜	110	2,452	108	107	684	120½	113½	3,496	108	103½	443	118½	115	805	103	100½	336	25
9	109	10	109	105	48	114½	112	56				112	112	65				112	112	7				26
9	165	298	162½	159¾	155	182½	175	331	163	157½	38	179½	176½	70	162½	159½	102	180	176	54	167½	159	52	27
			134	133	75				133	133	5										130	130	10	28
			30	30	115	89	89	1							30	30	25				30	30	10	29
0	100	12	70	70	4	100	100	30				100	100	52				100	99⅞	20				30
																								31
25	4.46	3,090	3.75	3.60	550	5.95	5.00	3,623	3.80	3.60	300	5.15	4.95	740	4.30	3.70	790	4.95	4.50	110	4.40	4.40	50	32
			165¼	164	279	169	168	189	165½	165	221	170¼	168¼	62	152¾	150¾	720	170	168	345	150¾	150	189	33
6	75¼	138							50½	50	60													34
7	45	3,370	32	25	510	50	50	65	31	30	2,275	56½	48	8,500	26	25	2,060				29	29	100	35
9	95	145	119½	116	50	117½	110¼	520	112½	111	86	115⅞	112¾	125	109⅜	108½	40	116	116	20	108	107	100	36
			17.50	14.50	125	28.50	27.60	511	15.50	11.25	2,005	27.00	27.00	57	11.85	9.75	3,505	26.50	26.00	125	12.15	10.00	760	37
			23	20	137				23	21	118				24	23½	60	5½	5½	1	23	22	125	38
									75½	71	17				75	75	10							39
																								40
						96¾	96¾	25	90	90	20	90	90	2				99½	91¾	98				41
2¾	46½	11,673	66⅛	59	4,639	60	48¾	26,752	67	58½	7,407	58⅞	51¾	10,185	66	60½	3,423	56½	51⅞	3,848	80¾	59	1,745	42
																								43
																								44
6⅛	45½	52	50	49	286				50	45	152	49	41⅜	545	45	43½	65	46⅛	45½	52	43⅜	42½	100	45
																								46
																								47
.50	12.50	150	15.00	13.50	995	10.87½	10.50	510	14.01	12.75	1,060	11.00	10.00	415	13.75	13.00	430	10.38	10.25	320	13.50	13.00	300	48
																								49
															129¾	129¾	10							50
																								51
9	.55	3,790	.51	.50	2,050	.90	.60	5,395	.45	.43	2,320	.67	.60	750	.40	.40	300				.47	.46	720	52
0½	78	730	87	84½	1,259	86¼	79½	3,624	85¾	81¾	1,684	85⅛	82	825	85	82	554	83½	82	1,296	83	81¼	868	53
8¼	67⅞	565	65½	64½	433	69¼	62¾	614	65½	65	329	69¼	67½	608	65¼	64	69	69	68	437	65	64	294	54
4½	89	2,155	113½	105	1,586	97½	89½	8,299	108	102	706	96¼	88⅝	6,999	105	102	285	94½	88	1,080	106	100	466	55
8¾	96	265	96	94	209	98	96½	437	94¾	93½	252	97	95¾	665	95	94	86	96	94	225	94¾	92½	43	56
																								57
																								58
																								59
																								60
			40	40	101				40	40	52				40	40	15				35	35	6	61
			80	80	32																			62
0	29	15	11	8½	30	31	30	7	8	6	23	31	31	19	12	11	30				13	10½	90	63
2	82	106	40	35	90	82	82	10	28	28	20	82	80	164				83	82	32	29¾	25	150	64
10	7.10	2,266	7.75	7.50	55	8.75	7.50	2,354	7.50	7.22	385	7.75	7.15	865	7.60	7.40	585	6.95	6.40	390	7.70	6.95	800	65
9¾	101½	2,883	99¾	88	840	132½	107	14,954	96	89	590	132	120¾	3,182	107	92	2,815	130¾	122½	570	99	93¾	580	66
																								67
			14	14	75	128¼	128½	50																68
			112⅜	112⅜	3																			69
			40	38	70	25	23	75	38	38	35	25	25	25	37½	37½	3	25	22	78	36	36	12	70
0	80	11	80½	80	18	80	80	74	80	80	7	80	80	46	82	80¼	22	80	80	4	81	80½	46	71
2	61½	45				62½	61¾	265				62⅛	62	50				62	62	90				72
			85	84¾	20																			73
			39½	38	40	41	37	245				49½	41½	490										74
																					80	80	1	75
4	23	75	28½	26¾	860	28	25¼	155	29½	20	945	30	29	95	20½	18	395	33¾	29½	570	22¾	17½	220	76
									124⅞	118	235													77
			70	65	37	85	85	6	65	65	25	90	85	33				92	90	242				78
9	99	48	90	90	9	98	94	55	90½	90	20	98	94	17	90	90	9	95	94	36				79
2	40¼	551	92	74	263	70	47½	1,577	70	69	40	60	57	172	75	70	45	60½	55	66	60	70	131	80
5	71	916	122	104	1,177	95	85	747	110	100½	252	89	87	60	110	106	210	93	90	412	111	109	106	81
1¾	29	269							15	6	35							22	20	50	10	10	25	82
7½	74½	435				75	74	145				75	74	215										83
3	109½	115				117½	113	525	132	130	74	125	119	425	131	130	132	128	121½	270				84
7½	97	40																100	100	10				85
8¾	8	332	17	15	72$\frac{1}{10}$	11	6¼	2,526	14	14	5$\frac{3}{10}$	9¼	8	394	14	14	25	11	8	970	14	14	9	86
			51	50⅞	35	31⅛	31⅛	50	51	49¾	185	32	32	30				34½	31	26				87
2½	46¾	20,515	67½	58¾	8,120	65	58	4,940	63¾	56⅛	5,118	64	56	1,646	64	58	2,735	59½	52¾	2,188	58¾	53½	520	88
4	88¾	719	94¾	92	365	90	68½	1,098	93	91	227	91	69½	862	91½	91	582	90	87½	82	92½	89¼	526	89
6	164	3,075																						90
4	19	77				23	23	5																91
																								92
7	45	20	88	80	675				90	86	976				82½	82½	5	44	44	15	80	80	5	93
			88	81	264	107	101	716	80	76½	419	103	99½	362	80	74	247	99¾	89½	1,096	75¼	73¾	377	94
0	19	6,600				30	26	13,800										21	20	2,000				95
																								96
			78	78	20													86½	86	8				97
7½	95	335	92½	90	325	99	96	583	92	85	508	99½	97	1,622	89	85⅝	69	98	96	193	85¾	84	511	98
																								99
									55	48½	266	110	110	25	49	45	15	99½	98	290	40	40	149	100
																								101

TORONTO STOCK EXCHANGE

	STOCKS		AUGUST 1916			AUGUST 1917			SEPTEMBER 1916			SEPTEMBER 1917			OCTOBER 1916		
			High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	American Cyanamid Co.	Com.				21	21	50				19	19	25			
2	" " "	Pref.							62	62	50				62¼	60	72
3	Ames-Holden-McCready	Com.	22	20½	145				22	21¾	35				25⅜	25	210
4	" " "	Pref.	58½	58	15				59	59	10				65¼	64	95
5	Barcelona		17	14¼	4,827	11	10⅝	105	16	14	2,205	10¾	10½	262	14½	12½	1,182
6	Bell Telephone		148	148	30	138	137	17	150⅛	149½	222	137	135	27	149	148	85
7	Brazilian	Com.	59½	56⅞	4.470	41	38⅞	2,249	60½	56½	6,062	40¼	38⅞	2,253	57⅜	52	12,141
8	"	Pref.															
9	B.C. Fishing and Packing Co.		60	60	25	42½	42½	12	60	60	20				64	58	35
10	Burt Co., F. N.	Com.	80	80	100	75	75	25	82	78	186	65	65	10	81	80	25
11	" "	Pref.	93½	93	20	89	88	70	96	93¾	49	88	88	68	94½	93	50
12	Canada Bread	Com.	21	20	237				20	19	154	15	15	27	19¾	18¾	1,034
13	" "	Pref.	87¼	87	34	85	85	7	87	87	34				90	87	68
14	Canada Cement Company	Com.	69½	55	14,329	63	60½	595	66½	60½	4,801	62½	59	483	70½	64	9,537
15	" " "	Pref.	92½	92	57	91	90	40	95	93	70	91	90½	10	94⅞	94	85
16	Canada Foundries & Forgings	Com.	190	190	25				197	190	18				190	190	15
17	" " "	Pref.															
18	Canada Steamships Co.	Com.	31¼	25⅛	4,420	45¼	41½	3,319	38⅛	30½	20,984	42⅞	40¾	1,843	35⅞	32¾	3,626
19	" " "	Pref.	86⅝	83¾	1,571	79½	78½	878	91¾	86½	3,748	79	77	545	91¾	89	4,055
20	" " "	Voting Trust	29½	26½	115				35½	34	325	39	39	100			
21	Canadian Locomotive	Com.	59½	58½	54	63	61¼	101	57	57	3	60	58	60	57	53¾	41
22	" "	Pref.	88¼	87	24	89	88	10	90	88	36	86	85	21	88¼	87	14
23	Canadian Car & Foundry	Com.	50	45	40				47	36	125				41	41	40
24	" " "	Pref.	76	73¼	157	69	69	6	76	66	115				75	71½	135
25	Canadian General Electric	Com.	118½	115⅞	494	105	103	192	121½	116¾	2,226	105	102½	615	122	117½	1,688
26	" " "	Pref.	112	110	66												
27	Canadian Pacific Railway		178	176	44	162¾	159	55	179½	177¾	44	155¼	150	49	179½	174	126
28	Canadian Salt		130	125	25							129	129	5			
29	City Dairy	Com.				30	30	75				30	30	30			
30	"	Pref.	99½	98½	19	60	60	8	99	97¼	59	60	60	10	97	97	23
31	Confederation Life																
32	Coniagas Mines, Ltd	($5 per share)	4.85	4.25	1,165	4.25	4.00	500	4.70	4.70	100	4.00	3.90	1,250	5.00	4.99	1,120
33	Consumers Gas		169	168	75	152	150	38	168	168	10	150	148	68	166	160	11
34	Crow's Nest Pass Coal Co.								72	71	70	55	55	20	73	72	140
35	Crown Reserve	($1 per share)	43¾	40½	3,200	25	23	225	58	58	200	27	27	500	54	50	1,010
36	Detroit United		118½	118½	50	109¼	107½	110				111⅛	111⅛	10	118¾	116¼	125
37	Dome Mines	($10 par)	26.00	26.00	100	12.25	9.75	1,150	25.00	25.00	15	9.90	8.50	670	25.50	25.50	100
38	Dominion Canners	Com.							15	15	160				20½	19	158
39	" "	Pref.															
40	Dominion Coal Co.	Pref.															
41	Dominion Iron & Steel	Pref.	94½	94¼	100	92	90⅝	32	97	91¾	42				94¼	94¼	500
42	Dominion Steel Corporation		57	53¾	2,845	68¼	60½	5,689	67¾	55¼	23,459	63⅝	59	2.828	72⅞	61¼	27,073
43	" " "	Pref.															
44	Dominion Telegraph								90	90	50				90	86	45
45	Duluth Superior		46	45½	223	41¾	40	50	46	45	90	46	40	213	44	43	145
46	Electrical Development	Pref.															
47	Illinois Traction	Pref.													88	88	5
48	International Petroleum Co.	($5 par)	10.30	10.30	5	13.63	12.25	1,015	12.50	11.16	605	13.25	12.00	175	11.13	11.13	50
49	Lake Superior Corp.																
50	Lake of Woods Milling	Com.							134½	134½	50	124¾	124¾	10	132½	132	60
51	" " "	Pref.															
52	La Rose Consolidated Mines	($5 per share)	.61	.61	1,200	.50	.46	2,700	.63	.63	100	.57	.50	1,740	.60	.56	450
53	Mackay Companies	Com.	86¼	81½	2,988	82	80	1,118	86¼	84½	2,102	81½	77½	537	87	85	1,439
54	" "	Pref.	68¼	67½	1,073	64⅞	64	259	67½	66	491	64	63½	99	67¾	66¼	477
55	Maple Leaf Milling	Com.	90	85	510	103½	99	468	109	86	9,328	110	99	2,152	116	105½	11,893
56	" " "	Pref.	94½	93¼	290	94	91¾	234	97¼	93¾	265	97	92	334	98	96	204
57	Mexican Light & Power	Com.	15	15	10							14	10	130			
58	" " "	Pref.															
59	Minn. St. P. & S. S. M. (Soo)	Com.															
60	Monterey Railway L. & P	Pref.															
61	Monarch Knitting	Com.	32	32	8	35	35	42	32	32	35	35	35	130	35	35	5
62	" "	Pref.	83	82	27	80	80	50	82	80	54				82	80	12
63	National Steel Car Co.	Com.				8	8	8				6	5	60			
64	" " " "	Pref.				30	27½	29				29	29	30			
65	Nipissing	($5 per share)	7.20	6.90	215	8.55	7.90	590	9.05	7.10	4,590	9.50	8.80	400	8.60	7.90	970
66	Nova Scotia Steel and Coal	Com.	130½	110	527	109	98	1,121	139½	127⅛	2,428	99½	89	155	144	135¼	2,206
67	" " " "	Pref.															
68	Ogilvie Flour Mills	Com.													145½	145½	10
69	" " "	Pref.															
70	Pacific-Burt	Com.							22	22	25				22	20	87
71	"	Pref.				80½	80	12	79⅞	78	18				80	78	15
72	Penman's Limited	Com.							75½	63	485				72	70½	75
73	" "	Pref.							86	85¾	66				95⅞	85	15
74	Porto Rico	Com.	44	40	191				49	43½	75				46	45	60
75	" "	Pref.	95	95	10												
76	Quebec Railway L. H. & P.					22½	20½	145				16	16	5	35¾	35¾	10
77	Riordon Pulp & Paper Co	Com.				122	120	25				116¼	116¼	25			
78	Rogers, William A.	Com.	90	88	6				86	85	27				85	85	15
79	" "	Pref.	94	94	7				90	87	80				90	90	107
80	Russell Motor Car	Com.	57	57	41	80	70	95	61	57	123	69	69	20	85	60	2,579
81	" " "	Pref.	92½	90	90	112	105	117	95	92	538				109	94	2,863
82	Sawyer Massey	Com.				10	10	50	27	20	55				23¼	23¼	10
83	" "	Pref.															
84	Shredded Wheat Co.	Com.	131	128	330				135	131½	120	122	122	25	135	132	153
85	" "	Pref.	100	100	10										98	98	17
86	Spanish River Paper & Pulp	Com.	15	10	3,438	19	15¼	799½	12¾	11	2,495				21	12¾	10,134
87	" " " "	Pref.	45	34	276	53½	51½	84	40	35½	424				60	39	2,638
88	Steel Co. of Canada	Com.	59½	53½	3,300	60⅞	55½	2,152	66	58	10,341	58¼	51½	2,430	66½	61	12,465
89	" " "	Pref.	88½	87	543	91⅜	90½	408	94	88½	345	89½	86½	225	95	91	296
90	St. Lawrence & Chicago																
91	Tooke Bros., Ltd.	Com.															
92	" " "	Pref.															
93	Toronto Paper Co.		53	53	25	76	76	5	61	54	90	72	72	30	75	61	474
94	Toronto Railway		93	89½	785	76	74½	81	96	90	312	75	64½	647	90½	86½	698
95	Trethewey	($1 par)	21	19	900												
96	Tuckett Tobacco Co.	Com.				21	21	25				21	21	25	23¾	23½	54
97	" " "	Pref.	86	86	5										85¾	85¾	49
98	Twin City	Com.	97½	96¾	369	85½	85	288	98	96½	212	85	80	511	97	96	415
99	Western Canada Flour														118½	118½	17
100	Winnipeg Electric		95	92	67	47	36	219	95	94	136	49	45	90	92	91	215
	RIGHTS																
101	Consolidated Mining & Smelting Co.														2¾	2½	2,583

PRICES AND SALES 1917—(WITH COMPARISONS)

	OCTOBER			NOVEMBER						DECEMBER														
	1917			1916			1917			1916			1917			1915			1916			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1										28	27	75							68	27	1,060	30	19	525	1
2				60	58	50													71	56	750	55	50	222	2
3				23½	23½	65				21	21	10							34½	20	2,112	19½	17	45	3
4				64⅛	63½	75													80½	54	1,682	59	49	45	4
5	10½	8½	1,387	16	13	2,574	8¾	8¼	385	13½	12	1,757	9¾	8⅜	375	12¾	7¼	18,341	17	8½	28,790	14¼	8¼	9,125	5
6	130	129	107	148⅛	146	31	130	130	15	145¾	144¾	8	130	130	5	158	140	554	152	143	848	149	129	630	6
7	39¾	31¾	5,971	52¾	45	10,751	32¼	32	2.548	47	41¾	6,550	32	32	870	59½	53	19,522	62⅞	41½	67,549	47¾	31¾	53,560	7
8																									8
9	40	40	15							60	60	25				64	55	730	67	58	675	57	40	127	9
10				87	81	276				88	79	258				73	65	277	88	72½	2,101	85	65	467	10
11	87	86½	46	94½	94	86	86¾	86	83	93½	90¼	150				95	89	782	96	90	1,421	93½	84¼	947	11
12	14	13¾	100	19½	16	450	14	13	89	18	16½	334	20	16½	535	31½	30	1,369	30	16½	8,773	20	13	2,007	12
13	80	80	5	87¾	87	69				87½	87½	9				90¾	90	610	90	87	552	86½	80	132	13
14	59½	57	355	72¼	66⅝	11,507	58	57	328	72¼	56¾	20,313	58½	57	315	48⅞	28	22,563	73	38¾	141,722½	69¼	56	22,387	14
15	91¾	90¼	53	94⅞	93¼	146	90	90	35	95¼	93⅜	55				90⅞	90¼	214	97	90½	1,333	95¼	90	408	15
16				215	200	174				215	215	20							215	190	252	190	190	25	16
17																									17
18	41¾	38¾	1,189	42½	34½	21,526	39½	39½	170	44¾	30½	14,406	39	39	6	19¾	6½	24,487	44¾	15⅞	127,137	45¼	30½	52,897	18
19	80	75½	621	93¾	89½	7,647	76	76	262	95½	89	7,585	76	72¼	96	76½	59	90.72	95½	69¾	52,464	93¾	72½	19,345	19
20				39	36	225	39	38	50	37¾	37¾	25				15½	8½	1,080	39	13⅞	3,260	39	32½	250	20
21	58	58	65	60	60	10				58	54	417				63	30	5,390	66½	53¾	1,730	63¾	52½	2,918	21
22	84	83	23	88	87½	48	89½	84½	15	91	88	118	84½	84½	10	90	78	434	91	82	592	91½	83	675	22
23				45	43½	30	18½	18½	10	40	38	70				120	50	3,810	81	36	1,132	35	18½	420	23
24	49	49	25	82	32	25				63½	75	150				127	106¾	298	99	66	762	88	49	594	24
25	103⅜	100	473	126	119	5,020	101½	101½	74	121½	109½	1,615	101½	89½	73	132	91	14,859	126	108	22,024	114½	99½	5,092	25
26																110½	110	535	114½	109	229	109	105	125	26
27	149	133	137	173	173	10	137	131	80	167½	163¾	38	136½	128¼	94	193	144½	1.569	182½	163¾	1,256	167½	131	1,715	27
28				140	124	182										115	110	16	140	124	207	136	128	137	28
29	30	30	4				30	30	10							101	98	94½	98	89	2	30	30	270	29
30	60	60	32	97	94	56				92	92	20				102	100	414	101	94	387	70	60	54	30
31				330	330	100													350	330	110	330	330	100	31
32	3.70	3.25	320	4.95	4.80	1,370	3.00	3.00	400	5.10	4.70	2,071				5.35	3.50	12,534	5.95	3.90	15,189	4.70	3.00	10,807	32
33	148	147	45	165	162	298	148	147	121	165	163	106	150½	150½	45	185	176	1,057	176	160	1,363	165½	147	3,196	33
34				75	73	135										80	74	2,274	83	71	1,356	70	50	105	34
35	23⅜	23	2,050	49	49	100				45	39	6,400	21	21	200	99	32	26,857	58	39	26,345	43	21	9,320	35
36				121½	117½	460				128	118⅛	475				70	63	85	128	70¾	3,281	127	107	836	36
37	8.40	7.80	4.120	25.50	24.60	406	7.60	6.60	2,255	22.00	22.00	50	8.75	6.66	2,300	30.00	16.50	5,096	29.25	22.00	2,312	23.25	6.60	17,170	37
38				20	20	40				20	20	5				34⅛	31	1,071	20½	5½	364	25	19	1,220	38
39				61½	61½	5				65	65	20							65	61½	25	78	63	791	39
40																									40
41				96	94½	1,135				97	94¾	22				95	78½	201	99½	88	1,972	92	90	52	41
42	60	52	4,006	76	68¾	19,767	54	52	1,654	80⅞	60	31,913	53	50¾	565	53	47¾	22,083	80⅝	42½	159,509	71¼	50¾	63,329	42
43																									43
44				90	89	21				90	89	55				100	100	18	90	86	171	90	89	69	44
45	44	42	247	43¼	40	224	42½	42¼	35	41½	37	210	42	41	35				49	37	2,570	51	46	2.985	45
46																									46
47				88	88	3										91½	91	36	88	86	8				47
48	14.25	12.50	900	11.85	11.25	255	12.00	12.00	100	11.65	10.50	805	12.00	12.00	10	14.15	5.25	109,680	13.36	10.00	20,655	15.30	11.10	11,712	48
49																9⅞	9⅞	100							49
50													120½	120⅛	10				134½	132	110	129¾	120½	30	50
51																									51
52	.48	.42	1,445	.60	.55	690				.61	.60	570				.85	.45	27.719	.90	.55	15,655	.56	.40	17,295	52
53	77	74½	1,009	87	84	2,003	75	70¾	828	85	82½	1,449	76	72	291	84½	73	13.152	90½	78	24,605	90	70¾	14.958	53
54	63⅜	60½	333	67	65¾	1,333	63	59	277	66½	64½	368	69	59⅞	122	70¼	65½	6,062	69¼	62¾	7,462	69	59	3.861	54
55	107	98	512	122	108½	5,511	105	98½	587	114	98½	3,468	95	92	60	68	33	15,763	122	60	61.057	115	90	16,230	55
56	95⅞	93	110	98	96	123	92½	92	124	98	96	136	92	92	110	98	90	2,737	100	93¼	3,274	97½	91¾	2.567	56
57																			15	15	10	14	10	130	57
58																									58
59																									59
60																									60
61	30	30	8	39	39	3	30	30	45				30	30	1	27	25	69	39	25⅛	105	40	30	867	61
62	80	80	9	80⅛	80	160				82	80	75				82	82	63	83	80	716	81	80	303	62
63	7	5½	15	37	31	1,445				31	24	128	6	6	25				37	24	1,573	21	5	1,610	63
64	19	17	55	92½	83½	949	17	17	5	88	80	51	19	18	20				92½	80	1,000	78	17	866	64
65	8.50	8.00	381	9.10	8.50	2.220	7.80	7.70	445	9.25	8.75	2.435	8.50	8.10	475	8.70	5.00	24,736	9.25	6.40	17,395	9.50	6.95	6,153	65
66	90½	78½	435	153	139½	3,454				149	108	1,085	66	66	20	107	45¾	23,792	153	90	50,701	128	66	13,016	66
67																111½	111½	20				70	70	10	67
68																140⅛	120	203	145½	128¼	60	14	14	75	68
69																116	116	15	116	115⅞	79	112⅞	111½	8	69
70				26	25	117				29	26	94				31	28	351	30	20	567	40	28	684	70
71	79	79	1	79	77½	5				78	78	16				85	80	199	83½	77½	266	91	79	287	71
72	64½	64½	25	77	72⅞	230				73	73	10				61¼	51	170	77	59¾	1,819	64½	64½	25	72
73				85	85	5										82	82	95	95¾	82	167	85	81¾	35	73
74	30	25	50	41½	41	21				37	32½	171				46	46	25	49½	32½	1,253	42	25	956	74
75				90	90	25				90	90	5							95	90	40	80	80	1	75
76				44⅛	38⅞	2,640				44¼	28	1,140				19	14	660	44½	18	4,960	34⅜	16	9,460	76
77	117¾	116	20							143	116	81							143	116	81	124½	106	645	77
78				85	85	50	40	40	10							95	95	60	95	85	437	80	40	136	78
79				94	91	16	90	90	1	94	90	20	90	90	5	99	99	173	99	87	481	92	90	151	79
80	63	50	178	113	82	2,108	50	50	40	114	65	3,297	51	50	21	51	9	3,598	114	32	10.785	95	50	2,081	80
81	108	72	445	139	107	4,564				135	90	4,588				79	25	3,207	139	60	15,383	122	72	4,821	81
82				20	20	50										38½	25	1,011	31¾	20	1,246	24	8	350	82
83	41	40	132										40	40	10	76	69	771	77½	69	960	41	40	142	83
84	112	112	20	140½	136	210				140½	140	125				102	92	970	140½	102¼	3.404	137¾	112	311	84
85				98	98	30				98	98	50				93¾	93	145	100	95	197	95	95	10	85
86	14½	13⅛	145	24½	17	6,220½	13	13	70	22	15	1,194				6¼	3	750	24½	5	28,472½	19	13	2,044⅛	86
87				70	56	2,483				65	52	105							70	31	6,032	59	49¾	514	87
88	55¾	49½	1,797	81½	65¾	41,308	50¼	49½	714	68¼	53	22,035	50¼	49½	160	47½	9	97,070	88¼	34½	148,656	70¾	49¾	50,441	88
89	87	84½	404	100	91½	2,162	85	84½	99	107	98	3,987	85	84⅞	57	94½	69	4,909	107	86	11,407	100½	84½	5,271	89
90																130	100	1,209	186	115	3.734				90
91																18	16	50	24	19	107				91
92																									92
93				91	75	1,502				75	75	25				45	35	55	91	42	2.171	90	72	2,656	93
94	65	58½	786	85	78	1,267	60	60	216	80	72	546	60¼	60	87	117	111	4,691	111	72	5,811	90½	58½	5 025	94
95	13	13	50	17	17	1,000				21	19	1,080				18	10½	13,850	30	17	28,680	19	13	9,100	95
96	17	17	7	25	23½	415										20	29	5	25	23½	469	22½	17	307	96
97																90	90	27	86½	85¾	62	78	78	20	97
98	80½	77	402	96½	95½	314	76	67½	695	95½	93½	327	67½	62½	152	101	93	4,417	99½	93½	5,038	95	62½	4,463	98
99																105	100	50	118½	102	22				99
100	48	46	62				48	48	10										110	91	733	80	36	1,118	100
101				3⅞	2½	15,907				3¼	3⅛	33				7	5	4,606	3¾	2¼	18,523				101

BANKS QUOTED ON TORONTO STOCK EXCHANGE

	BANKS	1916 JANUARY			1917			1916 FEBRUARY			1917			1916 MARCH			1917			
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Commerce	203	203	1	185¼	184¾	191				187	185	146				186½	184½	267	1
2	Dominion				212⅜	212	83				212⅜	210	118				212	207	142	2
3	Hamilton				191	190	7				191¼	191¼	5				192	191	61	3
4	Imperial				200½	197½	159				199	196	139				199	197½	149	4
5	Merchants	180	180	2				180	180	8										5
6	Molsons				180	180	3													6
7	Montreal				234	234	10													7
8	Nova Scotia				255¼	255¼	1	261	261	37				261	261	17	257	257	58	8
9	Ottawa																			9
10	Royal	221¼	221¼	5	214	212	47	221¼	221¼	2	214	211	46				213	212½	47	10
11	Standard	215	215	96	215	214½	84	215	215	1	212	211	76	215	215	15	212	211	188	11
12	Toronto				192	190	60	211	211	2	191	190	27				192	190	65	12
13	Union	140	140	26	140	139	43	140	140	39	140	139	50				139	138	77	13

	BANKS	1916 AUGUST			1917			1916 SEPTEMBER			1917			1916 OCTOBER			1917			
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Commerce	190	185	310	186¼	183	169	187½	186	120	165	184	247	186	185	45	185½	184½	72	1
2	Dominion	210	206	26	207½	206	76	220	219	12	207½	204½	19	215	210	73	203	203	36	2
3	Hamilton	200	195	12	191	191	30	194	193	16	189½	189½	3	193½	192	16	186	184	83	3
4	Imperial	201½	200	219	197	193	52	203	202	142	197	194	70	203	198	96	194	185	113	4
5	Merchants	177	177	10	168¼	168¼	6	175	175	5							169	168½	4	5
6	Molsons																			6
7	Montreal	226½	226½	5										220	220	5				7
8	Nova Scotia	260	260	5																8
9	Ottawa	204	204	4				202	202	4										9
10	Royal	213	212	22	213	210	48	212	210	182	210½	208½	41	211	211	101				10
11	Standard	221	218½	51	204	203	27	221	220	65	205	203	113	221	219¾	220	204	200	118	11
12	Toronto	197½	191	138	190	187½	8	198	197½	16	167½	187½	1	197½	195	41				12
13	Union	134	131	72	142	139	145	136	133	124	139¾	138	131	135	134½	129	138	137	19	13

NEW COMPANIES LISTED ON THE TORONTO

	STOCKS		JANUARY			FEBRUARY			MARCH			APRIL			MAY			
			High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Canada Life								190	190	100							1
2	Canada Steamships Co., Ltd.	New Voting Trust																2
3	Cons. Mining & Smelting Co	$25 par	35⅛	31¾	3,186	32	27	2,185	33½	31	1,714	31¼	26	1,459	27¾	26	835	3
4	Dominion Iron & Steel	Com.																4
5	Prov. Paper	Pref.																5
6	Riordon Pulp & Paper Co.	Pref.																6
7	Standard Chemical	Com.										15	13¾	72				7
8	" "	Pref.										51	49	330				8
	RIGHTS																	
9	Detroit Rights		3	2⅝	310	3	2¾	510										9
	BONDS																	
10	Bell Telephone		98¼	98¼	$1,000													10
11	Dominion of Canada War Loan	1931	98¾	97½	240,400	98½	96	$103,300	97¾	95½	$59,800	97½	95⅝	$19,000	95½	94	$23,100	11
12	" " " "	1937										96	94¾	210,610	95	94⅝	74,400	12
13	Mexican Light & Power																	13

NEW COMPANIES LISTED ON THE MONTREAL

	STOCKS		JANUARY			FEBRUARY			MARCH			APRIL			MAY			
			High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Abitibi	Com.																1
2	"	Pref.																2
3	Brompton		58½	54	2,104							56	49	1,181	52	46	5,228	3
4	Canada Steamship Lines, Ltd	New Voting Trust																4
5	Howard Smith Paper Mills	Com.													74½	70	370	5
6	" " " "	Pref.																6
7	Intercolonial Coal																	7
8	Maple Leaf Milling Co.	Pref.				94¾	94¾	30	95	95	10				94½	92	8	8
9	West India Electric					77	77	80										9
	BONDS AND DEBENTURE STOCK																	
10	Canadian Consolidated Felt											95	95	$2,000				10
11	Canada Steamships	Deb.	78	78	$1,400													11
12	Dominion of Canada War Loan	1937																12
13	Windsor Hotel					80	80	$4,000										13
						3	2½	4,996	3½	2⅝	$30,014							
	RIGHTS																	
14	Detroit																	14
15	Nova Scotia Steel																	15

PRICES AND SALES 1917—(With Comparisons)

	1916 APRIL 1917						1916 MAY 1917						1916 JUNE 1917						1916 JULY 1917						
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1				186	165¾	249				188	185	180	193	190	111	186	186	145	190	186½	238	187	185	96	1
2				207½	207	135	208	208	1	207	206	81	207	204	99	206	203	111	205	202	210	206	204	68	2
3				192	191	46				191	189	50	197	195	13	190	189	42				191	190	55	3
4				198	194	173				194	193½	93	201	200	11	192¾	190	275	204	199	87	192	190	41	4
5							160	160	1										175	175	3				5
6										184	184	25				184	184	25							6
7																			229¾	229¾	10	220	220	5	7
8				254	254	2	261	261	1	253¾	253½	25				252	252	12							8
9										202	202	50													9
10				213	213	6				213	213	7	215½	215	65	212	210¼	15	215½	211½	62	212	210	49	10
11	215¾	215	74	211	209	42				208	207	122	215½	215	55	207	206	10	217	217	11	206	203	101	11
12			48	189	189	15				188½	188½	5	200	199	10				199	197	28				12
13	140	140	6	140	139½	26	140	140	4	141½	138	26	138⅛	137	48	140¼	140	91	136	134	41	142	142	10	13

	1916 NOVEMBER 1917						1918 DECEMBER 1917						1914			1915			1916			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	185½	183	90	185	185	42	185	184	149	165	182½	33	218	199½	5,930	203	203	293	208	183	1,064	188	182½	1,837	1
2	212	208	54	202	202	87	212	208	86	202	202	15	233	218	3,064	227	227	943	220	202	525	212½	202	971	2
3	192	192	24	184	184	77	192	190	50				207	198	430	208	201	222	200	190	131	192	184	459	3
4	200	198	69	185	185	85	200	199	119	165	165	21	218	210	2,187	210	210	745	204	198	743	200½	185	1,370	4
5	170	169½	12	167	167	12	170	170	2				191	184	268	180	180	49	180	169½	43	169	167	22	5
6													200	194¾	48	201	201	5				184	180	53	6
7	222½	222½	22										248	229½	94	237⅝	237⅝	12	229¾	220	42	234	220	15	7
8	255½	255½	5				256⅞	256	9				264¾	257¾	215	261	261	27	261	255½	74	257	252	98	8
9													208	201	181	207	207	36	204	202	8	202	202	50	9
10	212	208	88				212	211	13	205	202	22	227½	219	620	221½	221½	149	221½	208	540	214	202	308	10
11	220½	218	189				215	214	241	200	200	17	223½	208½	1,777	220	215	823	221	214	1,018	215	200	898	11
12	190	190	15				190	190	12	184½	184½	6	215	203	581	211	211	140	211	190	310	192	184½	187	12
13	138	135¾	55	139	136	85	137¾	135	74	137	136	132	145⅝	138⅞	543	140	140	266	140	131	618	142	136	735	13

STOCK EXCHANGE DURING 1917

	JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER			1916			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1																						190	190	100	1
2	43	43	50																			43	43	50	2
3	27¾	25	2,232	27	24¾	1,086	30	27	460	27½	26	609	25⅞	24⅞	1,632	25	25	150	25	24⅜	130	35¼	24½	15,678	3
4							66	61½	2,705													66	61½	2,705	4
5							81	80	80				78	78	15							81	78	95	5
6				93½	93½	25																93½	93½	25	6
7																						15	13¾	72	7
8	55	55	40	56	55	85	55	54½	32	55	55	47	56	55	300							56	49	834	8
9																						3	2⅞	820	9
10																						98½	98½	$1,000	10
11	95	93½	$61,600	96	93½	$146,400	96½	95½	$122,800	96½	95	$143,100	96¾	95	$214,000	96	93⅜	$251,800	95	91	$94,100	98¾	91	1,479 400	11
12	94¾	92½	202,900	95⅛	94	531,400	95½	95	387,500	95⅞	94⅝	146,700	94⅞	94¼	329,000	94⅝	93	233,400	93⅝	91½	152,400	96	91¾	2,268,310	12
13				30	30	9,000																30	30	9,000	13

STOCK EXCHANGE DURING 1917

	JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1				58½	58½	55	58½	57	150	55	50	50	50	50	10	48	48	5				58½	48	270	1
2							90	90	110	88½	88½	20										90	88½	130	2
3	53	44½	1,260	48	46⅞	1,245	47½	44½	967	48	44	885	47	38	2,314	40	39	1,120	40	39	1,237	58¾	38	17,541	3
4	43½	39	450																			43½	39	450	4
5	73	71	155				70	70	48	65	65	25	65	65	6							74½	65	604	5
6																									6
7							25	25	5													25	25	5	7
8	95	95	6										92¾	92¾	15							95	92	69	8
9																						77	77	80	9
10				78⅝	77	$4,000	78⅝	78	$7,900			$				80	80	$18,500				95	95	$2,000	10
11							96	95	1,325,600	95½	94½	1,029,600	95	94	$667,800	94½	92⅞	317,500	94	92	$171,200	80	77	31,800	11
12																						96	92	3,516,700	12
13																						80	80	4,000	13
14																						3½	2¾	35,010	14
15				35	1½	4,733																35	1½	4,733	15

BONDS QUOTED ON MONTREAL STOCK EXCHANGE

	BONDS	1916 JANUARY 1917						1916 FEBRUARY 1917						1916 MARCH 1917						
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Ames-Holden-McCready																			1
2	Asbestos Corporation				73	70	$17,375				76	70	$738				70½	70½	$300	2
3	Bell Telephone				99½	98½	6,500	97½	97	$1,000	99	99	500	98½	97	$16,500				3
4	Canadian Car & Foundry													100	100	21,000				4
5	Canada Cement	93½	92	$15,200	98	96½	17,000	94½	93	47,500	97¾	97½	2,000	95	94	37,700	97½	97	41,000	5
6	Canadian Converters																			6
7	Canadian Consolidated Rubber	91½	90	27,000	97	96	7,000	91	90	13,000				92½	91	10,000				7
8	Canadian Cottons	79½	78	7,500	83	82½	8,700	79	79	1,000	82	80	2,000	78	78	1,000				8
9	Canadian Locomotive	88	88	5,000										88½	88½	3,000				9
10	Cedar Rapids	86	85¼	37,600	92	89¾	24,900	85½	85	46,700	91¼	90	26,500	87	85	129,300	91	90	18,200	10
11	Dominion Canners																			11
12	Dominion Coal				93	93	7,000	95	95	4,000	94	94	8,500				94½	94½	10,500	12
13	Dominion Cotton	99¾	99	32,500	99	99	1,000	99½	99¼	6,000	99	99	2,000	99¼	98¾	3,500	99	98	30,000	13
14	Dominion Iron and Steel	85	85	3,000	87½	86½	28,000	85	85	18,000	87½	87	9,000	85	85	41.000	87½	87	19.000	14
15	Dominion of Canada War Loan....1925	97¾	97	361,400	99	97¾	274,500	98½	97	1,181,000	98⅝	97	1.498,700	98	97	473,800	97⅞	96¾	190,800	15
16	" " " " 1931				97	97½	1,010,900				98¾	96	671,500				97	95¾	161,900	16
17	Dominion Textile Company, A	97½	97	2,250	98	98	2,250				98	97	12,500	97	97	500				17
18	" " " B	99½	97	3,000	98	98	1,000	97	97	2,000	99½	99½	1,000				99½	98⅛	1,500	19
19	" " " C	97	97	3,000	97	97	1,000	97	97	2,000							99	98½	3,000	18
20	" " " D																			20
21	Lake of the Woods Milling Co.				104	104	1,000							102	102	2,000				21
22	Laurentide Paper Co.				101	101	9,000	101	101	1,000										22
23	Lyall Construction Co.							84½	84	16.500				86	85	10,200	85¼	85¼	5,500	23
24	Montreal Light, Heat and Power....4½%				96	96	6,000				93¼	93	18,000				93	93	6,000	24
25	Montreal Street Railway																			25
26	Montreal Tram																			26
27	" " Debenture Stock	81½	81¼	1,600	76	75	20,901	81¼	81¼	1,200	75	75	13,300				77	73½	18,900	27
28	National Breweries, Ltd				90¼	86½	24,500				87	87	5,000				83¾	80	1,500	28
29	Nova Scotia Steel & Coal Co.	84	84	2,000	89	88½	2,000				88½	87	6,000	84¾	84	12,100	87	86	11,000	29
30	Ogilvie Flour ....Ordinary				103¼	103	12,000				103½	103½	2,000	103	103	2,000				30
31	" ....B	100	100	4,000	103	103	4,000				103	103	1,000							31
32	" C				103½	103½	25,000				103	102¾	2,000							32
33	Ontario Steel Products, Ltd																			33
34	Penmans										85	85	1,000							34
35	Porto Rico																			35
36	Price Bros.	81	78½	19,000	85	85	500	83	82	7,200				83	83	7,900				36
37	Quebec Railway, Light and Power Co.	50	50	6,500	71	70	3,600	54½	50½	29,400	68	68	1,000	57	54½	32,500	68	65	23,000	37
38	Rio de Janeiro																			38
39	Riordon Paper																97	97	4,000	39
40	Sherwin-Williams Co.	101	99	6,000	99	99	1,500	99	99	6,000	99¼	99¼	100	99	98	2,000				40
41	Spanish River																			41
42	Steel Co. of Canada	92½	89	9,000	97	97	3,500	91	90	4,000	97	97	2,500	93	91	3,600	100	96	3,000	42
43	Wayagamack				90	86	69,500				90	87½	41,000				87	86	8,000	43
44	West Kootenay																			44
45	Winnipeg Electric	97	97	5,000	95	95	13,000							95	95	5,000				45
46	Winnipeg Street										96	96	1,500							46
	RIGHTS																			
47	Consolidated Mining & Smelting Co.																			47
48	Shawinigan Water and Power																			48

	BONDS	1916 AUGUST 1917						1916 SEPTEMBER 1917						1916 OCTOBER 1917						
		High	Low	Salos	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Ames-Holden-McCready							88	88	$1,000										1
2	Asbestos Corporation				72	72	$200				72	72	$1,000				76½	72	$6,125	2
3	Bell Telephone	98½	98	$3,500	96½	95	4,500	98	97½	2,500	95¾	92¾	13,000	98	98	$1,000	93⅜	92⅞	7,000	3
4	Canadian Car & Foundry	97	97	500							97¼	97¼	5,000	96¾	96¾	5,000				4
5	Canada Cement	98½	96½	61,000	98	97	6,000	99	96½	32,400	98	97	18,800	97½	97	29,200	97¼	97	5,100	5
6	Canadian Converters													81	81	1,000	82	82	1,000	6
7	Canadian Consolidated Rubber	98¼	98¼	1,000	94½	94¼	3,000	98¾	98	7,000	94	94	1,000	99	96	4,000	94½	94½	4,500	7
8	Canadian Cottons				81	80	3,500	83½	83½	3,000	81	80	5,500	80¼	80¼	4,500				8
9	Canadian Locomotive	88	88	500				94½	94½	500										9
10	Cedar Rapids	90½	89	46,800	85½	85½	6,500	90½	89	53,200	85½	85	4,300	90¼	89	20,800	84½	84	7,700	10
11	Dominion Canners				89½	89¼	1,000													11
12	Dominion Coal	93½	93½	7,000	90¼	90	3.000	93½	93¼	4,000				93½	93	4,000	84¼	83	4,000	12
13	Dominion Cotton	99¼	98¾	12,500	98¼	98½	1,500	99½	99½	14,500	98½	98½	1,000	99½	99	5,500	99¼	99¼	1,000	13
14	Dominion Iron and Steel	90	89	6,000	88	88	15,000	89	87	19.000	88	87	21,000	87½	87	9,000	87½	86½	12 000	14
15	Dominion of Canada War Loan......1925	98¼	97½	702,800	98	97	52.400	98	97½	107,100	97½	96⅞	72,900	99⅛	97¾	654,200	97¼	95⅝	272,000	15
16	" " " " 1931				96¼	95¼	234,000				96¼	95⅝	193,800	98½	98½	5,500	96	94	199,000	16
17	Dominion Textile Company, A	97½	97½	2,000				97½	97½	250	99½	99	2,000	97	97	14,500	97½	97½	3,000	17
18	" " " B							98	97½	3,000				97	97	4,000				18
19	" " " C	98	97	1,250				96	96	500	99	99	9,000	97½	97½	500	97½	97½	5.000	19
20	" " " D	96½	96½	1,000				97	96½	7,000										20
21	Lake of the Woods Milling Co.				99¾	99¾	1,000	103	103	3,000				103¼	103¼	16,000				21
22	Laurentide Paper Co.				101	101	1,000										101¼	101¼	10,000	22
23	Lyall Construction Co.	83½	81¾	1,800	91	83¾	6,300				93	92	20.000				93	93	3.000	23
24	Montreal Light, Heat and Power....4½%	93	93	5,000				93	93	3,000				93½	93½	1,000	88	88	3,000	24
25	Montreal Street Railway																			25
26	Montreal Tram	91¼	91¼	15,000																26
27	" " Debenture Stock	79	75	6,800	74¾	73	8,500	79	75	10,500	75	74	11,200	76½	75	23.100	74¾	72	4.400	27
28	National Breweries, Ltd										81	81	1,000	95	93½	28,500				28
29	Nova Scotia Steel & Coal Co.	90	90	17.000	83	83	5,100	87	87	1,000	83	82	12,500	90	87	20,000	82	82	1,000	29
30	Ogilvie Flour.... Ordinary				103	103	1,000				103	103	1,000				102¾	102¾	1,000	30
31	" ....B										102¾	102¾	1,000							31
32	C	103½	103½	1,000				103½	103½	8,000										32
33	Ontarin Steel Products, Ltd													81	81	200	86¾	86¾	19,200	33
34	Penmans							84½	84½	2,000	86	86	1,000				86	86	1,000	34
35	Porto Rico																			35
36	Price Bros.	87¼	87	31,400	83	83	2,000				83	83	100	87	87	2,000	81¾	81¾	11,500	36
37	Quebec Railway, Light and Power Co.	70½	68	22,400	62½	62	24,000	71	69½	55,200	61	60	3,000	71	70	12,300	60	60	5,000	37
38	Rio de Janeiro																			38
39	Riordon Paper																			39
40	Sherwin-Williams Co.	99¼	98	10,300				100	99	3,300	99	99	2,000	99	99	500				40
41	Spanish River				81¾	81¾	2,000							84	80	8,500				41
42	Steel Co. of Canada	96½	94½	6,700	96¾	96	2,800	96½	96	4,700	95	95	1,000	96¾	96	7,000	92	92	6,000	42
43	Wayagamack	84	82	36,900	83¾	83	3,190	84	82	40,700	81½	80	11,500	90	83	282,700	81½	80	15,500	43
44	West Kootenay																			44
45	Winnipeg Electric																			45
46	Winnipeg Street																			46
	RIGHTS																			
47	Consolidated Mining & Smelting Co.													3	2½	11,023				47
48	Shawinigan Water and Power																			48

PRICES AND SALES 1917—(With Comparisons)

	1916 APRIL			1917			1916 MAY			1917			1916 JUNE			1917			1916 JULY			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1																									1
2				72	72	$6,500				74	72	$336				80	72	$150				75½	72	$2,275	2
3	98	98	$4,500	97½	97	6,000				98	96½	12,000	99	98	$10,500	96½	94½	26,000	98½	98	$9,000	95¼	94½	7,000	3
4	100	100	6,000				100	100	$10,000										97¾	97	10,200				4
5	95½	94	12,900	98	97	36,500	96	95	53,400	97¼	97	24,200	97½	96¼	18,900	98	97½	34,900	100	97½	52,900	97½	97	7,900	5
6																			81	80	5,000	83	83	1,000	6
7	95	94½	7,500	95	95	5,000	102½	94½	32,600	95	94½	22,000	100	100	4,000	94½	94½	2,000	100	99¾	7,800	94¼	94¼	2,000	7
8	80	80	9,000				83½	83	76,000	83	82½	1,000	83½	83⅛	11,500	83	80	5,000	83½	83½	500	81	80	3,000	8
9							88	88	12,000																9
10	89½	86½	90,900	90	89	10,200	89½	88¾	103,600	90	88	24,000	90½	89⅛	111,900	87½	86	17,800	91	90	94,500	86	86	3,200	10
11																									11
12				95	95	1,500	95	95	7,000	93½	91	14,500	95¼	94	27,500				94	94	2,500	89¾	89	6,500	12
13	99¾	99½	15,000	99	98	2,500	99½	99	20,500	98½	98½	11,500	99½	99	13,000	97½	97½	6,000	99½	99½	15,500	98½	98	4,000	13
14	85	85	3,000	87½	85	27,000	87	85	45,100	87	86	21,000	90	87	16,000	87	87	7,000	90	90	1,000	87	86	12,000	14
15	98⅛	97	581,200	97⅝	96⅜	130,100	99	97⅞	630,300	97¼	96½	185,100	100	98⅞	1,470,300	97¼	96½	200,400	99¾	97⅝	499,000	98	97¼	102,600	15
16				96¼	95¾	60,700				96⅛	95	66,100				95	93½	78,800				96	93½	210,600	16
17							98	97	6,750	99	98	4,750	96	96	2,000				97¼	97¼	2,500				17
18	97¾	97	7,750				97	97	1,000													99½	98	3,250	18
19	97	97	4,000	99	99	3,000	97	97	2,750	98¾	98½	3,000	97	96	12,000							98¾	98¾	1,000	19
20													96½	96½	2,000	98¾	98¼	2,000							20
21				103	103	8,000				102½	102	3,000													21
22	101	101	20,000				101	101	10,000													101	101	5,000	22
23	85½	84	5,300	84	84	900	85	84½	2,700	85	85	4,000	85	84	2,000	86	85½	15,000	84	84	1,000	88¾	88¼	2,000	23
24				91¾	91¾	1,000	92	92	4,000	91	90	17,000	93	92	170,000				92¼	92¼	12,000	88½	87¼	14,000	24
25																									25
26																									26
27				75	75	2,800	81½	79	6,700	75¼	74¾	51,000	79	75	19,000	74	72	6,800	77	75	23,000	74¾	73	9,100	27
28																			90	90	3,000	85	85	1,000	28
29	85¼	85	22,500	87	87	1,000	85	65	8,000	84¾	84¾	1,000	90	87½	27,000	83	83	1,000	90	90	1,600				29
30													104	104	8,000				103	103	2,000	102¼	102½	3,000	30
31										102¾	102¾	5,000													31
32				103¾	103¾	2,000	103	103	5,000	102¾	102¾	2,000				102½	102½	2,000							32
33																			65	85	300				33
34																						87½	87½	1,000	34
35																			87½	87½	500				35
36	83½	83½	1,000	83	83	1,420	85	84	3,000	83	83	1,000	87	84	13,500	83	83	1,500	87½	85	6,500	83	83	3,800	36
37	62½	57½	71,800	65	65	15,000	70	63	82,200	68	65¼	400	69½	67	57,500	65¼	60	2,800	71	66	100,200	62½	52	8,000	37
38																									38
39				97	96¼	2,000				96½	96½	2,000													39
40				100¾	98½	4,200	100	98½	13,500	100	100	500							99	98	1,000				40
41				86	88	500													80	80	1,000				41
42	95	95	5,700	100	99	12,000	95½	95	16,200	99½	98¾	12,000	97	96	24,800	97¼	96	2,000	96½	96½	1,000	96¾	96¾	2,000	42
43				87	84	8,100				86	84	9,700	84¼	82¾	43,500	86	84	4,100	84	82½	54,300	84¼	83½	8,700	43
44																									44
45										94	94	2,000	97	96¼	2,500	92	92	1,000				92	92	1,000	45
46										98¾	98¾	1,000													46
47																									47
48							1½	1¼	9,397				1⅝	1¼	20,110				1½	1¼	9,864				48

	1916 NOVEMBER			1917			1916 DECEMBER			1917			1914			1915			1916			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1													100	97¾	$16,500	97	97	$500	88	88	$1,000				1
2							72½	72½	$6,000	72	72	$10,000							72½	72½	6,000	80	70	$44,999	2
3	100½	100	$8,000				99¾	99¾	1,000				100	97½	161,500	100	96½	200,000	100½	97	57,500	99¼	92¾	82,500	3
4													106½	104	40,600	102	100	8,000	100	96¾	52,700	97¼	97¼	5,000	4
5	97½	97	34,100	96½	96½	$1,000	98	97	16,000				98	95	338,600	94½	92	149,500	100	92	411 200	98	96¼	194,400	5
6	83	83	1,000							82	82	3,000	82	82	2,000				83	80	7,000	83	82	5,000	6
7	97	95	3,000				98	96	5,000				93	88¾	21,800	91	88	92,700	102½	90	115,900	97	94	46,500	7
8	83	83	5,000				83	83	9,200				82½	79	78,100	80½	78	41,900	83½	78	128,200	83	80	28,700	8
9													98	91	11,600	90	90	1,000	94½	88	21,000				9
10	90½	90	76,900	84	84	500	92	90⅝	17,500	84	84	600				86½	85	82,600	92	85	829,700	92	84	144,400	10
11							90	90	2,000										90	90	2,000	89½	89¼	1,000	11
12	93	93	2,000	84¾	84¾	4,000	94	93	4,000	85	85	5,000	100¼	98	90,500	95	95	27 500	95¼	93	62,000	95	83	64,500	12
13	99½	99	11,500				99¾	99	9,500				101	100	137,500	101	98	179,500	99¾	98¾	159,500	99¼	97½	60,500	13
14	90¼	87½	26,000	86½	86½	3,000	90¼	87½	28,000				91	84	108,000	90	85	184,000	90¼	85	215,100	88	85	174,000	14
15	99¼	98½	475,700	96⅝	95	207,600	99¼	98	251,800	95¾	94¾	108,600				98	92½	71,100	100	97	7,388,600	99	95	3,295,700	15
16	99½	98⅛	1,022,500	05¾	94½	281,500	99	98	671,800	95	91⅞	57,700							99½	98	1,699,800	99	91⅜	3,226,500	16
17	97	97	250	98½	98½	2,000	97	96	9,250				101	99	28,000	100	97	15,500	98	96	40,250	99¼	97	26,500	17
18	98	97	1,250				98	97	4,250				100½	99¾	85,750	100¼	97	12,250	99½	97	26,250	99¼	98	6,750	18
19	97	97	5,000				98	97	2,000				101	96	36,000	100	97	23,000	98	96	33,000	99	97	25,000	19
20													100	100	1,500	98	98	1,000	97	96½	10,000	98¾	98¾	2,000	20
21							104½	103½	4,000				105	100	11,000	103	100	3,000	104½	102	25,000	104	99¾	13,000	21
22													105½	102	7,000	101	101	1,000	101	101	31,000	101¼	101	25,000	22
23													88	87	20,900	84	84	5,000	83½	81¾	39,600	93	84	56,700	23
24	95	95	6,000	82	82	7,000	96	96	3,000				98½	96½	56,000	96	95	41,000	96	92	204,000	96	82	72,000	24
25							97	97	13,200				100½	100	39,600	100	100	8,000	97	97	13,200				25
26	91¼	91¼	3,000				95¾	95¾	2,000				100	97	34,500	96	96	1,000	95¾	91¼	20,000				26
27	78	75	22,800	72¾	72¾	1,700	75	75	8,000	72¾	72¾	1,000	83½	75	469,410	81½	81½	61,000	81¼	75	122,700	77	72	149,601	27
28							92	92	1,000				102	102	3,000	101	99	63,500	95	90	32 500	90¼	80	33 000	28
29	88	86½	21,500				89½	89½	1,000	82	82	500	89½	85½	70,500	85½	84	11,400	90	84	133,700	89	82	40,600	29
30							103¼	103¼	9,000				106	103	9,000	103	103	6,000	104	103	21,000	103½	102¼	20,000	30
31													103	102	17,000	104	102	6,000	100	100	4,000	103	102¾	11,000	31
32							103½	103	27,000				103	102	14,000	104	102½	15,000	103½	103	41 000	103¾	102½	33,000	32
33	86	86	1,000													85	85	3,000	86	81	1,500	86¾	86¾	19,200	33
34	84½	84½	1,000							86	86	500	90½	84	7,000				84½	84½	3,000	87½	85	4,500	34
35	80	80	5,000										86½	85	9,500	80	80	1,000	87½	80	5,500				35
36	85	85	3,000										82	78	91,500	78	75	37,900	87½	78½	94,500	85	81¾	21,820	36
37	72	71	39,000	60	60	3,000	71	66	88,400				55½	47	1,126,300	58	45	354,900	72	50	597,400	71	52	98,800	37
38													96	96	5,000										38
39													98	98	19,300							97	96¼	8,000	39
40	99½	99½	5,000				99½	98¾	3,200				101½	98½	78,500	100	97	61,500	101	98	50 800	100¼	98¼	8,300	40
41													75	66	4,500				84	80	9,500	86	81¾	2,500	41
42	96½	95¾	1,500	90	90	500	96	94	1,073				93	90	28,400	90	88	37,666	97	89	85,273	100	90	47,300	42
43	90	87	15,300	80	80	1,100	90	86½	22,600										90	82	496,000	90	80	180,300	43
44	100	100	7,000																100	100	7,000				44
45							97	94	9,000				102	99½	36,000	97¼	97¼	1,000	97	94	21,500	95	92	17,000	45
46							95	95	3,000										95	95	3,000	96¾	96	2,500	46
47	3¾	2½	42,343				3	2¾	27										3¾	2½	53,393				47
48													3	2¼	28,879	1⅜	¼	40,356	1⅜	1¼	39,371				48

LOAN & TRUST COS. QUOTED ON TORONTO STOCK EXCHANGE

	COMPANIES	JANUARY						FEBRUARY						MARCH						
		1916			1917			1916			1917			1916			1917			
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Canada Landed & National Invest.	157½	157½	10	160	158¼	32				159⅜	159	116	157½	157½	34	156	156	76	1
2	" " " " 20% paid																			2
3	Canada Permanent Mort. Corporation	183	183	288	170½	170	345	183	183	105	171½	170½	527	183	183	166	173	171	295	3
4	Central Canada Loan and Savings																			4
5	" " " " 20% paid																			5
6	Colonial Investment & Loan				77	75	106										75	75	34	6
7	Dominion Savings & Investment													80	80	30				7
8	Great West Permanent																			8
9	Hamilton Provident and Loan				140	140	18				141½	141	14	140	140	20	142	141	17	9
10	" " " " 20% paid																			10
11	Huron and Erie Mortgage Corp.	210	209	17	210	209	50	210	210	55	210½	210½	14							11
12	" " " " 20% paid	197	197	3	198	197	237				197	197	56							12
13	Landed Banking and Loan																			13
14	London & Canadian Loan & Agency	132	132	25							132	131	66				130	130	10	14
15	National Trust										210	210	60							15
16	Ontario Loan & Debenture	169	169	48	175	175	2													16
17	" " " 20 % paid																			17
18	Real Estate Loan																			18
19	Toronto General Trusts	208	207	81	213	213	5	210	208	139	215	214	30	208	205½	43	214¾	214¾	35	19
20	" " " New																			20
21	Toronto Mortgage				140	140	5	134	134	38							140	140	25	21
22	Toronto Savings																			22
23	Union Trust Co.																			23

	COMPANIES	AUGUST						SEPTEMBER						OCTOBER						
		1916			1917			1916			1917			1916			1917			
		High	Low	Sales	High	Low	Sales	High	Low		High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Canada Landed & National Invest.	162	162	169				163	163	45	154	154	25	161	161	30	151	151	5	1
2	" " " " 20% paid																			2
3	Canada Permanent Mort. Corporation	175½	173	204	170	168	499	175	172½	504	170	168	348	175	173	93	169	167	295	3
4	Central Canada Loan and Savings																			4
5	" " " " 20% paid																			5
6	Colonial Investment & Loan							71	71	15	69	69	67	71	71	45	68	68	81	6
7	Dominion Savings & Investment																			7
8	Great West Permanent																			8
9	Hamilton Provident and Loan				137	137	16	139	138	52										9
10	" " " 20% paid																			10
11	Huron and Erie Mortgage Corp.				209	209	30							212½	212½	5	205	205	20	11
12	" " " 20% paid																			12
13	Landed Banking and Loan							145	145	14							143	143	1	13
14	London & Canadian Loan Agency													134	134	19				14
15	National Trust										210	207½	20				207½	207½	10	15
16	Ontario Loan & Debenture																			16
17	" " " 20% paid																			17
18	Real Estate Loan																			18
19	Toronto General Trusts				206	206	9	210	210	10				211	210½	14	205	205	58	19
20	" " " New																			20
21	Toronto Mortgage				136	136	7							135	135	15				21
22	Toronto Savings																			22
23	Union Trust Co																			23

BONDS QUOTED ON TORONTO STOCK EXCHANGE

	BONDS	1916 JANUARY 1917						1916 FEBRUARY 1917						1916 MARCH 1917						
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Canada Bread	93½	93	$13,600	94	93	$7,300				93½	93	$2,000	93	93	$1,500	93½	93½	$13,000	1
2	Canada Cement (Unlisted)													94	94	5,000	96½	96½	700	2
3	Canadian Locomotive	88	88	1,700	95	95	1,500	88	88	$1,500				88	88	8,100				3
4	Dominion of Canada War Loan 1925				98¾	97⅞	146,500				98½	97⅛	97,200				97¾	97	85,600	4
5	Dominion Iron & Steel	85	85	3,000																5
6	Electrical Development							88½	88½	1,500	92½	92¼	1,000	88	88	1,000				6
7	Penmans																96	96	1,000	7
8	Porto Rico				82	82	8,000													8
9	Quebec Railway, Light and Power																			9
10	Rio de Janeiro Tram. Light & Power				86¼	85⅞	8,000				85¼	84¼	10,000				83½	82¾	8,500	10
11	Sao Paulo Tramway				84	84	1,000													11
12	Steel Co. of Canada	92	90	8,500				91¾	90¼	2,000	97¾	97¾	1,000	93¼	92	5,100	98	97	2,700	12

	BONDS	1916 AUGUST 1917						1916 SEPTEMBER 1917						1916 OCTOBER 1917						
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	Canada Bread	93½	92¾	$11,600	92½	92	$3,800	93¼	93	$2,100	92	91	$12,200	95	93	$13,500	91¾	90	$11,000	1
2	Canada Cement (Unlisted)																			2
3	Canadian Locomotive	95	94	5,000				95	95	3,000										3
4	Dominion of Canada War Loan 1925				98	97¼	40,700	97¾	97	1,000	97½	96⅝	43,200	99⅞	97¾	137,800	97	96	157,400	4
5	Dominion Iron & Steel													87	87	1,000				
6	Electrical Development	83	83	2,000				83	83	9,500				88¼	83	34,000				
7	Penmans																			7
8	Porto Rico																			8
9	Quebec Railway, Light and Power																			
10	Rio de Janeiro Tram. Light & Power	87⅝	87⅝	5,000	80	80	500	86½	86½	13,000	85	80	2,600							10
11	Sao Paulo Tramway																			11
12	Steel Co. of Canada	96⅛	95½	11,400	95¾	94¾	4,200	96½	96⅛	1,500				96½	96	13,000	92	92	3,000	12

PRICES AND SALES, 1917—(WITH COMPARISONS)

	APRIL 1916			APRIL 1917			MAY 1916			MAY 1917			JUNE 1916			JUNE 1917			JULY 1916			JULY 1917		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	157½	157½	37				157½	157½	20				160	159	12	155	154	12	161	160½	133	153¾	153⅝	50
2																								
3	183	183	230	172¾	172	373	180	175	1,473	170½	170	927	176½	175	1,215	170	166	193	177½	174¾	677	167½	167	688
4																								
5																								
6				75	74	2,790				74	74	25							70	70	134			
7																								
8																								
9							140	140	16	141	141	40										137	137	10
10										124	124	13										121	121	6
11				208½	208½	52							214	212	179	211	209	84				209	209	10
12																198	198	39						
13													144	144	5									
14	134	134	10	130	129	92				130	129	15	133	133	9									
15										212	212	10												
16																								
17																								
18																								
19	208	207	83	212	212	75	208	208	21	212	212	5	208	208	8	212	207½	7	210	210	25	207	206	16
20																								
21				138	138	7				133	138	9										136	136	54
22																								
23																								

	NOVEMBER 1916			NOVEMBER 1917			DECEMBER 1916			DECEMBER 1917			1914			1915			1916			1917		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1				151	151	8				150	150	6	170	155	368	162	157½	239	163	157½	490	160	150	330
2																								
3	172	170	934	165	165	125	171	168⅝	781	165	162½	159	192½	183⅜	13,456	188	183	4,758	183	168¾	6,670	173	162½	4,774
4																190	190	6						
5																								
6	71	71	87				76	70	160				83	78	2,019	78	78	817	76	70	441	77	68	3,103
7													80	77	59	81	81	16	80	80	30			
8													128	128	24									
9													140	137	87	140½	139	164	140	138	88	142	137	115
10													120	120	13	125½	125	126				124	121	19
11	212	211	119				212	211½	25				212	212	413	211	205	436	214	209	400	211	205	237
12	40	40	20													197	197	252	197	40	23	198	197	332
13													146	143	36	147	147	30	145	144	19	143	143	1
14	135	131½	40	128½	128½	2							140	125	320	136	131	91	135	132	103	132	128¼	185
15	210	210	40										230	225	35	223	223	71	210	210	40	212	207½	100
16	175	175	20										173	173	70	173	169	23	175	169	68	175	175	2
17																173	173	34						
18													103	102	29									
19	212	212	10	200	200	7							204	189	478	210	202½	348	212	205½	434	215	200	247
20																								
21							140	140	5				140	137	205	138	138	21	140	134	58	140	136	107
22																								
23																								

PRICES AND SALES—1917 (With Comparisons)

	1916 APRIL			1917			1916 MAY			1917			1916 JUNE			1917			1916 JULY			1917		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	93½	93	$3,800	93	92½	$3,000	93	92½	$10,500	92	92	$600	93½	93½	$2,400	92	92	$2,700	93	92¾	$2,000			
2													96¾	96¾	1,000	97	97	500						
3				93	93	1,000				94	94	300	90	89	1,500				94	94	3,500			
4				97½	96⅞	20,700				96¾	98	28,700				97½	96½	89,300				98	97	$52,600
5																								
6	88	88	1,000	90	89⅞	1,000	88¾	88½	13,700										85	85	1,000			
7																								
8	85	85	2,500																					
9													68¾	68¾	3,000									
10				81	81	8,500	84½	84½	100										87½	87½	500	80	80	200
11							84	84	1,000													80	80	8,000
12	94	93½	5,200	99½	99½	5,500	95½	94½	11,000				96	95	24,000	96½	96½	1,000	96½	96	19,000	97½	97	4,000

	1916 NOVEMBER			1917			1916 DECEMBER			1917			1914			1915			1916			1917		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	95½	94½	$5,100				95	93	$4,900	90	90	$18,400	97	92	$334,700	93½	93	$89,700	95½	92½	$71,000	94	90	$74,000
2	96¾	96¾	5,000																96¾	94	11,000	97	96¼	1,200
3	96	95	8,500				95	95	2,000				98	91	5,300	90	88	3,800	96	88	48,500	95	93	2,800
4	99	98¾	101,300	96¾	95	$114,400	99	98	84,400	96½	94⅝	64,600							99¾	97½	364,500	98¾	94⅞	938,900
5																			87	85	4,000			
6	91¾	91	9,500				92½	92	20,500				93	90	33,500	88	88	4,500	92½	83	80,000	92½	89¾	2,000
7	84½	84½	500	87½	87	1,500													84½	84½	500	96	87	2,500
8													85	85	1,000	90	90	2,000	85	85	2,500	82	82	8,000
9													51	50⅜	2,500				68¾	68¾	3,000			
10	86½	86½	1,000	81⅜	80	2,000	86½	86	12,100				97	94⅝	95,000				87¾	84½	31,700	86¾	80	40,300
11																			84	84	1,000	84	80	9,000
12	96⅝	96½	10,200	90	90	4,000	97	96¾	7,500				93	81	42,500	89¾	88	47,000	97	90	118,500	99½	90	25,400

BANKS QUOTED ON MONTREAL STOCK EXCHANGE PRICES AND SALES—1917 (WITH COMPARISONS)

	BANKS	JANUARY						FEBRUARY						MARCH						
		1916			1917			1916			1917			1916			1917			
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	British North America				112	112	10										112	112	1	1
2	Commerce				186½	184½	91	203	203	10	186½	185	47	203	203	1	188	185	310	2
3	Dominion							227	227	2										3
4	Hamilton																			4
5	Hochelaga	149	149	16	145	145	103	149	149	16	145	145	367				145	143½	21	5
6	Imperial																			6
7	Merchants	180	180	3	170	167½	303	180	180	11	170	168½	137	180	180	14	170	169	79	7
8	Molsons				181	179½	129	201	201	1	180	180	6	201	201	10	180	180	18	8
9	Montreal	235	234	402	234	232	308	234	234	125	234	225	42	234	234	98	226	222	151	9
10	Nationale										134	134	2				134	134	2	10
11	Nova Scotia	261	261	12	255	255	14	261	261	14	256	255	45	261	261	7	257½	257	59	11
12	Ottawa	207	207	10							200	200	10				202	202	1	12
13	Royal	222¼	221¼	255	214	212	379	221¼	221¼	13	213½	212	159	221¼	221¼	22	213	212	121	13
14	Standard																			14
15	Toronto				191⅞	190	30													15
16	Union	140	140	16	137	137	23	140	140	5	140	138	40				139	138	48	16

	APRIL						MAY						JUNE						JULY						
	1916			1917			1916			1917			1916			1917			191			1917			
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1				112	112	1													110¾	110¾	1				1
2				186½	185½	151	203	203	3	188	185	233	190½	190	7	186	185	155	190	187	114	186	185	321	2
3																									3
4																									4
5				145	144	23				145	145	68	146¾	146¾	2				148	145	68	143	143	65	5
6																									6
7	180	180	10	170	168	120	180	180	30	170	167½	86	179¾	175	6	170	168½	88	179	175	79	170	167	126	7
8				185	182	87				186	182	40	195	195	14	184	179½	171	195	194	16	180¼	180	11	8
9	234	234	176	222	219	99	234	230½	75	219	215	81	230½	230	90	216	215	233	230½	228½	204	219	215	187	9
10																						149	148	11	10
11				254½	253	21				255	254'	144	261	261	2	255	253	34	257½	257½	52	253	253	4	11
12																						202	202	10	12
13	222¼	222¼	7	213	212	77	221¼	218¼	116	213	210	128	218¼	215	46	213	211	117	216	214	30	212	210¾	126	13
14																									14
15										190	190	10										188	188	50	15
16				139	138	50	140	140	12	141	139	45				141	139	27	135	133¾	91	141	140	17	16

	BANKS	AUGUST						SEPTEMBER						OCTOBER						
		1916			1917			1916			1917			1916			1917			
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	British North America							110	110	35	112	112	1	110	110	5				1
2	Commerce	188	186	255	186½	183	205	187	186	168	185	183½	256	186	183	192	185½	185	86	2
3	Dominion																			3
4	Hamilton																			4
5	Hochelaga	147	145	60	143	142½	25	145¾	145	87	142	141⅞	9	148	145	40	142	140	81	5
6	Imperial																			6
7	Merchants	175	174	58	170	167½	83	174	173	20	170	169	13	170	166	444	170	167	120	7
8	Molsons	194	194	1	185	180	8	192	192	10	183	183	17	190	188	12	181	179¾	107	8
9	Montreal	227	224½	84	216½	214	11	226½	221	48	215	213	39	225	219	187	214	210	356	9
10	Nationale																148½	148½	5	10
11	Nova Scotia	259	257½	187	253	253	20	259	256	201	253	250	14	256	254	57	250	248½	37	11
12	Ottawa				200	200	5	203	203	5	200	200	2	200½	200½	6				12
13	Royal	214	210	79	213	210½	195	212½	210	74	210½	209½	168	212	210	252	210½	208	109	13
14	Standard																201	201	5	14
15	Toronto	197½	197½	8							190	190	2							15
16	Union	133½	132	61	141½	140	43	134	133	114	140	138	6	135	134	180	138	135	191	16

	NOVEMBER						DECEMBER						1914			1915			1916			1917			
	1916			1917			1916			1917															
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	
1	112	111	4										150	145	9	145	145	69	112	110	45	112	112	13	1
2	185	180	194	185	185	18	186	185	151	185	185	9	218	200¼	4,497	203	203	87	203	180	1,095	188	183	1,882	2
3													231⅜	226⅜	44				227	227	2				3
4													204¾	202⅛	27	201	201	10							4
5	147¼	146½	46	140	140	38	145	145	20	140	140	23	155	148	1,891	149	149	143	149	145	355	145	140	623	5
6													216	212	26										6
7	171	170	270	167	167	130	170	168	58	168	167	117	193	177	1,201	180	180	351	180	166	1,003	170	167	1,402	7
8	186½	185	22	179⅞	179⅞	143	184	182	53				205	194	633	201	201	115	201	182	139	186	179½	794	8
9	222	221	60	210	210	12	233	226	126	210	210	44	250	227¼	1,781	240	234	2,145	235	219	1,675	234	210	1,563	9
10							134	134	2				133¼	132¾	76	132¾	132¾	1	134	134	2	149	134	20	10
11	256¼	255	31				257	256	87	248	248	3	265	257	1,455	261	261	194	261	254	650	257½	248	395	11
12	202	202	10										206½	203	20	207	207	36	207	200½	31	202	200	28	12
13	213	211½	204	208	208	67	212	211	161	208	208	47	228	219	1,890	221¼	221¼	340	222¼	210	1,259	214	208	1,693	13
14													219	218½	2							201	201	5	14
15							190	190	3	187	187	1	212	203	118	211	211	4	197½	190	11	191⅞	187	93	15
16	138	135	119	139	136	157	137	135	37	137	136	382	147½	137	643	140	140	305	140	132	635	141½	135	10,029	16

A year prior to the war, in 1913, the yield of Dominion government bonds averaged 3.56 per cent., and to-day the maximum may be set down at 5.75, an advance of 61.8 per cent.

At an adjourned meeting of the Greater Winnipeg Water Board on Monday it was decided to send Mayor Davidson and the Commissioners of the Greater Winnipeg Water District to Ottawa and Montreal to interview the Minister of Finance and the city's fiscal agents in regard to raising the money necessary to carry on the coming year's work on the pipe line. The board will require in 1918 about $4,000,000, and perhaps an additional $2,000,000 in 1919.

In the Chatham district of Ontario the yield of sugar beets was 100,000 tons for 1917. The capacity of the three factories there are 300,000 tons. The chief cause of the shortage of supply of raw beets is the difficulty in getting labor, which promises to become a still more serious question during the current year.

MOOSE JAW

Saskatchewan's Railway Centre

Population	1901	1,558
"	1906	6,249
"	1911	13,823
"	1916	16,934
"(Est.)	1917	19,000

1917	
Assessment gross	$31,801,499
" taxable	26,344,334

Improvements assessed at 45% of value.

Gross debenture debt, $5,740,278.92.
Net debt after deducting Sinking Fund and Public Utility debentures, $2,139,159.39.

	TAX LEVY	TAX RATE
General rate	$459,067.20	17.50 mills
Public school rate	171,958.67	6.80 "
High school rate	28,451.88	1.08 "
Library rate	18,901.17	.72 "
	$678,378.92	26.10 mills

Fire loss (11 months 1917), $40,068.00.
Surplus of assets over liabilities, $2,600,632.47.
Light and Power Plant owned by City—surplus at 31st December, 1916, after paying all charges, including interest, sinking fund and depreciation, $12,681.37.
Power rates from 1 cent per k.w. hour up.
Building permits 1916, $318,945.00—1917 (11 months), $294,660.00.

	BANK CLEARINGS	CUSTOMS RECEIPTS
1916	$52,971,442.00	$495,980.00
1917 (11 months)	57,987,758.00	591,579.00

Condensed General Balance Sheet as at 31st October, 1917

ASSETS		LIABILITIES	
Land, buildings, improvements	$5,584,864.33	Debenture debt	$5,740,278.92
Taxes and accounts receivable	1,303,051.13	Accrued interest on debentures	113,540.82
Materials and supplies	102,998.97	Bank loans	386,500.00
Cash on hand and in bank	330,379.03	Accounts payable and accrued liabilities	453,980.29
Instalments deferred, frontage assessments	869,921.36	Reserve for doubtful debts	19,347.06
Tax sale certificates	214,673.02	Miscellaneous	6,506.97
Sinking fund	485,020.75	Nominal excess of assets over liabilities	2,600,632.47
Advances on high school and public library buildings	246,895.24		
Miscellaneous	183,182.70		
Total	$9,320,786.53	Total	$9,320,786.53

For further information apply City Commissioners.

DAY OF INDIVIDUAL TRUSTEES IS PAST

Progress of Trust Companies' Business Last Year—Life Insurance and Estates

By A. E. PARKER.

The outstanding features of the developments that have taken place which are of special interest to trust and loan companies during the past year would appear to be those referring to:—(1) The provincial rural credit schemes. (2) The continuance of the moratorium in Manitoba. (3) The administration of the several provincial acts for the protection of the property of soldiers on active service. (4) the diminishing of the supply of old country funds. (5) The administration of soldiers' estates. (6) The noticeable increase in the amount of life insurance being placed by the people of Canada. (7) The effect of conscription. (8) The question of the advisability of the continuance of the appointment of individuals by the various governments to execute trusts that could be better administered by a trust company.

Rural Credit Schemes.

The success of the various rural credit schemes is of such vital interest to the respective provincial governments that they will find it necessary to make conditions such that the security offered to mortgage companies will be of a much more certain value than heretofore. The competition of the provincial authorities is undoubtedly welcome so long as it remains fair competition. When the various schemes are looked into, it is questionable if the competition is fair and it is hardly necessary to point out that if these government schemes are run on a proper business basis, it will be found that the cost to the borrower will not be any less than it would be if he dealt with a well-managed private institution.

In addition to the question of the fairness of the competition and the maintenance of the low rate of interest that has been promised by government officials, there is the serious question as to whether such a scheme can be properly handled by any department of the government. Previous experience has shown that government departments cannot carry on business in such an economical and satisfactory way as the private corporation where individual initiative is able to take full advantage of all opportunities presented, being entirely free from political influence and domination.

Effects of Moratorium.

During the past year, the unfortunate effects of some of the provisions of the Manitoba moratorium have been more pronounced than they were in the early stages of the war. Financial conditions are gradually reasserting themselves and in consequence, borrowers, with few exceptions, are in a position to pay at least the interest and the taxes on the properties covered by mortgages. It is found, however, that full advantage of the moratorium is being taken in many cases where it is obvious that moneys that should be used in paying indebtedness to mortgage companies, is being used for other purposes.

The several provincial statutes with reference to the protection of the property of soldiers on active service have been administered, with a few notable exceptions, in a manner worthy of commendation and it is creditable to the men who have volunteered for active service that in very few cases has advantage been taken of the protection afforded by the acts.

Withdrawal of British Funds.

There is one serious feature of the events of the past year, namely, the gradual withdrawal of funds formerly invested in this country by British investors. This money is being withdrawn from Canadian investments and is being invested in Great Britain. We know that the interest rate has increased to a great extent in the old country, and in view of this, it is just possible that a great deal of the money will never be returned to Canada. We expect the conditions that will exist after peace is declared will be such that there will be an enticing field for investment in Europe. Therefore, the question of taking such steps that will enable Canadian financiers to obtain European funds for investment in Canada after the war is a matter that should receive the closest attention of all the financial interests of Canada that would be benefited by this return of old country money.

The enlistment of the men who have gone to fill up the ranks of Canada's army has been a matter of serious concern to the country at large, and perhaps more particularly to the agricultural interests. From the point of view of a trust company that has many estates made up chiefly of farm lands, the past year has been one of considerable anxiety. It has been found difficult to obtain an adequate supply of labor in some cases, and there is no doubt that the foreign element in the community has profited considerably by the increase of wages due to the scarcity of labor caused by the enlistment of our loyal population. If the war continues for another year, this is a matter that will have to receive attention at the hands of the proper authorities.

Estates of Soldiers.

What might be termed a new feature of trust company business has been the increase in the number of estates under administration of soldiers who have been killed on active service. In many of these cases the beneficiaries reside in the British Isles, and are, therefore, usually ignorant of the conditions prevailing in this country. There has also been, as might be expected, a lack of information in connection with the assets and liabilities of some of these estates. Many of the estates have been made up entirely of homestead entries. In this connection, the services rendered to the beneficiaries by the Canadian militia department, both through its offices at Ottawa and through its officials in England, have been of great assistance and value. The administrators especially have reason to be pleased with the efficient, prompt and courteous manner in which information has been given with reference to the affairs of these soldiers who have given up their lives for the great cause.

The writing of life insurance is in the ordinary way outside of the jurisdiction of the trust company, but it is with pleasure that officials of trust companies note that the amount of life insurance being placed with the various companies in Canada is increasing to a remarkable extent. This augurs well for the future and perhaps no body of officials are more competent to speak of the benefits of adequate life insurance than those officials connected with trust companies who see from day to day in the course of their duties, the value of such protection, especially when the head of the family is a man who has numerous liabilities as well as numerous assets.

Day of Individual Trustees Past.

The trust company business has increased from year to year and the success of the various companies engaged in the business in Canada has been a token of the respect and regard that these companies have earned from their clients. It is now an acknowledged fact that individual trustees are not only unnecessary, but also a relic of the past. It would, therefore, be a wise decision if all government authorities decided that all positions of a trust nature at the disposal of the governments, should be given to a reliable trust company. The day of individual trustees is past and the various governments should be the first to lead the way in the new order of things. Trust companies have by their past actions earned this additional recognition on the part of the governments concerned.

As a final word on this subject, the writer would put this question. Are the trust companies of Canada sufficiently progressive? We hear of combinations of mortgage companies, combinations of manufacturers, in fact combinations of every class of business interests throughout the Dominion, but so far, we have not heard of a combination of the trust companies. These combinations are not of the sinister kind, but are formed with the object of promoting the mutual interests of all members of the combination by the raising of business standards and the increasing of the efficiency of methods used by each and all of the companies. Perhaps the time has now come when the trust companies should get together and compare notes for the mutual benefit of all concerned.

It was estimated that to have secured a distribution of the third Canadian war loan equal to that of the first Liberty Loan we should have had 280.000 subscribers. The Victory Loan campaign committees asked for at least 200,000 subscribers to the present loan; there were 802,000 subscribers.

Of the world's total population of 1,691,000,000, about 1,342,000,000 live under the flags of the Central Powers' open enemies in the war. About 40,000,000 inhabit the countries which have broken relations, and 132,000,000 are neutral, while the population of Germany and her allies is about 177,000,000.

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Through the generation of Hydro-Electric Power, the Coal resources of Canada are conserved, and the necessity of importing thousands of tons is eliminated.

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INVESTMENT POWER IS INCREASING

Better Classes of Bonds and Stocks Bought at Low Prices

By H. BEVERLEY ROBINSON.

That the financial business has been hard hit by the war is a fact that is well known by all. There is scarcely a holder of securities who has not felt the depreciation in values acutely.

The past year started with an improvement for the month of January in the volume of trading compared with the same month in 1916, but the unrestricted submarine warfare announcement by Berlin and the events surrounding the breaking off of diplomatic relations with Germany by the United States in February caused most unsatisfactory and erratic markets during that month.

About the middle of May prices of securities improved and gave the appearance of the beginning of a bull movement similar to that experienced in the fall of 1915 and 1916. The improvement was short-lived, however, and petered out in the latter part of June.

Stock Exchange Business.

Business on the stock exchanges, outside of a few rallies from time to time has, as the year advanced dwindled in volume with steadily declining prices resulting in minimums being placed on stocks on October 30th. The wisdom of this action on the part of the stock exchanges is apparent, as both bankers and brokers alike realized that stocks were selling below their intrinsic value and the placing of minimums no doubt saved a lot of investors from throwing their securities over. In the absence of minimums there would have come a time when investors would ignore the income return their securities gave them and be influenced only by the panicky sentiment which was becoming so prevalent as a result of the continued decline of New York stocks.

During the year there was a large expansion in trading on the Montreal exchange in government bonds. Holders and investors alike have always found a ready market there either to sell or buy these securities.

The vast army of investors who have purchased war bonds during the past three years, (many of whom having for the first time bought a bond), will be a great field for other investments in time to come.

After the war is over, financial conditions with regard to good standard bonds and dividend paying stocks should show considerable improvement.

Building Up Large Reserves.

While Canada is piling up a heavy debt to finance her share of the war, we must not overlook the fact that she has developed her foreign trade to a large extent with the result that her debit trade balance has now changed to a credit of no mean amount. After the war she should be able not only to retain a great deal of the foreign business built up during the past three years, but also enlarge it through her ability to supply a great many things which will be needed in the rebuilding of devastated Europe.

Public works, building operations, etc., in Canada, have as far as practicable been held in abeyance during the war and this in itself will mean large business when peace comes. The majority of our big public utility and industrial corporations have firmly entrenched themselves by building up large reserves and putting their affairs in a very liquid state, so that they will be in a position to take full advantage of peace conditions after the war is over.

Money During War.

It is a true saying that money is worth far more during a period of war than at any other time. Evidence of this fact is the extremely high yield of all classes of securities as compared with pre-war times. During the last few months many investors have been taking advantage of these chaotic conditions to purchase outright the better class of bonds and stocks.

Throughout the latter months of the year particularly there has been a tendency on the part of Canadian banks to curtail rather than expand their loans to brokers and others against stock exchange securities. The attitude of the banks in this respect has probably been prompted by a sense of "first duty to the state," and a feeling of uncertainty as to what might be required of them by the Dominion government in the way of temporary, direct or indirect financial assistance. They have doubtless considered that throughout the duration of the war it was their duty to trim their business so that they might be prepared to meet any reasonable call from the government with the least possible shock to the agricultural and commercial business of the country. It seems reasonable to expect that until the end of the war is in sight the Canadian banks will pursue a policy of strengthening their cash reserves.

The whole-hearted manner in which the government of the United States has taken hold of the allies' war problems has to some extent relieved the feeling of anxiety which previously existed in Canada, but at the same time the active participation of the United States in the war has necessitated the raising of such colossal government loans for their own use that the United States market has practically been closed to us as a field for the raising of war loans.

To Encourage Thrift.

In order to encourage thrift and promote the investment in well-seasoned dividend-paying listed stocks among the salaried men and those of moderate income our firm recently inaugurated a systematic investment plan, by which such securities are brought within the reach of this class of investors. They are enabled by our plan to acquire securities and pay for them over a period of months.

The plan is becoming popular and the present low level of securities makes its attractiveness more apparent. In time a widening of the investment field should result.

Canada's aim in the future must be to develop her vast natural resources and increase her agricultural production. We are doubtless in a unique position to accomplish much in these respects and it appears to us perhaps our greatest need when the war is over will be an educational campaign, having as its object the bringing of all to a realization of the possibilities of our country's future if we but determine to do our utmost to work in harmony to develop it.

RURAL CREDITS IN ALBERTA

Review of Recent Legislation—Twelve Hundred Applications Under Farm Loan Act

BY W. V. NEWSON.

In the ordinary course of events, decades of persistent agitation would have been necessary to bring about what the stimulus of a great war has accomplished in a few short years. This is especially true with respect to rural credits legislation in the Western provinces. With due allowance for the progressiveness of the Western parliaments, it is not too much to say that the war and the consequent necessity for greater production without the costly frills of the middleman are largely responsible for the despatch with which these rural credit enactments were brought into being. The province of Alberta decided concurrently with the other Western provinces that if the functions of a middleman were necessary they should be performed by the government without the usual profits. Dealing with the commodity of loans, various plans were, therefore, drafted with a view to giving the farmer his working capital at actual cost, and at the 1917 session of the Alberta legislature these took the form of the following acts: (1) The Alberta Farm Loan Act. (2) The Live Stock Encouragement Act. (3) The Alberta Co-operative Credit Act.

Alberta Farm Loan Act.

This act proved to be very attractive to the average farmer, who needed a long-term mortgage loan for ordinary improvements or for the extension of his holdings. To make the act a success, however, investigations had to be made with a view to obtaining a steady supply of money at such a rate that the farmer would make some profit out of his business after he had repaid his principal and met his interest instalments. From the passing of the act up to the present time, war financing in Canada and the United States has absorbed all the money that might have been available for this worthy purpose. Little has, therefore, been done in respect to bringing the act into full operation.

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5% Farm Loan Bonds

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Proceeds to be loaned to Farmers under the Manitoba Farm Loans Act

4% PAYABLE ON DEMAND

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MANITOBA FARM LOANS ASSOCIATION
WINNIPEG *MAN.*

The provincial treasury department has, however, done some preliminary work with the object of distributing information and preparing the way so that the organization may be complete and ready for business when sufficient funds are available.

In October last, the department had received communications from over 1,200 prospective applicants, 60 of whom specifically stated the amount of their requirements. These averaged approximately $1,675.

Live Stock Encouragement Act.

Any five or more persons engaged in practical farming in the province of Alberta may, under the provisions of this act, jointly apply to the live stock commissioner for a loan, not to exceed $500 each, for the purpose of buying cattle. The loan is secured by the joint note of the borrowers, supplemented by the guarantee of the province. The notes may run for a period not to exceed five years, with interest not to exceed 6 per cent. per annum.

By agreement with local banking institutions to provide funds for loans approved under this act, the provincial treasurer had guaranteed to October, 1917, notes amounting to $250,000.

The total applications to September 30th, 1917, may be represented as follow. Completed, 72; rejected or withdrawn, 28; awaiting fees, 84; under investigation, 232; Total, 416.

The 84 cases awaiting fees represent approximately $190,000.

Any person who has made a homestead entry may take advantage of the provisions of the act. It will, therefore, be seen that it supplements the other rural credit legislation by giving the homesteader a chance to enter the field of stock-raising, thereby adding not only to his material prosperity, but to his mental welfare. No one, perhaps, can appreciate more the contentment to be found in the association with animals than the new settler on an isolated homestead.

It is hoped that the progress so far made augurs well for the stability of the cattle industry in Alberta and assures the small farmer of some measure of independence.

Alberta Co-operative Credit Act.

The preceding acts were designed to encourage production. There was still required some legislation to help the farmer to market his produce and purchase his supplies to the greatest advantage, and to meet this need the Co-operative Credit Act was passed. That the principle of co-operation is sound has been proved in several European countries, perhaps more notably in Denmark. It is on record that before the co-operative movement began in Denmark only one per cent. (1%) of the farmers bought their supplies economically and sold them profitably, whereas now 99 per cent. of the farmers do so. If such a gain can be made in Denmark, where the soil and climate are far from ideal, there is reason to expect results at least equally favorable in Alberta, where farming conditions are excellent.

There are, nevertheless, many difficulties attending the organization of societies under this act, which may be largely attributed to the scattered population and the cosmopolitan nature of the rural communities. A beginning, however, has been made, and, while the past season's operations were all arranged for before the act came into effect, the department has dealt with many enquiries, and has also distributed literature calculated to interest the farmers of the province in the movement. During the present winter, lecturers and organizers are inaugurating and completing the formation of a number of co-operative societies before the spring work of 1918 begins.

One interesting feature noted in the preliminary work of the department is that settlements comprising those foreign peoples who have been associated with similar systems in Europe appear to more readily discern the better communal conditions that will obtain through the operation of the co-operative system in the province of Alberta.

The trade returns for the eleven months to November 30th show exports of $1,399,018,936, and the excess of exports over imports $455,519,369, the latter comparing with $262,957,000 for the same period in 1916, and $115,980,000 for the same period in 1915. In the corresponding eleven months of 1912 there was a balance against Canada of $281,123,000.

TRUST COMPANIES' BUSINESS LAST YEAR

Farmers are Paying Off Mortgages—Interest Rates Obtainable Were Less

By W. E. RUNDLE.

The main business of trust companies, as they are organized in Ontario, is to act as administrators, executors and trustees of estates. The general experience is that no matter whether times be good or bad, the average of business received from year to year is very much the same and denotes gradual and continuous progress. The past year has been no exception. Of course, some years show a greater progress than others; for instance, when some exceedingly wealthy citizen of the province dies, having appointed a trust company as his executor.

Incidental to the management of estates, trust companies have established investment departments. These departments take care of the investment of the funds of an estate from time to time as the original assets are realized. Such investments, unless the will particularly directs otherwise, are made in first mortgages upon the security of improved realty (largely farms and middle-class city residences), and government and municipal debentures. The investment department of a trust company also takes care of the investment of the trust company's own funds, both capital and guaranteed. It is in connection with the investment phase of the trust company business that there have been some interesting developments during the past year or two which might be of interest to readers of *The Monetary Times' Annual.*

Farmers Paying off Mortgages.

There has been a growing tendency on the part of the farmers to pay off their mortgages as they mature. Especially is this the case in the provinces of Manitoba, Saskatchewan and Alberta. In these provinces, Ontario trust companies which have branch offices there have of recent years largely invested that part of their capital and guaranteed funds which they have been placing in farm mortgages. The reason for this policy is, of course, the higher rates of interest which have maintained in the provinces mentioned over those obtainable for similar mortgages in the provinces east of the Great Lakes.

Experience has shown that the security is as good as that in any other part of Canada. The good crops and the high prices which the farmers have received for their products have placed the agricultural community of the Dominion in a greatly improved financial position; hence the ability of many to pay off their mortgage indebtedness. This, of course, is a splendid thing for the country generally,—and what is good for the country must inevitably result for the good of its financial and other institutions. But the immediate effect is manifestly to reduce the earnings of trust companies and all other mortgage loan institutions on their mortgage investments, because they cannot reinvest at as favorable interest rates. Moreover, as the demand for mortgage loans has been greatly reduced since the war, the repayments to which I have referred have been reinvested in government and municipal securities,—largely the Dominion war loans. This class of security, while not yielding as high a rate as the mortgages paid off, have yielded a much higher rate than was obtainable previous to the war on similar securities.

Reduction in Average Rate.

The net result, however, during the past year has been a reduction in the average rate of interest obtainable on the total invested funds. Whether or not this loss has been overtaken by the general increase during the year in other departments of trust companies' business, will depend upon the experience of the individual companies. Speaking for our own company, we will overtake the loss in interest on mortgage loans through the increased commissions we will receive on increased estates business which has come to us during the year.

There is a growing disposition of the public at large in Canada to appoint regularly authorized trust companies for the purpose of administering estates and trusts rather than private individuals.

CITY OF WINNIPEG

STATEMENT OF GROSS AND NET DEBT AS AT 30th APRIL, 1917.

Gross Debt			$40,553,679.82
Deduct :—			
Revenue producing and other Special Debts as follows :—			
Water Works		$ 6,990,768.54	
Hydro-Electric System		7,402,000.00	
Local Improvements—Ratepayers' Share		12,459,748.64	
Fire Service Water Works—Special Assessments.		1,264,632.28	
School Board Debentures		3,500,000.00	
		$31,617,149.46	
Total Sinking Fund	$8,142,694.33		
Less Sinking Fund on above Special Debts	6,105,507.15	2,037,187.18	33,654,336.64
Net Debt			$6,899,343.18

ASSESSMENT, 1917

Assessed Value of Rateable Property	$253,667,790.00
Exemptions not included above	41,641,300.00

TAXATION REVENUE, 1917

Revenue from Property Taxation	$4,312,352.43
Revenue from Business Taxation	333,866.40
Revenue other than from Taxation	759,239.82
	$5,405,458.65

Tax Rate for 1917 (including Schools 4.8843 Mills) 17 Mills

Population, 1917	182,848
Area	15,283 Acres

PUBLIC UTILITIES

Results for Fiscal Year, 1916-17

	Surplus after deducting operating charges only.	Surplus after deducting operating and fixed charges.
Hydro-Electric System	$697,215.98	$84,574.53
Water Works System	571,125.61	93,989.25

PROVINCIAL GOVERNMENT LOANS

Total Issues Last Year Were $15,300,000, Including Ontario's $8,000,000 Hydro Issue

The provincial government loans last year totalled $15,300,000. This compares with $33,173,000 in 1916, $47,000,000 in 1915, and $36,748,644 in 1914. The total last year ordinarily would have been only $7,300,000. The issue of $8,000,000 of Ontario bonds in respect of the acquisition of the Ontario Power Company by the Ontario Hydro-Electric Commission, however, increased the year's total to $15,300,000. This is the smallest total of provincial government loans for many years.

Five of the nine provinces were in the market, the four exceptions being Quebec, Nova Scotia, Prince Edward Island and British Columbia. In 1916 seven of the provinces were in the market.

During Ontario's fiscal year, the province borrowed $3,000,000, out of which treasury bills of $2,000,000 were paid. The net borrowing was, therefore, $1,000,000. That loan was the only one made during the calendar year 1917, with the exception of the Hydro-Electric issue. The province issued last year $8,000,000 of 4 per cent. 10-year bonds on behalf of the Ontario Hydro-Electric Commission in regard to the acquisition of the Ontario Power Company by the commission. This made a grand total of $9,000,000 of bond sales for Ontario.

Alberta and Manitoba.

Alberta made an issue of $1,500,000 5 per cent. 5-year bonds, due 1922. The issue was offered to the public at 94.70.

In a statement to *The Monetary Times*, the deputy provincial treasurer of Alberta said: "The rapidity with which these bonds were absorbed was very gratifying to the province, and is a strong indication of the confidence of the investing public in securities of this class. In strict adherence to its resolution of war-time economy, the province has eliminated all but the most essential items in its programme of capital expenditure. It was, therefore, not necessary last year to borrow the full amount authorized by the legislature."

Manitoba made one issue of $2,000,000 for the following purposes: New Parliament Buildings, $1,500,000; Manitoba Farm Loans Association, $100,000; Rural Credits Association, $5,000; Psychopathic Building, $50,000; Settlers' Animal Purchase Act, $100,000; Demonstration Farm, $16,000; Brandon Asylum Extension, $100,000; Brandon Asylum (apart from new building), $20,000; Underground Electrical Work and Transforming Equipment, $35,000; Government Grounds, north of Broadway, $4,000; Ninette Sanitarium, $50,000; Dauphin Judicial District, $20,000.

Saskatchewan's Greater Production Loan.

Saskatchewan issued $1,500,000 5 per cent. 15-year bonds, of which about one-third was sold in the United States. The province also announced in September the flotation of the Saskatchewan Greater Production loan. The object of this loan is to raise money within the province to provide the necessary funds for the carrying out of the scheme of rural credits under the Farm Loans Act, the purpose being to supply money at cost to farmers requiring it for the development of their farms and the bringing about of increased agriculture and live stock production in Saskatchewan.

Ten-year Saskatchewan Greater Production loan bonds are being issued in denominations of $20, $100, $500 and $1,000, bearing interest at 5 per cent. per annum, payable half-yearly. The bonds are redeemable at par at any time upon three months' notice to the provincial treasurer. It is understood that to the end of 1917, approximately $800,000 of these bonds had been sold.

New Brunswick sold an issue of $500.000 5-year 20 per cent. bonds in July.

PRINCIPAL STOCK ISSUES LAST YEAR

Since the table on page 166, showing the principal stock issues made last year, was completed, the Imperial Oil Company of Canada has made a new issue of 50,000 shares, par value $100 per share. Shareholders were entitled to subscribe for one share for every five owned.

CANADIAN FLOTATIONS IN LONDON

Only Three Were Made Last Year—Sales Since 1905 Total £305,299,560

Only three Canadian public flotations were made in London last year. These were issues in May of £205,000 of stock by the Canada Land Corporation, and £1,025,000 shares of the Imperial Tobacco Company of Canada. In December the Grand Trunk Railway issued £1,000,000 6 per cent. 3-year notes to replace notes falling due. The capital in the first case was raised by a 4 per cent. assessment on a portion of the company's shares. The Imperial Tobacco Company of Canada sold 1,000,000 ordinary shares of $5 (£1 0s. 6d) at 19s. per share, being an issue of 93. The British Treasury's permission was obtained to the three issues.

Canadian public borrowings in London in 1915 amounted to £8,235,000, the lowest total on record, with three exceptions, since 1905. In 1914, our public borrowings in London were £37,777,271, and in 1913 £47,363,425. The total for the latter year was the highest on record.

The low totals during the past three years are accounted for by the continued closing of the London market to practically all flotations except war loans. The bulk of Canadian funds in 1916 were raised in the United States. Temporary advances, however, have been made to Canada by the Imperial government for war purposes, since October, 1914. On the other hand there have been Canadian advances to Great Britain for purchases here.

Thirteen Years Record.

According to *The Monetary Times'* records, Canada's public borrowings in London during the past thirteen years have been as follow:—

1905	£ 13,530,287
1906	6,427,500
1907	11,203,711
1908	29,354,721
1909	37,411,723
1910	38,453,808
1911	39,855,517
1912	32,456,603
1913	47,363,425
1914	37,777,271
1915	8,235,000
1916	1,000,000
1917	2.230,000
Total	£305,299.560

The three Canadian flotations in London in 1915 were as follow:—

Dominion government, £5,000,000 4½ per cent. five or ten-year bonds issued at 99½. This loan was over-subscribed.

Grand Trunk Railway, £2,500,000 5½ per cent. five-year notes at 99. Forty-four per cent. of this issue was left with the underwriters.

Canadian Northern Railway £735,000 5½ per cent. one-year notes. This issue was made to replace notes maturing in July, 1915.

Only one Canadian flotation was made in 1916. This was an issue in August of $1.000,000 6 per cent. 20-year debentures of Canadian Vickers, Limited, Montreal.

Details of Six Years' Loans.

The following table gives details of the purposes of our loans in London for the past six years:—

Purpose.	1912. £	1913. £	1914. £	1915. £	1916. £	1917. £
Government	5,500,000	9,800,600	16,260,000	5,000,000	....	....
Municipal	5,472,049	13,926,470	6,469,487	....	....	....
Railroads	9,002,585	13,179,170	11,943,800	3,235,000	....	....
Mining	650,000	225,000	175,000	....	....	....
Financial	2,772,000	....	....	....	....	....
Mortgage, land and lumber	1,704,975	2,451,332	705,329	....	....	205,000
Industrial	7,354,994	7,780,847	2,223.655	....	1,000,000	2,025,000
Totals	32,456,603	47,363,425	37,777,271	8,235,000	1,000,000	2,230,000

Complete records of Canadian bond sales in all markets last year appear on other pages.

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UNION TRUST BUILDING
WINNIPEG

City of Red Deer

ASSESSMENT AND TAXES, 1917

City Land Net Assessment	$3,176,780.00
Special Franchise	110,000.00
Business	52,790.00
Exemptions	393,800.00
Public School Net Assessment	4,753,880.00
Separate School Net Assessment	146,000 00

TAX RATE, 1917

Municipal General	8.5 mills
Municipal Debenture	7.5 mills
School	6.5 mills
	22.5 mills
Business Tax	8 per cent.

DEBENTURE DEBT, December 31st, 1917

Total Debenture Debt		$343,449.74
less Waterworks Debentures	$87,304.87	
less Local Improvement Debentures	83,525.79	
		170,829.66
Net Debenture Debt		$172,620.08

Treasury Bills Issued, Series A	$55,000.00	
less Repaid	13,750.00	
		$41,250.00
Series B		30,000.00
		$71,250.00

LIQUID ASSETS

Uncollected Taxes, 1917	$48,718.09	
Arrears of Taxes, 1915	16,139.08	
Arrears of Taxes, 1916	32,877.91	
Cash on hand	755.46	
Cash in Bank, General Account	252.82	
Cash in Bank, 1915 Arrears	24,275.58	
Cash in Bank, 1916 Arrears	1,480.83	
Cash in Bank, Unexpended Debentures	3,046.06	
Unpaid Water Rates	1,236.75	
Agreements for Sale	913.62	
Lands Sold to City, 1914	3,584.49	
Lands Sold to City, 1915	5,744.69	
Lands Sold to City, 1916	7,445.75	
		$146,471.13

FLOATING LIABILITIES

Bills Payable	$21,000.00	
Agent, Dominion Lands, Nuisance Ground Payment	309.14	
Public School, Balance Demand, 1917	10,317.43	
Memorial Hospital	1,764.13	
Separate School, 1917 Demand	900.00	
Sinking Fund	35.95	
Suspense Account, Englewood	844.03	
Suspense Account, Riverview	15.00	
Tax Sale Fund	1.36	
		$35,187.04
Treasury Bills, Series A	41,250.00	
Treasury Bills, Series B	30,000.00	
Unpaid Debenture Coupons (not presented)	784.65	
		72,034.65
Estimated Exp'ditures for November and December		11,461.61
		.118,683.30

Estimated Receipts, 1917	111,172,15
Estimated Expenditures, 1917	98,348.72

All Debenture Coupons presented for payment to date have been paid. Treasury Bills due in 1918 amount to $23,750.00, for repayment of which we have in the Bank, cash, $25,756.41.

RESULTS OF MANITOBA'S MORATORIUM

Law was Hardly Necessary—Gradual Adjustment Might Have Been Better

(By a Western Correspondent.)

The Manitoba moratorium must not be confused (as has so frequently been done) with a somewhat similar act but one only intended to affect the property and interests of a particular class, namely, "The Volunteer Relief Act." That was an act passed for the protection of the soldier on active service, a very laudable motive with which everyone was in hearty sympathy. Unfortunately, however worthy the object of that act was, like other legislation hurriedly drafted and made law, the act has lent itself to many abuses, causing perhaps more trouble and complications than the moratorium proper. The latter act was passed to temporarily protect property interests during the war.

Was it Necessary?

Was the Moratorium Act necessary and has it been a help or otherwise? In every real estate boom period there are two principal classes at work. First, the speculator who puts as little money as he can into his operations and deals extensively but chiefly on narrow margins, and second, the more moderate investor, who buys and sells with more cash in his deals, in the hope of good profits. When the boom breaks the former, with a large "paper" but small "cash" interest in the property he holds, drops out with a larger covenant liability than he can ever hope to redeem, and is, therefore, insolvent from the first and does not deserve nor does his case call for protection; the latter having a larger cash interest in his transactions, has not likely undertaken more than he can reasonably well protect, and is financially responsible for. The breaking of the "boom" while it will tie him up, possibly for a term of years, with care, economy and reasonable leniency (usually granted) on the part of his creditors, he will "pull through."

Had there not been a war, the aftermath of the "boom" would have had to be borne by those affected, in the same way as in times past, when similar conditions existed, and it is a question if it would not have been better if a gradual adjustment as "between man and man" had been allowed to take place. The war was given as the reason for the passing of the moratorium or protective legislation whereas it is now pretty generally admitted that had war conditions creating a demand for all land products, as well as many other articles, at greatly increased prices, not existed, the financial depression after the real estate boom, might have been much worse. In place, therefore, of the gradual adjustment which would in due course have taken place, the moratorium has protected the speculator as well as the more legitimate real estate investor, and instead of thrift and economy being encouraged and exercised, as would otherwise have been necessary, a continuance of extravagance has resulted and postponed in many cases the evil day and in place of settlement being made, while much money has been in circulation and there was prosperity in many directions, from abnormal conditions, many adjustments which still have to be made, will likely become necessary in less prosperous times after the war, and be all the more difficult to accomplish.

The mortgage lending companies who have the facilities for carrying and helping deserving clients, have not been detrimentally affected by the moratorium, as their customers for the most part have reasonably met their payments and have not taken advantage of the moratorium. Small individual investors, however, who were dependent for their living on the income from mortgages, etc., who may not have had such choice security, and many of whose borrowers have taken advantage of the moratorium, have suffered most. Such small investors were equally citizens of the country and worthy of consideration as were the borrowers or debtors. The moratorium protects the one and hurts the other.

Consideration of such facts as above discussed rather gives the impression that a general law such as the moratorium, was hardly necessary, and that had some arrangement been made in Manitoba whereby any special cases of hard treatment on the part of creditors could have been brought before the proper authorities to be dealt with, as was done in some of the other provinces, it would have sufficed

HOW THE SEED GRAIN LIENS ARE BEING REPAID

The Dominion government in 1915 advanced relief to those in western Canada who lost their crops through drought, etc., in 1914. This relief was for furnishing food for settlers, feed for stock, and seed grain for land thoroughly cultivated. The object of the administration in making these advances was twofold.

1.—To alleviate the destitute settler, thereby preventing starvation or emigration—the only alternative.

2.—To enable farmers to seed every available acre, it being realized that the future of our country depended in a great measure upon the crop.

There was advanced for seed grain $7,600,000, and for other goods by way of relief and fodder for animals $4,400,000, making a total of $12,000,000.

In September, 1915, the Dominion government issued a statement announcing easier conditions for the repayment of these loans. The repayment in full was actually due on January 1st, 1916.

At a conference in Calgary in September, 1916, it was recommended that those farmers who had not discharged their indebtedness should be given until June 30th, 1917, to pay up, and that after that date the holder of a mortgage on their property might pay off the lien and add the amount to the mortgage at the named rate of interest.

The following is an official statement of the seed grain lien situation on September 30th, 1917:—

1917.	Seed grain and fodder.	Relief.	Total.	Changes—Three-month periods.
Securities taken	$7,560,760	$4,748,846	$12,309,607	......
Repayments on principal—				
March 31st	3,709,914	1,418,257	5,128,171	......
June 30th	4,037,006	1,635,261	5,672,267	+ $544,096
September 30th	4,214,340	1,791,387	6,005,727	+ 333,459
Balance of principal outstanding—				
March 31st	3,850,846	3,330,589	7,181,435	......
June 30th	3,523,754	3,113,585	6,637,339	— 544,096
September 30th	3,346,420	2,957,459	6,303,879	— 333,459
Interest payments to—				
March 31st	186,871	76,007	262,878	......
June 30th	216,535	91,591	308,126	+ 45,247
September 30th	239,571	105,686	345,258	+ 37,131
Total repayments—				
March 31st	3,896,786	1,494,264	5,391,050	......
June 30th	4,253,541	1,726,853	5,980,394	+ 589,343
September 30th	4,453,912	1,897,074	6.350,986	+ 370,591

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Members Montreal Stock Exchange

Principal Canadian Stock Issues made during 1917

Company	Stock	Rate %	Amount	Issued at	Date	Remarks
IN CANADA			$			
Alberta Flour Mills, Ltd..........	Common	......	250,000	Par	Jan.	
Canadian Car & Foundry Co.....	Common	......	750,000	Par	July	This stock was issued in payment of commissions due on contracts, for shells for Russia
Canadian Westinghouse Co.......	Common	......	1,250,000	Par	Jan.	Issued to shareholders at par, one new for every four held on Feb. 1st
Consumers' Gas Co., Toronto....	Common	10	718,050	Prem. of 50	May	Shares sold numbered 9,574
Halifax Housing Co..............	Common	......	50,000	......	July	The Company also raised $90,000 on mortgage
Mackintosh Rubber Co. of Canada	Common	......	100,000	......	Sept.	
Montreal City & District Bank....	Common	16	500,000	Par	April	Call of 25 per cent., or $500,000 of bank's $2,000,000 authorized capital, bringing shares up to 75 per cent. paid
New Brunswick Power Co........	Cum. 1st pref.	7	300,000	......	April	This was part of an issue of $1,000,000, the balance of $700,000 being sold in U.S. The $1,000,000 of seven per cent. first preferred stock was purchased by American bankers, and most of it was sold, with the exception of a block of $300,000, which was purchased by Messrs. Nesbitt, Thompson & Co. of Montreal, and the Eastern Securities Co. of St. John and Halifax. Offered at par and accrued dividend
New Brunswick Power Co.......	Non-cum. 2nd pf.	7	350,000	......	April	First offered at 93
Nova Scotia Steel & Coal Co, ...	Common	5	5,000,000	Par	June	
Nova Scotia Tramways & Power.	Cumulative pref.	6	1,5000,000	......	Jan.	Offered in blocks of 10 shares (par $100 each) of preferred stock, and 3 shares (par $100 each) of common stock, for $1,000.
Nova Scotia Tramways & Power.	Common	......	500,000	......	Jan.	
Port Arthur Shipbuild'g Co. of Can.	Cum. pref. stk.	7	120,000	Par	June	This offering was the unsold portion of a total closed issue of $1,000,000 the balance having been taken privately in advance
Regent Theatre Co., Toronto.....	Preferred	7	75,000	Par	Jan.	With bonus of 25 per cent. common stock, making $175,000 issued to that date.
Shawinigan Water & Power......	Common	......	1,361,250	......	May	Issued to shareholders at 115, in ratio of 1 share of new to 10 shares of old. Right was given to British shareholders, who were forbidden by English law to subscribe to new stock at the present time, to defer payments until May 1, 1917, at which time the price per share was 120.
Whalen Pulp & Paper Mills, Ltd..	Mort. deb. stock	7	750,000	......	Oct.	With bonus of 50 per cent. common stock. The balance of $750,000 of this issue of $1,500,000 was sold in the United States.
IN UNITED STATES						
New Brunswick Power Co........	Cum. 1st pref.	7	700,000	......	April	This was part of an issue of $1,000,000, balance of $300,000 being sold in Canada ; offered by Bodell & Co., Providence. Offered at par and accrued dividend.
Whalen Pulp & Paper Mills, Ltd..	Mort. deb. stk.	7	750,000	Par	Oct.	With bonus of 50 per cent. common stock. The balance of $750,000 of this issue of $1,500,000 was sold in Canada
IN UNITED KINGDOM						
Canada Land Corporation........	Com. stock	......	1,025,000	......	May	Four per cent. assessment on portion of company's shares
Imper. Tobacco Co. of Can., Ltd..	Ord. shares	......	5,125,000	93	Oct.	Interim dividend of 6 per cent. had been paid for fiscal year ended September 30th, 1917.

PAR OF EXCHANGE ON EUROPEAN COUNTRIES

The par of exchange on European countries, calculated from the United States Mint's intrinsic valuation of their standard coin in terms of United States currency, is as follows:—

Austria	20.3 cents to the crown.
Denmark	26.8 cents to the krone.
England	$4.74 to the sovereign.
France	5.18⅛ francs to the dollar.
Germany	95.2 cents to four marks.
Holland	40.2 cents to the florin.
Russia	51.2 cents to the rouble.
Spain	19.3 cents to the peseta.

Par of the New York exchange on Italy and Switzerland is the same as that on France; the franc, lira and peseta are all valued by the Mint at 19.3 cents, and the number of each of them in one dollar is, therefore, the same. Par of exchange on Norway and on Sweden is the same as on Denmark. The Mint valuation of one German mark is 23.8 cents; by old custom the American foreign exchange market reckons rates on the basis of four marks.

EUROPEAN BANK RATES

The following table shows the official minimum discount rate of all the European State banks, with the respective date at which the present rates were established, and the rates at the corresponding dates in previous years:—

Bank of—	Date of last change.	1917.	1916.	1915.	1914.
England	Apr. 5, 1917	5	6	5	5
France	Aug. 20, 1914	5	5	5	5
Germany	Dec. 23, 1914	5	5	5	6
Holland	July 1, 1915	4½	4½	4½	5
Austria	Apr. 10, 1915	5	5	5	8
Italy	June 1. 1916	5	5	5½	5
Russia	July 29. 1914	6	6	6	6
Spain	Oct. 27, 1914	4½	4½	4½	4½
Switzerland	Jan. 2, 1915	4½	4½	4½	5½
Portugal	Jan. 15, 1914	5½	5½	5½	5½
Sweden	Nov. 9, 1916	5½	4½	5½	5½
Norway	Nov. 9. 1916	5½	4½	5½	5½
Denmark	July 10, 1915	5	5	5	6

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VALUE OF OUR STOCK EXCHANGES

Important Factor in Finance—Benefits of Short Selling—Stock Exchange Practice

By C. TOWER FERGUSSON.

Kings and rulers have always needed money, and usually they have succeeded in getting it. In earlier days, if they were victorious in their wars, of course, they made the other fellow pay, but if not, they obtained it from their own people by unjust exactions and often confiscations of properties under one or another pretext.

The saying is attributed to Macauley, that after the reign of William III. (Orange), "Kings borrowed with intent to repay." Then followed the National Debt of England. The obligations thus created by the government were in the beginning disposed of to the people in many ways. Sometimes they were sold at church-doors to the worshippers who congregated there. At others they were hawked about from hand to hand. To remedy this condition of affairs the London Exchange was founded in 1773. An old record says: "In this year the brokers and others of New Jonathans, which was the name for a coffee house in Cornhill, came to the resolution that instead of being called 'New Jonathans' it should be called the stock exchange, which is to be wrote over the door."

Early Brokers in France.

Earlier even than this in France a group of stock brokers, afterwards constituting the "Bourse," were appointed by Louis XIV. In that country the Crown did not lose control of revenue because of these appointments, but claimed part of the earnings of the brokers as a return for the privileges. Even to this day in France the regular members of the Bourse receive their appointment from the government. There is a smaller exchange, called the "Coulisse," where the membership is free.

These exchanges having been erected in both countries, formed a market on which government securities could be bought and sold, and in which the public could lend their money to the different governments and receive obligations in the form of bonds, securing to them the repayment of funds so invested.

From this small beginning, the London stock exchange soon developed a wider market, in which East India securities and the bonds and stocks of chartered companies were bought and sold.

Bonds of China and Siam.

In more recent years, it has assumed enormous proportions, both in the volume of business and in the variety of shares and government securities listed thereon. For instance, there is hardly a government in the world whose securities cannot be purchased and sold in London. The immense Kingdom of China has its bonds listed, as well as those of little Siam. If the investor in stocks is partial to the national beverage, there are scores of brewery securities in which he can place his money, but on the other hand if he is of temperance leanings, he can invest in Bovril shares or in Apollinaris common or preferred, to say nothing of Ceylon tea bonds.

The New York stock exchange, while not so old as those of England and France, has nevertheless in its one hundred years of existence filled a large place in the growth and development of the United States. During the Civil War it was to members of the stock exchange and the banking fraternity of Wall Street that Secretary Chase looked to obtain the money for carrying on the affairs of the nation, and builders of railroad systems have leaned on the exchange in financing their vast enterprises. Stock exchanges as institutions, therefore, have borne the stress of time, which is at least one test of merit. Since their inception, they have from time to time been subjected to criticism, which resulted in judicial enquiry into their functions and practices. In 1877, a Royal Commission was appointed in England to enquire into matters relating to the London exchange, with a view of bringing it more closely under government control. A prominent member of parliament, who was one of this commission, said with regard to this "incorporation of the stock exchange would mean that the rules established thereby would be stereotyped, and could only be altered even in the minutest detail with the approval of the department of state. In my opinion, this requirement would be either mischievous or nugatory." Another extract from the report says: "This Royal Commission has been sitting more than 12 months, yet nothing important or reliable has been volunteered of a character adverse to the general practices or conduct of business on the stock exchange."

In 1908, after the outcry with regard to government interference in New York State, the Hon. Chas. E. Hughes, then the governor of the state, and more recently the Republican candidate for the Presidency, appointed a commission to ascertain if changes were advisable bearing upon speculation, etc., on the stock exchanges of New York. This commission went inexhaustibly into the matter and their report was presented on June, 1909. Their conclusions were to the effect that any changes looking to improvement in the methods of the exchange could better be put in force by the stock exchange authorities themselves than by any interference of the state. This commission also dealt with the general practices of the exchange relating to "margin trading" and "short selling." In referring to the first named an extract from the Hughes' Report reads as follows, namely: "Purchasing securities on margin is as legitimate a transaction as the purchase of any other property in which part payment is deferred. We, therefore, see no reason whatever for recommending the radical change suggested, namely, that margin trading be prohibited."

Very good people piously inveigh against "short selling" as an iniquity and a sin, and yet when one considers it in relation to general business, it does not seem quite so sinful. Manufacturing concerns, for instance, will contract to build a bridge at a given time and yet they have not on hand the iron forming part of the structure, nor have they even contracted for the labor which must go into the enterprise. They expect in the ordinary course of things to be able to purchase the material and to hire the labor. They enter into the contract in good faith, without having in hand either the one or the other. The benefit of "short selling" to the exchange lies in the fact that on the one hand it prevents undue inflation of values, in the case of a boom, and on the other hand the filling of short contracts often stays a falling market and prevent it running into demoralization and panic. It is a dangerous practice, however, and the "shorts" often find themselves in trouble. In one of the wars of King Henry V., the French King sent word to him that it was better he should surrender quietly rather than that the French should come and take him. His reply by the ambassador was what everyone would expect of him and he added: "The man that once did sell the lion's skin while the beast lived, was killed himself in hunting it." The "bears" frequently find equal difficulty in securing that which they have sold before it was in their possession.

Laws have from time to time been passed in the United States and also in other countries to prevent "short selling," but such laws have invariably been repealed.

Vocabulary of Stock Exchange.

Institutions of long-standing have generally a vocabulary of their own. In this regard the one under review is no exception. On the "floor" of the exchange the "bulls" and the "bears" struggle with one another, sometimes one in the ascendency, sometimes the other. On the outside gambol the most numerous class of quadruped, namely, the "lambs." In the ordinary business from day to day there are "slumps" and "bulges." The meaning of dealing in "puts" and "calls" is known to many, but very few would understand "contango" and "backwardation" so well. The poor fellow who fails, according to the New York phraseology, is "sold out under the rule," but in England he would be "hammered." Holding a "seat" simply represents membership in the exchange.

The real testing time for security markets came in 1914, when the world was suddenly plunged into the Great War. When the storm first struck, the stock exchanges reeled, and for a time suspended open trading, this being true even in New York. They soon got their bearings, however, and gradually resumed normal operations, until within a year or so regular open markets for securities were re-established in the United States and Canada.

The success of those at the helm of these institutions, in safely piloting them through this time of crisis, is an earnest that during the coming period of reorganization, they will be equally well handled and will prove a valuable factor in the financial upbuilding of the country during the development of the coming years.

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CAPITAL SUBSCRIPTIONS IN THE UNITED KINGDOM, 1909-1917

(Written for *The Monetary Times* by the Editor of "The Statist," of London, England.)

Table A herewith indicates the home borrowings of the British government during the period from January 1st, 1914, to November 17th, 1917. It will be seen the statement includes all forms of borrowings by the British government except by the issue of "other" debt, which represents loans raised abroad. In part, the large sales of exchequer bonds made in 1916 were effected by the sale of United States and other foreign securities under the scheme of the treasury to regulate exchanges. From the total proceeds of loans raised at home has to be deducted the loans and advances Great Britain has made to her Allies and Dominions in order to arrive at the net sum borrowed at home for war purposes. For example, between January 1st, 1917, and November 17th, 1917, the British government has borrowed at home for war purposes a sum of £1,130,610,000 and has advanced to Allies and Dominions approximately £545,000,000, making net home borrowings for war purposes of, roughly, £585,610,000.

Table B is designed to afford a rough indication of government loans in Great Britain for the past five years. First, those for the British government itself; secondly, estimated figures of loans and advances to Allies and Dominions; and, thirdly, the foreign and colonial government loans offered for public subscription in the London market.

Table C, beyond containing a summary of the data contained in Table B, shows the capital that has been subscribed for municipal, railway and industrial purposes during the past nine years, thus enabling a comparison to be made between pre-war and war figures.

It should be noted that in all cases the figures are based upon the prices of issue, and, therefore, represent actual capital subscribed and not the nominal amount issued.

Inasmuch as no detailed particulars have been published as to how much money Great Britain has advanced for war purposes to her Allies and Dominions, it is impossible at the present time to furnish the usual statement showing the geographical distribution of the capital subscriptions of Great Britain.

(a)—Internal Borrowings of British Government during the last Four Years.

	*1917	1916	1915	1914
	£	£	£	£
3½% War Loan	....	....	229,798,000	102,000,000
4½% War Loan	....	6,029,000	586,316,000	....
4% & 5% War Loans	947,125,000	....	....	....
4% & 5% National War Bonds	92,331,000	....	....	....
3% Exchequer Bonds	....	....	21,831,000	....
5% " "	82,183,000	316,315,000	18,200,000	....
6% " "	1,748,000	159,204,000	....	....
War Expenditure Certificates	6,296,000‡	29,857,000	....	....
War Savings Certificates	56,700,000	41,500,000	....	....
Treasury Bills	108,693,000‡	719,606,000	297,087,000	77,350,000
Ways & Means Advances	90,008,000	71,110,000	63,006,000	7,040,000
Total	1,155,106,000	1,343,621,000	1,216,238,000	186,390,000
Less Miscellaneous Repayments	24,496,000	4,373,000	160,428,000	....
Net	1,130,610,000	1,339,248,000	1,055,810,000	186,390,000
Less approximate amount of Loans and Advances to Allies and Dominions for War Purposes	545,000,000	573,000,000	155,000,000	32,000,000
Home Borrowings of British Government for War Purposes	585,610,000	766,248,000	900,810,000	154,390,000

* To November 17th. ‡ Net amount repaid.

(b)—Government Loans in Great Britain.

	*1917	1916	1915	1914	1913
	£	£	£	£	£
Home War Borrowings of British Government (see Table A)	585,610,000	766,248,000	900,810,000	154,390,000	....
Other British Government issues	....	1,430,000	4,816,250	6,952,500	6,098,020
	585,610,000	767,678,000	905,626,000	161,342,500	6,098,020
Total for British Government approximate loans to Allies and Dominions (see Table A)	545,000,000	573,000,000	155,000,000	32,000,000	....
Ditto publicly issued including for other foreign and colonial governments	11,595,726	24,077,000	64,223,750	68,098,665	54,916,089
Total Government Loans	1,142,205,726	1,364,755,000	1,124,850,000	261,441,165	61,014,109

* To November 17th.

(Continued on page 172)

THE

Hamilton Provident and Loan Society

Incorporated 1871

HAMILTON CANADA

Paid-up Capital - -	**$1,200,000.00**
Reserve and Surplus Profits	**$1,091,062.50**

5% Paid on DEBENTURES issued for two to five years. 5%

Executors and Trustees are authorized by law to invest Trust Funds in the Debentures and Savings Department of this Society.

George Hope, President J. J. Greene, Vice-President
D. M. Cameron, Treasurer

The

Waterloo County Loan and Savings Company

HEAD OFFICE, WATERLOO, ONT.

ORGANIZED 1913

YEARLY GROWTH

ASSETS,	1913 - - -	$ 339,000
,,	1914 - - -	566,000
,,	1915 - - -	776,000
,,	1916 - - -	1,076,000
,,	1917 - -	Over 1,350,000

Capital Stock and debentures for sale. For particulars write Head Office.

THOS. HILLIARD President
E. F. SEAGRAM - Vice-President
P. V. WILSON - Manager

The Empire Loan Company

Authorized Capital - - - - - - - -	$5,000,000.00
Subscribed Capital - - - - - - -	671,000.00
Paid up Capital and Surplus - - - - -	688,000.00
Assets (Approximately) - - - - - - -	1,000,000.00

President, CHAS. M. SIMPSON Vice-President, WM. BRYDON Secretary-Treasurer, S. T. JONES

DIRECTORS:

CHAS. M. SIMPSON, President, Fidelity Trust Company.
H. H. BECK, Director of Union Trust Company.
WM. BRYDON, Contractor.
A. B. STOVEL, Stovel Company.
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The Empire Loan Company issues Debentures in sums of $100 and upwards for terms of from one to five years, bearing interest at current rates. Sterling Debentures for £25 and upwards, with interest coupons payable in London, England, are also issued. These Debentures are a charge on the Company's Assets of over one million dollars, and the Debenture holders are further secured by the deposit of mortgages with a trustee to the amount of one and one half times the total outstanding debenture debt.

Debenture prospectus may be had on application.

Head Office: UNION TRUST BUILDING, - WINNIPEG

CAPITAL SUBSCRIPTIONS IN UNITED KINGDOM *(Continued from page 170)*

(c)—*Purposes for which Capital has been Subscribed by Great Britain since 1909.*

Class of Security	*1917	1916	1915	1914	1913	1912	1911	1910	1909
Government—	£	£	£	£	£	£	£	£	£
United Kingdom....	585,610,000	767,678,000	905,626,250	161,342,500	6,098,020	4,200,708	3,927,960	8,669,375	7,728,667
Indian					Nil	2,790,000	3,360,000	7,237,500	8,752,500
Colonial..	556,595,726	597,077,000	219,223,750	100,098,665	26,888,924	12,106,534	7,430,000	13,495,775	24,273,124
Foreign.........					28,027,165	11,114,495	21,587,209	17,275,856	18,836,284
Total	1,142,205,726	1,364,755,000	1,124,850,000	261,441,165	61,014,109	30,211,737	36,305,169	46,678,506	59,590,575
Municipalities—									
United Kingdom....	Nil	495,000	Nil	3,045,810	920,000	373,750	2,542,070	748,282	4,509,020
Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	487,500	2,048,950
Colonial...........	Nil	Nil	350,000	7,818,511	14,810,371	6,290,386	4,414,278	3,929,200	3,487,159
Foreign...........	Nil	Nil	Nil	10,606,169	8,536,570	10,643,495	2,584,000	6,809,514	10,234,011
Total	Nil	495,000	350,000	21,470,490	24,266,941	17,307,631	9.540,348	11,974,496	20,279,140
Railways—									
United Kingdom....	Nil	1,678,956	4,290,517	8,019,340	5,486,328	4,892,376	4,109,781	4,579,736	3,594,756
Indian	Nil	Nil	3,465,000	5,873,750	3,010,000	495,000	772,000	3,100,000	3,183,875
Colonial....	Nil	Nil	2,475,000	19,425,894	35,293,563	19,012,057	15,492,766	11,687,905	19,378,402
Foreign...........	490,000	240,000	2,940,000	17,240,931	30,815,848	25,685,298	46,160,863	41,977,408	39,400,633
Total	490,000	1,918,956	13,170,517	50,559,915	74,605,737	50.084,731	66,535,410	61,345,049	65,557,666
Banks.............	1,500,000	285,000	106,996	1,415,395	3,393,715	8,253,337	3,502,000	1,681,039	775,000
Breweries..........	650,000	299,020	Nil	911,500	24,500	1,387,040	240,000	675,000	Nil
Canals and Docks	Nil	Nil	Nil	Nil	727,000	400,000	135,000	532,000	450,000
Commercial, Ind., etc.	3,794,800	3,596,179	2,592,829	16,175,425	33,255,435	26,701,538	25,711,735	21,944,839	16,904,389
Electric Light & Power	100,000	25,500	677,950	4,803,997	4,427,581	6,096,590	5,127,222	3,522,534	3,344,680
Fin., Land, Inv. & Trust	30,000	3,750	47,500	8,128,183	11,129,882	14,923,327	15,776,301	20,809,584	5,296,455
Gas and Water.......	314,500	86,513	122,736	1,590,650	1,633,910	2,431,687	2,210,391	747,406	2,270,989
Insurance	Nil	75,000	40,000	297,161	454,430	418,750	670,573	2,339,898	898,250
Iron, Coal, Steel & Eng.	1,759,272	1,858,750	245,930	4,038,390	7,587,489	8,526,463	3,786,747	5,856,945	3,470,852
Mines...............	325,791	32,500	41,250	2,376,362	4,011,257	5,892,923	9,085,227	10,810,102	8,410,688
Motor Traction.......	361,387	395,000	120,000	2,009,160	1,581,250	556,812	319,236	350,149	1,619,250
Nitrate	30,000	Nil	Nil	285,000	359,300	Nil	Nil	Nil	145,500
Oil.................	Nil	51,251	25,000	3,189,309	5,683,700	6,384,742	3,771,375	10,508,086	1,918,250
Rubber	14,375	31,490	195,954	759,466	1,387,945	2,720,195	4,316,186	20,774,055	5,774,870
Shipping............	82,080	1,424,419	588,900	6,694,750	4,857,474	10,023,812	662,000	4,300,055	1,959,500
Tea and Coffee.......	Nil	11,231	Nil	142,330	255,342	239,400	582,500	104,500	40,000
Telegraphs & 'Phones	437,500	76,853	Nil	244,000	2,455,210	2,812,303	1,706,919	2,637,500	3,363,000
Tramways	100,000	Nil	432,000	6,448,236	5,125,000	13,954,962	6,232,153	4,550,988	11,029,714
Grand Total......	1,152,195,431	1,375,421,412	1,244,607,562	392,970,884	248,237,207	211,336,980	196,216,492	232,142,731	213,098,768

(c) Calculated at prices of issue, and excluding all conversion loans and shares issued to vendors. * To November 17th.

COST OF LOANING OPERATIONS

Expenses Have Increased but Rates Cannot be Advanced —Interesting Statistics

In making loans to farmers and taking care of them after they are made, the cost has been increased by the incidence of war. Salaries, travelling and office expenses have tended to move upwards, despite rigid economy where it was possible to economize further. The margin of profit in this particular class of business has never been a wide one, and where earnings have been slightly above the average, they are due to skilful management and economy. No one could substantiate a general charge to the effect that Ontario loaning institutions are guilty of extravagance. They have a reputation for being otherwise and unless that reputation is fully borne out by fact, their existence would be imperilled. Between the interest paid for borrowed funds and the price charged for them when loaned, the margin is relatively small, and that available for acutal profit varies according to skill and economy of management. It is quite apparent that during the past year or two the companies have been faced with higher costs of operation, thus reducing the margin from which profits on capital employed and expenses can be met. In this respect their experience is very different to so many other classes of business in which profits have been ample to cover additional expense incident to war.

If it was always possible to advance rates as operating costs increased, the margin would be of an elastic character. It is not, however. Farmer borrowers are not making as large demands for money as they did a few years ago and many of them are paying off their loans. The amount of repayments at present is more than enough to cover the new demands, hence the rates to farmers are stationary and show no tendency to advance. If the times were normal, and repayments exceeded new loans, rates would decline, assuming, of course, there was no ex-Dominion demand for money at rates higher or as high as that netted from farm loans. At present, however, the rates prevailing are low in comparison with the cost of the money, and hence the loan companies, as a whole, to sustain the very reasonable rates earned on their capital, cannot reduce rates to borrowers. The only hope of extra earnings rests in cutting down expenses, which, speaking generally, is impossible without impairing efficiency.

The experience in 1916 of thirty-four companies which do a general loaning business, the preponderance of which is with farmer borrowers, shows that it cost $1.70 to take care of every $100 outstanding in the form of mortgages. In the previous year the cost was $1.54. Included in the cost are the following: (1) Salaries, wages, fees; (2) commissions and brokerage; (3) stationery, postage, printing and advertising; (4) law costs; (5) fuel, rent, local taxes and rates; (6) travelling expenses; (7) registration fees; (8) provincial and Dominion taxes and contributions to patriotic funds. Exception may be taken to the inclusion of contributions to patriotic funds as expenses, but on the other hand, it cannot be gainsaid that such contributions are looked upon as obligatory. A representative institution that did not contribute would be regarded as lacking public spirit. Any such idea in the public mind will ultimately breed mistrust, against which every precaution is essential. For this reason contributions to Red Cross and other funds for furtherance of objects of national moment are included in the expenses.

The percentage of expense to total assets in the case of the companies already referred to, was in 1916 $1.35 per $100,

SASKATOON

Saskatchewan's University City

UNIVERSITY BRIDGE (Photograph taken from University Campus) Constructed in Reinforced Concrete.

Saskatoon is Saskatchewan's Premier City for Education and as a Distributing Centre.

FINANCES OF CITY ON SOUND BASIS

Total Debt, including Local Improvement Debentures		$8,290,118.42
Less Waterworks Debentures	$ 673,648.80	
" Electric Light Debentures	1,382,665.00	
" Street Railway Debentures	725,000.00	
" Local Improvement Debentures	1,742,086.56	
		4,523,400.36
	Net General Debt	$3,766,718.06
Less Sinking Fund in respect to Net General Debt	447,076.50	
Debentures Redeemed	5,640.89	
		452,717.39
	Net Debenture Debt	3,314,000.67

SINKING FUND INVESTMENTS

City of Saskatoon Debentures and Stock	193,362.80	20.23%
Dominion of Canada War Loan	362,500.00	37.93%
United Kingdom of Great Britain and Ireland Gold Bonds	400,000.00	41.84%
	$955,862 80	100.00%
Cash in Bank	67,178.29	
	$1,023,041.09	

PUBLIC UTILITIES show Surplus Revenue over Expenditure

(Year ending 31st December, 1916)

	Electric Light & Power	Street Railway	Waterworks
Operating Expenses	$164,682.26	$120,990.77	$57,462.20
Fixed Charges including Interest Sinking Fund and Depreciation	99,572.12	49,078.38	28,744.13
	$264,254.38	$170,069.15	$86,206.33
Revenue	297,318.19	171,234.82	88,291.16
Profit	$33,063.81	$1,165.67	$2,084.83

BANK LOAN ON CURRENT ACCOUNT at 31st October, 1917	$269,397.80
OUTSTANDING FLOATING CAPITAL LIABILITIES at 31st October, 1917.	$60,230.00
ARREARS OF TAXES at 31st October, 1917	$448,966.24

	Population	Assessment	Tax Rate.
1907	3,011	$6,621,337.00	20.00 mills
1917	25,000	$36,294,367.00	21.80 " (including 1.5 mills Patriotic Tax.)

CITY COMMISSIONER, Saskatoon.

or eight per cent. above the ratio ($1.25 per $100) in 1915. In "Table I.," accompanying, it will be noted that the proportion of mortgages to total assets showed the substantial decline of 2.05 per cent. in one year—a tendency that will be more marked during the present year. Normally, this change would be accompanied by a decrease in the rates of expense; new mortgage business being less and the usual cost incident thereto proportionately so. As total assets were slightly higher at the close of 1916 than in 1915, it is apparent that mortgage repayments have been converted into securities, the cost of handling which is not very material, except, under existing conditions, as to depreciation which consideration has not entered into the calculations dealt with in this article.

In "Table I.," the expense ratio indicated, covers operations in several provinces. In 1916, out of $109,000,000 in mortgages held by the 34 companies referred to, $50,000,000 was invested chiefly in Western Canada. Cost of operation in that field is far more expensive than in Ontario. To arrive, approximately, at the difference in cost, the experience of ten companies (Table II.) shows expenses of $1.12 per $100 of mortgage indebtedness outstanding in the year 1916, as compared with $1.01 per $100 in 1915, an increase of 10.89 per cent. The corresponding figures in respect of total assets are $0.85 and $0.89 respectively. Management cost, on the average, of these companies, of whose business about 50 per cent. is in the West, is about 40 per cent. higher than in the case of companies confining their attentions to the Ontario field. It is quite reasonable to assume, therefore, that in the western provinces, not including British Columbia, the cost of doing business will be considerably higher than the average for the companies, a substantial proportion of whose business is in Ontario where management costs are very much less.

TABLE I.

Cost of Management of Loan Companies. (Experience of Thirty-four Companies.)

	1915.	1916.	Change % Inc. or dec.
Total assets ...	$136,709,081.55	$137,861,531.89	+ $00.84
Mortgages	111,091,324.70	108,806,436.22	— 02.05
Per cent. of mortgages to total assets	81.26	78.92	— 02.86
Cost of management	1,716,508.82	1,854,335.64	+ 08.02
Per cent. of cost of management to total assets	1.25	1.35	+ 08.00
Per cent. of cost of management to mortgages	1.54	1.70	+ 10.38

TABLE II.

Cost of Loan Company Operation in Ontario. (Experience of Ten Representative Provincial Companies.)

	1915.	1916.	Change % Inc. or dec.
Total assets	$16,261,333	$16,801,636	+ $03.32
Mortgages	13,625,750	13,337,322	— 02.11
Per cent. of mortgages to total assets	83.80	79.38	— 05.27
Cost of management ...	138,956	150,088	+ 08.01
Per cent. of cost of management to total assets	00.85	00.89	+ 04.70
Per cent. of cost of man- to mortgages	01.01	01.12	+ 10.89

Cost of Loaning Operations.

Of the total assets of 34 representative companies, practically 79 per cent., as shown in Table III., are employed in the form of mortgages, and the balance in liquid securities or buildings and other plant necessary for carrying on business. Upon examination it will be found that those companies with a high proportion of their assets in mortgages have the highest expense ratio. Of course, decided variations occur due to character of business and the locality in which it is carried on. Where small loans are made on city properties and monthly payments have to be collected, the risk and expense are both factors which enter into management costs. In the western provinces the average farm loan is much less than in Ontario, and the cost of lending $3,000 in the latter province, may not, on the average be as great as lending a $1,000 in the former territory. Under these varying conditions and localities many lending businesses are carried on, the general cost of which is indicated in Table III. following:

TABLE III.

Management Cost and Proportion of Mortgages to Total Assets. (Experience of Thirty-four Companies.)

Company	% Mortgages to Assets	% Management Cost to Total Assets	% Management Cost to Mortgages
	%	%	%
1	98.332	1.267	1.288
2	83.022	1.181	1.423
3	86.748	1.411	1.627
4	72.409	2.156	2.978
5	95.456	.678	.710
6	72.370	.669	.925
7	55.818	.451	.808
8	69.686	1.450	2.080
9	67.763	.739	1.091
10	87.800	.793	.903
11	88.309	1.857	2.103
12	63.822	1.209	1.895
13	83.962	.545	.649
14	86.063	1.001	1.163
15	82.183	.681	.828
16	51.850	2.750	5.303
17	84.775	.527	.622
18	93.666	.765	.817
19	82.547	.908	1.100
20	69.002	1.999	2.897
21	69.533	.882	1.269
22	80.786	1.924	2.381
23	85.312	.870	1.020
24	77.704	2.093	2.694
25	69.707	1.041	1.493
26	74.306	.760	1.022
27	74.641	.763	1.022
28	89.417	1.459	1.632
29	84.805	1.553	1.831
30	93.274	1.133	1.215
31	67,198	.871	1.296
32	93.913	3.397	3.617
33	50.645	1.233	2.435
34	92.793	1.708	1.840
Average	78.924	1.345	1.704

As yet the experience of provincial government loan associations is of too short duration to be regarded as a safe basis in which to arrive at what their average management costs will be. In British Columbia they were, for the first year, over 3 per cent. of the amount loaned. To care for this, provide for interest on bonds sold, and for losses, a rate of 10 per cent. to the borrower would be necessary.

AVERAGE VALUES OF CANADIAN FARM LAND

For the whole of Canada the average value of farm land held for agricultural purposes, whether improved or unimproved, and including the value of dwelling-houses, stables and other farm buildings, was approximately $41 per acre in 1916 as compared with $40 in 1915. These are the latest figures issued by the census office, Ottawa. The average values by provinces are as follow: Prince Edward Island, $39; Nova Scotia, $33.6; New Brunswick, $29.4; Quebec, $52; Ontario, $52.5; Manitoba, $32; Saskatchewan, $23; Alberta, $22; British Columbia, $118.5. In the last-named province the higher average is due to orcharding and fruit-growing.

Of the various short-term notes placed by Canada in New York during the past two and a half years, the principle of conversion to twenty-five-year 5 per cent Canadian bonds was exercised in an almost negligible degree, payment being demanded in United States gold coin at the agency of the Bank of Montreal in New York.

Northern Mortgage

COMPANY OF CANADA

HEAD OFFICE - WINNIPEG

Capital Subscribed	-	**$3,000,000**
Capital Paid-up	-	**1,800,000**
Undivided Profits	-	**150,000**

DIRECTORS:
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Bond and Mortgage
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ELECTRIC RAILWAY CHAMBERS
WINNIPEG, CANADA

Subscribed Capital	-	**$890,800.00**
Paid up and Reserve	-	**$486,490.00**

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BOND PRICES AND THE OUTLOOK

Review of the Market for Past Twenty Years—Comparison of Prices

By C. H. BURGESS.

The past year commenced with a feeling of apprehension that there would be some new developments in connection with the war which would materially affect conditions on this continent. Financial conditions were unsettled. The Dominion government found it necessary early in the year to offer another loan. Little money, it was anticipated, would be secured from the United States especially after war was actually declared. It was generally conceded it would be advisable to make either an international loan or a loan entirely in the United States in order to secure as much money outside the country and conserve our own resources against the time when the United States markets would be closed to us. However, the minister of finance issued $150,000,000 5 per cent. 20-year bonds at 96 payable in gold in Canada as well as in New York. This was handled through the Canadian dealers (75 per cent. of it through the members of the Bond Dealers' Association of Canada). The loan was subscribed to the extent of $266,000,000. The price did not hold well as for one reason there was no convertible feature in connection with this and the previous issue as with the first war loan due 1925. The price dropped to about 93, when an order-in-council was passed making the two last issues convertible into any new issues running 20 years or over. This stiffened the market price. During this time the prices of all government and municipal bonds was uncertain and kept dropping, more especially as it became evident that we could look very little to the United States for financial help, they having raised one loan of $3,000,000,000 in June, and immediately had to prepare for another issue of $5,000,000,000 in the fall. Canada also had to raise another $150,000,000 in the fall. A country-wide organization with committees in every province, city and county was set up by the minister through the Bond Dealers' Association of Canada in order that the whole country would be covered. During October and November there was practically no other bond business being done. The loan was over-subscribed by more than $270,000,000, or a total of about $415,000,000. At the end of the year prices for government and municipal bonds in Canada ranged about as follow:—

Dominion, 5½ per cent. to 5⅝ per cent.

Province of Ontario, 5.90 per cent.

Large cities and counties, 6 per cent.

Medium sized cities and towns in Ontario, 6¼ to 6⅛ per cent.

Saskatchewan, Alberta and British Columbia provinces, 6⅓ per cent. to 6¼ per cent.

The following is a record of approximate prices of Canadian securities for a series of years:—

1896-1897.

Turning point from depression in Canada following collapse of real estate boom, and succession of crop failures,

Provincial Governments (Ontario, Quebec and Nova Scotia), 3⅛ per cent. to 3¼ per cent.

Large cities and Ontario Counties (Toronto, Montreal, London, etc.) 3¼ per cent. to 3⅜ per cent.

Large Ontario towns and townships, 3½ per cent. to 3⅝ per cent.

Village bonds, 3¾ per cent. to 4 per cent.

1899-1900.

Provincial Governments, 3½ per cent. to 3⅝ per cent.

Large cities and counties, 3¾ per cent. to 3⅞ per cent.

Large towns and townships, 4 per cent. to 4⅛ per cent.

Village bonds, 4⅛ per cent. to 4¼ per cent.

1901-1904.

1902.—Great industrial and stock speculation.
1903.—Reaction from speculation of year before.

Provincial Governments, about 3¾ per cent.

Large cities and counties, 3⅞ per cent. to 4 per cent.

Large towns and townships, 4⅛ per cent. to 4¼ per cent.

Village bonds, 4⅜ per cent. to 4⅓ per cent.

1905-1906.

1907.—Panic year.

Provincial Governments about 3½ per cent. to 3⅝ per cent.

Large cities and counties, 3⅞ per cent. to 4 per cent.

Large towns and townships, 4 per cent. to 4⅛ per cent.

Village bonds, 4¼ per cent. to 4⅜ per cent.

1907-1908.

1908.—Recovery year.

Provincial Governments, 4 per cent. to 4¼ per cent.

Large cities and counties, 4⅓ per cent. to 4¾ per cent.

Large towns and townships, 4¾ per cent. to 5¼ per cent.

Village bonds, 5½ per cent. to 5¼ per cent.

1909.

Great prosperity and real estate boom in Canada commences.

Provincial Governments, about 3⅞ per cent.

Large cities and counties, 4 to 4¼ per cent.

Large towns and townships, 4¼ per cent. to 4⅝ per cent.

Village bonds, 4½ per cent. to 4⅝ per cent.

1910.

Provincial Governments about 3.90 per cent..

Large cities and counties, 4 per cent., 4¼ per cent. to 4⅜ per cent.

Large towns and townships, 4½ per cent. to 4⅝ per cent.

Village bonds, 4⅞ per cent. to 4¾ per cent.

1911.

Provincial Governments, 4 per cent. to 3.90 per cent.

Large cities and counties, 4⅛ per cent., 4¼ per cent. to 4⅜ per cent.

Large towns and townships, 4⅓ per cent., 4⅝ per cent. to 4¾ per cent.

Village bonds, 4¾ per cent. to 4⅞ per cent.

At the end of the year prices for Ontario bonds were about as follows:—

Provincial Governments, 4 per cent. to 3.90 per cent.

Large cities and counties, 4⅛ per cent., 4⅝ per cent. to 4⅓ per cent.

Large towns and townships, 4½ per cent., 4¾ per cent. to 4⅞ per cent.

Village bonds, 4⅞ per cent. to 5 per cent.

1912.

Real estate boom commenced to fail.

Provincial Governments, 4¼ per cent. to 4 per cent.

Large cities and counties, 5 per cent. to 4½ per cent. Counties selling at about 5 per cent. City of Toronto 4⅓ to 4⅝ per cent.

Large towns and townships, 5¼ per cent. to 5 per cent.

Village bonds, 5½ per cent. to 5⅝ per cent.

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RESERVE FUND - $200,000

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THE GREAT WEST PERMANENT LOAN COMPANY

HEAD OFFICE: GREAT WEST PERMANENT BUILDING, WINNIPEG, CANADA

OUR RECORD GROWTH

	Paid up Capital.	Reserve.	Assets.
In 1903	$110,295.92	27,767.21	$160,574.29
In 1916	$2,411,862.81	$685,902.02	$7,368,916.10

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BRANCHES AT

TORONTO, CALGARY, EDMONTON, REGINA, VANCOUVER, VICTORIA

SHORT TERM DEBENTURES ISSUED TO YIELD 5½%

1913.

Real estate boom collapsed. Hard times.

Provincial Government debentures sold as low as a rate to yield 4.40 per cent.

Large cities and counties at 5¾ per cent. to 5 per cent. (Counties selling at about 5½ per cent., city of Toronto at about 5¼ to 5 per cent.).

Large towns and townships from 6½ to 6 per cent.

Village bonds from 6¾ to 6½ per cent.

1914.

August 1st.—The commencement of the great war. German rush for Paris.

About March to May, 1914, the prices for debentures ranged as follows:—.

Provincial Government debentures, 4⅜ per cent. to 4¼ per cent.

City of Toronto, 4¾ per cent to 4⅝ per cent.

Ontario counties, 4⅞ per cent. to 4¾ per cent.

Large Ontario towns and townships, 5¼ per cent. to 5 per cent.

Ontario village bonds, 5½ per cent. to 5⅜ per cent.

Western city bonds, such as Calgary, Edmonton and Regina, 5⅜ per cent. to 5¼ per cent.

Smaller western towns sold from 6 per cent. to 5¾ per cent., and smaller places still from 6¼ to 6 per cent.

School districts and western villages from 7¼ per cent. to 7 per cent.

1915.

Great war and deadlock on west front. German advance against Russia.

From March to about May last year, prices reached their highest level or lowest yield rate. At this time, Ontario provincial bonds were selling to yield about 4.80 per cent.

City of Toronto, 4.95 per cent.

Ontario counties, 5 per cent.

Moderate Ontario cities, 5¼ per cent. to 5⅛ per cent.

Large Ontario towns and townships, 5⅜ per cent. to 5¼ per cent.

Ontario village bonds, 5⅝ per cent. to 5½ per cent.

Western city bonds (Calgary, Edmonton, Regina, etc.), about 6 per cent.

Smaller western towns, 6¼ per cent. to 7 per cent.

School districts and western villages, 7¼ per cent. to 7 per cent.

However, it was not long until these prices were materially changed, so that in the fall of the year the prices were about as follows:—

Provincial Government bonds (such as Ontario), 5¼ per cent. to 5⅛ per cent.

City of Toronto, 5⅜ per cent.

Small Ontario cities, 5⅝ per cent.

Good Ontario towns, 5¾ per cent.

Western cities (such as Saskatoon, Calgary, Edmonton), 6¼ per cent.

School districts, 7½ per cent.

Villages, 8 per cent.

1916.

Supply of municipals limited; demand from a new market, the United States, large. After marketing of war loan in the fall, prices stiffened.

Dominion government bonds yielding	**5¼%**	**to 5⅛%**
Province of Ontario bonds yielding	**4.80%**	
British Columbia and Alberta bonds yielding	**5½%**	**to 5.30%**
City of Toronto and Montreal bonds yielding	**4.90%**	**to 4.85%**
Saskatchewan, Manitoba and medium-sized Ontario cities bonds yielding	**5.20%**	**to 5.10%**
Ontario towns and townships bonds yielding	**5⅜%**	**to 5¼%**
Ontario village bonds yielding	**5⅝%**	**to 5½%**
Western city bonds (Calgary, Edmonton, Regina, etc.), yielding	**about 5¾%**	
Western school districts bonds yielding...	**about 6½%**	

UNITED STATES LOANS TO ALLIES

More Than $3,883,000,000 Advanced Since Republic Entered War

The total advances made to the Allies by the United States since that country entered the war in April, 1917, were, up to December 10th last, approximately $3,883,900,000. The following figures show the countries to which the loans were made, but up to November last only: Great Britain, $1,860,000,000; France, $820,000,000; Italy, $500,000,000; Russia, $325,000,000; Belgium, $58,400,000; Serbia, $3,000,000; total, $3,556,500,000.

As stated previously, by December 10th, this total had been increased to $3,883,900,000 and is still appreciating at the rate of about $500,000,000 monthly.

Before these loans were advanced, and prior to its entry in the war, the United States had already loaned $2,213,575,000 to belligerents. That makes a grand total of loans by the United States to belligerents, since the war started, of $6,097,475,000. A loan of $100,000,000 was made to Canada in July last by bankers of the United States.

Three Large Credits Last Fall.

The credit of $230,000,000 granted to Italy on October 30th, 1917, followed the military crisis in that country precipitated by the German invasion of Venetia. This credit was utilized in the purchase of coal, foodstuffs, munitions and other necessary supplies. The credit of $435,000,000, made to Great Britain on November 1st, was to cover British expenditures in the United States up to January 1, 1918. This brought the total loans to Great Britain to $1,860,000,000 and total loans to the Allies to $3,566,400,000. The credit of November 1st was the largest ever made to an allied government. The money will be withdrawn from the treasury only as needed to pay for war contracts. Another large credit was that of $310,000,000 in November to France to cover a period up to January 1, 1918.

Britain and United States.

Lord Northcliffe, according to cable dispatches received in November, was reported as saying that the people of the United States must remember that "at the moment we (England) are financing the Allies to a greater extent than you are—a fact little known in the United States." Figures then at hand show that England has, since the war began, loaned $7,123,000,000 to its allies, including $777,000,000 to its own Dominions. The total advanced since April was $1,414,000,000. Some of this, however, was advanced to neutrals, as it is believed that England advanced money to Denmark and to Greece before the latter entered the war.

The United States, during the first seven months after it entered the war, advanced a total of $3,861,400,000 to its allies. This is less than England's total, but it is almost 55 per cent. of the advances made by England in three years and three months of war, and it was made in less than one-fifth the time. Of the United States total, England got $1,860,000,000, France $1,130,000,000, Italy $485,000,000, Russia $325,000,000, Belgium $58,400,000 and Serbia $3,000,000. The United States advances will, in a short time, actually exceed those of England if they continue to make loans at the present rate, which Secretary McAdoo stated at Baltimore to be $500,000,000 monthly.

Rate of Interest.

Of the $3,324,129,750 loans actually made to the Allies by the United States government out of a total of $3,883,900,000 credits extended up to about December 10th last, approximately $1,100,000,000 has been loaned at the rate of 4¼ per cent. per annum. About $2,200,000,000 was loaned at rates varying from 3 to 3½ per cent. per annum.

For a few months following the entrance of the United States into the war, the allied governments were obtaining accommodation at the same rate of interest as the United States government borrowed funds from the American people. The bond issue act of April 24, providing for the first Liberty Loan expressly stipulated that the loans made to the Allies should bear the same rate as the public issue. Under the terms of the act of September 24, the second bond issue measure, the loans made to the Allies were "to bear such rate or rates of interest as might from time to time be determined by the secretary of the treasury."

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How Much Business Should a Company Write

Methods Suggested for Gauging Amount of New Business—To What Extent Should Loading Be Regarded In Fixing Reasonable Expenditure?—Expense Rate is the Main But Not the Only Factor—Participating and Non-Participating Business

By M. P. LANGSTAFF, A.I.A., F.A.S.

HOW much new business should an insurance company write? I think insurance managers are agreed that this is one of the most important, and at the same time, one of the most difficult, questions with which they have to contend. It is a question, moreover, that cannot be decided by any fixed rules applicable to all or various companies—although broad boundary lines may be fixed—but rather is one which each company must decide for itself after a consideration of the many factors which govern its own particular case. Mr. Miles M. Dawson, F.I.A., states: "The problem of demonstrating the measure of profitable expenditure for new business in life insurance has tacitly been treated as hopeless, by nearly all actuaries," and Mr. T. E. Young, F.I.A. agrees with this dictum when he says it is "impracticable to indicate any definite proposition as the controlling criterion of the appropriate area of business."

The matter is, therefore, one largely for individual judgment. A too conservative course may prevent the inclusion of the proper proportion of new "blood" necessary for a favorable mortality experience, may hamper the agents of the company in the full scope of their endeavors, may keep the institution a "picayune" concern, may injure the company's reputation for proper progressiveness with both agents and the public, and may prevent its proper diffusion of that goodly product of beneficence—life insurance. Too ambitious a course, on the other hand, may lead to acceptance of sub-standard risks, too high an expense rate, reduction of surpluses paid to policyholders, and even serious impairment of capital. As in everything else in life, the happy mean seems to be the desired end, a course not too conservative and not too progressive—a course that will preserve the continuity of the surplus returns, build up the company's reserves and surplus, give a regular progression in all departments, and put no hampering restraints on the indispensable fieldman.

Happy Mean for Each Company.

But there may be a wide divergence between conservative and progressive policies and the difficulty is to find that happy mean for each particular company. "Conservative" and "progressive" are pretty general terms, and are defined very differently and have very different significance according to the temperament of the management. Like the terms investor, speculator and gambler, they frequently overlap and merge into one another. The speculator invariably considers himself an investor—somewhat liberally inclined; the gambler rates himself as a cautious speculator—taking an occasional "fling." However, I am not arguing in favor of either conservativeness or progressiveness, but rather the proper combination of the two. Business is like sport. The impetuous dashing player makes brilliant shots, "brings down the gallery" again and again, but he loses almost invariably to the man who keeps his head, avoids sensationalism, and utilizes all his skill.

In this connection Mr. T. E. Young says: "In no commercial undertaking is the principle of commensurate profit forming the criterion of the scale of expenditure so vital and far-reaching as in life assurance by reason of the lengthened duration of its contracts, nor are the consequences, in any sphere of industry, of an ill-advised procedure in this respect more deeply fraught with important and, it may prove, permanent influence upon future stability and success than in the administration of these special business trusts. A poorly equipped actuary of impoverished capacity can readily command a plethora of business if he is prepared (neglectful of the effect upon profits) to subordinate the future to the present. It demands a man of strength of character as well as competence of financial skill and training to forecast the future and weigh the tendency of actions of this kind beyond the boundary of the immediate and proximate period as to restrain judiciously and severely the lavish hand. For our natural desires, even apart from personal reputation, are in favor universally of extensive augmentations and surprising results, and, as we have just observed, it requires fortitude of character equally with clear and steadfast survey over the distant future to remain contented with acquisitions of minor extent though involving a more profoundly auspicious influence upon the prospects of solidity and profit. In this restraint and skill reside the stable and permanent conditions of continued success. An extensive new business constitutes in no degree in itself an index to wisdom of administration or prosperity of result."

Gauging Amount of New Business.

Various attempts have been made to arrive at a general formula for the maximum amount of expenditure that may be made for new business. For example, Mr. Dawson in a paper before the International Congress in 1909, gives the following general formula for new participating business:—

$$L^{oo} F_x = P'_x a_{(x)} - (A'_{(x)} + e'_{(x)} + V_{(x)} + g P_x a'_{(x)} + B'_{(x)})$$

Where $L^{oo} F'_x$ is the symbol for the measure of profitable cost of new business; $P'_x a'_{(x)}$ the present value of the gross premiums allowing for actual rates of interest, survival and persistence; $A'_{(x)}$ the present value of the insurance benefits to be paid; $e'_{(x)}$ the present value of the expenses; $V'_{(x)}$ the present value of the sums to be allowed upon surrender; $g P'_x a_{(x)}$ the present value of the annual profit desired per annual premium P'_x; and $B_{(x)}$ the present value of the bonus or dividend desired.

Mr. Dawson points out that the problem is independent of the method of computing reserves, and that the use of a method of valuation which seems to set free a larger amount for cost of new business, than correctly computed, is likely to be misleading and dangerous.

Several of the States, for example, have provided for minimum reserve laws for the purpose of meeting the excessive cost of new business without giving any consideration to the maximum amount which should be allowed, as indicated by the above-mentioned formula.

Excessive Cost of Business.

During the investigation into the management of the New York companies in 1906 and also during that, into the affairs of the Canadian companies in 1909, the matter of the excessive cost of new business, received considerable attention. The New York legislators fixed on the select and ultimate method of valuation as suggested by Mr. Dawson which allows the benefit of mortality selection during the first five years to be utilized in meeting the cost of new business.

The Canadian act allows for this excess cost by a lowered basis of valuation in the early years as follows, the object being to relieve the pressure on the younger companies:—

"In the case of any policy, the net annual premium upon which is not less than the corresponding net annual premium for a whole life insurance with uniform premiums throughout life, the difference between the said whole life premium and the corresponding net premium for a one-year term insurance shall constitute the amount to be deducted in respect of such policy at the date of its issue, such difference, however, to be diminished each year by an equal proportion, so that upon payment of the fifth annual premium, the value of the policy" shall be in accordance with the regular reserve standard.

In its endeavor to restrict too excessive competition for new business with its accompanying high expense the New York law sets a limitation on the amount of new business that shall be written and also on the amount of expense allowable. The clause providing for limitation of expenses reads:—

"No domestic life insurance corporation shall in any calendar year, after the year nineteen hundred and six, expend or become liable for, including any and all amounts which person, firm or corporation is permitted to expend on its behalf or under any agreement with it (1) for commissions on first year's premiums, (2) for compensation, not paid by commission, for services in obtaining new insurance exclusive of salaries paid in good faith for agency subdivision either at the home office or at branch offices, (3) for medical examinations and inspections of proposed risks, and (4) for advances to agents, a total amount exceeding in the aggregate (a) the loadings upon the premiums for the first year of insurance received in said calendar year, (calculated on the basis of the American experience table of mortality with interest at the rate of three and one-half per centum per annum), and (b) the present values of the assumed mortality gains for the first five years of insurance on the policies in force at the end of said calendar year on which the first premium, or instalment thereof, has been received during said calendar year, as ascertained by the select and ultimate method of valuation as provided in section eighty-four of this chapter; and (c) on policies issued and terminated in said calendar year the full gross premiums received, less the net cost of the insurance for the time the insurance was in force, computed by the American experience select and ultimate table, three and one-half per centum. No such corporation shall make or incur any expense or permit any expense to be made or incurred upon its behalf or under any agreement with it, except actual investment expenses (not exceeding one-fourth of one per centum of the mean invested assets), and also except taxes on real estate and other outlays exclusively in connection with real estate, in excess of the aggregate amount of the actual loadings upon premiums received in said year calculated according to the standards adopted by the company under section eighty-four of this chapter, and the present values of the assumed mortality gains hereinbefore mentioned."

Limitation of Expenses.

The Canadian legislators did not think it advisable to follow the New York law in respect to limitation of expenses, but, rather, deemed that this matter could best be left to the judgment of the companies' managers who are forced, by the keen competition to show best actual results, to keep expense rates to moderate proportions. It is a question, indeed, to what extent loading should be regarded in fixing reasonable expenditure. Mr. Papps in his evidence before the Royal Commission, said:—

"But the point is this; if we measure the expenses by the total loading we have to consider two or three points. One point is that young companies cannot get their business in so that the total expenses will be less than the total loadings, owing to the fact that a very large percentage of their business is new business. In the same way an old company rapidly pushing for business may have difficulty in complying with that. They may just succeed whereas another company writing a very much similar volume of new business will have no difficulty whatever. At the same time there is this question; if that company is able to write double the volume of new business without increasing the rate of expense at which that business is obtained, is there any reason why that company should not take all the business it can at that rate of expense, provided only that in keeping track of accounts the expense attaching to the securing of that new business should go solely against those new classes. So that it really resolves itself into this, if the company is getting its business at a proper rate, it does not matter how much new business it should take, provided they have sufficient funds to stand against the temporary impairment of the reserve."

Department Specialization Necessary.

Years ago it was the prevalent opinion that the more business written, the larger would be the profits, and possibly with the low cost then of procuring business, this opinion was not far wrong. But conditions now are radically different. The enormous increase in the cost of living has raised commissions and other expenses for new business in a far greater ratio than premiums have been raised. Liberalized policy contracts, too, call for high surrender values and thus leave little or no profit from lapses. The result has been that there is a point beyond which a company should not go in its rush for new business—i.e., beyond the point where extra exertion for new business beyond the normal requirements bears too heavily on the future. The conduct of an insurance office, if from this reason alone, is a matter, then, calling for much greater skill and acumen than in those days when life insurance was in its childhood. Specialization in the various departments of the business aiming at the utmost efficiency and the utmost economy consistent therewith must be the desideratum. The chief executive must be a man, who not only is himself capable of fulfilling any of the multifarious duties of the various departments, but still more one who can build up an organization in his home office that will perform in the various departments all the ordinary duties in an efficient manner. In the present-day, rapidly growing companies with their many complexing problems, the various executive heads would be of little real service did they hamper their executive capacity of attention to minute details which could best be left to well-trained assistants.

From the standpoint of new business the agency department is of course all important and an office possessing a really "live" expert superintendent of agencies is fortunate.

Qualifications of Superintendent.

I take it that the qualifications of a superintendent of agencies must be: Firstly, a knowledge of men. Secondly, he must be able to attract the best men as salesmen and be able to hold them by his personality as well as by his arguments. Thirdly, he must have an intimate knowledge of his business, knowing the methods and practices of his own and other companies as regards policies, rates, agency contracts and so forth. Fourthly, he must know the conditions of insurance field work as applies to his own company. He must know what kind of a contract is necessary for the best results in the various districts. The superintendent who is always clamoring for the widest form of contract in order to hold his men together, may, in reality, be admitting his own incompetence. A company in good standing can always obtain a goodly share of business without issuing extravagant contracts to its agents.

The post of superintendent of agencies, is, then, one of the utmost importance. All new business that comes to the company, comes from the men whom he has appointed as the company's representatives; and according to the quality of the company's representatives will the company's business be. If they hold a high reputation in their communities, the company in those communities will hold a high reputation and its business in those communities will be of the highest quality whatever the quantity may be. And new business is of little use unless it is well selected and of permanent nature.

Work of Actuarial Department.

For the procuring of new business the actuarial department stands shoulder to shoulder with the agency department. Much of the success of the business depends on the hearty, efficient co-operation of these two departments. The actuarial department must draw up the policy contract and decide on the rates and guarantees. An attractive policy form, with well-worded and clear provisions and privileges and liberal values, etc., goes a long way in helping the fieldman close his business.

The actuary should know, however, where to draw the line in liberality. Too liberal surrender values, for instance, while bringing about a certain immediate increase in a company's normal business, might prove a serious menace to its future prosperity.

The agent of the present day is beset on every side by the difficulties his competitors set in his way, by offering higher guarantees, varying forms of contracts, special policy privileges and so forth. It is the duty of the actuarial department to come to the rescue of the agent in matters of such perplexity, to show him not so much any weaknesses in the offers of his competitors as the advantages of his own company's contract by way of its special provisions, or guarantees, or profits, or otherwise. The "man on the street" in these days usually demands facts and figures. The actuarial department must therefore be ready to supply their representative with the best and most up-to-date of these in a form readily intelligible to the prospect and arranged in such a way as to make the strongest appeal to him. The average agent, like the average prospect, is not a mathematician or an actuary, and a mass of figures relative to some actual result or to the company's standing, arranged in complicated form, may prove so confusing as to do more harm than good. The actuary, then, in co-operating with the field men, must, to be of real assistance to them, be able to unravel the technical kinks in his own mind for the time being and put out all his data in a form both interesting and intelligible to the layman.

The actuary, moreover, must be alive to and ready to grasp any new ideas arising in the business. For example, the disability privilege allowed by the insurance act of 1910. was promptly taken advantage of by some companies and used as a lever in getting much new business before the majority of the companies had even thought of including it in their contracts.

General Rules for New Business.

To return to the question of how much new business a company should write, let us endeavor to fix some general rules which may serve as a guide:—

(1) It is impossible to fix the amount of new business as a percentage of the business in force and apply that figure rigidly to all companies.

For example, it has often been stated that an established company can properly write a new business equal to about 20 per cent. of its total insurance in force. This rule might be roughly applicable to the average Canadian company at the present time, there being so many of them of approximately the same size and rate of progression. The following figures, however, will indicate that the percentage is low for the younger companies and high for the older ones:—

Company began business.	New business written 1916 Old business in force 1915. %
1849	12.75
1865	16.62
1869	15.46
1871	15.51
1879	18.12
1887	16.29
1889	22.96
1889	23.84
1893	21.41
1894	24.80
1897	21.46
1899	23.70
1900	37.60
1904	35.00

Case of Young Company.

It is obvious that a comparatively young company may find it necessary to write a considerable volume in proportion to its old business each year for a number of years in order to build up its renewal premium income.

It is a difficult matter indeed to say what amount of the resources of a young company should be used in the development of its business, as it has no general trend of expense in the past to serve as a guide, and to reduce if possible. Its business is in a state of flux, the expenses of its various agencies and departments changing rapidly from time to time, and it requires patience, good luck, time and considerable business judgment before cosmos is brought out of this chaos.

Where a company has become thoroughly established, then, new business should be such that:—

(2) Dividends paid should conform favorably with those of other companies.

This, of course, depends upon other factors than the amount of new business written. Yet the new business of a company which affects its expense rate so markedly, is one of the most important considerations. Endeavor should be made to see that each year finds a gradual reduction in its ratio of expenses to income. The expense rate may in this way be regarded as an index to the proper amount of new business to write.

(3) Dividends from year to year should be uniform or show gradual increases over the previous year's scale.

Expense Rate not Only Factor.

Although the expense rate is the main factor to study in respect to proper amount of new business to write, it would be foolish to consider it the only factor. Surely a company maintaining a high interest rate and a low mortality rate can afford to use some of these gains in the acquirement of profitable new business and increasing the company's prestige due thereto. Size is most desirable so long as it is not at the expense of strength. It reduces the ratio of overhead expense, attracts both the public and the ambitious agent, and gives a company greatly enhanced prestige on every hand. Very few of the large companies have grown large at the sacrifice of strength. Their financial reports and dividend payments prove otherwise, and a careful study of their methods of rapid progression will repay study to the too conservative manager. A study of the large companies will show that bigness in life insurance is almost always allied with strength. It is rare, indeed, that a directorate that have the brains and energy to build up a tremendous business, haven't the faculties to do so at a reasonable expense and with a retention of a large percentage of the amount written which rapidly becomes self-supporting and profitable.

(4) From what has been said above it will appear that the problem of new business should not be approached from the standpoint of expense alone, but rather from that of surplus. The surplus earned on the ledger assets is one of the most important ratios connected with the company as it focalizes into one significant figure the results of all the important earnings of the company from expense, mortality, interest and miscellaneous savings. New business written, then, should be of such quantity and quality as to lead to the maintenance in the value of this ratio, and its gradual increase, if possible, so that dividends to policyholders may not only be maintained and increased, but also the contingent or free surplus gradually increased to the benefit of the company's financial position.

Matter of Wise Expenses.

(5) Eliminate "penny-wise, pound-foolish" policy. It is possible to hold a quarter so close to the eye that it shuts out the view of the heavens. It is possible to watch minor expenditures so closely that one is oblivious to broader considerations. In scanning expenses for new business, surely a management should study whether those expenses are of a productive or unproductive nature and should not have a tendency to regard all expenses in the same category, to be pared down to the lowest possible cent. An expenditure that will ultimately result in a profitable new business is an investment of the company's funds, even though it may show no immediate return. Reasonable and judicious advertising, for example, must bring returns by way of new business, even though its effects cannot be accurately reckoned.

In working on the company's expense rate there are two factors to be used, the expense and the income, the numerator and the denominator. While the rate can be reduced by lowering the gross expenses, the numerator, it can also be reduced by increasing the income, the denominator. Possibly it takes greater skill to bring the latter up to correct proportions than it does to keep the former within due limits. Do not keep your eye on the numerator alone.

Present Results and Future.

(6) An eye to the future. Too much stress should not, of course, be put on present results, but a vigilant eye should be kept for the future welfare of the company. An insurance company is "not for an age but for all time." Were the present only to be regarded then a total cessation of new business would bring about the best results, as in that way a company's expense rate would drop rapidly and its surplus bound upwards. However, without the new business it would soon be in a moribund condition. New business is essential to the life of the company as a growing concern and it is the problem of the management to strike the happy mean between no new business at all and too great an access thereof. Having an eye to the future, it would seem that the quality of the business is of prime importance, firstly with regard to medical selection of the newly-examined lives, where it has been said: "This side of the management of a life insurance company is of the first importance. A half million dollars in the death claims for one year in one of the largest companies may be saved by the application of wisely directed attention with far greater ease than one hundred thousand dollars can be saved in expenses." Secondly, with regard to the permanency of the business. A company can afford to write a much larger proportion of new business if that business is of substantial character than would be the case if each access of new business were followed by a heavy lapse and not taken and surrender rate in respect thereto. In the former case, the business would soon pay its own way and contribute to the reduction in the gross expense rate; in the latter case, the business would participate in the raising of the expense rate without exerting sufficient compensating influence thereafter.

(7) How it is obtained. The volume should be influenced to some extent by the nature of the commissions granted. A company paying a heavy first-year commission and low renewals could not afford to write the amount it could write

were the cost spread more over the duration of the policy. There seems to be a tendency with well-established companies to work towards this end—to reduce substantially first-year commissions and give higher rates to the agent during the early renewals. A young company in this respect works under heavy handicaps in its early years. It has a comparatively small renewal business to compensate its salesmen for taking a small first-year commission. It has, too, as yet, failed to obtain the reputation with the public so essential for widespread success.

Consequently, to attract the best men as its salesmen, it must pay a heavy first-year commission, which throws a heavy strain on its successful progress. The path of a young company is certainly not paved with roses. Was Mr. Ferguson not justified in his paper before the Life Underwriters' Association annual convention last August, in his representation of the poor outlook for shareholders of these companies?

Nature of Business.

(8) The nature of the business. The quantity of business to be written certainly depends too on the distribution of the plans, ages and methods of surplus distribution. Certainly the high premiums of the endowments or of old lives on any of the plans can bear the strain in the early years with far greater ease than the low premiums on life and term policies. Again, a company doing a large proportion of deferred dividend business can afford to write more new business than would be the case were it paying out all its earnings in annual dividends, or as would appear to be the case with some companies, paying arbitrary unearned annual dividends in the early years. A company, too, that has been conservative in its dividend payments and has been accumulating a substantial contingency reserve would be in a position to aim at liberal expansion of business, without danger of disturbing its dividend scale, since such contingency reserve could to some extent be utilized to meet the costs of any super-normal production.

(9) Regularity. One test of strength in an insurance company is the showing of regular and substantial improvements in all departments of the business, not spasmodic irregular growth. A company should, then, aim year by year at a new business which will show gradual increases over the new business of each preceding year. It would obviously affect the continuity of surplus results, if violent efforts were made at irregular intervals to obtain new business without regard to what the company had been doing in the past or could expect to do in the future.

(10) Participating and non-participating. During the last few years great care has been employed by the companies in keeping their participating and non-participating accounts separate, so that each section may be charged and credited with its true expenditure and true revenue respectively.

How much of the profit on non-participating business may be used in the acquisition of new business is a point to be settled by the company's directors after a consideration of the amounts of dividends required for stockholders. In fairness to the participating branch, however, an amount should be expended therefor which shall bear at least an equal proportion to the amount expended in the participating branch for the purpose, that the non-participating fund bears to the participating fund.

Nature of Participating Business.

In considering how much of the participating profit should be expended for new business, we must bear in mind the nature of participating business. In the early days of life insurance, premiums were based on insufficient and inadequate data, and for the sake of safety put far in excess of actual requirements. To compensate participating policyholders for their excess payments, returns were made to them by way of surplus distributions. They, in a sense, therefore, received these distributions of bonuses in return for guaranteeing the safety of the company. The same principle exists at the present day, although to a much less degree owing to the more scientific mortality tables now in use. Still it seems clear that the participating policyholder expects to and should obtain, in addition to his insurance, something more than his overpayment with interest. The responsibility would seem to be on the management, therefore, to see that any part of the participating policy-holders' overpayments and profits expended in new business should be expended therein in such a way and to such an extent that proper returns therefrom are assured to the participating policyholders within reasonable time. In other words, the participating loading cannot be looked upon as an additional "expense fund" to be thrown haphazardly after new business without due thought of returns, but as a "trust" fund which must be used with the utmost care and discretion. However, the question might be asked: "Have not the companies as much right to spend arbitrary, unearned amounts in building up the business as they have to pay arbitrary, unearned dividends to policyholders in the initial policy years?"

But, as a matter of fact, do not many of the companies regard such payments of dividends in the light of indirect expenditures for new business, rather than actual bona fide dividends?

In this connection we may point out that there is a radical difference of opinion among actuaries as to the equity of charging the cost of new business partially against old policyholders in the assessment of expenses for the purpose of arriving at the surplus allotments. One view held is, that, whatever the cost of new busines may be, its value is mainly to those insuring or to their beneficiaries, not to those previously insured. As Zartman says: "A new entrant cannot in fairness ask that the special expense involved in bringing the benefits of the company to him should be shared by the existing membership on the plea that his incoming broadens the field, when the existing membership constitute the field to which he only adds his mite; when the benefits to him from the existence of such a membership are a hundred thousand times any benefit he can confer upon them. It is certainly sufficient that he be admitted to the common advantages of a more stable experience and a decreased expense ratio, if such result, without requiring that others be taxed to pay the cost of giving him these advantages. The assessing upon the old business of the expense procuring new business cannot then be justified either upon the ground that the expense is due to, or is for the benefit of, the old business."

Judgment of Own Experience.

Other writers on the other hand, point out that the new entrants being newly-examined lives tend greatly to reduce the average mortality experienced by the company; that the weight of the expenditure of new business is not due to voluntary action of the fresh entrants, but to the efforts of the company acting in the presumed interests of its existent members, and if those members consider the business to be worth acquiring upon the terms that prevail, they should share fully in the general burden of the cost.

To sum up, it seems to me, bearing in mind the main principles outlined above, that a company that has been in existence for a few years, can determine sensibly and for all practical purposes the amounts it should expend in the acquisition of new business. It has then its own experience upon which to base a judgment, and this, together with a careful study of its annual statement and gain and loss exhibit, should be of more service than any amount of theoretical reasoning. By tabulating each year the figures relating to the company's growth and surplus earnings, and watching the effect of one upon the other, it should not be a matter of extreme difficulty to fix limits between which the expenditures for new business should fall.

TORONTO'S SOLDIERS' INSURANCE

The amounts which Toronto city paid out on account of soldiers' insurance up to September 20th, 1917, are as follow:—

Paid by city directly, prior to 1917, $398,000; during 1917, $1,003,000; paid to companies as premiums previous to 1917, $741,038; premiums during 1917, $105,685; total cost to city, $2,247,723. This large sum, practically two and one-quarter millions of dollars, will be largely increased before the end of the year. Here are the details in connection with soldiers' insurance to date:—

Premiums paid to companies during 1917: Metropolitan Life, $63,643; Aetna Life, $42,042.

Premiums paid to companies previous to 1917: Metropolitan Life, $610,884; Aetna Life, $91,646; State Life, $38,506.

Claims paid during 1917: Metropolitan Life, 195, $195,000; Aetna Life, 55, $55,000; State Life, 15, $15,000; City of Toronto, 1,003, $1,003,000.

Claims paid previous to 1917: Metropolitan Life, 538, $538,000; Aetna Life, 58, $58,000; State Life, 4, $4,000; City of Toronto, 398, $398,000.

FIRE UNDERWRITING RESULTS

With Canada's Development Risks Have Largely Increased and Total $3,720,058,236

Less than $2,000,000 was the first year's fire insurance premiums in Canada, of which there is a government record. Total premiums collected by 87 companies during 1916 were $27,783,852, and losses paid $15,114,063, the loss ratio being 54.40 as compared with 53.49 in 1915, and is 6.00 below the average for the forty-eight years. In the decade 1896-1906 the average annual loss paid by the companies transacting business in Canada was $6,000,000, a sum which was nearly doubled in the past decade, 1907-1916, for the average loss then recorded was $11,700,000.

British companies have received more than 50 per cent. of the premiums collected in Canada and paid more than 50 per cent. of the losses during the 48 years recorded. The aggregate totals of the fire insurance business in Canada are as follows:—

Companies	Premiums.	Losses.	Ratio %.
British	$267,308,817	$163,371,003	61.12
Canadian	96,048,484	59,795,734	62.26
United States and other	87,382,969	49,075,208	56.16
	$450,739,560	$272,241,945	

The expansion in fire underwriting in Canada during the last 26 years of the period is shown in the following figures:—

Companies.	Premiums. 1890.	Premiums. 1916.
Canadian	$ 1,249,884	$ 4,817,876
British	4,072,133	14,294,803
United States	514,054	8,671,173

Companies.	Risks. 1890.	Risks. 1916.
Canadian	$135,145,294	$ 742,805,919
British	427,931,692	1,606,346,835
United States	57,646,959	1,069,085,926

The rate per cent. of premiums charged upon risks taken is shown in the following table:—

Companies.	Gross amount of risks taken during the year.	Premiums charged thereon.	Rate of premiums charged per cent. of risks taken.
British	$1,606,346,835	$17,278,033	1.08
United States and other	1,069,085,926	11,146,042	1.04
Canadian	742,805,919	8,807,615	1.19

The increase in the amounts taken in 1916 as compared with the previous year by Canadian companies is $69,561,788. For British companies there is an increase of $168,309,114, and for United States and other companies there is an increase of $68,814,875.

LIFE UNDERWRITING RESULTS

The field men of forty-four life insurance companies, Canadian, British and Colonial, and those of the United States, were actively engaged last year in converting Canadian "prospects" into "policyholders." The results of their work in 1916 is compared with that of the pioneers of 1875 in the following figures which give the amount of insurance effected during the respective years:—

	1875.	1916.
Canadian	$ 5,077,601	$138,201,281
British and Colonial	1,689,833	5,250,633
United States	8,306,824	87,649,711
	$15,074,258	$231,101,625

The 1916 work of the agents brought the net amount in force from $1,311,616,677 of 1915 to $1,422,179,632.

Lapsation is a problem for the underwriters, its causes are often discussed, remedies noted and sometimes tried, but the disease persists, to the extent of $104,172,247, as shown in the surrender and lapse column of the Canadian government return. This, however, was a decrease of about $32,000,000, compared with the preceding return.

Premiums collected from policyholders in 1916 totalled $48,093,105, while payments made to policyholders were $35,685,560.

The year's income and expenditure of Canadian insurance companies can be placed as in the following columns:—

Income:	
Premiums and annuity sales	$43,958,826
Interest, dividends, rents	16,004,312
Sundry	287,869
	$60,251,007
Expenditure:	
Paid to policyholders and annuitants	$24,147,117
General expenses	11,574,054
Taxes	679,429
Dividends to stockholders	510,815
	$36,911,417

The following table shows the assets of Canadian, British and United States companies in Canada:—

	Canadian.	British.	United States.
Real estate	$ 15,052,552	$ 968,794	$ 79,840
Loans on real estate	95,921,380	16,942,175	11,087,153
Loans on collaterals	2,501,710	156,942	....
Cash loans and premium obligations on policies in force	41,134,377	2,655,840	10,777,910
Bonds and debentures	108,353,964	15,998,790	55,146,616
Stocks	17,332,464	160	....
Cash	3,678,528	788,602	2,537,267
Interest and rents due and accrued	7,191,936	432,307	1,151,210
Outstanding and deferred premiums	6,611,938	344,214	1,352,316
Other assets	299,405	18,039	9,844
	$298,078,258	$38,305,866	$82,142,159

LIFE COMPANIES AND WAR MORTALITY

That life insurance companies in Canada were affected by war mortality to a much greater extent than previously is shown in the annual report of the superintendent of insurance, issued last fall. Up to the end of 1916, Canadian life companies and fraternals, Dominion and provincially licensed, had incurred $7,139,541 claims arising out of the war. In addition, Canadian companies had incurred war claims under policies held by British and foreign policyholders to an amount of $524,935. The insurance department at Ottawa states that returns have been secured from all companies and societies with the exception of a few small provincial fraternals, the returns from which would not materially affect the figures shown. Information was asked for as to claims incurred under the following headings:—

(a) Enlisted soldiers killed in action or dying from wounds.

(b) Enlisted soldiers dying from other cause.

(c) Other persons engaged in war service, or civilians dying as a result of military operations.

The returns made show the following results:—

	Dominion licensees.	Provincial licensees.
1914.		
(a)	$ 15,793	$ 1,000
(b)	1,622	1,000
(c)	......	......
	$ 17,415	$ 2,000
1915.		
(a)	$1,607,342	$114,746
(b)	190,684	18,500
(c)	141,709	7,585
	$1,939,735	$140,831
1916.		
(a)	$4,318,839	$426,711
(b)	226,987	50,411
(c)	15,112	1,500
	$4,560,938	$478,622
Total	$6,518,088	$621,453

Life Insurance As Sold by the Regular Companies

Why They Are Able To Increase Their Business at a Remarkable Rate While the Assessment Societies Are Losing Ground—New Features in Modern Policies Cannot Be Given by the Assessment System—An Instructive Analysis and Some Interesting Examples

By W. H. ORR

EVERYBODY knows that life insurance has been in operation, as a business, for a great many years past, in Europe, in the United States, in Canada and in other countries. Of late years, a strong effort has been made, by means of fraternal societies, to give the public all the benefits of what is called "whole life" insurance at a much lower cost than it is afforded by what may be termed the "regular" system, as practised by the life insurance companies, in this and other lands.

The object of this article is to call attention to, and briefly explain, the different methods of operation and the widely different results, of the two systems—the permanent and the evanescent—in contrast with each other.

Plan has been Time Tested.

The regular, or old-fashioned plan, so successfully followed by the regular companies, recognizes the fact that, though the insured party *may* drop out, either by lapse or by death, at an early date, yet provision must be made for the payment of the full sum insured at death, whether that be early or late in life. In other words, the last man to die, of all those insured in the company, must have provision made for his widow and children, just as faithfully and surely as those of the first or earlier deaths. This is made a certainty by a premium per $1,000 being charged—whether paid yearly, half-yearly or quarterly—which has in it a small sum, or portion, which being accumulated at compound interest, will provide $1,000 for the wife and children of the last man to die, just as surely as for those of the first man who drops out by death. In other words, all regular societies doing life insurance business, are compelled by the laws of the countries in which they operate, as well as by the law of commonsense, to provide a scientific re-insurance fund. That re-insurance fund must be sufficient to pay another company for taking over its contracts and carrying them out to the last item of liability, assuming that anything should happen to the original company to put it out of business. Suppose, for instance, that any company should desire to close its business in any country or state, after operating therein for many years: it must leave in the hands of the government of that country or state, or pay to another solvent company, a sum sufficient to re-insure all its contracts in another company.

Provides for Total Indebtedness.

For instance, if either one of the following five well-known Canadian companies should decide to retire from the business of furnishing life insurance, it would have to hand over to some company approved by the government, the large sum set forth in the last column of the following table, that being found, according to the latest blue-book, to be sufficient to provide for its total indebtedness, as that indebtedness stood on December 31st, 1916:—

Company.	Ins. in force.	Assets.	Liabilities.
Sun Life	$281,434,700	$ 82,948,996	$ 74,089,130
Canada Life	165,366,127	59,264,183	52,245,329
Manufacturers'	87,527,995	28,971,253	19,866,600
Confederation	74,750,841	21,559,159	19,097,788
North American	58,486,367	16,485,987	13,768,881
Totals	$667,566,030	$209,229,579	$179,067,728

About one-half the amounts mentioned in the first and third columns is on account of policies payable at death only, and the other half represents endowments, which are payable either at death, or to the insured himself if he lives the ten, fifteen or more years constituting the endowment period for which the insurance contract was made.

Having now set forth the permanent basis upon which the business of the regular companies rests, the reader will desire to know how successfully that business has been carried on in Canada, during a period of 40 years past, and how much more rapidly in recent years, than formerly, has been its growth. The field in Canada has been cultivated by foreign as well as native companies, and all alike have prospered of late years. From the latest insurance blue-book from Ottawa, we take the following figures:—

Year of record.	One year's new ins. taken.	Total ins. in force.	Increase in ten years.
1876 ...	$ 13,890,127	$ 84,250,918	....
1886 ...	35,171,348	171,315,696	$ 87,064,778
1896 ...	42,624,570	327,800,499	156,484,803
1906 ...	95,013,205	656,250,900	328,460,401
1916 ...	231,101,625	1,422,179,632	765,918,732

Cannot Offer Attractions.

This table shows that in 1876 not quite $14,000,000 of life insurance was applied for and issued. Ten years later, nearly three times as much was issued. In 1916, the new insurance issued and paid for was almost twenty times as much as in 1876. It was nearly three times as great as in 1906. During the ten years there has been an amazing increase, of $765,918,732, in the amount of life insurance in force in Canada. This does not indicate any "old age infirmity" in the business. The older the companies grow, the more attractive is the article they have to sell. Much of this success is due to the introduction of new features in the modern policies, such as could not be operated under any assessment system. Among the attractive features are: (a) paying double the amount in case of death from accident; (b) making common life policies payable as endowments in old age; (c) granting surrender cash and loan values at all ages after a policy has been two or three years in force; and (d) cancelling future premiums in case of total disability. And quite recently, several companies have introduced "monthly income" insurance; also one-year term rates.

Premiums Usually Charged.

Here is a table of premiums usually charged for different forms of life and endowment insurance by a regular company at present:—

Annual Premiums per $1,000 on Six Different Ages.

Age	16	25	30	35	40	50
One-year term ..	$ 7.79	$ 8.22	$ 8.61	$ 9.23	$10.17	$14.79
Five-year term ..	9.14	10.01	10.93	12.11	13.67	22.40
Seven-year term .	9.18	9.74	10.27	11.08	12.43	19.80
Life	13.44	16.32	18.57	21.52	25.41	37.92
Twenty payment	20.97	24.32	26.68	29.59	33.21	44.19
End. 20 years	41.02	41.55	42.07	42.89	44.25	50.44

Companies with Evanescent System.

Having shown that the old and well-established system of life insurance, charging rates of yearly premiums sufficient to provide complete security not only for the present but to the "last man," whoever he happens to be, down to the end of this and the coming centuries, let us take a look at a cheap substitute that has arisen in the United States and Canada during the past 50 years, and which is already largely on the wane. In so far as it is in competition with the insurance companies, it is so only in relation to the term, or the all-life plans. It does not attempt the 20-payment or any endowment plan.

This modern life insurance idea was evidently born in the brain of an individual here and there in this western continent, whose education had not progressed very far into the higher mathematics, but who was carried away with enthusiasm as to the power for good of the principle of co-operation in fraternalism. Instead of the life insurance of the

A GUARANTEED INCOME THAT NEVER FAILS

THE ABSOLUTE SAFETY

of the Monthly Income Plan appeals to every thinking man. It will appeal to you. It furnishes your wife, your child or other dependent relatives with a

CONTINUOUS CHAIN OF MONTHLY CHEQUES THAT CANNOT BE OUTLIVED

You may have already made provision for your family, but

CONSIDER THIS—

There is danger of leaving plenty of property interests and too little income. Property must be producing income in order to be of immediate benefit to a bereaved family.

Financial problems should not be thrust upon a woman at a critical time.

The hands of unscrupulous men are always outstretched for money held by the unwary.

Large sums of money on hand invite extravagance or unwise expenditure.

Assuming enough left in cash to pay the immediate obligations of an estate, even a $25.00 monthly income will pay the rent if necessary, leaving a woman's mind free on that score, at least.

The Monthly Income Policy surpasses all other sources of income. Most people have been taught a monthly system of financing. It is the customary and most convenient way of receiving an income, and of settling accounts, particularly for anyone unaccustomed to handling funds.

YOU CAN COMMAND

this Modern Monthly Service by a moderate investment out of your current earnings. The income is certain, inalienable, free from administration expense and not exposed to loss through misjudgment or inexperience.

Any income from $10.00 to $200.00, or more, a month will be guaranteed.

Ask for our "Private Inventory Form." It will help you to take stock of your affairs.

CANADA LIFE ASSURANCE COMPANY

Canada Life Assurance Company, Toronto:
Dear Sirs,—
Without obligation on my part, please send me, free of charge, your "Private Inventory Form."
Name ....
Address ....

future being based upon the steady accumulation of a reserve, or safety fund, laid aside year by year, as is done by all the companies, why not let that safety fund remain in the pockets of the members until needed? Again, instead of having so much consideration for the "last man," and collecting annually from everybody on his account, why have any last man to provide for? Why not, by keeping the brotherly co-operative fraternal principle in perpetual operation, have no "last man" in the case, in so far as plain, common life insurance is concerned? In other words, why not "pass around the hat" as each death occurs, and expect every member to drop therein the right sum, as called for, to meet the claim of the widow and orphan as it occurs—the penalty for not paying promptly being the loss of his own membership in the new and beneficient eldorado?

New Ones Every Day.

These and kindred fraternal ideas, seemed attractive when presented in the lodges and courts and temples, fifty years ago, especially when the more highly educated members did not happen to be present. In a few years the ideas became so prevalent in the United States, that not only were they approved and adopted by some already established fraternal organizations, such as the Knights of Pythias, and Masonic and other fellowships, but new ones sprang up in all directions, almost every day, whose sole object was the affording of the benefits of a small amount of life insurance to every healthy married man who was not over 45 or 50 years of age, at half the cost at which it was afforded by the companies. In many cases, no difference in the monthly assessment was made for a $2,000 certificate, whether the member's age was 20 or 40, and in no case were any allowed to join if over 45 or 50. In the case of very few of the societies, was any one allowed to have more than one or two thousand dollars on his life. Heavy drinkers were tabooed, generally, as a matter of course. The management of those associations was in the hands of persons elected by ballot at the annual conventions. These paid no attention whatever, for many years, to any of the difficult problems for the solution of which actuaries and skilled accountants are always found on the pay-rolls of the regular companies.

Heavy Death Losses.

Hence there soon arose heavy death losses and double assessments, followed by the early disappearance of a great many of those briefly prosperous societies. The following are a few of the hundreds which operated in Canada for a brief spell, and have long since gone: (1) Canadian Relief Society, 1886 to 1894; (2) Colonial Mutual Life Association, 1884 to 1898; (3) Masonic Mutual Benefit, London, 1878 to 1894; (4) Massachusetts Benefit Life Association, 1878 to 1897; (5) Mutual Reserve Fund Association, N.Y., 1875 to 1903; (6) Covenant Mutual Benefit Association of Illinois, 1871 to 1899; (7) Provincial Provident St. Thomas, Ont., 1884 to 1896; (8) Select Knights, St, Catharines, Ont., 1883 to 1898.

Lesson of the Failures.

The lesson of these hundreds of failures gave warning to others. By profiting thereby, about two hundred of them are alive to-day. Most of them have greatly increased their rates and improved their plans. Some of them, such as the Royal Templars, of Hamilton, the Canadian Order of Foresters and the Independent Order of Foresters, of Toronto, have become, in operation, regular old line companies, at much higher rates than formerly. Where this is the case, the membership, as a rule, has greatly decreased, and none of the societies accept any large amount on any one life, or offer the attractive endowment lines on which the regular companies do so large a part of their business.

Waning Enthusiasm of Fraternals.

To illustrate the high and low water marks of some of the fraternal societies, the cases of eight of them are here cited. They are headed by two Toronto societies—the Ancient Order of United Workmen and the Independent Order of Foresters. The Foresters are the owners of the handsome temple building, standing near the city hall, Toronto, and in it several of their lodge or court meetings are held, as well as their annual Supreme and High Court gatherings for the election of officers and other business, including change in rates and investment of funds.

The figures in column No. 1 show the highest amount of insurance the society had five or ten years ago, while those of No. 2 are the figures for the year ended December 31st, 1916. Similarly, the amounts stated under No. 3 represent the new insurance taken, in some one previous year, when everything was going well, at the former low rates of assessment. Finally, No. 4 column shows what a small corresponding amount of new certificates, in dollars, were obtained during the year 1916:—

Leading Assessment Societies.

Name of Society.	(1) Formerly in force.	(2) In force Dec. 31, 1916.	(3) New insurance formerly.	(4) New taken in year 1916.
I.O.F., Toronto	$ 264,960,140	$ 182,012,224	$ 31,145,785	$ 12,209,005
A.O.U.W., Toronto ..	58,666,500	15,206,047	7,361,000	324,000
Heptasophs	103,880,500	39,627,752	7,716,000	678,000
Knights of Pythias..	120,544,500	96,398,817	18,267,000	8,488,960
Pilgrim Fathers	25,243,000	2,572,718	475,250	11,250
Woodmen, Canada ..	13,942,660	5,785,750	2,285,100	381,500
Modern Woodmen ..	1,863,194,000	1,588,098,500	204,956,000	152,003,000
Royal Arcanum	497,018,340	338,500,000	26,002,500	6,986,000
Totals	$2,947,449,640	$2,268,201,808	$298,208,635	$181,081,715
Decrease	$679,247,832	and	$117,126,920	

Some Striking Comparisons.

Looking back to the second table in this article, it will be seen that the regular life insurance companies increased their total insurance in force, in Canada alone, during the past ten years, by the large sum of $765,918,732, but the above eight fraternals show a decrease of $679,247,832. This is in spite of all they could do to lessen the slump by the new amount of certificates issued each year.

It is a pretty bad outlook for a society when its new business coming on the books does not equal what is going off by death alone, to say nothing of the numerous lapses of certificates which are now constantly occurring in all such societies. The United Workmen of Toronto is thirty-eight years old: hence it is getting what all such societies will get when they come to about that age—viz., the old members dying off rapidly, and the income thereby decreasing, year by year, until the assets become so depleted that total collapse threatens. Five years ago this Order had $1,597,023 of apparently well-invested assets. On December 31st last these had fallen to $801,079, after defraying a heavy year's death loss of $749,741. Seven years ago, the new members coming in during the year numbered 3 106; but last year the entrants numbered only 564, while the certificates terminated numbered 10,648.

Many lodges have been suspended of late for want of their assessments coming forward, and many more appear to be in imminent danger, having less than ten members. For example:—Lakeview, 6; Little Britain, 7; Sutton, Sturgeon Falls, Niagara, Finch, Parkhill and Collins Bay, each 8; Carluke, Osgoode Mountain, Kenmore and Enterprise, each 5; Plattsville, Ayr and Wexford, each 4; Exeter and Teeswater, 3; and Eau Claire and Alexandria, only 2 each. Instead of paying the full $2,000 or $1,000 each, promised to the older members when they joined many years ago, it has adopted the practice of charging up an ascertained deficiency, according to a resolution of the Grand Lodge. Hence we find in the September, 1917, list of death payments, such figures as the following, opposite the names of deceased brethren: C. W. Bradley, $1,028; W. E. Beamish, $1,170; Andrew Percy, $1,101; John Mustard, $950; S. S. M'Elary, $657.80; J. Robertson, $812; Hugh Rose, $684; I. H. Wigle, $700; W. Wickens, $904; J. B. Johnson, $904; Henry Kerr, $1,180; A. B. Dow, $806; J. W. Ross, $930, etc.

Independent Order of Foresters.

The Independent Order of Foresters, Toronto—a much larger representative of fraternal life insurance—seems traveling in the same direction, and has resorted to a similar method of cutting down the amounts its members were led to expect when they joined, many years ago. Dr. Oronhyatekha, the founder, and many other of the original enthusiastic pushers of the Independent Order of Foresters, have passed away, and the bottom of the enterprise seems to have largely fallen out of late. In [illegible] at a crowded meeting in the temple, the Doctor boasted that the Foresters had more millions of insurance on its books than all five of the Canadian companies mentioned in the first table given in this article. They had $228 405,945, and the Foresters alone, then, had no less than $230,107,000. What has occurred since then? The 1917 blue-book shows that the five companies have nearly trebled their millions, and have grown to $667,566,030, while the Independent Order of Foresters, in all countries the world over, have dropped to $182,012,224. Of this $72,-

Public Confidence

IN

The Prudential Insurance Company of America

View of Prudential Buildings from Military Park, Newark, N.J.

is indicated by the THREE BILLION DOLLARS Life Insurance which 15,000,000 Policyholders have secured in this big, sturdy American Company.

Millions of Dollars of Prudential Life Insurance are held by Canadians and a large force of Prudential Agents are busy every day paying death claims.

Over one hundred Prudential Agents went to the front with Canadian war forces.

The Prudential is one of the Most Popular Companies in Canada.

The Prudential Insurance Company of America

Forrest F. Dryden, President **Home Office: NEWARK, N.J.**

INCORPORATED UNDER THE LAWS OF THE STATE OF NEW JERSEY

AGENTS WANTED

701,665 is on Canadian lives, and $109,310,559 is held by people in other countries. The Doctor made a strong point, also, amid great applause, that during that previous year, 1902, those five companies had secured only 23,585 new members, while the Foresters, founded by him thirty years previously, had booked no less than 34,311. How do they now stand, comparatively? The blue-book credits the companies with 26,950 and the Foresters with the small number of 10,964, only 3,043 of whom were from its Canadian courts, and 7,921 from abroad.

Losses Heavier Now than Assessments.

It must be borne in mind that the Foresters now issue the cheapest sort of certificate, payable at death only, and for from only $1,000 to $5,000 on any one life. The companies, on the other hand, issue nearly as many endowments and twenty-payments, as they do of ordinary lifes, and they write as much as $100,000 upon a single life. It is not surprising, therefore, to find that one of the five companies alone, has now a yearly premium income of $14,001,836, while the Foresters received, during the same year, 1916, only $3,328,599 in assessments from its members. Furthermore, the Foresters met with death losses in 1916 of $3,605,088. This, it will be seen, is $276,489 more than its entire membership paid in assessments for that year. The balance had to be derived from interest received on its invested funds, and from cutting down the face value of its certificates, as the Ancient Order of United Workmen and other assessment societies are now doing, in order to eke out their existence for a time, at least.

OVER FIVE THOUSAND BARN FIRES

These Occurred in Five Years—Ontario's Losses Last Year Were Serious

During the years 1912-1916 inclusive, 5,200 barns were destroyed in Canada, with an aggregate loss of over $7,850,000. These, like the majority of fires, might have been avoided by the exercise of intelligent forethought and proper care. Investigation shows that the most prolific sources of barn fires are lightning and spontaneous combustion. Evidence gathered from all parts of Canada and the United States proves that rodded buildings are practically immune from lightning damage. The cost being a fraction of the possible loss in case of fire, it is of economic importance to the farmer that every barn should be efficiently protected by lightning rods.

Many Fires in Ontario.

In August last year, for example, there were 234 barn fires in Ontario, according to the statistics of the Ontario fire marshal, Mr. E. P. Heaton. These fires involved a loss of $250,000. Lightning was the primary cause and in no case was a barn equipped with lightning rods. Mr. Heaton said at the time:—"The period for barn fires from unknown causes commenced about August 15th, and for the next three months we expect to be called upon to make many investigations. We fear conditions, as we have so far found them, indicate a continuance of heavy losses on barns. We hope this anticipation may fail of realization, but we have great apprehension that we shall not be found mistaken. We are prepared to promptly investigate barn fires of unknown origin, and when the season is over, we must squarely face the issue as to the means to be taken to avoid the terrible and inexcusable waste, even if it be found to be necessary to appeal to the legislature for definite action."

May Be Legislation.

In a statement issued a year ago by Ontario's fire marshal, Mr. Heaton, it was pointed out that the remedy for these barn fires was in the hands of the fire insurance companies themselves, "but," he added, "if they do not take it up it may be necessary to resort to legislation—the loss is entirely too serious to be overlooked. From information received I believe that the average barn to-day is not adequately ventilated, and when there is an exceptionally heavy hay crop like that of this year and labor conditions compel the farmers to put it in the barns before it is thoroughly cured, heating, leading to spontaneous combustion, it bound to occur. If the companies in issuing policies enforce certain requirements as to ventilation then the danger can be largely guarded against."

MOVEMENT OF INSURANCE COMPANIES

Several Newcomers Here Last Year — Additional Licenses Issued

The following companies received licenses last year from the Dominion Insurance Department for the class or classes of business shown below in addition to the classes for which they were already licensed:—

Canadian Companies.

Company.	Additional Class or Classes.
British America	Inland transportation insurance.
Canada Accident	Automobile insurance.
Canadian Surety	Burglary, plate glass and automobile insurance.
Globe Indemnity of Canada	Fire insurance

British Companies.

Company.	Additional Class or Classes.
Royal Exchange	Automobile insurance.

United States Companies.

Company.	Additional Class or Classes.
German American	Sprinkler leakage and automobile insurance (excluding insurance against loss by reason of bodily injury to the person).
Phoenix	Automobile insurance (excluding insurance against loss by reason of bodily injury to the person).

Dominion Licenses Issued.

During 1917 the following companies received a license for the first time from the Dominion Insurance Department:—

British and Colonial Companies.

Company.	Chief Agent.	Class of Business.
Union Insurance Company of Canton, Limited	C. R. Drayton, Toronto	Fire and automobile insurance.

United States Companies.

Company.	Chief Agent.	Class of Business.
Alliance Insurance Company of Philadelphia	Robt. Hampson & Son, Limited, Montreal	Fire and automobile insurance.
Columbia Insurance Company	R. MacD. Paterson, Montreal	Fire and automobile insurance (excluding insurance against loss by reason of bodily injury to the person).

Both the Alliance Insurance Company of Philadelphia and the Columbia Insurance Company formerly operated in one or more provinces of Canada under provincial licenses.

Dominion Insurance Licenses Cancelled.

The Factories Insurance Company by a reinsurance agreement dated December 2nd, 1916, reinsured its business in the Western Assurance Company, Toronto. The deposit of the company to the accepted value of $51,537 is still in the hands of the Receiver General, but the company has given notice as required by the Insurance Act of its intention to apply for its release.

New Companies in Ontario and Manitoba.

The following insurance companies were admitted to transact business in the province of Ontario during 1917:—Pacific Marine Insurance Company, Tokio Marine Insurance Company, Limited, Stuyvesant Insurance Company, Provident, Accident and Guarantee Company, Union Insurance Society of Canton, Limited, and Thunder Bay Mutual Fire Insurance Company.

The Open Door of the Mutual Life of Canada

WELCOME.—Visitors to the home of The Mutual Life of Canada at Waterloo are always made welcome, and acquaintances and strangers alike are ever sure of having extended to them "the glad hand." New members are welcomed into the Mutual family in the same cordial spirit.

SECURITY.—From heat, cold and storm we retreat to an open door, and for financial protection for our households we turn to an institution such as The Mutual Life of Canada. This Company has approximately one hundred and twenty millions of business in force and the reserves to guarantee its obligations include a magnificent surplus.

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INSURANCE AT "COST PRICE."—From the time of its inception in 1869, The Mutual Life of Canada has adopted as its aim the giving of the largest amount of protection for the least possible outlay, and this aim has been fully achieved as our wonderful dividend records prove.

"SAFETY FIRST."—Cheapness in itself is not, however, the most important thing in life insurance, safety comes first. The Mutual Life of Canada has, therefore, been conducted as an old-line, legal reserve company—in other words, The Mutual has every advantage inherent in other companies, with mutuality added.

Is there a Mutual Policy in your Home?

The Mutual Life
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The following changes took place during the past year in Manitoba:—

Companies (Dominion licensees) registered to do business in Manitoba during 1917:—Casualty Company of Canada, plate glass; Hamilton Fire Insurance Company, fire; American Surety Company of New York, guarantee.

Companies licensed by Manitoba province in 1917:—Security Mutual Casualty Company, employers' liability and workmen's compensation; and Merchants' Casualty Company, accident, automobile, guarantee, burglary, and theft.

Companies ceasing to do business in Manitoba:—Canada Weather Insurance Company, Factories Insurance Company, Capital Life Assurance Company, La Savegarde Life Insurance Company, and State Farmers Mutual Hail Insurance Company.

Companies transferred to Dominion licensees:—Columbia Insurance Company, and Stuyvesant Insurance Company.

Underwriters' agencies ceasing to do business in Manitoba:—Factories Underwriters, and Security National Underwriters.

In British Columbia.

The following companies were licensed under the British Columbia Fire Insurance Act to transact the business of fire insurance during 1917:—Guardian Fire Insurance Company (Salt Lake City, Utah), and Union Insurance Society of Canton, Limited.

The following companies were licensed under the Insurance Act of British Columbia during 1917:—Western Life Assurance Company (Winnipeg, Man.), to transact life insurance, and Union Insurance Society of Canton, Limited, to transact marine and automobile insurance.

The following companies obtained supplementary licenses in British Columbia during 1917:—Alliance Assurance Company, Limited, British Crown Assurance Corporation, Limited, Canadian Surety Company, Ocean Accident and Guarantee Corporation, Limited, General Accident Assurance Company of Canada.

The following companies ceased to transact business in British Columbia during 1917:—Factories Insurance Company, Franklin Fire Insurance Company of Philadelphia, German Alliance Insurance Company, Michigan Commercial Insurance Company, and New Zealand Insurance Company.

Changes in Alberta.

The following companies holding Dominion licenses retired from Alberta last year:—The Canadian Casualty & Boiler Insurance Company; amalgamated with the General Accident Assurance Company of Canada. Western Insurance Company; withdrawn. The Factories Insurance Company; policies reinsured by the Western Assurance Company of Toronto. Gresham Life Insurance Company; withdrawn.

The following companies holding Dominion licenses were admitted for registration in Alberta last year:—Hamilton Fire Insurance Company, and Saskatchewan Life Insurance Company.

Since January 1st, 1917, the following underwriters' agencies have been registered in Alberta:—The Britannic Underwriters of the Employers' Liability Assurance Corporation, British Empire Underwriters of the British-America Assurance Company, the Minnesota Underwriters of the St. Paul Fire and Marine Insurance Company, and the Northwestern Underwriters of the North-Western National Insurance Company.

The companies registered to transact business in the province of Quebec since January 1st, 1917, were as follow:—Provincial licenses.—Funeral insurance companies:—La Société Co-Opérative de Frais Funéraires, Montréal; Compagnie Bonnier & Frères Assurance Funéraire, Montréal; Compagnie Générale de Frais Funéraires, Limitée, Montréal; Compagnie de Frais Funéraires des Cantons de l'Est., Sherbrooke; La Compagnie d'Assurance Funéraire Urgel Bourgie, Montréal.

Mutual fire insurance companies formed by municipal councils:—St. Mathias, and St. Barnabé.

Parish mutual fire insurance companies:—St. Thomas de Montmagny, L'Epiphanie, St. Ambroise de Kildare, Roberval, St. Sylvestre, and St. Jean Paptiste d'Ile Verte.

Dominion licenses registered to transact business in the province:—The Hamilton Fire Insurance Company, registered to transact fire insurance, Hamilton; Stuyvesant Insurance Company of New York, registered to transact fire insurance, New York; the Insurance Company of the State of Pennsylvania, registered to transact fire insurance, Philadelphia; Tokio Marine Insurance Company, Limited, registered to transact inland and ocean insurance.

This company ceased to do business last year:—Provincial Fire Insurance Company of Montreal, re-insured on May 3rd, 1917, with the Strathcona Fire Insurance Company, Montreal.

CAUSES OF DEATH, BY OCCUPATION

Definite Conclusions Drawn from an Analysis of the Available Figures

By J. P. MOORE, A.I.A.

The United States Department of Labor has published an interesting bulletin of the causes of death by occupation as shown by the mortality experience of a large industrial insurance company. The data comprise the records of 94,269 deaths which occurred in the years 1911, 1912 and 1913 among occupied white males, and of 102,467 deaths in the same three years among white females, at age 15 years and over, insured in the industrial branch of the company. Attention was directed primarily to those occupations which were represented in large numbers, or which possessed exceptional interest from the viewpoint of hazard. It was impossible to compile occupational death rates as the number of living policyholders in each occupation was not available, and, of course, there is also the question of changes of occupations which affect these mortality rates, such for instance as a blacksmith engaging in less laborious work after his strength is lost, or a man afflicted with tuberculosis securing outdoor employment. It is pointed out that some occupations are handicapped because they attract men of poor physique or of a particular race whose general mortality is high.

Special Hazards of Workers.

The insured males, at ages 15 and over, give a mortality 5 per cent. higher than that found in the registration area of the United States, the maximum difference being found in the age period 35 to 44, when it is 47 per cent. higher. For females the difference is not so marked, the maximum here being in the age period 55 to 64 where the excess is nearly 12 per cent. The higher rates for the insured persons may be expected in view of the general and special hazards to which the working men and women are exposed.

The table at the end of the article establishes some interesting relations. In all age periods, typhoid fever shows a higher proportion of deaths in the general population than amongst the insured. This is explained by the fact that the industrial policyholders are located mostly in urban centres, where typhoid fever rates are lower. On the other hand, tuberculosis of the lungs has a uniformly higher representation amongst insured males; so have cirrhosis of the liver and Bright's disease. Cancer and suicide show higher proportions in the general population.

Mortality by Occupation (Males).

The occupations selected for consideration are those which satisfy three conditions. First, to permit definiteness of statement; second to embrace a sufficiently large number of cases; third, to indicate the presence of some element of hazard. Such titles as "policemen," "watchmen" failed to satisfy the first condition, "electric linemen" the second, "carpenters," "storekeepers," "canvassers," the third.

Bakers.—The principal causes of death are pulmonary tuberculosis, organic diseases of the heart and Bright's disease. In the age period 25-34, pulmonary tuberculosis causes 51.7 per cent. of all deaths amongst bakers as against 40.9 per cent. in all occupations. At ages 35.44 there is again an excess, but not so great, 37.4 against 32.9. At other periods the proportion is lower than that of all occupations. Except in the age period 35 to 44 the proportion of pneumonia is uniformly lower among bakers than in all occupations. The mortality from suicide is strikingly high, being 5.4 for all ages against 2.3 for all occupations. Other forms of violence are found to be lower. There were 654 deaths among bakers.

Blacksmiths.—Tuberculosis of the lungs shows a lower index of mortality than in the general group at all age periods, except at 35-44 years (35.8 per cent) and 65 years and over (3 per cent.). For all ages together the relative index is low. Cancer on the other hand shows a uniformly high index of

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In this increased business of 1917, The Sovereign Life Assurance Company has fully shared. All departments of the Company's business have shown striking gains. Our surplus to policyholders was largely increased and, in proportion to insurance in force, will compare favorably with that of much older companies.

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A RECORD OF GROWTH

Year	New Business	Business in Force
1908	$862,500	$1,334,000
1911	$1,354,804	$4,006,145
1914	$2,241,107	$7,427,697
1917	$4,200,000	$11,500,000

mortality from age 45 onward. Organic diseases of the heart show slight variation from the conditions in all occupations. Suicide is relatively prominent in all age periods up to age 55, while other accidental violence is distinctly lower after age 34. There were 1,273 deaths among blacksmiths.

Cigar makers and tobacco workers.—The dusty character of this occupation suggests a high proportionate mortality from tuberculosis of the lungs, which is borne out by the facts. Pneumonia is low in every age period. Suicide is high and accidental violence low. Bright's diseases is very low at ages 35-44, but is strikingly high in the age period 65 and over, where it figures as the principal cause of death. There were 693 deaths in these occupations.

Clerks, bookkeepers and office assistants.—There is a heavy preponderance of deaths in the early age periods due mainly to tuberculosis of the lungs, which causes 46.3 per cent. of all deaths in the period 15-24 and 51.2 per cent. from 25 to 34. For all ages combined, clerks, bookkeepers and office assistants lead all the occupations listed in the high index of mortality from this cause. Bright's disease exhibits a high proportionate mortality at ages 25 to 44, and heart disease for all ages below 44. Accidental violence is uniformly very low. The number of deaths was 4,139.

Mortality Is High.

Compositors and printers.—For every age division tuberculosis of the lungs shows a higher proportionate mortality than in the general group. The index is highest in the age period 55 to 64. Organic diseases of the heart also show a higher proportionate mortality at all ages. Accidental violence and pneumonia are lower throughout. The number of deaths was 1,056.

Railway enginemen and trainmen.—This title includes ticket collectors, conductors, brakemen, dining car employees and railway mail and express employees. There were 947 deaths. The mortality from accidental violence is so high that it may be considered frightful. For all ages it constitutes 42.3 per cent. of the total deaths, for ages 15 to 24 it actually represents 66.5 per cent. and for ages 25 to 34, 57.7 per cent. Where lowest, at age period 65 and over, it is still more than 200 per cent. of the normal. Typhoid fever is also high, due no doubt to the questionable water supplies used by the men in this occupation. There is a great preponderance of deaths in the early age divisions, and the average age at death is low (37.4 years).

Farmers and farm laborers.—This class was chosen with a view to demonstrating the absence, rather than the presence of any one outstanding cause of death. The number of deaths was 3,890. A surprising feature is the high proportionate mortality from suicide at most ages. Typhoid fever is high below age 44, and cancer is high throughout. On the other hand, tuberculosis of the lungs is low for every age period. Pneumonia is lower than in the general group except from ages 15 to 24. The average age at death is high (58.5 years). Gardeners, orchardists and nurserymen are included in this heading.

Iron moulders.—Typhoid fever is high below age 44. Tuberculosis of the lungs shows little variation from the normal. Organic diseases of the heart are high, particularly after age 44, being developed, no doubt, by the hard work required. From pneumonia, iron moulders show the highest percentage of deaths of all occupations, in each age period. Suicide is high for all ages and there would appear to be indications of an excessive use of alcohol. There were 1,646 deaths.

Laborers.—This title includes simply laborers of undefined classification. There were 10,748 deaths. The fact that laborers are exposed to wind, rain and cold leads to a high proportionate mortality from the respiratory diseases, the excess being about 28 per cent. Tuberculosis, on the other hand, is below the normal; suicide is markedly low, and accidental violence almost normal. Typhoid fever is more frequent than in the general group. Alcoholism is higher than normal from age 25 to 54.

Longshoremen and stevedores.—This title includes dock laborers and ship laborers. There were 651 deaths. Tuberculosis of the lungs is distinctly high. Pneumonia is also high, particularly between the ages 25 and 34. Accidental violence is one of the principal causes of death, being very high at ages 45 to 54. Bright's disease and cancer are high at the older ages.

Machinists.—This title includes die makers, tool makers, machine hands and repair men in automobile, car, railroad, machine and other establishments where iron and steel are made into finished products. The number of deaths was 3,152. Pulmonary tuberculosis has a higher proportion of deaths than for all occupations. Typhoid fever is high for all ages, cancer between 35 and 64, heart disease between 25 and 64, and Bright's disease for the later age periods. Suicide is high for all ages.

Masons and bricklayers.—The tuberculosis proportion is low up to age 24, after which it steadily rises, suggesting that the work slowly exhausts those engaged in it. Pneumonia is much above the normal at the younger ages, from 25 to 44 below, and afterwards somewhat above. Suicide and accidental violence are low, cancer is high from age 55 onward, and alcoholism from age 25 to 34. There were 1,748 deaths among masons and bricklayers.

Painters, paperhangers, varnishers, sign writers.—The number of deaths was 2,722. The mortality from lead poisoning is excessive; alcoholism shows a high relative index, cerebral hemorrhage, apoplexy and paralysis also exhibit high relative indexes. Pneumonia and bronchitis are low; tuberculosis about normal. Bright's disease and cirrhosis of the liver are high.

Plumbers.—As in the case of masons the hazard from tuberculosis appears to increase with the duration of service. Pneumonia and cancer are below the normal. There is a very high proportion of deaths from cerebral hemorrhage, apoplexy and paralysis at ages below 44; the mortality is high for the same periods from Bright's disease. Number of deaths 1,153.

Railway track and yard workers.—This title includes switchmen, air-brake inspectors and repairers, section laborers, crossing watchmen and flagmen. There were 1,932 deaths. Tuberculosis of the lungs is consistently low and accidental violence consistently very high. There may be a connection here as the percentages of deaths attributed to accidents decrease steadily with every age period, and it is generally at the earlier ages that the effects of tuberculosis are most marked.

Saloon keepers and bar tenders.—There is a great preponderance of deaths in the middle period of life. Between the ages of 25 and 54 over 82 per cent. of all deaths occur among saloon keepers and bar tenders as against 47 per cent. in all occupations. It is between these ages that tuberculosis of the lungs is below the average, but on the other hand, deaths from cerebral hemorrhage, apoplexy, paralysis, heart diseases and pneumonia are relatively most numerous. Cirrhosis of the liver is high at all ages. Bright's disease increases steadily up to age 64, after which it drops slightly. Suicide is high and accidental violence low. There were 2,190 deaths.

Teamsters, drivers and chauffeurs.—There were 6,471 deaths in this class. Accidental violence, alcoholism and pneumonia all show relatively high figures. Tuberculosis of the lungs is slightly higher than the normal. Organic diseases of the heart, cerebral hemorrhage, apoplexy and paralysis are fairly low; 65 per cent. of the deaths occur between ages 25 and 54 as against 47 per cent. for all occupations.

Textile-mill workers.—This title includes operatives in the minor textile industries such as carpet, tent, sack, mat, veil making. The number of deaths was 2,390. Typhoid fever exhibits high indexes throughout. Other causes are near the normal, and, in fact, the average age at death in this occupation is very close to the average for all male occupations.

Mortality Among Females.

Whereas tuberculosis of the lungs claims the largest proportion of deaths amongst occupied males, the chief cause amongst females is organic diseases of the heart, which are responsible for 14.8 per cent. of the deaths. The proportion increases constantly with advancing years, and at all age periods it is higher than among males. Tuberculosis takes second place and cancer is third with 9.9 per cent. of all the deaths—a figure almost twice as high as that of the men. Cerebral hemorrhage, apoplexy and paralysis also show a higher percentage in comparison with males. Bright's disease is about equal, and pneumonia, suicide, accidents and cirrhosis of the liver are lower; 86 per cent. of all the deaths occurred among housewives and housekeepers, the percentage being greater at the higher ages and less at the lower.

Housewives and housekeepers.—There were 88,151 deaths in this class, the average age at death being high—53.3 years. The causes of death correspond closely with those of the general group just referred to.

Domestic servants.—Includes nurse girls, companions and home laundresses, the number of deaths being 4,235. The proportionate mortality from suicide is high throughout and below age 34 is considerably higher than for males of the same ages. Accidental violence also accounts for a high percentage

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of deaths in each period. Tuberculosis of the lungs and cancer are somewhat above the normal; organic diseases of the heart, cerebral hemorrhage, apoplexy and paralysis lower.

Dressmakers and garment workers.—Tuberculosis of the lungs is much above the average at every age period, cancer becomes important at the higher ages. There were 2,172 deaths.

Textile-mill workers.—The number of deaths among female textile-mill workers was 1,742, as against 2,390 among male workers in similar occupations. Typhoid fever again shows a high proportional figure. From tuberculosis of the lungs the deaths, particularly at the lower ages, show a much greater mortality than among male textile workers, while the deaths are lower from heart diseases, Bright's disease, accidents and pneumonia.

Clerks and office assistants.—This title includes stenographers, proof readers, copy-holders, bookkeepers and post-office clerks. The number of deaths was 1,235. The death rate is very high between ages 15 and 34 as 85 per cent. of all deaths occurred within these limits, while the corresponding percentage for all female occupations was only 22, and for males engaged in somewhat similar occupations 53 per cent. Typhoid fever is also high at these ages. Cancer and Bright's disease are low throughout, pneumonia about normal. Pulmonary tuberculosis accounts for a large proportion of the early deaths.

Store clerks and saleswomen.—Includes cashiers, buyers and messengers. Suicide and accidental violence are above the average; tuberculosis of the lungs is very prominent before age 44, and in consequence the average age at death is low. The number of deaths was 794.

Average Age at Death.

In considering the average age at death it is necessary to bear in mind that some occupations are, in general, composed of large proportions of young people. This would be the case particularly with non-domestic female workers. The distribution of the ages of the living in each occupation is not known.

Males.	Average age at death. Years.
Clerks and office assistants	36.5
Enginemen and trainmen (railway)	37.4
Plumbers	39.8
Compositors and printers	40.2
Teamsters, drivers, chauffeurs	42.2
Saloon keepers and bar tenders	42.6
Machinists	43.9
Longshoremen and stevedores	47.0
Textile-mill workers	47.6
Iron molders	48.0
Painters, paperhangers, sign writers	48.6
Cigar makers and tobacco workers	49.5
Bakers	50.6
Railway track and yard workers	50.7
Coal miners	51.3
Laborers	52.8
Masons and bricklayers	55.0
Blacksmiths	55.4
Farmers and farm laborers	58.5
All occupations	47.9

Females.	
Clerks and office assistants	26.1
Store clerks and saleswomen	28.0
Textile-mill workers	33.9
Dressmakers and garment workers	42.0
Domestic servants	49.1
Housewives and housekeepers	53.3
All occupations	51.1

Certain definite conclusions are drawn. First there is noted an obvious relation between exposure to moving machines and a high mortality from accidents; between the sale of distilled liquors and a high mortality from alcoholism; between the employment of lead in certain industries, and a high mortality from lead poisoning.

A second group shows relationships of a more insidious character. Thus where there is a high proportionate mortality from tuberculosis, one can find the presence of dust as a frequent concomitant to the industrial process. The dust may be mineral, metallic or vegetable. The influence of sedentary employment and posture is also found to be important as a factor in a high tuberculosis rate; this is exemplified by certain occupations such as clerks, compositors and garment workers.

The occurrence of an undue amount of alcoholism is associated with an excess of cirrhosis of the liver, Bright's disease and suicide. Where lead is in constant use, the mortality from cerebral hemorrhage, apoplexy and paralysis is high.

Respiratory diseases are prominent where the worker is exposed to cold, dampness, or violent changes in temperature. Organic diseases of the heart are frequent where the work is heavy as among iron molders, and typhoid fever where water supplies are questionable. Accidents decrease as the duration of service and experience increases.

As men suffer from numerous occupational diseases which do not directly cause death, it is considered of the greatest importance that living workers be examined, and that the diseases from which they suffer be accurately recorded.

Comparison with Census Figures.

In the following table the percentages of deaths in the insurance experience are indicated by the letter (a) and those taken from the United States census by the letter (b).

Percentage of deaths from principal causes in all specified occupations for white males age 15 years and over:—

Cause of death.	Age 15 and over.		Age periods (years).											
			15-24		25-34		35-44		45-54		55-64		65 & over	
	a	b	a	b	a	b	a	b	a	b	a	b	a	b
Typhoid fever	1.5	2.3	5.2	8.1	2.7	5.0	1.4	2.7	.8	1.5	.4	.7	.2	.2
Tuberculosis of the lungs	20.5	15.2	33.8	29.0	40.9	31.0	32.9	23.6	18.5	14.4	8.6	7.5	2.9	2.8
Cancer	4.9	5.6	.7	.8	.8	1.3	2.3	3.3	5.9	6.8	8.7	9.4	7.3	7.3
Rheumatism (1)	.5	.5	.9	.6	.4	.5	.3	.5	.5	.5	.4	.5	.4	.5
Diabetes	1.0	1.2	1.0	.6	.7	.8	.7	.8	1.0	1.3	1.3	1.7	1.0	1.2
Alcoholism	.9	.9	.2	.3	1.4	1.1	2.1	1.9	1.4	1.5	.6	.8	.2	.3
Chronic lead-poisoning (2)	.1				.1		.2	.1	.1	.1	.1	.1		
Other occupational and chronic poisonings (2)		.1		.1		.1		.1				.1		
Cerebral hemorrhage, apoplexy and paralysis	6.2	7.2	.5	.6	1.2	1.2	2.3	2.7	5.2	5.9	9.6	10.1	13.4	14.1
Organic diseases of the heart	12.0	11.9	5.8	3.6	5.4	4.8	7.7	7.7	11.1	11.3	15.9	15.4	20.4	18.7
Acute and chronic bronchitis	.9	.7	.3	.2	.3	.3	.3	.4	.6	.5	1.1	.8	1.9	1.6
Penumonia (3)	7.2	8.1	5.4	6.5	7.3	7.4	8.1	9.5	8.2	9.0	7.5	8.3	6.3	7.4
Pleurisy	.3	.4	.4	.4	.2	.5	.3	.4	.4	.5	.3	.4	.2	.3
Cirrhosis of the liver	2.3	1.9	.2	.3	1.2	.9	2.6	2.1	3.8	3.0	3.1	2.7	1.8	1.5
Bright's disease	9.6	8.5	2.5	1.9	4.5	4.0	7.8	6.6	11.1	9.7	13.3	11.7	13.7	11.4
Suicide	2.3	2.6	2.8	3.0	3.1	3.7	2.9	3.7	2.6	3.5	2.0	2.3	1.0	.9
Accidents and injuries (4)	9.3	10.7	19.2	23.1	12.5	18.4	9.9	14.4	8.5	10.2	6.5	6.3	4.4	3.6
Other causes	20.5	22.2	21.1	20.9	17.3	19.0	18.2	19.5	20.3	20.3	20.6	21.2	24.9	28.2

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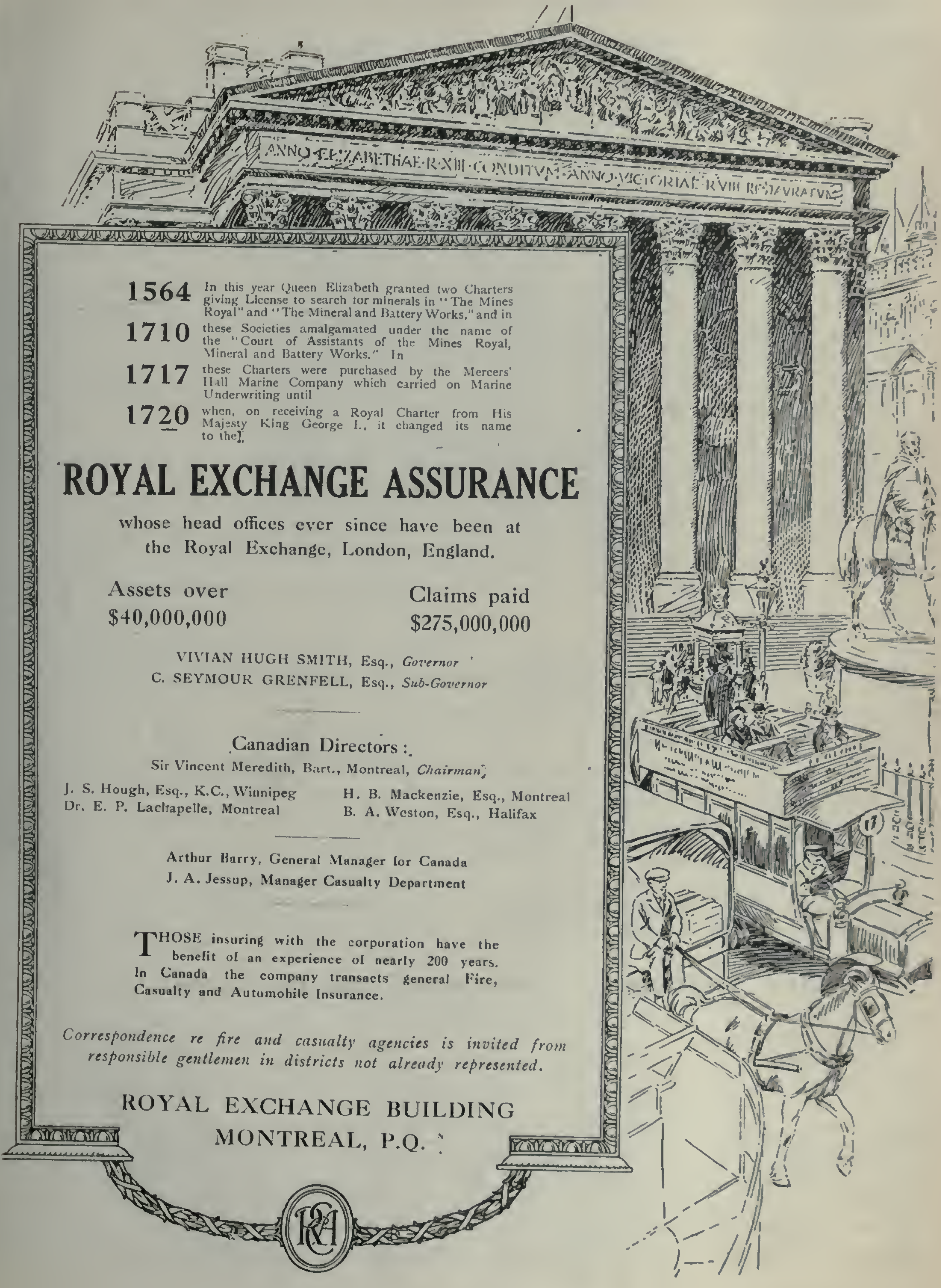
(1) Includes "gout" in insurance experience.
(2) Where not shown the percentage is less than one-tenth of 1 per cent.
(3) Includes "broncho-pneumonia" in census experience, excludes it in insurance experience.
(4) Includes "homicides" in census experience, excludes it in insurance experience.


ANNO·ELIZABETHAE·R·XIII·CONDITVM·ANNO·VICTORIAE·R·VIII·RESTAVRATVM
17
RECA

1564 In this year Queen Elizabeth granted two Charters giving License to search for minerals in "The Mines Royal" and "The Mineral and Battery Works," and in

1710 these Societies amalgamated under the name of the "Court of Assistants of the Mines Royal, Mineral and Battery Works." In

1717 these Charters were purchased by the Mercers' Hall Marine Company which carried on Marine Underwriting until

1720 when, on receiving a Royal Charter from His Majesty King George I., it changed its name to the

ROYAL EXCHANGE ASSURANCE

whose head offices ever since have been at the Royal Exchange, London, England.

Assets over	Claims paid
$40,000,000	$275,000,000

VIVIAN HUGH SMITH, Esq., *Governor*
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Canadian Directors:
Sir Vincent Meredith, Bart., Montreal, *Chairman*

J. S. Hough, Esq., K.C., Winnipeg
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J. A. Jessup, Manager Casualty Department

THOSE insuring with the corporation have the benefit of an experience of nearly 200 years. In Canada the company transacts general Fire, Casualty and Automobile Insurance.

Correspondence re fire and casualty agencies is invited from responsible gentlemen in districts not already represented.

ROYAL EXCHANGE BUILDING
MONTREAL, P.Q.

BENEFITS OF GOVERNMENT ANNUITIES

They are Guaranteed by State—No Forfeiture—Immunity from Law Courts

BY S. T. BASTEDO.

At a time when the attention of Canadians is turning in the direction of thrift, and when insurance companies and financial institutions are following the lead of the Canadian government in popularizing the annuity idea, readers of *The Monetary Times* may possibly be interested in a brief résumé of the salient features of the Canadian government annuities act, which was passed in order that habits of thrift might be promoted among the people of Canada, and that they might be encouraged and aided to make provision for their old age by the purchase of annuities from the government.

The main principles which underly government annuities are, that they are guaranteed by the state; that there is no forfeiture in case premiums are interrupted or should cease altogether; that they cannot be seized or levied upon by or under the process of any court; that they cannot be alienated or anticipated; that they are not transferable; and that they are exempt from taxation under the Dominion income tax act.

Under the act the government may contract for the sale to any person domiciled in Canada of an annuity of from $50 to $1,000, to be paid for life; or for a term of years certain, not exceeding 20 years, provided the annuitant shall so long live; or for a term of years certain, not exceeding 20 years, or for the life of the annuitant, which ever period shall be the longer. An annuity may also be purchased on the joint lives of any two persons; any society or association of persons, being a body corporate for fraternal, benevolent, religious or other lawful purpose, may purchase annuities for its members; and employers of labor may enter into an agreement with their employees for the purchase of annuities otherwise purchasable by such employees as individuals.

Annuities Either Deferred or Immediate.

Annuities may be either deferred or immediate. A deferred annuity is one that may be contracted for at the age of 5 or any later age; and there are three plans on which it may be purchased, namely, plan "A," plan "B," and the guaranteed plan. Under plan "A" and the guaranteed plan if the annuitant dies before the age fixed for the annuity to begin all his payments with 3 per cent. compound interest up to the date of his death will be returned to the legal representatives of the purchaser.

Under plan "B" the rate is lower for the same annuity than on either of the other plans, and in consideration of that fact no portion of the purchase money is returnable should the annuitant die before attaining the annuity age. Under all the plans the annuity is payable quarterly for life, unless otherwise arranged. Under plans "A" and "B" the contract ends with death after the annuity begins.

Under the guaranteed plan, which may be for a period not exceeding 20 years, the annuity would in any event be paid for the period guaranteed. For example, if the annuitant should purchase an annuity payable for life or for 20 years in any event, and should die, say, at the end of 5 years, 60 quarterly instalments would be continued to his legal representatives.

The earliest age at which annuities may become payable is 55, with the sole exception that should a person purchasing a deferred annuity become through invalidity or disablement unable to complete the purchase, and the sum at his credit will buy him an annuity of not less than $50, the annuity may begin at his then age, though he be under 55. An annuity may, of course, be arranged to begin at any later age than 55, and the longer it is deferred the smaller will be the payment to be made, the rate for an annuity to begin at 65 being on plan "A" less than two-fifths of what the rate would be for the same annuity to begin at 55; and on plan "B" it would be less than one-third as much.

No Fixed Rule for Purchases.

The purchase may be made, at the discretion of the purchaser, by a single payment in advance; by payments of amounts at irregular intervals; by annual premiums, which may be split up into weekly, monthly, quarterly or half-yearly instalments; or in any other manner that may best suit the purchaser's convenience. Should the payments be not made strictly in accordance with the terms of the contract there is no penalty; and the purchaser will in any event receive at the age fixed for the annuity to begin whatever annuity his payments will purchase. If, however, these should not be sufficient to secure the minimum annuity of $50 the amounts paid with 3 per cent. compound interest will be returned to him.

The purchase money may be paid to the postmaster of any postal money order office; or it may be remitted, free of postage, by any of the usual methods of remission direct to the department. The first instalment of annuity becomes payable an even number of years from the date on which the first payment on account of the purchase was made.

Immediate annuities are purchasable by a single payment in cash in advance by any person who has attained the age of 55, or any older age, a man of 60 paying less for the same annuity than a man of 55, a man of 70 less than a man of 60, the rate decreasing in like manner until the age of 85, when it becomes stationary. They may be purchased on the ordinary life plan or on the guaranteed plan, and the first quarterly instalment of annuity becomes payable three months from the date of purchase. The purchase money may be remitted by marked cheque or bank draft made payable to the credit of the postmaster-general.

When the details of the purchase have been arranged a contract or policy setting forth the conditions of the purchase is issued to the annuitant. No medical examination is required. No deductions are made from the purchase money for administration expenses of any kind, every dollar the annuitant pays being credited to him on annuities' account.

The cost of an annuity varies according to the nature of the contract, the age at which payments are commenced, and the age at which the annuity becomes payable. The rates for females are somewhat higher than the rates for males in consequence of the superior longevity of the former. The greater the obligation of the government to the annuitant the larger, of course, is the premium to be paid.

The rate of interest allowed on payments made is 4 per cent., but as the annuity benefits are calculated on the aver-

LIFE INSURANCE TRANSACTED IN CANADA

CALENDAR YEAR, 1916 (Latest official figures)	Premiums for Year.	Number of Policies New and Taken up.	Amount of Policies New and Taken up.	Number of Policies in Force at Date	Net Amount in Force.	Number of Policies become Claims	Net Amount of Policies become Claims.	Claims Paid (including Matured Endowments.)	Unsettled Claims.	
									Not Resisted.	Resisted
	$		$		$		$	$	$	$
Canadian companies	30,296,416	120,759	138,201,281	675,634	895,528,435	9,912	11,763,328	10,537,141	2,394,825	114,972
British and Colonial companies	1,903,590	6,901	5,250,633	33,293	59,151,931	821	1,801,122	1,693,628	408,571	50,594
United States companies	15,893,099	330,008	87,649,711	1,474,455	467,499,266	16,708	6,695,184	6,488,908	669,138	122,597
Totals for 1916	48,093,105	457,668	231,101,625	2,183,382	1,422,179,632	27,441	20,259,634	18,719,677	3,372,534	288,163
Totals for 1915	45,106,678	482,596	221,119,558	1,948,952	1,311,616,677	23,183	17,560,164	17,170,020	2,129,436	285,290
Inrease, *i*; decrease, *d*	*i* 2,986,427	*d* 24,928	*i* 9,982,067	*i* 234,430	*i* 110,562,955	*i* 4,258	*i* 2,099,470	*i* 1,549,657	*i* 1243,098	*i* 2,873

CANADIAN HEAD OFFICE
OCEAN INSURANCE BUILDING, CORNER YONGE AND KING STS., TORONTO

THE
Ocean Accident & Guarantee Corporation
LIMITED

Accident, Health, Liability, Automobile,
Plate Glass, Guarantee, Burglary,
and FIRE Insurance

ASSETS, December 31st, 1916 $20,639,365.14
CLAIMS PAID EXCEED - $60,000,000.00

Our Motto :—Service, Up-to-date Policies, Prompt and Equitable Adjustments.

The Ocean Accident & Guarantee Corporation Limited

Canadian Branch—
CHARLES H. NEELY, General Manager
J. A. MINGAY, Assistant Manager

Branches at St. John Montreal Winnipeg Regina Calgary Vancouver

age expectation of life they represent a very much larger return on the investment than 4 per cent. Take, for example, the case of a young man of 25 buying a life annuity of $500 to begin at 60, with the proviso that should he die before 60 all his payments with compound interest at 3 per cent. up to the date of his death shall be returned to his heirs, and that from 60 the payment of $125 every three months shall be guaranteed for a period of 10 years in any event. For such an annuity he will pay to the government from age 25 to 60, or for 35 years, the sum of $72.85 per annum, or $6.08 per month, which with interest will amount at the end of the 35 years to $5,580. So it will be seen that his annuity represents a return on his investment equal to 9 per cent. so long as he may live, with a positive return of $5,000 guaranteed.

Benefits of Immediate Annuity.

If instead of purchasing a government annuity he deposited the same amounts in a savings bank at 3 per cent. compound interest, he would have at the end of 35 years the sum of $4,500, and if, by way of illustration, he were then able to invest his $4,500 at 5 per cent., and were to spend $500 a year, both capital and interest would be exhausted before he was 73. A better plan would be to invest his $4,500 in an immediate annuity, which would yield him an income of $432.69 payable quarterly so long as he might live, or over three times the return he would secure if the money were left in the bank.

Where the investment is in an immediate annuity the benefits, though calculated on the same interest basis, are still more striking. For example, an investment in a life annuity by a man of 60 will yield him so long as he may live, the contract to end with his death, a return equal to over 9½ per cent. on the sum invested; a man of 65, over 11 per. cent.; a man of 70, over 13½ per cent.; a man of 75, over 16½ per cent.; a man of 80, over 21 per cent.; and a man of 85 over 27 per cent. A considerable number of persons of both sexes have purchased annuities at these and even at greater ages. One man purchased at 87 and lived to be 92, receiving back in annuity payments $500 more than he had paid for his annuity.

As a means of making provision for old age, there is no other plan of investment which can be made with the same facility, or with the same security, and there is positively no other plan under which anything like the same return may be obtained, for it will enable the purchaser to spend of his capital as well as the interest, and without his income becoming smaller no matter how long he may live.

An eminent actuary and manager of one of Canada's leading insurance companies in writing to the superintendent a few years ago, said: "In discussing the system of government annuities with my friends from time to time I have always frankly stated that in my opinion the benefits offered for the rates charged are exceedingly liberal, and that I do not know of any institution which could possibly afford to offer terms so advantageous. If the general working population of Canada were able to realize the favorable basis on which annuities could be secured from the government, there would be very few among the thrifty and thoughtful who would not take advantage thereof;" and, of course, the "working population" includes men, women and children of all classes who must earn their own livelihood, and provide for their own future.

INSURANCE AND EDUCATIONAL INSTITUTIONS

It Should Be Part of Curricula of High Schools, Colleges and Universities

BY J. T. WILSON.

The subject of life insurance as part of the curricula of our high schools, colleges and universities is bound to come at no distant date. In the United States a number of the universities give a place to the study, and the importance of it is generally recognized.

At the Winnipeg convention of the Life Underwriters' Association of Canada last year, the question received a considerable degree of attention, and an interesting address was delivered there by Professor Theodore Boggs, of Vancouver. This address was a real contribution, and will repay careful reading. A lengthy summary appeared in *The Monetary Times* in August, and it will appear in the convention number of the Underwriters' News, the official organ of the Life Underwriters' Association of Canada.

Advanced by Local Associations.

This question of educational publicity on the vitally important subject of life insurance is being also advanced by a number of the local associations of life underwriters in addresses by some of their members before the student body in high schools and academies.

Even an elementary acquaintance with the basic principles of life insurance by the students in the high schools and academies would serve to make the business much better understood in the homes by the parents and older members of the family. The work of the field man would be easier, the cash value of his time greatly increased, the benefit of the business extended to many new beneficiaries, and a larger measure of protection enjoyed by those who at present are inadequately protected.

Benefits to Public.

The Life Underwriters' Association of Canada and the National Association of Life Underwriters of the United States both realize what it would mean to the public if the knowledge of life insurance, both as to its principles and benefits, was more widely diffused, and a campaign of educational publicity, including not only the institutions of learning, but the people generally, is now and will be part of their policy. The motto, "Better and Increased Service to the Public," is the slogan of the members of the Life Underwriters' Association of Canada.

HALIFAX EXPLOSION

The estimated value of property burned in the Halifax disaster on December 6th, 1917, was $2,000,000 with losses to fire insurance companies of $1,000,000. The plate glass insurance companies lost approximately $150,000 which is relatively greater than the fire insurance companies losses, when one considers the premium income. The Halifax fire was caused by the ramming of a munition ship in the harbor by a Belgian relief ship, and was the only conflagration of the past year.

FIRE INSURANCE TRANSACTED IN CANADA

CALENDAR YEAR, 1916 (Latest official figures)	Net Cash received for Premiums	Re-insurance and return Premiums	Gross Cash received for Premiums	Gross amount of policies new and renewed	Net amount at risk at date	Net amount of losses incurred during the year	Net amount paid for losses	Unsettled Claims	
								Not resisted	Resisted
	$	$	$	$	$	$	$	$	$
Canadian Companies	4,817,876	3,560,167	8.378,043	742,805,919	662.129,297	2,714,176	2,595,578	438,256	15,639
British Companies	14,294,803	2,872,331	17,167,134	1,606,346,835	1,958,789,616	8,583,652	7,926,463	1,322,864	66,749
United States and other Companies	8,671,173	2,457,177	11,128,350	1,069,085,926	1,099,139,323	5,010,442	4,592,022	1,110,414	27,189
Totals for 1916	27,783,852	8,889,675	36,673,527	3,418,238,680	3,720,058,236	16,308,270	15,114,063	2,871,534	109,577
Totals for 1915	26,474,833	8,848,078	35,322,911	3,111,552,903	3,531,620,802	13,654,463	14,161,949	1,573,579	124,837

The Eagle and British Dominions

Insurance Company, Limited

1807

HEAD OFFICE, - LONDON, ENGLAND

Total Assets		$18,037,574
Paid-up Capital		2,631,168
Net Premiums		8,803,862
RESERVES—Marine Fund	$4,423,845	
Fire Fund	825,742	
Life Fund	7,931,018	
Special Reserve	1,778,422	14,959,027
Cash on hand and in Banks		1,095,030

E. M. MOUNTAIN, ESQ., Chairman and Managing Director.

CANADIAN MANAGERS

DALE & COMPANY, LIMITED

CORISTINE BUILDING, MONTREAL

Branches at

ROYAL BANK BLDG., TORONTO
PARIS BLDG., WINNIPEG
PACIFIC BLDG., VANCOUVER
160 HOLLIS STREET, HALIFAX

Recent amalgamation reported with the Star Life gives Assets over $61,000,000, Premium Income over $14,000,000.

THE SUPREME TEST OF MERIT

Among all the tests that expert business men apply to financial institutions to determine their soundness and success, there is usually one test upon which they place more reliance than, perhaps, on all the others. In the case of a life insurance company, that favorite test is

THE SURPLUS EARNED ON ASSETS

for, in the opinion of the best financiers, this ratio focalizes all significant ratios on the ***supreme point of earning power.*** In this superlative proof of excellence

THE DOMINION LIFE

ranks first of all companies in Canada

For the Business Men of Canada, this Company furnishes "the best insurance at lowest net cost." It invites a study of its ACTUAL RESULTS.

ESTABLISHED 1889

Head Office - WATERLOO, ONTARIO

INSURANCE NOTES AT RANDOM

Some Stories as to Selling Life Insurance—Employees of Insurance Companies Should Set Example

BY J. L. PURDY.

A successful business man volunteered the following story, describing how he was first induced to buy life insurance: "Do you know anything of astronomy, Mr. Smith?" the solicitor said, shaking my hand affably. "Not a particle," I replied, "and can't see that we need to." "Well," the solicitor said, "it is not exactly a long story, but shall we sit down?" and without knowing quite how or why, I found myself sitting down and gazing into an astronomical chart, consisting of the sun and stars of various magnitudes, which this most interesting fellow drew from his pocket. "Now, in relation to your own personal affairs, Mr. Smith, you occupy a similar position to that of the sun to the Solar system. You are the creative energy and sustaining power of the whole organization. Naturally, your chief and first concern is your home and family, and their dependence upon you and your resources is almost as complete as the earth's dependence upon the sun. The second in importance is probably your business interests, representing, no doubt, a pile of money, and, for all I know, producing twenty, thirty or forty thousand dollars a year. Then there is that portion of your estate consisting of investments, and it's a man's job, no doubt, to take care of them. And, lastly, there are other important matters not quite so tangible, but none the less real, which we will call the purposes of your life, the things you hope and expect to accomplish, failing which you would, perhaps, consider your career incomplete. Now, you must admit, Mr. Smith, that this is a formidable layout. See how all these matters revolve around and depend upon the central power, and that central power, sir, is you!" And then he stopped short as if to say, "It's your next move." I said, "insurance, eh?" "That is what the situation appears to demand," he replied. "When were you born?" and, jotting it down, he continued in his matter-of-fact way, "twenty-five thousand calls for an annual deposit of $1,000. Will you sign here?" I didn't see much astronomy about it at the finish, but completed the application all the same.

Now let me tell you a story, Mr. Smith, I said, showing how a friend of mine was persuaded to take his second policy of life insurance. Almost every eligible man, sooner or later, takes his first policy, but not all of them have the nerve to reach after a second. It happened in this way. A man entered my friend's office one day and exclaimed: "Mr. Jones, how are you? I am doing a little spade work this morning," and at the same time he presented a card of rather unusual size upon which was engraved the cryptic words, "One sum insurance is mostly a delusion." Now, my friend had carried a large policy of one sum insurance for a number of years, and the sentence on the card puzzled him not a little. At first he was just surprised and incredulous, then chagrined, and finally he burst into a tornado of remonstrance. But the solicitor stood firm, and, instead of replying to the argument, he simply pulled from his wallet a slip of paper upon which was typed the following: "Thirty-five per cent. of the country's widows are in want. Ninety per cent. lack the common comforts of life." Without comment he produced another which read as follows:—"The annual death rate of estates is over eight times that of individuals, and 90 per cent. of all estates are dissipated within seven years." And yet another as follows: "It is better to be sure than sorry."

Investments and Insurance.

Then, raising his finger, he said: "Mr. Jones, do these facts mean anything to you? What do I mean? Why, just this: Do they move you as the fire alarm of this building would if it were to ring at this moment? Of course, you have your investments nicely balanced; I presumed that. But you cannot be sure of having any investments when the call comes. The late Pierpont Morgan had as good a collection of investments as anybody could wish, but he considered them neither good enough nor secure enough for the purpose of perpetuating an income for the lady beneficiaries under his estate. Nothing but guaranteed monthly income would suffice; in other words, insurance that really insures. You would require to deposit but $900 a year to secure a continuous monthly income of $100 per month for the lifetime of your widow, and she would need that much at least. Will you look at the financial aspect of this proposition for a moment, and remember there are sixty millions of dollars behind it. This income would be paid for twenty years in any event, so that the minimum payable under the policy is $24,000, plus excess interest for twenty years, worth, perhaps, $2,000; total, $26,000.

"You are now aged 52. Your expectation of life is 19 years, and, making some slight allowance for the annual reductions of premium, it is evident that you would have to live another 30 years in order to pay by way of premium the minimum guaranteed under the policy, whereas if you had an early call, the company could easily be obligated to pay $50,000 or more under the terms of the contract." Mr. Smith listened patiently up to this point, and then enquired if he could get a policy of that kind himself. He could if eligible, but that could only be determined by medical examination. Mr. Smith signed, and when the policy was delivered he wanted to know what was to be done with his $25,000 one sum insurance. "Stay right with it, to be sure. It will prove as useful as a bank balance. Almost every man owes money when he dies, has obligations maturing which call for cash to protect equities, and, in any event, there are the succession duties to provide for, the burden of which is bound to increase before many years.

Example of Adequate Protection.

At the recent death of a highly respected and prominent insurance solicitor curiosity was naturally aroused as to the amount of insurance protection the deceased had carried, and it was gratifying to learn that it was in the neighborhood of $40,000. The value and influence of example as compared with empty precept is frequently urged upon the solicitor, and very properly so, because the hypocrisy of representing an institution which you do not yourself thoroughly believe in is always unsportsmanlike, and as applied to the insurance business, it is lamentable in the extreme. But what is sauce for the goose is also sauce for the gander, and the stricture applies equally to every officer and employee of a life insurance company or none at all. A striking and tragic example of the influence exercised upon the minds of some people by this very thing was brought to my attention not so long ago. I was soliciting a manufacturer who carried but a small line of insurance, and, although he recognized the force of the appeal and the virtue and necessity of protection, he could not eradicate from his mind the erroneous idea that there must be a nigger in the fence somewhere, because he said: "I know several directors of insurance companies and at least one life president, and the amount of insurance they carry is barely enough to satisfy the statutory requirements." The tragic side of this is that the gentleman in question lost his life on the ill-fated "Lusitania," and his family and estate are deprived of protection by the potent and, in this case, unfortunate influence of example. Every person connected with a life insurance company has a responsibility to the public for at least an example of adequate protection.

After a strenuous solicitation, my prospect, Mr. Robinson, replied, "I do not want insurance to-day. All I need now is a sales manager for my business, and the job is offered to you." This being about the twenty-first job that has been offered me at various times by prospects, I have evolved a stock reply something as follows:—"I am willing to put my fortune to the touch, Mr. Robinson, measuring the prospect of success in your business by the size of the application received from you. Will you sign here, please?" "No, sir; nothing doing in insurance, and do you mean to say that you decline to consider the proposition," he said, with an air of astonishment. "Indeed, I do," I replied; "but tell me, why are you so surprised?" "Well, I have known a good many insurance men in my time, but never one who was not glad to borrow a dollar, and a chance of this sort would have pleased most!" "Not so fast, my good man," I said, and going straight to my pocket, I pulled out a faggot of bills, which, on the theory that money attracts money, I carry around with me. At the sight of the bills Robinson began to purr, and said, "But surely you are not just the agent of the company; you must be the secretary-treasurer." And, glancing down at my spats and again at the notes, he was positive I must be the president, taking a little exercise. All attempts to dissuade him were futile, until, in desperation, I remembered my agent's license, but for which I might still have been masquerading in the borrowed splendor of a life president, and Robinson would not have been disillusioned

THE ONE NECESSITY WHICH HAS NOT INCREASED IN PRICE

(Though ever Increasing in Value)

No Advance in Premium Rates in 17 Years

Think of it! In spite of the fact that policies of to-day contain provisions undreamed of years ago. The liberality of The Manufacturers Life policies, with their high guarantees, cannot be surpassed. Remember that once a policy is issued to you, there can be no increase in premiums

Premium Rates are Actually Lower

on profit-bearing policies than a decade ago due to the large profit earnings of this progressive institution.

A Competence if you live; an Estate if you die

This is the function of Life Insurance. Either or both should be sufficient reason for your giving it serious consideration. Full particulars of our guaranteed plans on request.

The Manufacturers Life

INSURANCE COMPANY

HEAD OFFICE, TORONTO, CANADA

A Common Sense View of Life Insurance

No sensible person doubts the high VALUE of Life Insurance, but far too many look upon it as an Expense to be avoided as long as one may safely do so.

This is a wrong view altogether. Modern Life Insurance is not an expense, but an INVESTMENT. Under the Limited Payment Policies issued by The Great-West Life, the Policyholder is himself assured of excellent returns if he lives for a given period. If he dies meantime his heirs reap the benefit.

The Great-West Life Policies embody all the benefits of low premium rates, liberal conditions, and high profit returns to Policyholders.

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The Great-West Life Assurance Company

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HEAD OFFICE, - WINNIPEG.

WAS THE FIRE AN INCENDIARY ONE?

When Onus of Proof is Put on Assured, Fire Waste Will Be Reduced Considerably

BY A. H. C. CARSON.

During recent years much has been done to try and awaken the public conscience to a sense of responsibility for the losses occasioned by fires from strictly preventable causes. Fire marshals have been appointed by many provinces, and powers conferred upon them which are being exercised in a very thorough manner. Fire prevention associations are carrying on a splendid work and the field forces of the insurance companies by their personal inspections and recommendations are making every effort to reduce fire losses. In spite of all these efforts the losses still continue to amount in the aggregate to an alarming figure. This is the more to be condemned under the present conditions governing the food supplies of the world. In this country and in the neighboring union, food controllers are using the powers conferred upon them by their respective governments to reduce consumption, and so assist the allies in the prosecution of the war, but their efforts are being to a large extent, and unnecessarily, neutralized by the burning up of large quantities of supplies which are pressingly needed.

Our farmers are greatly to blame for this condition of affairs. In a country where lightning storms are so prevalent during certain months, adequate protection against the hazard which year after year is productive of so much loss, would look to be only proper prudence on the part of those whose property is most likely to be affected. Experience has shown that the equipping of buildings with a proper installation of lightning rods renders them to all intents and purposes immune from lightning damage, yet year after year hundreds of barns with their contents are destroyed from this cause alone. At any time such a waste of agricultural products is inexcusable, under present conditions it is not far removed from criminal.

Courts, Assured and Companies.

It is, to those engaged in the fire insurance business, a matter of wonder that our courts so frequently incline to favor the cause of the assured who has suffered a loss, as against the interests of the insurers. Fire insurance companies do not willingly take cases to the courts, for it is not in their interest to gain a reputation for themselves as being slow in payment of claims, or inclined to take advantage of legal technicalities, and it is only when they are convinced that the claim is not one, which in the interests of the community at large, should be acknowledged, that they ever leave the matter to legal arbitration, and it is disappointing to them that in so many cases their efforts to defeat what are undoubtedly fraudulent claims, should meet with so little success.

In such cases the companies are of necessity compelled to rely largely upon circumstantial evidence, for no man who starts an incendiary fire is likely to commit the crime in the presence of a witness, but in many cases circumstantial evidence is available which is conclusive as to the identity of the culprit. If such evidence is not admitted or does not carry weight, it follows that a conviction is impossible and a criminal much more dangerous to society at large than a common thief, is left free to pursue his evil courses. Nor does the trouble end here, for others seeing the ease with which such a crime can be committed, and the apparent immunity from punishment of the culprit, are encouraged to follow in his footsteps and the evil is a spreading one.

Onus of Proof.

Just so long as the companies are put in the position of having to prove that a fire was of improper origin, just so long will the fire waste continue to be of huge proportions. When the onus of proof is put on the assured and it will be necessary for him to prove that a fire was not caused by him or by his concurrence or by his carelessness, which should be considered as being almost equally culpable, then an impartial administration of the law would show results which would probably astonish those who seem to think our present fire waste is inevitable. That legislation on such drastic lines should ever be enacted in this country may seem far fetched, but when we see the greatest democracy in the world adopting conscription, and the law being cheerfully and willingly obeyed, it is hard to put a limit on what will be done regarding a matter which concerns so nearly, not only our national wealth, but our national honor, under the stress of stern necessity.

Much may be done by education, and the constant iteration of an obvious fact will undoubtedly in time cause it to be impressed upon the public mind. The slogan "Safety First" will sooner or later largely reduce the number of preventable accidents. If it could be as widely made known that fires help the enemy by weakening the resources of this country, possibly they would not be as common as they are.

Carelessness Causes Many Fires.

To those not actively engaged in the insurance business, it would seem incredible if they knew the number of losses occasioned through such causes as "ashes deposited in wooden boxes," "oily waste left carelessly lying around," "electric wires hung on nails," and other instances of extreme carelessness of a similar nature.

It is surely time that the attitude of easy tolerance of the public towards those suffering from fire loss to their property should cease, and that it should be recognized that any person whose property is destroyed from causes which are easily preventable, should be looked upon as an enemy to society at large, and dealt with as such.

If this matter is taken up by the insurance companies only, it is to be feared that little good will be accomplished for the general attitude will likely be that any such action was dictated from selfish motives only. It is to be hoped, therefore, that leaders of thought in the Dominion can be induced to give this important subject serious consideration and initiate action which will produce beneficial results.

FUNDAMENTALS OF A BOND OF SURETYSHIP

Basis for Its Best Moral Influence and Protection to the Community

By HENRY E. RAWLINGS.

The fundamentals of a bond of suretyship issued by a guarantee company on behalf of an officer or employee occupying a position of trust are service and indemnity, that is, service to the employer by a system of investigation and revision of risks for the prevention of loss through an unfaithful officer or employee and assured indemnity in the event of confidence being breached. The assurance of the indemnity, obviously, depends upon the circumstances of the loss, the merits of the claim and the policy of the guarantee company. The indemnity available, however, under a bond of suretyship extends only to the amounts dishonestly appropriated and not to the disbursements made by the employer in the investigation of the loss and other expenses and inconvenience to his business.

Investigation and Revision of Risks.

The feature, therefore, of the investigation and revision of risks, with its attending moral influence, tending towards the prevention of defalcations, is of paramount importance to the employer availing of the protection afforded him under a bond of suretyship. Such service or protection depends, however, upon the investigation department and the organization of the guarantee company and the keenness and the observances of its inspectors, who, by their experience and training, are impressed with the necessity of taking nothing for granted and confirming, as fully as practicable, the accuracy of all statements and replies received in the course of their investigations, for it is not infrequently developed that friends of an applicant or one occupying a position of trust under bond have, through motives of personal sympathy and "hopes for the better," suppressed with some degree of success information of a weakness in his character, record or habits in the mistaken idea that they are thereby doing him a good turn under the erroneous impression that otherwise his bond would be cancelled, not appreciating that the action of the guarantee company would only be such as to adopt some expedient measure of protection to himself and his employer, whereby there might be nipped in the bud a possible large defalcation, with its attending notoriety and penalty to the defaulter and ensuing embarrassment to his relations, proof of which is borne out, in the handling of discovered

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defalcations, by the vast amount of voluntary information obtainable from these same, sympathetic friends when it is too late to be of any use.

Undoubtedly, the incumbent of a position of trust, hovering on the brink of misusing the confidence reposed in him, before yielding to the temptation, either through a dishonest inclination or a temporary situation of necessity will be influenced by deterring visions as to what disposition the guarantee company will make of his defalcation when discovered; the basis, however, for the most forceful and best moral influence and its most beneficial effect under a bond of suretyship lies in the knowledge of the average officer or employee that it behooves him to conduct himself in accordance with his position and means, otherwise that information as to his habits or mode of living, detrimental to the best interests of himself, his employer or the community, will be promptly conveyed to the guarantee company and its endorsement thereby possibly prejudiced if not, indeed, forfeited.

DIAGNOSIS OF FIRE WASTE

Need for Accurate Statistical Records in the Provinces—Licenses Issued

By E. P. HEATON.

We have been accustomed for years past to speak in general terms of the amount of our fire waste, to mention in round figures what we believe it to amount to and what the per capita share was our people had to assume, from all of which we have reached the unwelcome deduction that the province of Ontario has achieved an unenviable reputation.

Yet, we have only been guessing, and in the absence of data our guessing has been shorn of all value. I have several times commended *The Monetary Times* for its monthly and annual statements of our Dominion fire waste; this has been our only source of information, but it must be manifest that this paper is neither in possession of nor has it the means of obtaining full or accurate statistics. To us in the province of Ontario its value is minimized because it has not attempted to analyze the fire waste by provinces. Nevertheless all honor to *The Monetary Times* for its pioneer work.

Difference in Estimates.

To illustrate how far we fall short of accuracy in our previous guessing, let me quote the annual estimate of *The Monetary Times Annual* of 1917 (page 167), which gives the yearly fire waste of the Dominion for 1916 at $20,487,500, or a per capita loss of 2.56. We now learn for the first time in our history from the Federal Blue Book that the fire losses incurred in Canada by companies licensed by the Dominion superintendent of insurance in 1916 amounted to $17,044,369. When to this is added the losses incurred by companies licensed locally by the provinces, the losses by unlicensed insurance companies and lastly the proportion of losses sustained by the owners and by the uninsured, the question arises how far will this $3,000,000 difference go in covering these items? Manifestly it is not near the mark.

But let us come a little closer. From the undigested reports in my office, I "guessed" early in 1917 that the fire waste of Ontario in 1916 was $12,000,000—which was startling if not almost unbelievable. During the year we have digested the reports and I am now in a position to state authoritatively that the actual fire waste of Ontario in 1916 was a little short of $15,000,000, or $6 per capita!

The following analysis will not only be found supporting evidence but will present the matter in an interesting light:—

Losses in Ontario incurred by—	
Dominion licensees	$ 7,367,395
Ontario registered companies	1,392,656
Unlicensed companies as registered with this office	1,547,199
Northern Ontario conflagration (properties uninsured and excluding standing timber)	1,088,764
Parliament buildings, Ottawa	1,500,000
Add 20 per cent. on insurance losses for difference between assured's loss and amount paid by insurance companies, ($10,307,250)	2,000,000
Ontario fire waste, 1916	$14,896,014

I may be asked why do you figure 20 per cent. over the actual losses incurred as the portion born by the assured and the non-assured, and our answer is found in our carefully compiled statistics as published in the Public Service Bulletin each month. For the eight months of 1917 (January to September inclusive—see October Bulletin), the gross loss was $7,705,688, the insurance loss was $5,752,913, and the assureds' loss was $1,952,775 or 34 per cent. of the insurance loss. It is fair to assume that 1916 was in no real sense different from 1917, except as to the two serious fires I mention specifically, and I think the reasonable estimate of 20 per cent. will not be seriously challenged—if anything it is less than it should be.

In view of these considerations, is it any wonder that the energy of our office has been devoted very largely, since its inception, in getting together the machinery and equipment for a real and accurate diagnosis of the terrible drain on the province as just indicated. Before we can begin to consider preventive measures we must know how, when, and where, this fire waste evil arises, and each month now is adding to the sum total of our knowledge and experience. The statement we are publishing each month in the Public Service Bulletin (free on application to the King's Printer, Parliament Buildings, Toronto), will enable us to put our finger on any town, township, county or district which has any marked symptom of trouble or weakness; to learn of any particular class of business which is contributing unduly to our fire waste and lastly, to any particular cause which is brought into prominence.

This is what I mean by a diagnosis of our fire waste. It is in the making; and as the nurse's charts indicate to the physician a continuous history of her patient, so our monthly statements will present the full symptoms of the evil we are seeking to minimize. We can only prevent the preventable when we know with certainty the how and the why of that which we seek to prevent, and our effort to reach this point is justified at any cost of time and trouble.

FARMERS AND LIFE INSURANCE

In Canada They are Becoming Larger Purchasers—Protection and Investment

By P. A. WINTEMUTE.

The progressive farmer of to-day is learning that it does not pay to put all his eggs in one basket. Whille we still have the exclusive wheat grower, who, by the way, is the biggest gambler in our country, we find a big tendency to take up mixed farming. These men know that all their stock does not mature and the market is not always at top, and as a result they are looking with great favor on life insurance, not only for the protection provided, but as an investment as well.

The results of maturing policies are most gratifying and satisfactory, and in cases where policies have matured, if it happens that the neighbor has never bought, the insured is not only better off in the amount of the matured policy, but he invariably is better off in other respects, that is as to his other holdings, including buildings. It always seems that the investment in the life insurance policy has encouraged thrift, and no doubt the holding of the same has often given him a feeling of extra security, and thus enabled him to successfully extend his operations, which otherwise might have been limited.

No Discrimination in Insurance.

Farmers are learning to co-operate. In fact, in the Grain Growers, Limited, we have the foundation of what, no doubt, will be the largest co-operative society in Canada. The life insurance companies to-day, with their similarity of plans and rates, while engaged in a competitive business, are really co-operating to the end that protection may be provided for all, and the outstanding feature is the fact that the science of old line life insurance is mathematically correct, and is the essence of the gospel of a square deal.

There is certainly great satisfaction in knowing that no other man at one's age, health and family history, of course, being equal, can secure a policy of life insurance which another may not have; nor can any man secure, say, a $100,000 policy for one cent less per thousand than one

Profits Exceed Estimates

That's a rather startling statement for a Life Insurance Company to make, isn't it? It's a fact, nevertheless, and it has proven a mighty satisfactory statement both for the Company's representatives and for Policyholders.

Profit Results under present rates were, during 1917, on the average 50% greater than the estimates originally quoted. Anyone familiar with the conditions now and fifteen or more years ago will realize that this Company was dealing fairly with the public then and is now.

Would you not consider your insurance investments safe with such a Company?

Ask for information regarding Endowments at Life Rates, issued only by the

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Policies "GOOD AS GOLD"

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"Science seems to have been taking a vacation. Probably the annals of business may be searched in vain for a purer or more stupendous blunder."

STRONG WORDS THESE

They were uttered at Detroit on May 13th—forty-two years ago, by the greatest life assurance actuary who ever lived upon the North American Continent.

He was addressing a gathering of eminent mathematicians and was referring to the inequitable and unscientific methods followed by most of the Life Assurance Companies at that time.

Every Life Company now operoting in Canada, WITH THE SINGLE EXCEPTION of the NORTHWESTERN LIFE OF WINNIPEG, is still following the system so roundly condemned, not only by the great actuary referred to, but by many great actuaries of modern times.

Write for our circular entitled "Life Assurance Rates," which exposes the unsound methods generally followed, and establishes our claim to be

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who can only afford to purchase $1,000. This absolute equity of the business appeals to the farmer.

In this time of soaring prices for all commodities, the fact that the premiums on life insurance policies are continuing as before is another feature of the business that inclines farmers to think more seriously of the same.

The editors of the leading farm journals are advising their subscribers to buy at least enough life insurance to cover immediate liabilities, and also to use a portion of their surplus to the purchasing of investment policies.

The farmer is buying more life insurance to-day, because he is becoming educated to the benefits of the same, and to this end the advertisements of most of our companies are playing a great part, the need for life insurance, rather than comparisons of business in force and assets, being the outstanding feature.

Then, too, the farmer is being approached by insurance salesmen in a businesslike manner, making it a purely business proposition, sentiment being in most cases entirely eliminated. With the improvement in the calibre of the men engaged in the selling of insurance to farmers, I predict an ever-increasing volume being purchased by them.

REVIEW OF INSURANCE LEGISLATION

Summary of Acts Passed at Last Session of Dominion Parliament

During the last session of the Dominion parliament very important legislation affecting insurance companies transacting business in Canada was passed.

The Insurance Act, 1917, was assented to on September 20th last, and is now law, the Insurance Act, 1910, having been repealed.

An act to amend the criminal code (respecting insurance) was assented to on the same date. This act contains in substance the penalty provisions of the Insurance Act, 1910, being sections 70, 71, 72 and 73 of the said act. It also includes in substance the provisions of sub-section (1) of section 83, and sections 84, 127 and 128 of the Insurance Act, 1917, respecting rebating in all classes of insurance.

During that session acts were passed extending the time within which the following companies may obtain a license: The Canada Preferred Insurance Company, the Empire Life Insurance Company of Canada, the Western Canada Accident and Guarantee Insurance Company and the Western Life Assurance Company of Canada.

Alliance Nationale Act.

The following acts relating to insurance companies were also assented to during the recent session:—

(1) An act to incorporate Alliance Nationale. The act incorporates the association with power to take over the assets and to assume the liabilities of a provincial association incorporated by the statutes of Quebec of the same name, and authorizes it to grant to its members certain insurance benefits—viz., an accident and sickness benefit not exceeding ten dollars per week nor to be payable for more than twenty-six weeks in any consecutive twelve months; a funeral benefit not exceeding one hundred dollars; a death benefit or death and disability benefit combined not to exceed five thousand dollars; and an annuity not exceeding three hundred dollars per annum. Separate accounts and funds are required to be maintained in respect of these classes of benefits and also in respect of infantile insurance benefits. The association is required to maintain reserves on the basis of such tables of mortality, sickness and disability as are, in the opinion of the superintendent of insurance, appropriate and at a rate of interest not exceeding four per cent. per annum. An annual valuation and certificate by an actuary is required to be filed, the word "actuary" being defined to mean an actuary resident in Canada and being a Fellow of the Institute of Actuaries of Great Britain or the Faculty of Actuaries of Scotland or the Actuarial Society of America. The investments of the association are restricted to government, municipal securities, Fabrique loans, real estate mortgages, such real estate as is necessary for the use of the association and loans on the association's policies of insurance.

(2) An act respecting the Canadian Order of the Woodmen of the World. The act permits the order to place to the credit of the reserve fund the moneys accumulated in the emergency fund, in pursuance of the provisions of section 7 of its act of incorporation. The act also changes the date of the annual meeting of the head camp.

(3) An act to amend the act incorporating the Canadian Surety Company. This act authorizes the company to transact the business of automobile, accident, sickness and fire insurance in addition to the business of guarantee, burglary and plate glass insurance for which it is already licensed.

Guardian Accident and Guarantee.

(4) An act respecting the Guardian Accident and Guarantee Company and to change its name to the Guardian Insurance Company of Canada. This act, in addition to changing the name of the company, authorizes it to transact accident, sickness, burglary, plate glass, automobile, fire and guarantee insurance (other than guaranteeing the sufficiency or repayment of any mortgage, debenture or other security for any loan).

(5) An act to incorporate the North American Accident Insurance Company. This act provides that the company may acquire the assets and assume the liabilities of the North American Accident Insurance Company, incorporated by letters patent under the Ontario Companies Act, December 12, 1912, and gives the company power to transact the business of accident, sickness, plate glass, burglary, automobile, fire and guarantee insurance.

Security Life Company.

(6) An act respecting the Security Life Insurance Company of Canada. This company, having reinsured all its participating policies with the Sun Life Assurance Company of Canada and having decided to confine its business hereafter to the issue of non-participating policies only, has no policyholders eligible under the insurance act for election to the board of directors. The effect of this is to limit the number of the company's directors to nine, while a company issuing both participating and non-participating policies is permitted to have fifteen directors. The act, therefore, provides that after the sanctioning of the reinsurance agreement, by the treasury board, the company may provide by by-law that shareholders' directors to a number not exceeding fifteen may be elected, but that such by-law shall have effect only so long as the company has no participating policies in force. The reinsurance agreement was sanctioned by the treasury board on July 26, 1917.

Quebec Fraternal Society.

(7) An act to incorporate La Societe des Artisans Canadiens Francais. This act incorporates a provincial fraternal benefit society of the same name incorporated under the statutes of Quebec with power to take over the assets and to assume the liabilities of the provincial society. The society is authorized to grant to its members the following insurance benefits—viz., an accident and sickness benefit not exceeding ten dollars per week nor to be payable for more than twenty-six weeks in any consecutive twelve months; a death benefit or death and disability benefit combined not to exceed five thousand dollars; and an annuity not exceeding three hundred dollars per annum. Separate accounts and funds are required to be maintained in respect of these classes of benefits and also in respect of infantile insurance benefits. The society is required to maintain reserves on the basis of such tables of mortality, sickness and disability as are, in the opinion of the superintendent of insurance, appropriate, and at a rate of interest not exceeding four per cent. per annum. An annual valuation and certificate by an actuary, is required to be filed, the word "actuary" being defined to mean an actuary resident in Canada and being a Fellow of the Institute of Actuaries of Great Britain or the Faculty of Actuaries of Scotland or the Actuarial Society of America. The investments of the society are restricted to government and municipal securities, Fabrique loans, real estate mortgages, such real estate as is necessary for the use of the society and loans on the society's policies of insurance.

In British Columbia.

No amendments to the various insurance acts in force in British Columbia were passed at the session held last year. The only matter in which the insurance companies are affected by last year's legislation is in respect of taxation. Insurance companies other than fire insurance companies have now to pay: (a) for 1917 a surtax of one per cent. upon their gross revenue, and (b) after 1917 the rate of taxation under the

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Managing Director.

taxation act is increased to two per cent. instead of one on the gross revenue.

Fire insurance companies still pay two per cent. on their gross premiums in the province under the fire insurance act, and so far as other gross revenue is concerned are in the same position as other insurance companies.

Ontario, Nova Scotia and Manitoba.

There were no changes of any moment made in the Ontario insurance act at the last session of the provincial legislature.

At the 1917 session of the Nova Scotia legislature there was no legislation affecting insurance except chapter 58, entitled "An Act to Amend Chapter 13, Acts of 1912, entitled 'An Act to Supplement the Revenues of the Crown in the Province of Nova Scotia.' " Chapter 58 merely provides for the payment of interest on taxes that are not paid within a certain time. At the 1916 session of the legislature the only legislation affecting insurance was chapter 16, entitled "An Act to Amend Chapter 15, Acts of 1903, entitled 'An Act respecting Life and Accident Insurance' and Acts in amendment thereof."

Two acts were assented to on March 9th, 1917, in Manitoba—namely, "An Act for the Prevention and Suppression of Fires" and "An Act respecting Hail Insurance Contracts and Uniform Conditions of Hail Insurance Policies."

Beneficiaries in Alberta.

The following sub-section was added to section 7 of the Life Insurance Beneficiaries Act of Alberta last year:—

"(3) Such a person may from time to time borrow from the insurer on the security of the contract such sums as may be necessary to keep it in force and the same shall be so applied, and on such terms and conditions as may be agreed upon; and the sums so borrowed with such interest as may be agreed on, shall be a first lien on the contract and on all moneys payable thereunder."

STANDARD LIFE INSURANCE

It Immediately Creates an Estate and is a Good and Safe Investment

By C. WETMORE MERRITT.

What is the greatest material thing in this world? My answer is: "Standard Life Insurance."

Why is standard life insurance the greatest material thing? Because it is compulsory thrift for those who are indifferent about saving.

It immediately creates an estate for the insured. It provides protection for loved ones and business, while in course of process of becoming an adequate competency. It is excellent collateral for business and banking purposes. It provides a fund for old age, which keeps the insured when in declining years from being a charge upon his or her friends, or the state.

It is a good and absolutely safe investment. It provides education so that the individual can walk on a comparatively easy pathway through life. It makes the insured feel safer, happier and more comfortable.

When the possessor of a standard life insurance policy has had it for three years, and he cannot borrow money elsewhere, he can always make a loan against his policy at a low rate of interest.

It provides an income in case of disability, either physically or mentally. It savors of good from every viewpoint.

What is there then, that will compare favorably with it, with its many attractions and benefits, and without a flaw?

Of approximately 2,000,000 buildings in Canada, less than one-tenth of one per cent. have been built with proper consideration of safety from fire. In the cities and towns from which statistics are available, almost 70 per cent. of the construction is frame. The vast majority of brick buildings are structurally defective and inadequately protected, and only one in every 1,200 is even nominally fireproof. These are figures of the Commission of Conservation, Ottawa.

FIRE INSURANCE DOES NOT ELIMINATE LOSS

It Merely Distributes the Loss—Carelessness and Fire Waste

BY ALFRED WRIGHT.

It is at all times important that a country or community conserve its created wealth and its natural resources, and not allow them to be dissipated by fire, or, in other words, "Go up in smoke," but in the present time of scarcity, and in the midst of our struggle to preserve the liberties of mankind, it is especially necessary that there shall be no preventable waste.

An examination of the monthly reports of losses by fire, both in the United States and in Canada, seems to show that the ratio of destruction of property by fire in relation to the total value is not decreasing as it should in spite of some improvement in construction and considerable improvement in means of protection, more particularly through the increased number of sprinkler equipments which have been installed.

Fire Destruction Keeps Pace.

I have no available statistics to determine the growth in Canada in value of buildings and merchandise or produce stored from year to year, but, granted that values have increased, I fear that the destruction by fire has kept equal pace. Much of this destruction is due to causes which are quite preventable. It is an old saying, but nevertheless true, that "Prevention is better than cure;" but we spend very little thought on prevention and a great deal of money on fire-fighting appliances. We have to, or our cities and towns would all burn up.

The United States and Canada have probably the best, and certainly the most expensive equipments for extinguishing fires that can be found throughout the world. Why, then, is it that the destruction of property by fire on the North American continent is greater than in other parts of the world, and what are we going to do about it?

The heavy fire waste on this continent is due to many causes—some of them beyond our control, such as climatic conditions, but undoubtedly a large proportion of the losses by fire in Canada are attributable to causes that are not uncontrollable.

Insurance and Losses.

In some quarters the business of fire insurance has been blamed for a good part of the losses, and it is true that if there were no such thing as insurance against loss by fire, there would not be so many fires; but commerce cannot be carried on without fire insurance, and it only remains to surround the business with such safeguards as may be found practicable.

In my opinion, the principal cause of fire is carelessness on the part of the public, because it is not generally appreciated that the destruction of property by fire is a loss to the community that can only be replaced by the expenditure of labor.

The thoughtless attitude prevalent with the newspapers in reporting fires contributes to this idea. For instance, in an account of a fire in the daily papers the reporter usually describes the fire as "spectacular," and states that it "required the utmost efforts of the police to control the onlookers, who occupied every 'coign of vantage,' from interfering with the firemen, whose heroic work alone prevented an extensive conflagration." This is bad enough so far, but when the reporter winds up with the statement that the "loss is fully covered by insurance," he unwittingly creates a false impression. The fact that there was insurance does not eliminate the loss, but merely distributes it.

State of Public Opinion.

Another important factor that tends to increase the fire waste is the state of public opinion. It is not considered derogatory to the standing in a community of any citizen to have had anywhere from two to half a dozen fires where the origin is unknown, or, if known, has been shown to have been due to gross carelessness. The only comment made by his friends is an extension of commiseration, if he has no

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LIMITED
OF LONDON, ENGLAND

Subscribed Capital	-	$10,000,000
Paid-up Capital -	-	5,000,000
Total Assets over	-	36,000,000

Applications for Agencies Invited

Apply to Head Office for Canada:
Guardian Building, 160 St. James St.
MONTREAL

H. M. LAMBERT - - - *Manager*
BERTRAM E. HARDS - *Asst. Manager*

NOTICE

At present there is an epidemic of fancy insurance schemes on the market. Many of them are attractively garbed. But will they stand the vital test? Will they be ready with the cheque after the loss occurs? That is the point. Will they?

Send along your insurance problem to us. We represent a Company we know from experience to be absolutely reliable.

SMITH, MACKENZIE
HALL & HUNTER
General Agents
ATLAS ASSURANCE COMPANY
OF LONDON, ENGLAND
54 Adelaide Street East, TORONTO

The Fourth Year of the War Finds

The Western Empire Life Assurance Company

in a stronger position than ever

Results accomplished during 1917 show

Substantial Increase in BUSINESS IN FORCE
Substantial Increase in ASSETS
Substantial Increase in PREMIUM INCOME
Substantial Increase in INTEREST INCOME

DECREASE IN EXPENSE RATIO

Head Office,
WINNIPEG, CANADA.

WILLIAM SMITH,
Managing Director.

F. C. O'BRIEN,
Secretary-Treasurer.

insurance, or congratulations if he is "fully covered." No thought is given to the fact that the fire might have spread, with consequent injury to other parties.

Public carelessness affects the construction of buildings. Proper building regulations are not enforced; careless workmanship is passed over; electric installations are often defective; and, while provision is made for inspection of premises, the strict requirements are often waived from motives of policy.

To Reduce Fire Waste.

Until a better public opinion prevails in regard to losses and more care is exercised generally, there cannot be any diminution in our fire waste, but it is encouraging to note that of late years the subject is receiving a great deal of attention from public-spirited men, not necessarily connected with fire insurance companies. The business of insurance officials is primarily to charge rates to cover the hazard undertaken, although to their credit be it said that they have given much attention to the work of improving conditions in cities and towns with a view to reducing the fire waste.

It appears to me that the only hope of ameliorating the situation is by educational methods, and a good deal is being done in that direction. Children should be taught by their parents to be careful, but if the parents themselves are careless, their influence would be ineffective in this respect, and it is, therefore, necessary that careful habits should be inculcated in the children through public school education. A great deal of time and effort is now being spent by various associations to impress upon the public the necessity for conservation of our resources, and no doubt in time these efforts will bear fruit.

UNLICENSED FIRE INSURANCE

Volume Has Increased 11 Per Cent. and Now Totals $262,000,000

In a statement submitted to the Ontario government fire insurance inquiry in October, 1916 (an inquiry which was continued last year), the Canadian Fire Underwriters' Association were strong in their denunciation of unlicensed insurance: "The business of fire insurance is carried on by the licensed companies in the face of absolutely unfair competition," said the statement. "Competition in itself cannot be objected to, and is, in fact, desirable, but this association, speaking as it is entitled to do for fire insurance interests generally protests against the inefficiency of any existing legislation in protecting these companies which are licensed and have their offices in this country against companies which have no license; have no deposits or other funds in Canada; pay no taxes; have no office or office staffs, and consequently disburse the considerable sums that go to form the expenses of the business entirely for the benefit of residents of foreign countries. Such companies, even if sound (and they frequently are not), can obviously afford to cut the rates which the companies here have had all the expenses, by inspection and otherwise, of making. The permission given, therefore, for any insurer who can get a lower rate from an unlicensed company to place his business with such a company without paying any taxes, or if he employs a broker, on the payment of a tax of $1, is quite unfair. The change recently made which requires 1 per cent. of any loss in an unlicensed company to be paid to the fire marshal, beside being unjust in principle in taxing only the man who has a loan and is less able to afford it, is quite ineffective. What the association contends is required is that prompt publicity should be given to all transactions effected with unlicensed companies, either by the assured or his agent, and that a substantial tax should be collected on all premiums paid to these companies."

Heavy Unlicensed Insurance.

Despite these considerations, a large amount of this business is written in Canada. The following is an official analysis and summary of the statements of fire insurance carried on property in Canada by fire insurance companies, associations or underwriters not licensed to transact business in Canada in 1915 and 1916:—

Province in which property is situated.	Amount of insurance, 1915.	Amount of insurance, 1916.
Nova Scotia	$ 5,713,674	$ 6,415,987
New Brunswick	10,733,775	8,671,915
Quebec	76,907,525	95,970,370
Ontario	103,645,877	112,252,434
Manitoba	9,462,290	11,516,133
Saskatchewan	9,030,304	8,679,496
Alberta	6,723,638	6,145,890
British Columbia	13,196,664	12,710,055
Prince Edward Island	16,850	24,302
Yukon	340,000	417,300
	$235,770,597	$262,803,882

Nature of property insured.	Amount of insurance, 1915.	Amount of insurance, 1916.
Lumber and lumber mills	$ 15,488,299	$ 15,893,068
Other industrial plants and mercantile establishments	154,450,371	185,548,910
Stock and merchandise	40,649,711	36,499,877
Railway property and equipment	24,896,076	24,055,737
Miscellaneous	286,140	806,290
	$235,770,597	$262,803,882

Nature of insurers.	Amount of insurance, 1915.	Amount of insurance, 1916.
Lloyds' Association	$ 63,188,168	$ 55,864,594
Reciprocal underwriters	22,109,561	28,574,461
Mutual companies	119,174,939	135,548,458
Stock companies	31,297,929	42,816,369
	$235,770,597	$262,803,882

Law Allows It.

Unfortunately, the Canadian insurance act allows "outlaw" insurance to be written. This business is carried on under section 139 of the insurance act, 1910, which reads as follows:—

"Notwithstanding anything in this act contained, any person may insure his property, or any property in which he has an insurable interest, situated in Canada with any British or foreign unlicensed insurance company, or underwriters, and may also insure with persons who reciprocally insure for protection only and not for profit; and any property insured or to be insured under the provisions of this section may be inspected, and any loss incurred in respect thereof adjusted: provided such insurance is effected outside of Canada, and without any solicitation whatsoever, directly or indirectly, on the part of such company, underwriters or persons by which or whom the insurance is made; and provided further that no such company, underwriters or persons shall within Canada advertise their business in any newspaper or other publication or by circular, mailed in Canada or elsewhere, or maintain an office or agency therein for the receipt of applications or the transaction of any act, matter or thing relating in any way to their said business."

RECORD LIFE INSURANCE POLICIES LAST YEAR

The largest life policy ever issued on a single life was written by Mr. Harold Peirce, general agent at Philadelphia of the New York Life. The policy was for $2,500,000 on the life of the United States financier, Mr. J. P. Morgan. One object of Mr. Morgan in taking this policy was to provide an offset to the inheritance taxes to which his estate will be subjected. Payment was so arranged that either the State or federal treasury, or both, will receive the net amount of the policy.

The New York Life issued the Morgan policy of $2,500,000, that company taking a half million and distributing the balance through reinsurance. All those Canadian companies which desired participated in this business.

Another large policy last year was that of $2,000,000 on the life of H. P. Davison, of the Morgan firm. Canadian life insurance companies also carry part of this risk.

The largest policy written on the life of a Canadian last year was $1,500,000 on Sir Mortimer B. Davis, president of the Imperial Tobacco Company of Canada, Montreal. The New York Life placed this policy through their agent, Mr. H. B. Rosen. Canadian companies obtained all they desired of this business.

LONDON GUARANTEE AND ACCIDENT COMPANY

LIMITED

GEO. WEIR
Manager for Canada

DOMINE DIRIGE NOS

ESTABLISHED 1869

Head Office for Canada
TORONTO

FIDELITY GUARANTEE BONDS
COURT AND CONTRACT BONDS
ACCIDENT AND SICKNESS POLICIES
AUTOMOBILE INSURANCE
EMPLOYERS' LIABILITY
TEAMS AND ELEVATOR

FIRE INSURANCE

WESTERN CANADA ACCIDENT & GUARANTEE INSURANCE CO.

The Western Canada Accident & Guarantee Insurance Company

Head Office, WINNIPEG, MANITOBA

INSURANCE TRANSACTED
Accident, Sickness, Fidelity and
Surety Bonds, Liability, Property
Damage, Automobile

A WESTERN CANADA COMPANY

Licensed in Manitoba, Saskatchewan, Alberta

HON. EDWARD BROWN
President

A. F. W. SEVERIN
Manager and Secretary

The Northern Life Assurance Company

Head Office - London, Ont.

The All-Canadian Company

YOUR OPPORTUNITY

To whole or part-time agents, we offer exceptional opportunities for building up a permanent income. For particulars of contracts and available territory

COMMUNICATE WITH US TODAY

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TORONTO, ONT.

J. W. GLENWRIGHT, Superintendent of Agencies West—
308 P. Burns Block, CALGARY, ALTA.

FIXING VALUES FOR LIFE COMPANIES

Practice of Dominion Insurance Department Questioned—Value of Life Insurance

BY J. K. MACDONALD.

Life insurance has come to be used to such an extent as a protection for the family and in undertakings where the life of the individual has an important bearing upon the success of an enterprise that little need be said in commending it as being probably the best available way to make provision for the contingencies to which human life and human affairs are liable.

There is no human certainty as to the duration of any individual life, a fact that is abundantly proved by the personal experience of every human being. Actuarial investigations, however, have fixed with great accuracy the number of lives that die out of a given number and class in each year of life; consequently, there can be no certainty that a father may live long enough to make provision for his wife and children, or that the wisest plans in connection with a business enterprise, more or less dependent upon the life of an individual, will mature as planned. In life insurance a means is found by which the husband may provide for his wife and children should he be called away by death; or for a provision for the time that comes to every man when he will no longer be able to endure the strain of life's activities. Likewise, the man who enters into business relationship with others, in which his capital in the venture means success, while the withdrawal of it in the event of his death would possibly mean failure, is also enabled through life insurance to provide, as far as human means can do so, for such a contingency.

Growth of Life Insurance.

In view of the adaptability of life insurance to meet the needs of our social life, there is little cause to wonder that it has been availed of to such an extraordinary extent, indicated by its wonderful growth during the last forty years in Canada alone. At the close of the year 1875 the total life insurance in force was $85,009,264; at the close of 1916 it was $1,422,176,632.

Another reason why life insurance has attained worldwide appreciation is the fact of the absolute security it affords, resting as it does on well-proved scientific principles, which make it absolutely safe. With a correct mortality table and a safe rate of interest used in the compilation of premium rates, and in the calculation of reserve liabilities under policies and annuities granted, together with capable and honest management, nothing human can be more, if even so, secure.

With regard to a table of mortality, extended actuarial investigations of the mortality results experienced by life insurance companies, both in Great Britain and in America, covering many years of exposure and involving an enormous number of lives, have led to the formation of several safe tables of mortality.

Importance of Interest Rate.

As to the rate of interest to be used, there must always be kept in view the fact that life insurance contracts run in every case through a period of years, and in the majority of cases through a long period of years; therefore, the rate of interest assumed must always be well within the rate which can, even with safety, be counted on for many years to come. The value of interest in life insurance earnings and valuations was well expressed by that famous actuarial veteran of Massachusetts, the late Honorable Elizur Wright: "The rate of interest earned makes a life or death difference to the company." The large accumulation of funds which takes place from year to year arises from the setting aside of sums necessary to meet future obligations in connection with liabilities under policy and annuity obligations. This calls for careful investment, and should always yield a rate of interest at least one-half to one per cent. higher than the rate used in the calculation of the reserves.

"Safety first" must always be the guiding principle in life insurance. The element of speculation in investments should be strictly avoided. So much is life insurance looked upon as a sacred trust that in this country and in many other countries it is hedged about by legislative safeguards such as are not applied to other financial institutions.

Our own Federal parliament has passed carefully considered legislation in regard to the kind of securities in which life insurance companies may invest their funds. Speaking generally, they may invest, to a certain extent, in real estate connected with their head office and branch offices, including properties falling into the hands of companies through mortgage investments foreclosed. They may also lend on first mortgages limited to not more than 60 per cent. of the value, as well as on the company's own policies, and invest in government bonds and stocks, municipal debentures, debentures of industrial concerns, with certain limitations, bank stocks, and some other stocks.

In making investments on mortgage security care and experience are important factors; and even with these it is not always possible to avoid some loss, especially when exceptional conditions prevail, such as were experienced in Toronto and elsewhere some thirty years ago, when values in many instances fell below 50 per cent. of what was supposed to be a careful valuation made during boom times. Present conditions, notably in the West, afford a striking example of what may happen in the way of recession in values of realty. There the natural reaction from speculative values is aggravated by the effect of conditions caused by war, and, consequently, the reaction is correspondingly greater. With due care in the making of loans and judicious management of properties falling into the hands of the loaning companies, any loss may be greatly minimized, though in some instances delay will almost certainly be experienced in the collection of interest and instalments of principal. One of the chief hindrances to collections in the West arises from legislative enactments of moratorium, military and home defence character, which enable the debtor who does not want to pay an easy way of escape, holding his creditor in defiance, regardless of justice. It is quite reasonable—indeed, proper—that a measure of safeguarding the mortgagor and other debtor should be enacted in view of existing conditions, under which it is quite possible that instances of great hardship might be caused; but it would seem fair that the protection should not be altogether on behalf of the debtor.

Suggestions for Ottawa.

With regard to debentures and stocks, it may be explained that debentures are usually purchased, subject to the sufficiency of security, with reference to the rate of interest they will yield on the price paid, and for that reason the purchase price may be par, or above or under par. In cases where the purchase is made at a price above par, the difference between par and the price paid is written off in yearly proportions, according to the number of years for which the debentures run. Similarly, where they have been purchased at a price below par, the difference is written off so that when they become due they stand in the books of the company at par. Stocks, unless there should be good reason for doing so, remain in the books at cost. These two kinds of securities differ in that the debenture has a fixed date at which the debt matures, while the stocks have no date at which maturity takes place, and, consequently, debentures are supposed to have a slight appreciable value as a security over stocks.

A feature in connection with these securities under the system of fixing values, heretofore employed by the insurance department, may be worth a reference. The practice has been to take their market price on a given day, and use this as the measure of the value of the class of securities included in the balance sheet of the company. The question may fairly be asked, Does this mode of reaching the value of such assets do justice to the companies or arrive at the true value? Conditions may prevail at the time that will so depress the market on the particular date at which the price is ascertained as to affect seriously their apparent value, while the real value as holding securities is not changed, nor is the interest return less. It must be remembered that while it would probably give the full price if thrown on the market on that particular day, yet no life insurance company needs, or even thinks of doing this. These securities have been purchased because they are of long date, bearing a rate of interest return usually from 1½ to 2½ per cent. higher than the rate used in calculating reserves. The writer has known of instances where, within a few months, the "write down" in consequence of the valuation could be "written up" again on the basis of market prices. This feature might well have consideration with a view to a change.

Insurance Company of North America

FOUNDED 1792

Surplus to Policyholders, $11,030,378.43 **Losses Paid Since Organization, $183,224,309.11**

FORMS OF INSURANCE—

FIRE — MARINE — AUTOMOBILE

Rent, Tornado, Parcel Post, Motor Cycle, Registered Mail, Use and Occupancy

COMPARATIVE CONDITION

JAN. 1st	ASSETS	RESERVE	NET SURPLUS
1900	$ 9,261,037.08	$4,033,517.36	$1,621,780.55
1910	13,385,501.56	6,813,362.47	2,589,406.64
1916	20,838,450.21	8,171,046.58	6,080,043.40
1917	23,389,465.34	8,862,091.99	7,030,378.43

ROBERT HAMPSON & SON, LIMITED, MONTREAL, General Agents for Canada

Providence Washington Insurance Co.

INCORPORATED 1799

Surplus to Policyholders - $2,588,322.95

FORMS OF INSURANCE—

FIRE — MARINE — AUTOMOBILE

Comparison of Statement of January 1st, 1916, with that of January 1st, 1917, shows:—

INCREASE IN ASSETS - - -	$590,480.10
DECREASE IN UNEARNED PREMIUMS -	53,788.87
GAIN IN NET SURPLUS - - -	418,301.65

ROBERT HAMPSON & SON, LIMITED, MONTREAL, General Agents for Canada

Alliance Insurance Co. of Philadelphia

FOUNDED 1905

Surplus to Policyholders, $1,901,852.16 **Losses Paid Since Organization, $6,324,955.14**

FIRE INSURANCE

COMPARATIVE CONDITION

JAN. 1st	ASSETS	RESERVE	NET SURPLUS
1913	$2,238,629.15	$668,154.85	$642,591.10
1914	2,288,274.81	672,858.32	691,160.49
1915	2,399,489.31	673.641.46	773,097.85
1916	2,678,459.21	690,335.74	975,876.47
1917	3,060,371.74	796.119.36	1,151,852.16

ROBERT HAMPSON & SON, LIMITED, MONTREAL, General Agents for Canada

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BOURNE'S INSURANCE AND BROKERS DAYS CHART

Difference between days of months for two dates (See page 220)

By Arthur Bourne

No. of	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Days in exact mos.	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
1		Mar.											28	28 28	27 29	26 30	25 31	24 32	23 33	22 34	21 35	20 36	19 37	18 38	17 39	16 40	15 41	14 42	13 43	12 44	11 45	10 46	9 47	8 48	7 49	6 50	5 51	4 52	3 53	2 54	1 55	0 56	0 57	0 58
1				May		July			Oct.		Dec.		30	30 30	29 31	28 32	27 33	26 34	25 35	24 36	23 37	22 38	21 39	20 40	19 41	18 42	17 43	16 44	15 45	14 46	13 47	12 48	11 49	10 50	9 51	8 52	7 53	6 54	5 55	4 56	3 57	2 58	1 59	0 60
1	Feb.		April		June		Aug.	Sep.		Nov.		Jan.	31	31 31	30 32	29 33	28 34	27 35	26 36	25 37	24 38	23 39	22 40	21 41	20 42	19 43	18 44	17 45	16 46	15 47	14 48	13 49	12 50	11 51	10 52	9 53	8 54	7 55	6 56	5 57	4 58	3 59	2 60	1 61
2	Mar.	April											59	59 59	58 60	57 61	56 62	55 63	54 64	53 65	52 66	51 67	50 68	49 69	48 70	47 71	46 72	45 73	44 74	43 75	42 76	41 77	40 78	39 79	38 80	37 81	36 82	35 83	34 84	33 85	32 86	31 87	30 88	29 89
2			May	June	July	Aug.		Oct.	Nov.	Dec.	Jan.		61	61 61	60 62	59 63	58 64	57 65	56 66	55 67	54 68	53 69	52 70	51 71	50 72	49 73	48 74	47 75	46 76	45 77	44 78	43 79	42 80	41 81	40 82	39 83	38 84	37 85	36 86	35 87	34 88	33 89	32 90	31 91
2							Sep.					Feb.	62	62 62	61 63	60 64	59 65	58 66	57 67	56 68	55 69	54 70	53 71	52 72	51 73	50 74	49 75	48 76	47 77	46 78	45 79	44 80	43 81	42 82	41 83	40 84	39 85	38 86	37 87	36 88	35 89	34 90	33 91	32 92
3		May											89	89 89	88 90	87 91	86 92	85 93	84 94	83 95	82 96	81 97	80 98	79 99	78 100	77 101	76 102	75 103	74 104	73 105	72 106	71 107	70 108	69 109	68 110	67 111	66 112	65 113	64 114	63 115	62 116	61 117	60 118	59 119
3	April											Mar.	90	90 90	89 91	88 92	87 93	86 94	85 95	84 96	83 97	82 98	81 99	80 100	79 101	78 102	77 103	76 104	75 105	74 106	73 107	72 108	71 109	70 110	69 111	68 112	67 113	66 114	65 115	64 116	63 117	62 118	61 119	60 120
3				July					Dec.				91	91 91	90 92	89 93	88 94	87 95	86 96	85 97	84 98	83 99	82 100	81 101	80 102	79 103	78 104	77 105	76 106	75 107	74 108	73 109	72 110	71 111	70 112	69 113	68 114	67 115	66 116	65 117	64 118	63 119	62 120	61 121
3			June		Aug.	Sep.	Oct.	Nov.		Jan.	Feb.		92	92 92	91 93	90 94	89 95	88 96	87 97	86 98	85 99	84 100	83 101	82 102	81 103	80 104	79 105	78 106	77 107	76 108	75 109	74 110	73 111	72 112	71 113	70 114	69 115	68 116	67 117	66 118	65 119	64 120	63 121	62 122
4	May	June									Mar.		120	120 120	119 121	118 122	117 123	116 124	115 125	114 126	113 127	112 128	111 129	110 130	109 131	108 132	107 133	106 134	105 135	104 136	103 137	102 138	101 139	100 140	99 141	98 142	97 143	96 144	95 145	94 146	93 147	92 148	91 149	90 150
4												April	121	121 121	120 122	119 123	118 124	117 125	116 126	115 127	114 128	113 129	112 130	111 131	110 132	109 133	108 134	107 135	106 136	105 137	104 138	103 139	102 140	101 141	100 142	99 143	98 144	97 145	96 146	95 147	94 148	93 149	92 150	91 151
4			July	Aug.		Oct.		Dec.	Jan.				122	122 122	121 123	120 124	119 125	118 126	117 127	116 128	115 129	114 130	113 131	112 132	111 133	110 134	109 135	108 136	107 137	106 138	105 139	104 140	103 141	102 142	101 143	100 144	99 145	98 146	97 147	96 148	95 149	94 150	93 151	92 152
4					Sep.		Nov.			Feb.			123	123 123	122 124	121 125	120 126	119 127	118 128	117 129	116 130	115 131	114 132	113 133	112 134	111 135	110 136	109 137	108 138	107 139	106 140	105 141	104 142	103 143	102 144	101 145	100 146	99 147	98 148	97 149	96 150	95 151	94 152	93 153
5		July											150	150 150	149 151	148 152	147 153	146 154	145 155	144 156	143 157	142 158	141 159	140 160	139 161	138 162	137 163	136 164	135 165	134 166	133 167	132 168	131 169	130 170	129 171	128 172	127 173	126 174	125 175	124 176	123 177	122 178	121 179	120 180
5	June									Mar.	April	May	151	151 151	150 152	149 153	148 154	147 155	146 156	145 157	144 158	143 159	142 160	141 161	140 162	139 163	138 164	137 165	136 166	135 167	134 168	133 169	132 170	131 171	130 172	129 173	128 174	127 175	126 176	125 177	124 178	123 179	122 180	121 181
5			Aug	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.				153	153 153	152 154	151 155	150 156	149 157	148 158	147 159	146 160	145 161	144 162	143 163	142 164	141 165	140 166	139 167	138 168	137 169	136 170	135 171	134 172	133 173	132 174	131 175	130 176	129 177	128 178	127 179	126 180	125 181	124 182	123 183
6	July	Aug.							Mar.		May		181	181 181	180 182	179 183	178 184	177 185	176 186	175 187	174 188	173 189	172 190	171 191	170 192	169 193	168 194	167 195	166 196	165 197	164 198	163 199	162 200	161 201	160 202	159 203	158 204	157 205	156 206	155 207	154 208	153 209	152 210	151 211
6										April		June	182	182 182	181 183	180 184	179 185	178 186	177 187	176 188	175 189	174 190	173 191	172 192	171 193	170 194	169 195	168 196	167 197	166 198	165 199	164 200	163 201	162 202	161 203	160 204	159 205	158 206	157 207	156 208	155 209	154 210	153 211	152 212
6				Oct.		Dec.							183	183 183	182 184	181 185	180 186	179 187	178 188	177 189	176 190	175 191	174 192	173 193	172 194	171 195	170 196	169 197	168 198	167 199	166 200	165 201	164 202	163 203	162 204	161 205	160 206	159 207	158 208	157 209	156 210	155 211	154 212	153 213
6			Sep.		Nov.		Jan.	Feb.					184	184 184	183 185	182 186	181 187	180 188	179 189	178 190	177 191	176 192	175 193	174 194	173 195	172 196	171 197	170 198	169 199	168 200	167 201	166 202	165 203	164 204	163 205	162 206	161 207	160 208	159 209	158 210	157 211	156 212	155 213	154 214
7	Aug.	Sep.						Mar.	April	May	June	July	212	212 212	211 213	210 214	209 215	208 216	207 217	206 218	205 219	204 220	203 221	202 222	201 223	200 224	199 225	198 226	197 227	196 228	195 229	194 230	193 231	192 232	191 233	190 234	189 235	188 236	187 237	186 238	185 239	184 240	183 241	182 242
7			Oct.	Nov.	Dec.	Jan.							214	214 214	213 215	212 216	211 217	210 218	209 219	208 220	207 221	206 222	205 223	204 224	203 225	202 226	201 227	200 228	199 229	198 230	197 231	196 232	195 233	194 234	193 235	192 236	191 237	190 238	189 239	188 240	187 241	186 242	185 243	184 244
7							Feb.						215	215 215	214 216	213 217	212 218	211 219	210 220	209 221	208 222	207 223	206 224	205 225	204 226	203 227	202 228	201 229	200 230	199 231	198 232	197 233	196 234	195 235	194 236	193 237	192 238	191 239	190 240	189 241	188 242	187 243	186 244	185 245
8		Oct.							May		July		242	242 242	241 243	240 244	239 245	238 246	237 247	236 248	235 249	234 250	233 251	232 252	231 253	230 254	229 255	228 256	227 257	226 258	225 259	224 260	223 261	222 262	221 263	220 264	219 265	218 266	217 267	216 268	215 269	214 270	213 271	212 272
8	Sep.						Mar.	April		June		Aug.	243	243 243	242 244	241 245	240 246	239 247	238 248	237 249	236 250	235 251	234 252	233 253	232 254	231 255	230 256	229 257	228 258	227 259	226 260	225 261	224 262	223 263	222 264	221 265	220 266	219 267	218 268	217 269	216 270	215 271	214 272	213 273
8				Dec.									244	244 244	243 245	242 246	241 247	240 248	239 249	238 250	237 251	236 252	235 253	234 254	233 255	232 256	231 257	230 258	229 259	228 260	227 261	226 262	225 263	224 264	223 265	222 266	221 267	220 268	219 269	218 270	217 271	216 272	215 273	214 274
8			Nov.		Jan.	Feb.							245	245 245	244 246	243 247	242 248	241 249	240 250	239 251	238 252	237 253	236 254	235 255	234 256	233 257	232 258	231 259	230 260	229 261	228 262	227 263	226 264	225 265	224 266	223 267	222 268	221 269	220 270	219 271	218 272	217 273	216 274	215 275
9	Oct.	Nov.				Mar.		May	June	July	Aug.		273	273 273	272 274	271 275	270 276	269 277	268 278	267 279	266 280	265 281	264 282	263 283	262 284	261 285	260 286	259 287	258 288	257 289	256 290	255 291	254 292	253 293	252 294	251 295	250 296	249 297	248 298	247 299	246 300	245 301	244 302	243 303
9							April					Sep.	274	274 274	273 275	272 276	271 277	270 278	269 279	268 280	267 281	266 282	265 283	264 284	263 285	262 286	261 287	260 288	259 289	258 290	257 291	256 292	255 293	254 294	253 295	252 296	251 297	250 298	249 299	248 300	247 301	246 302	245 303	244 304
9			Dec.	Jan.									275	275 275	274 276	273 277	272 278	271 279	270 280	269 281	268 282	267 283	266 284	265 285	264 286	263 287	262 288	261 289	260 290	259 291	258 292	257 293	256 294	255 295	254 296	253 297	252 298	251 299	250 300	249 301	248 302	247 303	246 304	245 305
9					Feb.								276	276 276	275 277	274 278	273 279	272 280	271 281	270 282	269 283	268 284	267 285	266 286	265 287	264 288	263 289	262 290	261 291	260 292	259 293	258 294	257 295	256 296	255 297	254 298	253 299	252 300	251 301	250 302	249 303	248 304	247 305	246 306
10		Dec.							July				303	303 303	302 304	301 305	300 306	299 307	298 308	297 309	296 310	295 311	294 312	293 313	292 314	291 315	290 316	289 317	288 318	287 319	286 320	285 321	284 322	283 323	282 324	281 325	280 326	279 327	278 328	277 329	276 330	275 331	274 332	273 333
10	Nov.				Mar.	April	May	June		Aug.	Sep.	Oct.	304	304 304	303 305	302 306	301 307	300 308	299 309	298 310	297 311	296 312	295 313	294 314	293 315	292 316	291 317	290 318	289 319	288 320	287 321	286 322	285 323	284 324	283 325	282 326	281 327	280 328	279 329	278 330	277 331	276 332	275 333	274 334
10			Jan.	Feb.									306	306 306	305 307	404 308	303 309	302 310	301 311	300 312	299 313	298 314	297 315	296 316	295 317	294 318	293 319	292 320	291 321	290 322	289 323	288 324	287 325	286 326	285 327	284 328	283 329	282 330	281 331	280 332	279 333	278 334	277 335	276 336
11	Dec.	Jan.		Mar.		May		July	Aug.		Oct.		334	334 334	333 335	332 336	331 337	330 338	329 339	328 340	327 341	326 342	325 343	324 344	323 345	322 346	321 347	320 348	319 349	318 350	317 351	316 352	315 353	314 354	313 355	312 356	311 357	310 358	309 359	308 360	307 361	306 362	305 363	304 364
11					April		June			Sep.		Nov.	335	335 335	334 336	333 337	332 338	331 339	330 340	329 341	328 342	327 343	326 344	325 345	324 346	323 347	322 348	321 349	320 350	319 351	318 352	317 353	316 354	315 355	314 356	313 357	312 358	311 359	310 360	309 361	308 362	307 363	306 364	305 365
11			Feb.										337	337 337	336 338	335 339	334 340	333 341	332 342	331 343	330 344	329 345	328 346	327 347	326 348	325 349	324 350	323 351	322 352	321 353	320 354	319 355	318 356	317 357	316 358	315 359	314 360	313 361	312 362	311 363	310 364	309 365	308 366	307 367

THE LONDON MUTUAL FIRE INSURANCE COMPANY

ESTABLISHED 1859 IN LONDON, ONTARIO

HEAD OFFICE, 33 SCOTT STREET, TORONTO

Claims Paid Over	**$8,900,000.00**
Security for Policyholders	**653,227.89**
Surplus	**380,895.44**

One of Canada's Oldest and Strongest Fire Insurance Companies

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BRITISH COLUMBIA	HOBSON & CO., LIMITED, VANCOUVER
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Ask them or our Local Agents for Rates on your Property

A. H. C. CARSON - PRESIDENT

METHOD OF USING BOURNE'S INSURANCE AND BROKERS' DAYS CHART

1. To find the number of days between two dates not more than a year apart—15 July, 1917, and 24 November, 1917. In this case 24, in the second date, is *9 more* than 15 in the first date. Find July in the top line and November in the same column. On the same line with November, and in the column headed 9 days difference, we find 132. The exact number of days from 15 July to 15 November is shown in the column "Days in exact months," on the same line with November, which appears in the column headed July. It is 123 days. As the difference between the days is 9 days more, this will give 132 as the number of days between the two dates as before. If the two dates are 15 July, 1917, and 6 November, 1917, 6 is *9 less* than 15, and the difference 114 days, between the two dates, is found in the same square and above 132, corresponding to 9 days more.

2. To find a date a required number of days in advance of a selected date. For example, find the date 93 days after 15 June. Follow down the two columns headed "June" and "Days in exact months" simultaneously until a month (September) is found with a number of days (in this case 92) near to the given number of days 93. To the right of 92, 93 is found in the column headed 1 day, and as 93 is the lower of the two numbers in the square containing it, the 1 day represents 1 day more by which the 15 of the given date is to be increased. The required date is therefore 16 September.

The column headed 30 will always show the lines on which 93 will appear, because on those lines it will fall between a greater and a smaller number contained in the same square. Sometimes it may appear as if there were two solutions to the question, but when the number of days in the given date is increased or diminished, as the case may be, by the difference in days at the head of the column, it will give in one of the two cases an impossible result for the day of the month.

TO SELL LIFE INSURANCE

Character Reading as Applied to Salesmanship—Results of Suggestion to Prospects

BY W. S. NEWMAN.

Thousands of addresses have been delivered and countless reams of paper written on the subject of life insurance salesmanship. New theories have been advanced and old arguments and appeals re-clothed and presented for the benefit of the ambitious and aspiring salesman. These he can read with interest and digest with profit, for they are nearly all good. Most of these theories, arguments, and appeals are for the purpose of emphasizing and encouraging those qualifications which are absolutely essential to success and which might be called the axioms of salesmanship, such as the following: honesty of purpose; confidence in oneself and the article one is selling; optimism, grit and perseverance; and a complete grasp of one's subject, and a clear and convincing manner of presenting it.

Power of Character Reading.

These qualifications are indispensable, but there is another qualification which outweighs any or all of them. It is really the keynote of salesmanship, without which no life insurance underwriter is successful. In fact his success is always commensurate with the development of this gift. I refer to the power of character reading, or in other words the sympathetic grasp and understanding of human nature.

Roughly speaking, salesmen are divided into two classes. There is the aggressive salesman whose success is due to his driving power and who absolutely dominates his prospect, consciously or unconsciously, by sheer force of will and personality, forcing him to accept for the time being at least, his, the salesman's, viewpoint of the subject in hand. There is the other kind of salesman, probably the brainier man of the two. This man relies not on the power of force, but of suggestion and persuasion to close the sale.

Results of Suggestion.

He so directs the discourse that the prospect thinks the ideas he finds himself expressing are the results of his own thoughts, while they are as a matter of fact the effects of a suggestion, planted in his brain by a successful and understanding underwriter. What a wonderful salesman a combination of these two characters would make, dominating the man who should be dominated, persuading the man who should be persuaded, and implanting suggestions in the brain of the man, where suggestion alone is necessary, but this success can only be achieved by the man who can accurately read and gauge the character of his prospect.

LIFE INSURANCE IN SASKATCHEWAN

Most Business Written on the Farm, Sometimes on Platform of Binder

BY E. S. MILLER.

Saskatchewan is a province, the settled part of which is approximately four hundred miles from east to west, and the same distance from north to south. In this tremendous area there are just about the same number of insurable people as in the city of Toronto, any part of which may be reached in less than an hour by street car or auto. While for the most part the life insurance business obtained in Toronto is written in the office, or in the home, our business is mostly written in the field, on the tail board of the wagon, the platform of the binder, or the seat of the plow. It is a common occurrence to close an application in the field and the applicant, though on his own farm, may be anywhere from a mile to two miles away from his house. He has no money in his jeans and he will not leave a team standing in the field while he goes to the house to dig up the initial payment which every good agent tries to secure with the application.

Three Physicians in 120 Miles.

Then there is the difficulty in securing prompt connection between the applicant and the medical examiner. Particularly since the war, doctors in this country are few and far between. I have in mind one well-settled line of railway (and it is not exceptional) where there are only three practicing physicians in 120 miles.

On the other hand, we have in the west a more even distribution of wealth than obtains in eastern communities. We have few, if any, people who are wealthy, as wealth is reckoned nowadays, and practically no poverty. There is no opportunity for the placing of the fifty and hundred thousand policies, but there are few people here who are unable to carry and pay for a moderate amount of life insurance.

Prosperity on the Prairies.

There is more prosperity on the prairies than at any time in the past and the people generally are in a more receptive mood so far as the life insurance salesman is concerned than they ever were before. Many of the people in our towns and cities to-day wish they had put more money in life insurance and less in town lots, while the better element in our farming population realize that a reasonable amount of life insurance affords protection to their credit, their dependants, and their own old age that they cannot afford to be without.

Notwithstanding the fact that a very large percentage of our possible clientele has been lost to us by enlistment, I believe that practically all of the companies that are actively pushing for business will in 1917 show a gratifying increase over any previous year. This is largely owing to the fact that to-day people are thinking more soberly, and are looking more to the things that are solid and substantial. Speculation is to a large extent dead. We have got down to a proper basis of credit. We are depending on the money we can make by production rather than what we can attract from outside. The gambling element has either left the country or found honest employment, with the result that conditions are good and business on a more solid basis than at any time since the first settler arrived.

"If a man does not provide for his family, if he does not provide for those dependent upon him, then he has not opened his eyes to any adequate conception of human life."—Woodrow Wilson, President of the United States.

FOUNDED 1797

NORWICH UNION
FIRE INSURANCE SOCIETY LIMITED
NORWICH, ENGLAND

Deposit at Ottawa
$952,847

Losses Paid
$150,000,000

FIRE INSURANCE

Accidents of All Kinds
Plate Glass
Employers' Liability
Sickness and Disease
Automobile Insurance

HEAD OFFICE FOR CANADA:
Norwich Union Building, 12-14 Wellington Street East
TORONTO
JOHN B. LAIDLAW, MANAGER

Canadian Army and Navy Pensions for Disablements and Deaths

SCHEDULE "A."

SCALE OF PENSIONS FOR DISABILITIES.

Percentage of Disability—Class and Annual Amount of Pensions and Allowances.

Rank or Rating of Member of Forces.	Rate per Annum.	Class 1. Total 100%	Class 2. 99%-95%	Class 3. 94%-90%	Class 4. 89%-85%	Class 5. 84%-80%	Class 6. 79%-75%	Class 7. 74%-70%	Class 8. 69%-65%	Class 9. 64%-60%	Class 10. 59%-55%	Class 11 54%-50%	Class 12. 49%-45%	Class 13 44%-40%	Class 14. 39%-35%	Class 15 34%-30%	Class 16 29%-25%	Class 17. 24%-20%	Class 18 19%-15%	Class 19 14%-10%	Class 20 9%-5%
		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts	$ cts	$ cts.	$ cts	$ cts	$ cts	$ cts	$ cts	$ cts	$ cts	$ cts	$ cts
All Ratings below Petty Officer (Naval); Rank and File (Militia)	Member of Forces Each Child.......	600 00 96 00	570 00 93 00	540 00 90 00	510 00 87 00	480 00 84 00	450 00 81 00	420 00 78 00	390 00 75 00	360 00 72 00	330 00 66 00	300 00 60 00	270 00 54 00	240 00 48 00	210 00 42 00	180 00 36 00	150 00 30 00	120 00 24 00	90 00 18 00	60 00 12 00	30 00 6 00
Chief Petty Officer and Petty Officer (Naval); Squad, Battery or Company Sergt.-Major and Q.M. Sergeant (Militia); Sergeant, including Staff-Sergt. and Colour-Sergt. (Militia).................	Member of Forces Each Child.......	637 50 96 00	605 63 93 00	573 75 90 00	541 88 87 00	510 00 84 00	478 13 81 00	446 25 78 00	414 38 75 00	382 50 72 00	350 63 66 00	318 75 60 00	286 88 54 00	255 00 48 00	223 13 42 00	191 25 36 00	159 38 30 00	127 50 24 00	95 63 18 00	63 75 12 00	31 88 6 00
Naval Cadet and Midshipman (Naval), Master Gunner not W. O. (Militia); Regimental Sergt.-Major not W. O. (Militia); Regimental Q.M. Sergt. (Militia)..	Member of Forces Each Child.....	775 00 96 00	736 25 93 00	697 50 90 00	658 75 87 00	620 00 84 00	581 25 81 00	542 50 78 00	503 75 75 00	465 00 72 00	426 25 66 00	387 50 60 00	348 75 54 00	310 00 48 00	271 25 42 00	232 50 36 00	193 75 30 00	155 00 24 00	116 25 18 00	77 50 12 00	38 75 6 00
Warrant Officer and Chief Warrant Officer (Naval), Warrant Officer (Militia).....................	Member of Forces Each Child . .	850 00 96 00	807 50 93 00	765 00 90 00	722 50 87 00	680 00 84 00	637 50 81 00	595 00 78 00	552 50 75 00	510 00 72 00	467 50 66 00	425 00 60 00	382 50 54 00	340 00 48 00	297 50 42 00	255 00 36 00	212 50 30 00	170 00 24 00	127.50 18 00	85 00 12 00	42 50 6 00
Sub-Lieutenant (Naval); Lieutenant (Militia)......................	Member of Forces Each Child ..	900 00 96 00	855 00 93 00	810 00 90 00	765 00 87 00	720 00 84 00	675 00 81 00	630 00 78 00	585 00 75 00	540 00 72 00	495 00 66 00	450 00 60 00	405 00 54 00	360 00 48 00	315 00 42 00	270 00 36 00	225 00 30 00	180 00 24 00	135 00 18 00	90 00 12 00	45 00 6 00
Above Ranks	Additional Allowance for Married Members of the Forces	96 00	91 20	86 40	81 60	76 80	72 00	67 20	62 40	57 60	52 80	48 00	43 20	38 40	33 60	28 80	24 00	19 20	14 40	9 60	4 80

SCHEDULE "B."

SCALE OF PENSIONS FOR DISABILITIES.

Percentage of Disability—Class and Annual Amount of Pensions and Allowances.

Rank of Rating of Member of Forces.	Rate per Annum.	Class 1. Total 100%	Class 2. 99%-95	Class 3. 94%-90%	Class 4. 89%-85%	Class 5. 84%-80%	Class 6. 79%-75%	Class 7. 74%-70%	Class 8. 69%-65%	Class 9. 64%-60%	Class 10. 59%-55%	Class 11. 54%-50%	Class 12. 49%-45%	Class 13. 44%-40%	Class 14 39%-35%	Class 15 34%-30%	Class 16 29%-25%	Class 17 24%-20%	Class 18 19%-15%	Class 19 14%-10%	Class 20 9%-5%
		$ cts	$ cts.	$ cts	$ cts.	$ cts.	$ cts	$ cts.	$ cts.	$ cts	$ cts	$ cts.	$ cts.	$ cts	$ cts	$ cts.	$ cts.	$ cts	$ cts	$ cts	$ cts
Lieutenant (Naval); Captain (Militia)	Member of Forces Each Child.......	1,000 00 96 00	950 00 93 00	900 00 90 00	850 00 87 00	800 00 84 00	750 00 84 00	700 00 84 00	650 00 84 00	600 00 84 00	550 00 66 00	500 00 60 00	450 00 54 00	400 00 48 00	350 00 42 00	300 00 36 00	250 00 30 00	200 00 24 00	150 00 18 00	100 00 12 00	50 00 6 00
Lieutenant Commander (Naval); Major (Militia)	Member of Forces Each Child..	1,260 00 96 00	1,197 00 96 00	1,134 00 96 00	1,071 00 96 00	1,008 00 96 00	945 00 96 00	882 00 96 00	819 00 96 00	756 00 96 00	693 00 66 00	630 00 60 00	567 00 54 00	504 00 48 00	441 00 42 00	378 00 36 00	315 00 30 00	252 00 24 00	189 00 18 00	126 00 12 00	63 00 6 00
Commander and Captain under three years' seniority (Naval); Lieutenant Colonel (Militia)..........	Member of Forces Each Child.......	1,560 00 120 00	1,482 00 120 00	1,404 00 120 00	1,326 00 120 00	1,248 00 120 00	1,170 00 120 00	1,092 00 120 00	1,014 00 120 00	936 00 120 00	858 00 66 00	780 00 60 00	702 00 54 00	624 00 48.00	546 00 42 00	468 00 36 00	390 00 30 00	312 00 24 00	234 00 18 00	156 00 12 00	78 00 6 00
Captain (Naval); Colonel (Militia).	Member of Forces Each Child.......	1,890 00 120 00	1,795 50 120 00	1,701 00 120 00	1,606 50 120 00	1,512 00 120 00	1,417 50 120 00	1,323 00 120 00	1,228 50 120 00	1,134 00 120 00	1,039 50 66 00	945 00 60 00	850 50 54 00	756 00 48 00	661 50 42 00	567 00 36 00	472 50 30 00	378 00 24 00	283 50 18 00	189 00 12 00	94 50 6 00
Commodore and higher ranks (Naval); Brigadier-General and higher ranks (Militia)...........	Member of Forces Each Child.......	2,700 00 120 00	2,565 00 120 00	2,430 00 120 00	2,295 00 120 00	2,160 00 120 00	2,025 00 120 00	1,890 00 120 00	1,755 00 120 00	1,620 00 120 00	1,485 00 66 00	1,350 00 60 00	1,215 00 54 00	1,080 00 48 00	945 00 42 00	810 00 36 00	675 00 30 00	540 00 24 00	405 00 18 00	270 00 12 00	135 00 6 00

SCHEDULE "C"

Scale of Pensions and Allowances for Deaths

Rank or Rating of Member of Forces	Rates Per Annum	
	Widows or Dependent Parents	Each Child of Each Dependent Brother or Sister
	$ c	$ c
All ratings below Petty Officer (Naval); Rank and File (Militia)..............................	480.00	96.00
Chief Petty Officer and Petty Officer (Naval); Squad, Battery or Company Sergt.-Major and Q. M. Sergeant (Militia); Sergeant including Staff Sergeant and Color Sergeant (Militia)...	510.00	96.00
Naval Cadet and Midshipman (Naval): Master Gunner not W. O. (Militia); Regimental Sergt.-Major not W. O. (Militia); Regimental Q. M. Sergeant (Militia)...........................	620.00	96.00
Warrant Officer and Chief Warrant Officer (Naval); Warrant Officer (Militia)...........	680.00	96.00
Sub-Lieutenant (Naval); Lieutenant (Militia)..	720.00	96.00

SCHEDULE "D"

Scale of Pensions and Allowances for Deaths

Rank or Rating of Member of Forces	Rate Per Annum	
	Widows or Dependent Parents	Each Child or Each Dependent Brother or Sister
	$ c	$ c
Lieutenant (Naval); Captain (Militia).........	800.00	96.00
Lieutenant-Commander (Naval); Major (Militia)	1,008.00	96.00
Commander and Captain under 3 years seniority (Naval); Lieutenant-Colonel (Militia).........	1,248.00	120.00
Captain (Naval); Colonel (Militia).............	1,512.00	120.00
Commodore and higher ranks (Naval); Brigadier-General and higher ranks (Militia)...........	2,160.00	120.00

Commercial Union Assurance Co.

Limited, of London, England

The Largest General Insurance Company in the World

Capital Fully Subscribed - -	$ 14,750,000
Capital Paid-up- - - -	1,475,000
Life Fund and Special Trust Funds	76,591,535
Total Annual Income exceeds -	51,000,000
Total Funds exceed - - -	151,500,000
Total Fire Losses paid - -	193,774,045
Deposit with Dominion Government	1,245,467

(As at 31st December, 1916)

HEAD OFFICE, CANADIAN BRANCH—

"Commercial Union Building"

MONTREAL

Toronto Office: 49 WELLINGTON STREET, EAST

Geo. R. Hargraft, General Agent

Palatine Insurance Company

Limited, of London, England

Capital Fully Paid - -	$1,000,000
Fire Premiums, 1916, net -	2,566,130
Interest, net - - -	144,290
Total Income - - -	2,710,420
Funds - - - -	5,248,690
Deposit with Dominion Government	276,900

(As at 31st December, 1916)

In addition to the above there is the further Guarantee of the Commercial Union Assurance Company, Limited, whose funds exceed $151,500,000.

HEAD OFFICE, CANADIAN BRANCH—

"Commercial Union Building"

MONTREAL

Toronto Office: 8-10 WELLINGTON STREET EAST

Jones & Proctor Bros., Limited, Agents

"MEN, MUNITIONS, MONEY"

ALL are wanted in the present great war. MONEY has been termed the Silver Bullet, and is playing a very important part. The magnificent subscriptions which have been made by the British people to the call for financial help is sufficient evidence of their whole-hearted determination to win the war at all cost and at any sacrifice.

EVERY PART OF THE EMPIRE IS ASSISTING IN THIS DIRECTION

Thousands of citizens are desirous of helping in this way, but their means are limited or the amount at their disposal appears small in comparison with the huge requirements.

Every individual in the community can do his share in this great work if he joins his efforts to those of the great corporations which are so splendidly assisting by furnishing the funds.

The Mutual Life and Citizens' Assurance Company, Limited (of Australia), has already subscribed to War Loans more than

TWENTY-TWO MILLION DOLLARS

Every policyholder of the Company is thus given the opportunity of carrying out A DOUBLE DUTY, first to the Nation, second to his dependents.

Every premium deposited secures a provision to the family of the depositor, which even under ordinary conditions he should avail himself of.

Help the Nation and Protect the Family by Assuring Now

A Life Assurance Policy enables the wealthy to make needed provision for Succession Duties; the business man secures valuable Collateral Security and Protection of Assets; the wage-earner enjoys the immediate equivalent of years of steady thrift for his family, and this is done in each instance by an investment as profitable as it is safe.

THE MUTUAL LIFE AND CITIZENS' ASSURANCE COMPANY, LIMITED

(OF AUSTRALIA)

Chief Office for Canada: 286 ST. JAMES STREET, MONTREAL **J. P. MOORE, Secretary**

CASUALTY AND MISCELLANEOUS INSURANCE

Review of the Growth of These Lines During the Past Ten Years

During the past ten years there has been a steady expansion in all lines of casualty and miscellaneous insurance business in Canada. The falling off in volume noticeable in some lines during the first two years of war has now been more than made up, and the figures for 1917 will show a record business.

Personal Accident and Combined Accident and Sickness Insurance.

In 1907 there were 18 companies transacting this class of insurance in Canada under Dominion license, while in 1916 the number had increased to 28. The annual premium income increased from $1,382,077 to $2,121,203 during the ten years as will be seen by the following tabulation:—

	Premiums received.	Losses incurred.
1907	$1,382,077	$ 533,139
1908	1,408,013	496,264
1909	1,642,403	517,669
1910	1,815,571	610.028
1911	1,850,868	668,933
1912	2,022,608	999,193
1913	2,199,885	880,521
1914	2,202,942	1,050,879
1915	2,086,763	1,073,331
1916	2,121,203	962,158

Guarantee and Contract Insurance.

Ten companies were writing guarantee insurance in Canada in 1907, as compared with 18 companies in 1916. The premiums increased from $224,416 to $799,010 in the ten years. The figures for the period are as follow:—

	Premiums received.	Losses incurred.
1907	$243.630	$ 76.378
1908	295.717	122,918
1909	320,023	88.242
1910	371,879	76.451
1911	444,628	152,190
1912	564,096	130,686
1913	645,624	189,030
1914	742,510	341,314
1915	730,138	172,221
1916	799,010	319,983

Employers' Liability Insurance.

In 1916 there were 21 companies transacting employers' liability insurance in Canada, as against 13 in 1907. The falling off in premiums during the past few years has been caused by the action of several of the provinces in eliminating the insurance companies from doing workmen's compensation insurance, the same having been reserved exclusively for workmen's compensation boards established by the government. The figures of the business for the ten years are as follow:—

	Premiums received.	Losses incurred.
1907	$ 908,998	$ 468,801
1908	1,009.885	558,646
1909	1,182,852	637,650
1910	1,644,252	912,818
1911	2.099,639	1,047,530
1912	2.817,286	1.472,921
1913	3,516,758	1,973,319
1914	3.433,179	1,507,051
1915	1,952.250	1.014.485
1916	1.930,198	1,144,937

Burglary Insurance.

In 1907 there were only two companies doing burglary insurance in Canada, as compared with 13 in 1916. while the yearly premiums have increased from $44.183 to $118,673 in the ten years as shown in the following table:—

	Premiums received.	Losses incurred.
1907	$ 44,183	$ 16,924
1908	54,740	22,889
1909	57,900	14,245
1910	55,934	16,302
1911	60,669	14,389
1912	66,042	15,740
1913	75,580	25,320
1914	85,473	35,982
1915	91,885	24,007
1916	118,673	22,107

Steam Boiler Insurance.

In 1916 there were six companies doing steam boiler insurance in Canada, which is but two more than in 1907, but the premium income has increased from $86,777 to $199,017 in the ten years, as will be seen from the following:—

	Premiums received.	Losses incurred.
1907	$ 86,777	$ 13,132
1908	87,613	9,992
1909	99,158	10,255
1910	111,532	3,374
1911	126,506	3,781
1912	135,377	.88,749
1913	147,669	4,866
1914	144,223	8,958
1915	150,377	11,688
1916	199,017	5,716

Sickness Insurance.

In 1907 there were 20 companies and societies carrying on sickness insurance in Canada under Dominion license, as compared with 28 in 1916. The premiums show an increase from $520,587 to $1,109,801 in the ten years, as follow:—

	Premiums received.	Losses incurred.
1907	$ 520,587	$450,738
1908	533,318	458,218
1909	547,442	495,052
1910	603,274	542,809
1911	880,780	638,651
1912	1,027,374	713,729
1913	1,135,430	722,540
1914	1,133,413	690,449
1915	1,084,798	680.358
1916	1,109.801	719,195

Plate Glass Insurance.

While ten years ago there were only five companies transacting plate glass insurance in Canada, at the end of 1916 the number had increased to 22, the premium income increasing from $118,291 to $271,302 in the same period, as follows:—

	Premiums received.	Losses incurred.
1907	$118,291	$ 52,856
1908	133,817	57,017
1909	132,901	53,083
1910	151,399	61,504
1911	272,205	69,686
1912	193,525	88,169
1913	224,829	129.933
1914	291,927	122.940
1915	269.263	100,740
1916	271.302	131,502

Automobile Insurance.

(Both Including and Excluding Fire.)

Automobile insurance has made rapid progress since its introduction as a separate branch in 1910, when seven companies were engaged in this class of insurance, as compared with 33 companies at the end of 1916. The figures of the business for the seven years are as follow:—

	Premiums received.	Losses incurred.
1910	$ 80,446	$ 33,369
1911	253,550	184,218
1912	464,580	176,895
1913	563,204	228,433
1914	573,604	297,499
1915	646,085	289,986
1916	909,503	316,113

THE

Employers' Liability

Assurance Corporation

Limited, of London, Eng.

ISSUES

PERSONAL ACCIDENT
SICKNESS
EMPLOYERS' LIABILITY
WORKMEN'S COMPENSATION
AUTOMOBILE
FIDELITY GUARANTEE
AND
FIRE INSURANCE POLICIES

C. W. I. WOODLAND
General Manager for Canada and Newfoundland

JOHN JENKINS, Fire Manager

Temple Building
TORONTO

Lewis Building
MONTREAL

The Imperial
Guarantee and Accident
Insurance Co. of Canada

IMPERIAL PROTECTION POLICIES

ACCIDENT INSURANCE
SICKNESS INSURANCE
GUARANTEE BONDS
AUTOMOBILE INSURANCE
AUTOMOBILE FIRE INSURANCE
PLATE GLASS INSURANCE
ELEVATOR INSURANCE

WE PROTECT YOU AGAINST LOSS

BRANCH OFFICES:
MONTREAL: Canada Life Bldg.
WINNIPEG: Merchants' Bank Bldg.
CALGARY: Canada Life Bldg.
VANCOUVER: Cramer & Co., Ltd.

Head Office:
Canada Life Building - TORONTO

THE

Canada National Fire Insurance Company

HEAD OFFICE - WINNIPEG, CANADA

Authorized Capital - $3,000,000
Subscribed Capital - $2,050,400
Paid-in Capital - - $1,770,000
Assets - - - $2,350,000
Surplus to Policyholders, $2,050,000

BOARD OF DIRECTORS:

President: J. H. G. RUSSELL.
Vice-Presidents: D. E. SPRAGUE. F. H. ALEXANDER.
Managing Director: W. T. ALEXANDER.

Directors:
J. G. Hargrave. E. L. Taylor, K.C. R. G. Affleck. Dr. A. D. Carscallen. S. D. Lazier.
F. N. Darke, Regina. Andrew Gray, Victoria. Hon. A. C. Rutherford, Edmonton. Jonathan Rogers, Vancouver.

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

Agencies:

TORONTO, ONT.—Lyon & Knowland
VICTORIA, B.C.—Douglas, Mackay & Co.
VANCOUVER, B.C.—A. W. Woodard, Rogers Building
CALGARY, ALTA.—Newton Mowers & Gilbert
EDMONTON, ALTA.—Allan, Killam, McKay, Alberta, Limited
REGINA, SASK.—G. B. Reid
SASKATOON, SASK.—Willoughby-Sumner Co., Ltd.
General Agent, NOVA SCOTIA—A. J. Bell & Co., HALIFAX.

A CANADIAN COMPANY INVESTING ITS FUNDS IN CANADA

Inland Transportation Insurance.

While in 1907 only four companies were transacting inland transit or transportation insurance in Canada, at the close of 1916, the number had increased to 11, and the premium income, which in 1907 was $22,369, had increased to $165,605 as follows:—

	Premiums received.	Losses incurred.
1907	$ 22,369	$ 6,020
1908	37,072	7,798
1909	37,465	7,400
1910	114,371	55,417
1911	37,811	572
1912	88,151	31,701
1913	140,240	45,568
1914	193,178	84,544
1915	165,450	109,545
1916	165,605	48,274

Sprinkler Leakage Insurance.

The figures for sprinkler leakage insurance first appear in the Dominion blue book for the year 1910, when three companies were doing this class of business, as compared with eight companies at the close of 1916. The premium income has grown from $18,548 to $51,823 in the seven years, as follows:—

	Premiums received.	Losses incurred.
1910	$ 18,548	$ 3,355
1911	37,238	13,004
1912	32,118	22,930
1913	42,386	6,083
1914	52,722	25,381
1915	38,780	18,014
1916	51,823	29,548

Tornado Insurance.

Tornado insurance first makes its appearance in the blue book for the year 1908, when two companies were transacting this line, as compared with 15 companies at the close of 1916. The premiums have increased from $156 to $48,564 in the nine years as follow:—

	Premiums received.	Losses incurred.
1908	$ 156	$ 20
1909	276	None
1910	588	None
1911	768	None
1912	22,007	810
1913	29,667	5,673
1914	13,282	2,002
1915	26,750	3,623
1916	48,564	24,023

Livestock Insurance.

Two companies were transacting livestock insurance in Canada under Dominion license in 1908, when the business was started here, and the same two companies were carrying on this class of insurance at the end of 1916. The premiums, which in 1908 totalled only $5,041, rose to $132,436 in 1913, and then declined to $76,084 at the end of 1916, as follow:—

	Premiums received.	Losses incurred.
1908	$ 5,041	$ 2,525
1909	47,485	24,201
1910	86,645	51,025
1911	109,257	56,028
1912	127,533	73,598
1913	132,438	77,818
1914	110,436	70,662
1915	79,971	44,553
1916	76,084	52,196

Hail Insurance.

The number of companies transacting hail insurance under Dominion license has increased from one in 1910 to 15 in 1916, while the premium income has increased from $226,881 to $1,430,866 in the seven years as follows:—

	Premiums received.	Losses incurred.
1910	$ 226,881	$ 73,549
1911	200,240	92,000
1912	249,261	117,449
1913	336,572	206,916
1914	242,258	96,254
1915	744,332	402,216
1916	1,430,866	1,570,033

HAIL INSURANCE IN WESTERN CANADA

Government Plan Not Feasible—Farmers Benefit fro Underwriters' Co-operation

BY W. J. WILCOX.

The greatly increased hail insurance premium incom obtained throughout Manitoba, Saskatchewan and Alberta b stock companies in 1917 points unmistakably to the fact tha the Western farmer is at last beginning to realize the absolute necessity of covering himself adequately against hai damage. In the history of agricultural Canada there hav been no such hail losses as those sustained throughout th whole of the Western territory in 1916. Now that the companies have been writing this class of insurance for som years, reliable statistics are being obtained, and useful information as regards the possibility in some localities of ha damage, and the consequent rates which should be charged are being compiled. Every Western farmer knows that ther are some localities which in the memory of man have neve been hailed, whereas others have suffered extensive losse in two and sometimes three consecutive years. When on realizes that there are certain wet and dry belts running through our Western farm lands, it is only reasonable t expect that the likelihood of hail falling in these district varies greatly.

Erratic Hail Storms.

There is probably nothing in the world more erratic tha a hail storm. Sometimes a whole township will be thinl sprinkled with hail, and again a path of a comparatively fe feet in width will be cut right through standing crops, an parts of many fields will suffer in one section 100 per cen loss, whereas the remainder of the fields are practically untouched. The damage usually occurs about the time the cro is ready for harvest, and we can think of nothing more discouraging to a farmer than to see his whole season's labc wiped out in a few minutes.

The storms of July, August and September of 1916 wi stand out vividly in the minds of the average Western farmer and, naturally, he to-day wants the very best protection h can buy. Early in 1917 the Canadian Hail Association wa formed and the majority of the stock companies becam members. As a result of this, the statutory conditions, whic are now the same in all provinces, have been carefully revised, and in this way the interests of the insurance companies and the insured are being benefited.

Distribution of Liability.

From the companies' point of view, there is one facto necessary for their success; that is, the distribution of liability. If this is not carefully attended to, then hail insuranc is a pure and simple gamble. With this is to be considere the question of adequate rates

No exact mathematical process can be used to compil figures which will enable insurance companies to apply i any one year an absolutely adequate rate; therefore, it i essential that statistics over a period of years should be compiled, and thus a rate obtained which, over a cycle, will sho a reasonable profit to the companies and adequate protectio to the insured.

Government Plan Not Feasible.

To these important factors, namely, distribution of liability and adequate rate, the stock companies are in an excellent position to pay attention, and, with these points i view, we feel that the government municipal insurance pla is not feasible. Where the government is writing they naturally have to take liability in the worst sections, and the every farmer automatically obtains covering. This naturall results in a state of affairs whereby the government will hav millions of dollars of liability in a comparatively small sectio of the country, whereas stock companies, knowing the previous records of that territory, will wisely keep out of altogether or write very sparingly.

We are glad that the companies are now keeping together, and, should they follow the wise course which the have apparently laid down, we foresee in the future hail insurance in Western Canada on an entirely satisfactory basis both from the point of view of the company and of the farmer

British America Assurance Company

Established A.D. 1833 in the Reign of King William IV.

FIRE, MARINE, INLAND TRANSPORTATION and HAIL

ASSETS exceed - - .	$2,500,000
CAPITAL (authorized) - -	3.000,000
" (subscribed) - .-	1,400,000
" (paid-up) - - -	1,400,000

Losses paid to Policy-holders since organization of the Company in 1833 over $41,000,000

BOARD OF DIRECTORS

W. B. MEIKLE, President and General Manager
Sir JOHN AIRD
ROBERT BICKERDIKE, M.P. (Montreal)
ALFRED COOPER (London, Eng.)
H. C. COX
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LONDON OFFICES: 14 Cornhill, London, E.C.

HEAD OFFICE: British America Assurance Buildings, corner Front and Scott Streets, TORONTO, Canada

Canada Security Assurance Company

(HAIL DEPARTMENT)

Incorporated 1912

BANKERS:
CANADIAN BANK OF COMMERCE

Over $600,000 paid out in Losses

Comparison Invited

Officers:

President - -	P. R. REED
Vice-President -	T. B. REDDING
Secretary-Manager	E. M. WHITLEY

Head Office, CALGARY, Alta.

Western Mutual Fire Insurance Company

Operating on a Strictly Mutual Plan for Farmers Only

Business in Force Over $6,000,000

A Strong and Progressive
Western Company

P. R. REED, ***Secretary-Manager***

WHITLEY & REDDING
Provincial Agents
CALGARY - ALBERTA

Head Office - DIDSBURY, ALTA.

Workmen's Compensation in Canada

Manitoba and Nova Scotia Commenced Operation of New Acts Last Year

SINCE March 1st, 1917, the employers of industrial labor in Manitoba have been subject to a new Workmen's Compensation Act, and in Nova Scotia, since January 1st, 1917. The Manitoba act is a development of the idea that workmen should not bear the whole financial cost of injuries due to the hazards of their particular trade. Manitoba in its workmen's compensation legislation is not setting any new lead so far as the principle of compensation is concerned. From a volume issued a few years ago by Messrs. Frankel & Dawson, of the Russell Sage Foundation, covering an investigation of European systems, it would appear that workmen's compensation along the same lines has been in force in practically all the great nations of Europe for some years past. Some of these countries have gone much further than has Manitoba, others less so, also the time that the different nations have had such legislation in force, has varied, and it has consequently been difficult to arrive at the system which works out best. The same might be said of legislation on this continent—while the principle has been largely the same, the methods of operation and basis of compensation have varied. In the United States most of the states have their workmen's compensation act. Some are compulsory government insurance, others, as in Manitoba, are compulsory company insurance, with government control of rates. New York has three options—government insurance, mutual insurance and stock companies.

In Canada, Ontario adopted the government insurance plan, as it is popularly called, which is really a classified grouping mutual managed by a workmen's compensation board appointed by the government. Manitoba legislation is largely identical with Ontario's basis of compensation, but operated through approved companies instead of the government mutual plan.

British Columbia has followed Ontario's lead in practically all respects.

Saskatchewan and Alberta still retain their employers' liability acts, while of the eastern provinces, Nova Scotia has an act and administration similar to Ontario. New Brunswick and Quebec still operate under employers' liability acts.

A new act is under consideration in Alberta and a commission is taking evidence at different points. Their report will in due course be laid before the Alberta cabinet.

MANITOBA'S WORKMEN'S COMPENSATION ACT

Employers May Carry Insurance With Companies if Desired

The Workmen's Compensation Act, passed by the Manitoba legislature on March 10th, 1916, became operative as respects payment of compensation on March 1st, 1917. It introduces radical changes in the law respecting injuries to employees. Upon its coming into force earlier legislation comprised in the Employers' Liability Act, R.S.M., 1913, Chapter 61, and the Workmen's Compensation Act, R.S.M., 1913, Chapter 209, will become inoperative. It does not apply to farm laborers or domestic or menial servants or their employers.

Employments Covered.

All other employments are divided into two classes, governed respectively by part 1 and part 2 of the act.

Part 1 applies to employments in the very large number of industries enumerated in the schedule to the act. These may be described in general terms as embracing manufacturing, milling, lumbering, mining, quarrying, fishing, transportation, navigation, cosstruction, building, warehousing, operation of public utilities, and all occupations in connection therewith, hut for complete information as to what industries and what employers and workmen are covered by part 1 of the act the schedule itself should be referred to.

Part 2 applies to employments in the industries not mentioned in the schedule. Chief among these are mercantile business, hotel keeping, restaurant keeping, gardening, hand laundries, barber shops, photography, hospital work, dentistry and undertaking. To cover questions arising out of this division the Board has decided, as a rule of interpretation of the act, that every industry is to be regarded as a unit, so as to carry with it all operations and occupations incidental to it. Thus warehousing or transportation incident to manufacturing are within the provisions of part 1, but where incident to a mercantile business they are not.

An exception to the rule is the operation of freight and passenger elevators, where workmen are specially employed therefor, which is expressly declared to be within part 1, whether the industry to which it is incident is or is not mentioned in the schedule.

Part 2 is not under the jurisdiction of the board. Disputed claims arising under it are decided as formerly by actions in the courts, but workmen's rights have been extended by the taking away of the employer's defences of common employment and assumed risk, and by making contributory negligence only a ground for reduction of damages instead of a bar to recovery. Part 1 is administered by the board and the following articles are to be understood as referring to it alone.

Where Compensation is Payable.

The compensation for the injury is payable irrespective of any question of negligence or absence of negligence and defences of common employment and voluntary assumption of risk are no longer applicable. The only cases in which compensation is not payable, provided the accident arises out of or in the course of the employment, are:—(1) Where the disability lasts less than six consecutive working days; (2) where the accident is attributable solely to the serious and wilful misconduct of the workman, and does not result in death or serious disablement.

Compensation is to be paid for industrial diseases as well as for accidents. No agreement to forego the benefits of the act is valid, and no part of the amount payable is to be charged against the workman, and, except with the approval of the board, the compensation cannot be assigned, charged or attached. The right to compensation so given is in lieu of all other rights to compensation or damages, statutory or otherwise.

Scale of Compensation.

If the accident results in death and the workman leaves a widow but no children, the widow is entitled during life or widowhood to a payment of $20 per month. If he leaves a widow and children, the payment to the widow is $20 a month for each child under sixteen years of age, but not exceeding $40 in all. If he leaves children only, the payment is $10 a month for each child under sixteen, but not exceeding $40 in all. Where the dependents are persons other than those above mentioned, they are entitled to a sum reasonable and proportionate to the pecuniary loss occasioned to them by the workman's death, but not exceeding to the parent or parents $20 a month, or in the whole $30 a month. The foregoing is governed, however, by the provision that in no case is the compensation to exceed 55 per cent. of the workman's

Western Assurance Company

Incorporated A.D. 1851

Fire, Marine, Inland Transportation and Explosion

A World-wide Business Transacted

ASSETS exceed	- -	$5,000,000
CAPITAL (authorized)	-	5,000,000
" (subscribed)	-	2,500,000
" (paid-up) -	-	2,500,000

Losses paid to policy-holders since organization of the Company in 1851 over $66,000,000

BOARD OF DIRECTORS

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Robert Bickerdike, M.P. (Montreal)
Alfred Cooper (London, Eng.)
H. C. Cox
D. B. Hanna
E. Hay
John Hoskin, K.C., LL.D.
Z. A. Lash, K.C., LL.D.
Geo. A. Morrow.
Lt.-Col. the Hon. Frederic Nicholls
Brig.-Gen. Sir Henry Pellatt, C.V O,
E. R. Wood

BOARD AT LONDON, ENG.

Rt. Hon. Sir JOHN H. KENNAWAY, Bart., C.B., Chairman
Sir Ernest Cable Alfred Cooper Sir Charles Johnston, Bart.

LONDON OFFICES: 14 CORNHILL, LONDON, E.C.

Head Office: Western Assurance Bldgs., corner Scott and Wellington Sts., TORONTO

British Northwestern Fire Insurance Company

HEAD OFFICE:
WINNIPEG, Canada

Subscribed Capital	- -	$594,400
Capital Paid-up	- -	$242,000
Security for Policyholders	-	$677,000

Hon. EDWARD BROWN, President
E. E. HALL, Vice-President
F. K. FOSTER, Managing Director

**JOHN KILLER, General Agent for Ontario,
KITCHENER, ONT.**

FIRE **AUTOMOBILE**
Fire, Theft and Transportation

Chief Offices: LONDON and GLASGOW

THE BRITISH CROWN ASSURANCE CORPORATION LIMITED

Licensed by Dominion Government

HEAD OFFICE FOR CANADA:

TRADERS BANK BUILDING, TORONTO

J. H. Riddel, Manager E. C. G. Johnson, Asst. Manager

earnings in the employment; and all provisions for compensation are subject to the proviso that the earnings of a workman shall not in any case be reckoned at more than $2,000 a year.

Where a widow marries again, the periodical payments to her cease on her marriage, but she is entitled, within a month after her marriage, to a lump sum equal to two years' payments. Where the accident results in total disability of a workman, he is entitled during the continuance of the disability, whether for life or temporarily, to a weekly or monthly payment equal to 55 per cent. of his earnings in the employment. Where the workman is only partially disabled he is entitled to 55 per cent. of the impairment of his earning capacity. Reasonable expenses of medical attendance, nursing, etc., and where the injury results in death, reasonable expenses of burial, ar also to be paid.

One of the important features of the compensation is that it is payable periodically rather than in a lump sum, and as a rule it continues during disability or during life, as the case may be, but provision is made for commutation of the periodical payments in certain cases. Where the impairment of earning capacity does not exceed 10 per cent., the compensation is to be fixed at a lump sum unless the board thinks it is not to the advantage of the workman to do so.

Settling Compensation.

All questions as to right to compensation, and the amount of it, are to be determined by the board instead of in the courts. The employer is required by the act to notify the board within three days of any accident happening to a workman in his employ, which disables the workman from earning full wages. The workman must, as soon as practicable, and before voluntarily leaving the employment, give notice of the accident to the employer and to the board, and must make claim for compensation within six months. In keeping with the policy of the act, which aims at speedy and inexpensive determination of claims, the board dispenses with all but the simplest forms of procedure on the part of the litigants. Forms to be filled out by the workman and employer respectively will be supplied on request and when these are completed and filed the board will adjudicate upon the claim, make further enquiries, appoint a time for hearing, or take such other action as seems proper.

Liabilities and Duties of Employers.

Every employer is individually liable to pay the compensation. He is liable not only to his own workmen, but to the workmen of a contractor who contracts with him for the performance of any work undertaken by him in the course of his trade or business. In the latter case he is entitled to be indemnified by the contractor.

In order to assure to workmen, or their dependents, payment of any compensation that may be awarded, every employer is required by the act to insure himself against liability in some insurance company approved by the board for the purpose, and to deposit the policy with the board, but, by permission of the board, given with the approval of the lieutenant-governor-in-council, an employer may be exempted from this obligation and allowed to carry his own insurance. Failure to insure, or to obtain permission to carry his own insurance, subjects an employer to a penalty of $200 per day during default.

Employers are also required, under a like penalty in case of default, to prepare and transmit annually to the board a statement of wages earned by all their employees during the year last past, and an estimate of the amount which will be expended for wages during the then current year, both verified by statutory declaration.

By regulation of the board, the 15th day of February, 1917, has been fixed as the date on or before which such statements, estimates and policies must first be filed, and where an industry is established or commenced after that date it is the duty of the employer to notify the board of the fact and to file an insurance policy and an estimate of his pay roll for the remainder of the year.

In any case where an employer would be entitled to a lien under the Mechanics' and Wage Earners' Lien Act, it is the duty of the owner as defined by that act to see that a policy of insurance is filed by such employer, unless such employer has been permitted to carry his own insurance.

Where compensation is awarded it must be paid to the board and by the board to the persons entitled to it.

To defray the expenses of the administration of the act by the board each employer carrying his own insurance and each insurance company is required to pay to the board seven and one-half per cent. of the premium charged by such insurance company, or which such employer would have been charged had he insured against his liability.

NOVA SCOTIA'S COMPENSATION ACT

Employers' Liability Policies Were Cancelled Last Year—Provisions Meet With General Approval

BY V. J. PATON, K.C.

A workmen's compensation act is now in force in Nova Scotia. It is chapter 1 of the acts of 1915, but did not come into force for the purpose of paying compensation until January 1st, 1917. The provisions of it are practically the same as those of the Ontario Workmen's Compensation Act, although some sections are differently worded. The act is divided into two parts. Part 1 contains the compulsory compensation features of the act, and mentions the industries within the scope of that part. They are practically the same as the Ontario industries except that all railways in Nova Scotia other than government railways are within that part of the act the same as any other industry. In Ontario railways are placed in a schedule by themselves.

Under our act the scale of compensation is as follows:—(a) Burial expenses not to exceed $75. (b) To a widow $20 a month for life or until she remarries, in which case she is paid $480, and thereafter compensation ceases. (c) Where dependants are widow, and children under sixteen, $20 a month for life to widow and $5 to each child under sixteen, whole amount not to exceed $40. (d) Where there is no widow and the dependants are children $10 a month to each child under the age of sixteen, not exceeding in the whole $40.

Other Than Widow and Children.

(e) Where the dependants are persons other than widow or children a sum reasonable and proportionate to the pecuniary loss of such dependants, the same to continue as long as it might reasonably have been expected that the workman, had he lived, would have continued to contribute to the support of dependants. (f) Where the accident is not fatal compensation is payable to the injured workman to the amount of fifty-five per cent. of his average earnings during total disability and fifty-five per cent. of any impairment in his earning capacity during partial disability.

The act applies to all personal injuries by accident arising out of or in the course of the workman's employment except where the injury—

(a) Does not disable the workman for the period of at least seven days from earning full wages at the work at which he was employed; or

(b) is attributable solely to the serious and wilful misconduct of the workman, unless the injury results in death or serious and permanent disablement.

If the disability lasts over seven days compensation is payable from the date of the disability.

Assessment of Employers.

The act provides for assessing employers by an assessment based upon their pay rolls The money so obtained is paid to the workmen's compensation board, and forms an accident fund, out of which compensation is payable by the board to the injured workmen or their dependants.

As to the position of casualty and accident insurance companies in our province, after January 1st, 1917, employers' liability policies were cancelled, as there was no longer any need for such insurance, with respect to any industries within the scope of part 1 of the act.

The act came into force on January 1st, 1917, for all purposes. It came into force on October 1st, 1916, for preliminary purposes. As stated above, the act was passed in 1915. Amendments were passed on the 7th day of May, 1917, being chapters 70 and 71 of the Nova Scotia acts of 1917.

The act is working well and is meeting with the general approval of the employers and of the workmen of the province. There are 1,496 employers contributing to the accident fund, and the yearly amount so paid by them is about $800,000.

INDUSTRIAL

WINNIPEG
THE GATEWAY CITY OF THE WEST

Forty years ago Winnipeg was without railway communication. Transportation facilities were confined to the rivers and to ox carts. To-day twenty-seven lines of railway radiate from this city.

TEN YEARS' PROGRESS IN WINNIPEG

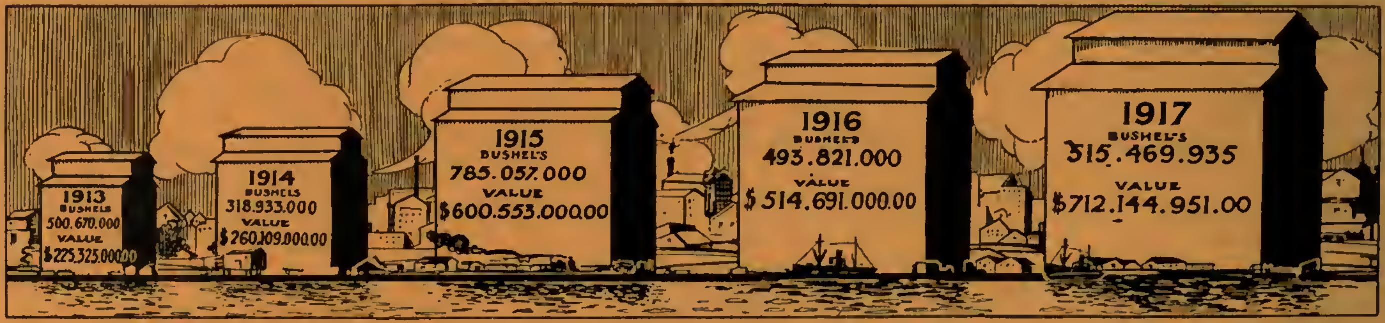
BANK CLEARINGS

Year	Amount	Year	Amount
1907	$ 599,667,576	1913	1,634,977,237
1908	614,111,801	1914	1,370,960,806
1909	770,649,322	1915	1,530,683,124
1910	953,415,281	1916	2,061,795,257
1911	1,172,762,142	1917 to Nov. 30th	2,377,168,918
1912	1,537,817,524		

INDUSTRIAL GROWTH

Year	Annual Output	Over 420 Industrial Plants in 1917
1905	$ 18,983,248	22,000 hands employed
1910	39,400,608	$12,000,000.00 annual payroll
1916	54,500,000	$73,000,000.00 capital invested

STUDY THIS CROP STATEMENT



Practically this entire crop is marketed through Winnipeg.

Only 12% of Western Canada's arable lands are at present under cultivation.

Can you, Mr. Business Man, estimate the purchasing power of the output of Western Canada's farms during the next ten years, considering the fact that the above figures do not include the value of the live stock production? Remember that Winnipeg is the logical market for Western Canada.

The following, showing the purchasing power of a Western Canadian farm of 100 acres, is considered an authentic estimate:—

1915	1916	1917
$3,140.00	$2,694.00	$3,725.00

The population of Manitoba, Saskatchewan and Alberta does not exceed one million six hundred thousand. The population of Manitoba, according to Directory estimates, is placed at 553,000. Population of Greater Winnipeg, 247,000.

Winnipeg will undoubtedly occupy a prominent position as a manufacturing city as the development of Western Canada proceeds.

Hydro-electric Power is sold to manufacturers at from 3c. to ½c. per K.W.H. 90,000 H.P. at present developed within 75 miles of Winnipeg on the Winnipeg River. Government statistics place power possibilities of the Winnipeg River at 418,000 continuous 24-hour H.P., all within 75 miles of this City.

Correspondence cordially solicited. All enquiries receive individual, careful and prompt attention.

INDUSTRIAL BUREAU *Charles H. Webster, Commissioner.* *WINNIPEG, CANADA*

100 OPPORTUNITIES FOR FACTORY MEN. WAITING
POWER TO MANUFACTURERS AT COST.
50,000 SURPLUS H.P.

Canada's War Orders To Date: $1,812,000,000

Value of Munitions Orders Placed Here Since the Outbreak of War to the End of 1917 is $1,000,000,000; Last Year the Expenditure on These Orders Totalled $338,000,000—In Addition, We Got Orders For Over $46,000,000 Worth of Ships

Orders placed in Canada for	Period.	Value.
Shells, fixed ammunition, etc.	August, 1914—September, 1917	$ 925,270,000
Shells, fixed ammunition, etc.	September, 1917—December, 1917	75,000,000
Ships, wooden and steel	Year, 1917	46,730,000
General supplies	August, 1914—December, 1915	235,000,000
General supplies	January—December, 1916	260,000,000
General supplies	January—December, 1917	270,000,000
Total war orders	August, 1914—December, 1917	$1,812,000,000

War orders valued at approximately $1,812,000,000 have been placed in Canada since the outbreak of war. This total has been arrived at by *The Monetary Times* as the result of three successive investigations and with the assistance of figures supplied by the Imperial Munitions Board, the British War Office Service in Canada, the Department of Agriculture, the Department of Trade and Commerce and the War Purchasing Commission, Ottawa. This vast sum represents an average annual expenditure in Canada of $604,000,000 on shells and general war supplies for three years of war, as little was supplied by us before the end of 1914.

More than half the orders received are represented by munitions. Since the outbreak of war to the end of September last, the orders placed by the Imperial Munitions Board were valued at $925,270,000. Since that date, approximately $75,000,000 of further orders have been placed, bringing the total value of munitions orders up to $1,000,270,000, to the end of 1917. In addition shipbuilding orders of over $46,000,000 have been placed here. The following memorandum has been handed to *The Monetary Times* by Sir Joseph Flavelle, chairman of the Imperial Munitions Board:—

(1)	Value of munitions orders placed in Canada last year, to September 30	$263,000,000
(2)	Value of shipbuilding orders	46,730,000
(3)	Value of orders placed in Canada since the outbreak of the war, including shipbuilding	972,000,000
(4)	Number of people engaged in the munitions industry in Canada, approximately	225,000

Credits to End of Year.

Sir Thomas White, finance minister, stated in the House at Ottawa, on September 8, that $25,000,000 monthly would be advanced to the Imperial Munitions Board for munitions orders during October, November, December, 1917.

The munitions business of Canada has expanded at a remarkable rate. Brigadier-General Sir Alexander Bertram, speaking to the Canadian Society of Civil Engineers, Montreal, in October, stated that we had shipped sufficient tonnage of shells to build 19 bridges across the St. Lawrence, each equal to the Quebec bridge. Our tonnage of shells shipped to the Empire would build 66 battleships of 18,000 tons each.

Dealing with the manufacture of munitions in Canada, General Bertram emphasized the large undertakings it had brought into force here Amongst these were two new industries, the refining of copper and spelter. At Trail there were being produced monthly 360 tons of copper, 1,700 tons of lead and 1,200 tons of zinc, which taxed the capacity of all our steel producing and refining plants. In addition, plants had been organized for the manufacture of all kinds of explosives. Further, the manufacture of aeroplanes had been introduced and to-day was so well organized that 100 aeroplanes were being turned out monthly, with plans to double this output immediately. In addition the board had established plants for the manufacture of nitrocellulose powder, T.N.T. and cordite.

As to shell production, this included 18-pounder shrapnel, 27,031,714; 18-pounder high explosive, 5,300,908; 4.5 high explosive, 8,738,470; 60-pounder high explosive, 1,097,317; 6-in. high explosive, 2,959,626; 8-in. high explosive, 747,190; 9.2-in. high explosive, 744,179. These made a total of 47,519,404 shells, comprising 1,029,860 tons of steel. Besides these there had been made of 18-pounder and 4.5-in. cartridge cases—a totally new industry—39,655,427, using 20,768 tons of copper and brass, while shell forgings had been exported to the extent of 4,921,037, using 138,498 tons of steel.

With regard to explosives, General Bertram said that one plant was producing about 40,000 pounds of T.N.T. per day and 80,000 pounds of nitrocellulose powder. Approximately 46,000,000 pounds of T.N.T. had been manufactured since the commencement of the war. Another company was producing about 2,000,000 pounds per month, while a third plant, incidentally another new industry, when operating at full force, produced 40,000 time fuses per day. Another plant had been volunteered for the manufacture of acetone and was to-day producing over 100 tons a month, the acetone being used for cordite.

Over Four Thousand Tons.

Another new industry established by the Imperial Munitions Board had been an electric steel plant to utilize scrap metal. This was nearly completed and already at work, and expected to send approximately 4,500 tons monthly for the British government.

The work was carried on in 400 factories in Canada, three-fifths in the manufacture of shells and two-fifths on components, basic supplies and shipbuilding.

The object was to produce the finished article from Canada's own mills and mines, and this had been achieved, from fuse to cartridge cases and the 25,000,000 boxes required for shells.

The department of agriculture had made disbursements for British War Office account, in connection with the purchase and shipment of hay, oats and flour, amounting to $94,329,040, up to the end of September, 1917. According to a statement by this department to *The Monetary Times*, the total quantity of hay shipped by them since the outbreak of the war amounts to 481,049 tons. This hay was purchased in ordinary bales and recompressed into bales of smaller size and greater density at Montreal, West St. John and Woodstock, N.B., Windsor, N.S., Charlottetown, P.E.I., and Calgary, Alta. The bulk of the hay was recompressed at the Montreal plant, the capacity of which is about 1,000 tons per day, running 24 hours.

Oats and Flour.

No hay has been shipped since June last on account of the scarcity of transport, and the big crop of hay in the United Kingdom in 1916 which enabled the War Office to draw supplies from that source.

The quantity of oats shipped to September last was, in round figures, 1,283,055 tons, or about 76,000,000 bushels These oats came mostly from the prairie provinces. Bagging plants have been located at West St. John, Montreal, Kingston, Port Colborne, Depot Harbor, Midland and Port McNicoll. The oats have been shipped in bulk to these points and then forwarded to the ship's side in bags. Until last fall the department of agriculture purchased the necessary bags, but since then the supply has been sent direct from Dundee by the War Office.

Although there is still a comparatively small quantity to ship, the total flour purchased was over 12,000,000 bags.

amounting to something like 440,000 tons, requiring for its manufacture 24,000,000 bushels of wheat.

The department of trade and commerce made purchases for Britain, France, New Zealand and South Africa, until late in 1916. By that time various British and foreign purchasing commissions had been established in Canada and these commissions have continued such purchases during the past year.

Since the commencement of their operations in May, 1915, the orders placed by the War Office Service at Montreal, aggregate approximately $58,000,000. The list of supplies bought is quite varied, but the commodities may be summarized under six headings as follows: Foodstuffs, $36,000,000; sugar, $10,700,000; miscellaneous manufactures of iron and steel, $3,400,000; woolen and cotton goods, $2,600,000; leather and rubber goods, $1,500,000; miscellaneous supplies, $3,800,000; total, $58,000,000.

The steel companies are all busy with various war orders. The steel companies are also engaged in making chemical explosives. Many other shops are also busy with shells.

Some Big Orders.

Some of the numerous large orders received since the war commenced are as follow:—

Company.	Order.	Ordered by
Canadian Car & Foundry Co.	$83,000,000 (shells)	Russia
Canadian Car & Foundry Co.	2,000 box cars	Russia
Eastern Car Co.	2,000 box cars	France
Canadian Locomotive Co. ..	50 locomotives	Russia
Eastern Car Co.	1,000 coal cars	France
Canadian Car & Foundry Co.	box cars	Great Britain

These are typical orders and give an idea of the size of the business being placed in Canada. These and other companies are negotiating with the governments concerned, for still further orders. At the same time the Dominion government is placing large orders for the equipment of its expeditionary forces.

The Eastern Car Company delivered in 1916 2,000 extra large box cars to the Russian government at Vladivostok. These cars gave excellent satisfaction. The same company also delivered in France in 1916 their first order for 1,000 cars for one of the French State railways. They were working last year on two other orders for France, one for the State railways and the other for the Paris and Orleans railway system. These amounted in all to 3,000 cars. Two steamer loads were ready for shipment in October, 1916. A large proportion of both these orders went forward before the end of 1916. The company is still engaged in the manufacture of freight cars for Russia and France.

Orders have also been placed here during the past year for United States army and navy supplies, but details of these cannot yet be obtained.

Negotiations conducted at Washington in November by the Imperial Munitions Board, Ottawa, resulted in the placing of a large order for 75 mm. shells, to be produced by Canadian plants for the United States government. About 7,500,000 shells will, under this arrangement, be produced in Canada during the first seven months of 1918.

The Imperial Munitions Board are acting for the United States authorities in placing the contract and supervising the production of these shells in Canada. The United States ordnance department is supplying the steel and component parts. The Canadian manufacturers are forging the steel and machining and assembling the shells. The Dominion government, which has co-operated in the negotiations, is, through the department of customs, facilitating the entry of steel and components into Canada and their reshipment as shells to the United States.

Credits for Britain.

The provision by Canada of credits here for Great Britain has facilitated the placing of war orders in this country. Indeed, the volume of these orders depends upon the amount of credits Canada is able to advance. To date, the total credits of this nature have been approximately $680,000,000. Sir Thomas White has frequently reminded us that the placing of orders for munitions and supplies in Canada depends upon our power to provide the credits here from which the British government must pay for them. How shall we obtain the money with which to bear our own war expenditures and loan large amounts in addition to the Imperial government to maintain and even increase the volume of orders for munitions and supplies which are coming to Canada at the rate of $2,000,000 a day?

The reply is by increased production and by economy in expenditures. This will enable us to pay our interest upon foreign indebtedness and retain a large balance representing the national gain upon the year's operations. Our present policy, therefore, must be one of national saving and investment of these savings in national securities.

Imperial Munitions Board.

The Imperial Munitions Board which took the place of the old Dominion Shell Committee, is the medium through which the Imperial government's shell orders are placed in Canada. Sir Joseph Flavelle, Toronto, is chairman, and is giving the whole of his time to the work. The other members are: Colonel E. Carnegie, Welland; Mr. G. H. Dawson, Victoria and Mr. E. R. Wood, Toronto. Mr. F. Perry, a former member of the colonial office and Imperial secretary under Lord Milner in South Africa, is the British representative on the board.

There is an advisory committee of the board appointed to inquire into the supply of raw materials for the production of war munitions and for the best method of conserving re-

SOME OF OUR LARGE WAR ORDER ITEMS.

1.	Shells, fixed ammunition, etc., from beginning of the war to December, 1917			$1,000,270,000
2.	Ships ordered during 1917			46,730,000
3.	Supplies purchased through British War Office Service, Montreal, to October, 1916:—			
	Cotton and woolen goods		$ 2,600,000	
	Foodstuffs		36,000,000	
	Sugar		10,700,000	
	Miscellaneous manufactures of iron and steel		3,400,000	
	Miscellaneous supplies		3,800,000	
	Leather and rubber goods		1,500,000	
				58,000,000
4.	Purchased and prepared for shipment by department of agriculture, Ottawa, to October, 1917:— Hay, flour, oats, etc., for the Imperial authorities........................			94,329,040
5.	Supplies purchased through the department of trade, Ottawa, to end of 1916:—			
	For.	Order.	Value.	
	Great Britain	1,000,000 bags flour	$ 3,003,005	
	France	406,916 army blankets	1,690,096	
	Italy	101,974 army blankets, 605,129 shirts	1,019,886	
	Italy	11,416,485 bushels wheat (approximately)	16,000,000	
	New Zealand	503,224 bushels wheat	1,000,401	
	South Africa	35,000 bags flour	129,663	
				22,843,051
6.	Similar supplies purchased during 1917 by special purchasing commissions, including the Hudson's Bay Company acting for France, estimated at			50 000,000
7.	Supplies to Imperial navy by Canadian naval stations, estimated at			8,000,000

sources. The members of the advisory commission are Colonel Carnegie; Senator Edwards, Ottawa; G. W. Watts, Toronto; R. Hobson, Hamilton, and G. G. Mackenzie, superintendent of mines, Ottawa.

The Hudson's Bay Company are agents acting for the French ministry of commerce in arranging for and transporting on its behalf purchases made in Canada. No official figures are available as to these purchases.

War Purchasing Commission.

At Montreal there is also a British War Office Service in Canada which is making substantial purchases.

Another medium for war orders is the War Purchasing Commission with headquarters at Ottawa. The commission is made up as follows: Hon. A. E. Kemp, P.C. (chairman), Mr. C. F. Galt and Mr. H. Laporte. It does not itself directly place orders but authorizes orders which are placed by other departments for war purposes. This commission was appointed on May 8, 1915, and its duties include the supervision of purchases for the Canadian Expeditionary Force, as well as for the naval service and internment operations, of clothing, equipment, munitions and materials of war and supplies of every nature and the supervision of contracts for transportation, payable under the war appropriation acts. It is also directed to purchase on behalf of the government such supplies and munitions of war as the government may negotiate for the British or any Allied government.

In a general way the commission receives authority from the Privy Council to make expenditures necessary to effect any of the purposes authorized by the act, or it may be a specific authority approving the making of certain purchases. The commission, before seeking a general or specific authority to make purchases or authorize the making of contracts, prepares a report to the prime minister based upon a requisition or contract demand giving quantities and estimated cost from the department concerned.

Purchases are made upon a tender or competitive basis. The officers and employees of the departments concerned afford the commission necessary information with regard to the matters falling within the scope of its duties and powers, and co-operate with it in their performance whenever so required. The departments which chiefly co-operate with the commission are those of militia and defence, naval service and justice (the last mentioned in connection with internment operations).

The commission has compiled purchasing lists composed of Canadian producers in different branches of industry who are invited to tender upon articles in their particular line which are included in the numerous and varied requirements of the government. Many of the articles which have become war-time necessities were not hitherto made in Canada. Canadian producers have, however, familiarized themselves to such an extent with the different articles required that sufficient rivalry has been developed to ensure reasonable competition. Inspection is carried out at headquarters in Ottawa.

Rates of Transportation.

The rates charged for the transportation of bodies of troops of 350 or more, of all ranks, for distances over 100 miles, are one cent per mile second class, whether the railway company provides second-class accommodation or not, and one and one-half cents per mile first class; and the rates for numbers fewer than 350 and for distances of 100 miles or less, are one and one-third cents per mile for second class and two cents for first class.

The rates for freight are on a commodity basis of fourth class on military equipment, C.L. minimum 20,000 pounds.

The rates for the transport of troops overseas are fixed by an agreement in connection with the sailing of each vessel, these rates on an average being $61 for officers and for other ranks varying from $33.75 to $36.25 according to the class of vessel.

Supplies for overseas forces are for the most part transferred on vessels under Admiralty charter, and accordingly the freight charges on such supplies are controlled by Admiralty regulations.

About 9,000,000 acres out of a total of 210,000,000 acres in Quebec province are under agricultural development. The chief crop of the remaining 200,000,000 acres is and will always be timber for the reason that the soil is unfitted for tillage.

CANADA'S TRADE RELATIONS WITH NORWAY

Some Norwegian Capital is Invested in the Dominion—Imports and Exports

BY L. AUBERT.

The trade relations between Canada and Norway have hitherto not been very extensive, as lack of direct shipping facilities to a large extent has prevented the exchange of goods between these two countries. Just before the war broke out certain Norwegian shipping interests had practically completed plans for establishing a direct freight line between Norway and Canada, and a regular Norwegian freight line, trading on the Western States by means of the Panama Canal, was prepared to accept freight also to and from Western Canadan points. The exigencies of the war prevented further development along these lines. There is, however, every reason to believe that when settled conditions again will prevail the plans mentioned above will be reconsidered, so that the shipping service between Norway and the Dominion will be taken care of in a better way than hitherto.

Imports and Exports.

The value of the exports from Canada to Norway and the imports to the Dominion from Norway during the last three fiscal years will be seen from the figures quoted below from the official Canadian statistics:—

Fiscal year ended March 30th.	Imports to Canada from Norway.	Exports from Canada to Norway.
1915	$388,809	$1,000,790
1916	244,842	458,542
1917	325,239	966,153

The exports to Norway chiefly consisted of wheat flour, while the imports from that country to a large extent were made up of sardines and other tinned fish. There are, however, numerous other articles which may be exchanged between the two countries in the interest of both parties. Thus, Canada has a large exportable surplus of foodstuffs of all kinds, for which goods Norway probably always will afford a market. Of other articles which presumably could be exported from Canada to Norway I may mention agricultural machinery, asbestos, cobalt, etc., while, on the other hand, Canada might advantageously buy certain chemical products, various machinery, high-grade paper, and several other goods from Norway

Norwegian Investments Here.

With regard to Norwegian investments in Canada, the British American Nickel Corporation, which is building a nickel refining plant near Sudbury, Ont., to some extent is financed by Norwegian capital. In the year before the war broke out Norwegian money was also invested, though not in any considerable degree, in real estate in Western Canada. A Norwegian fish expert recently started a cod liver oil refinery in Eastern Canada.

Regarding the immigration to Canada from Norway, a large number of Norwegians are living, especially in the middle and the western part of Canada. The exact number of Norwegians living in Canada is not known. They are principally farmers.

BRITISH COLUMBIA'S SALMON PACK

It is estimated that the money value of the British Columbia pack of salmon in 1917 will exceed that of any previous year. Prices last year were higher than before, and pack of over a million cases compares as follows:—

	Cases.
1909	967,000
1910	762,000
1911	948,000
1912	996,000
1913	1,353,000
1914	1,111,000
1915	1,133,000
1916	995,000
1917 (estimated)	1,000,000

CANADA'S COMMERCIAL BALANCE SHEET (Compiled for *The Monetary Times* by the Department of Trade and Commerce)

IMPORTS (Coin and Bullion excluded). See page 236 for Export figures.

	COUNTRIES (Fiscal years ended March 31st) IMPORTS	1912			1913			1914			1915			1916			1917			
		Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	
	BRITISH EMPIRE	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
1	United Kingdom....	89,514,201	27,392,011	116,906,212	108,055,865	30,685,871	138,741,736	102,375,867	29,694,495	132,070,362	68,010,299	22,146,862	90,157,161	52,009,078	25,395,283	77,404,361	75,504,932	31,591,652	107,096,584	1
2	Aden.	....	11,316	11,316	9	24,105	24,114	....	25,145	25,145	3,437	14,531	17,968	4,857	....	4,857	9,102	....	9,102	2
3	Africa—British East	242,415	....	242,415	4,598	....	4,598	12,205	3,770	15,975	8,347	15,169	23,516	3,252	....	3,252	68	....	68	3
4	British South	40,421	101,708	142,129	86,669	180,793	267,462	94,562	383,261	477,823	7,420	307,467	314,887	7,384	168,495	175,879	18,604	202,872	221,476	4
5	British West	....	....	....	4	135	139	3,346	25,772	29,118	....	....	....	....	50	50	....	....	....	5
6	Bermuda	69	8,918	8,987	1,506	33,218	34,724	1,815	5,724	7,539	51	23,872	23,923	60	28,891	28,951	202	12,103	12,305	6
7	British China.......	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	7
8	E. Indies—Brit. Ind..	1,203,223	1,632,982	2,836,205	155,826	4,497,418	4,653,244	183,024	4,823,285	5,006,309	826,700	3,307,147	4,133,647	2,372,323	2,360,449	4,732,772	3,789,916	1,135,966	4,925,882	8
9	Straits Settle.....	177,887	247,578	425,465	251,974	267,650	519,624	223,993	341 850	565,843	202,688	573,028	775,716	204,920	49,702	254,622	282,732	558,463	841,195	9
10	Other East Indies	51,592	1,694,295	1,745,887	53,549	1,672,039	1,725,588	110,096	1,536,739	1,646,835	62,991	1,574,994	1,637,985	69,443	1,723,624	1,793,067	101,066	1,031,640	1,132,706	10
11	British Guiana......	5,321,455	4,272	5,325,727	3,548,938	1,827	3,550,765	3,172,565	6,547	3,179,112	2,980,115	13,419	2,993,534	5,631,673	4,957	5,636,630	7,188,015	4,878	7,192,893	11
12	British Honduras ..	14	100	114	....	296,122	296,122	....	155,396	155,396	....	497,786	497,786	....	476,601	476,601	....	1,065,953	1,065,953	12
13	British West Indies	4,364,284	1,382,793	5,747,077	4,288,442	1,693,964	5,982,406	2,233,513	2,113,797	4,347,310	4 391,722	1,771,574	6,163,296	4,620,529	1,637,434	6,257,963	11,697,109	2,541,896	14,239,005	13
14	Falkland Islands ...	....	710	710	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	14
15	Gibraltar.	176	....	176	175	....	175	17	....	17	....	150	150	....	....	....	....	....	....	15
16	Hong Kong.........	509,471	279,003	788,474	526,114	368,436	894,550	561,442	448,579	1,010,021	631,774	616,801	1,248,575	474,073	773,456	1,247,529	567,967	831,017	1,398,984	16
17	Malta	3,693	114	3,807	2,323	15	2,338	2,734	10	2,744	936	13	949	480	....	480	968	20	988	17
18	Newfoundland	17,622	1,824,265	1,841,887	11,289	2,044,685	2,056,174	23,074	1,817,449	1,840,523	14,224	1,228,576	1,242,800	796,971	779,644	1,576,615	1,006,680	1,140,278	2,146,958	18
19	Oceania—Australia.	258,671	173,030	431,701	251,414	191,967	443,381	455,570	257,541	713,111	191,320	220,885	412,205	32,678	1,030,074	1,062,752	166,012	596,101	762,113	19
20	New Zealand	577,226	754,115	1,331,341	1,601,625	1,465,074	3,066,699	1,976,300	1,216,600	3,192,900	1,296,343	2,612,273	3,908,616	351,480	2,958,854	3,310,334	107,153	2,135,362	2,242,515	20
21	Fiji..........	192,914	70	192,984	269,845	2,074	271,919	239,182	1,537	240,719	1,780,368	....	1,780,368	1,262,718	....	1,262,718	831,890	....	831,890	21
22	Oth'r Oceania				4,495	....	4,495	....	....	....	1,715	7,709	9,424	403	141	544	961	....	961	22
23	Other Brit. Empire	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	23
	Totals, Brit. Empire	102,475,334	35,507,280	137,982,614	119,114,660	43,425,593	162,540,253	111,669,305	42,857,497	154,526,802	80,410,450	34,932,256	115,342,706	67,842,322	37,387,655	105,229,977	101,284,101	42,848,818	144,132,919	
	FOREIGN COUNTRIES																			
24	Abyssinia.	....	....	....	....	....	....	....	3,635	3,635	....	....	....	....	....	....	6,054	....	6,054	24
25	Argentine Republic.	38,800	2,968,769	3,007,569	23,559	4,143,336	4,166,895	25,892	2,577,236	2,603,128	10,226	3,354,561	3,364,787	35,107	3,936,164	3,971,271	4,599	2,697,472	2,702,071	25
26	Austria-Hungary...	1,494,324	44,197	1,538,521	1,581,724	118,705	1,700,429	1,700,401	72,620	1,773,021	610,681	31,501	642,182	3,023	133	3,156	1,390	....	1,390	26
27	Belgium......	2,575,165	1,111,254	3,686,419	2,535,789	1,484,389	4,020,178	2,977,584	1,512,892	4,490,476	1,223,819	652,144	1,875,963	46,413	12,902	59,315	8,152	6,744	14 896	27
28	Belgian Congo....	....	....	....	....	....	....	....	....	....	....	12,952	12,952	....	....	....	....	75	75	28
29	Bolivia..............	....	....	....	58	....	58	....	....	....	....	....	....	....	250	250	....	....	....	29
30	Brazil	3,370	1,094,610	1,097,980	13,675	1,281,846	1,295,521	2,370	1,161,415	1,163,785	723,754	425,797	1,149,551	855,778	28,054	883,832	1,061,008	1,477	1,062,485	30
31	Bulgaria............	....	....	....	....	....	....	454	91	545	1,725	....	1,725	5,875	....	5,875	....	....	....	31
	Central Amer. States																			
32	Costa Rica........	....	41,567	41,567	....	27,036	27,036	37	34,737	34,774	453	15,026	15,479	48,634	75	48,709	55,066	500	55,566	32
33	Guatemala........	28,193	48,171	76,364	37,935	116,812	154,747	46,473	64,291	110,764	46,558	45,591	92,149	70,447	....	70,447	169,977	....	189,977	33
34	Honduras	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	34
35	Nicaragua	1,580	....	1,580	....	714	714	....	....	....	....	....	....	439	....	439	93,343	....	93,343	35
36	Salvador	....	55,003	55,003	....	....	....	7,450	10,495	17,945	3,600	6,789	10,389	13,611	....	13,611	12,464	....	12,464	36
37	Chile...............	71	305,584	305,655	57	624,964	625,021	24	767,265	767,289	190	....	190	....	169,284	169,284	12	198,345	198,357	37
38	China......	155,384	442,563	597,947	211,632	541,136	752,768	344,029	569,233	913,262	228,927	813,456	1 042,383	263,621	654,989	918,610	374,608	753,734	1,128,342	38
39	Colombia...........	27,486	73,153	100,641	....	139,852	139,852	....	150,545	150,545	67,657	114,425	182,082	137,470	....	137,470	183,778	1,179	184,957	39
40	Cuba...............	1,108,631	380,169	1,488,800	2,024,618	525,055	2,549,673	3,512,587	440,300	3,952,887	1,384,407	232 884	1,617,291	1,304,904	235,615	1,540,519	263,022	347,785	610,807	40
41	Denmark...........	20,103	28,261	48,364	32,305	84,773	117,078	20,226	92,403	112,629	10,615	33 729	44,344	7,692	38,157	45,849	5,409	25,051	30,460	41
42	Danish W. Indies.	75,454	1,125	76,579	240,687	....	240,687	259,368	....	259,368	115,469	....	115,46	58,351	....	58,351	107	....	107	42
43	Greenl'd, Icel'd. &c.	....	3,734	3,734	....	1,585	1,585	38	5,642	5,680	....	208	208	....	430	430	....	564	564	43
44	Ecuador....	4,284	13,115	17,399	6,192	2,145	8,337	2,657	....	2,657	1,155	....	1,155	1,225	....	1,225	4,532	....	4,532	44
45	Egypt and Soudan..	43,934	158	44,092	50,771	869	51,640	48,170	894	49,064	21,652	8,830	30,482	5,696	816	6,512	10,724	617	11,341	45
46	France.............	9,62[illegible],057	2,119,607	11,744,654	11,677,702	3,698,146	15,375,848	11,914,089	2,362,446	14,276,535	7,191,183	1,258,003	8,449,186	4,953,203	996,182	5,949,385	5,792,428	688,048	6,480,476	46
47	French Africa	....	9,180	9,180	....	5,429	5,429	1,019	40,486	41,505	2,883	5,478	8,361	474	....	474	140	....	140	47
48	French Guiana ...	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	48
49	French Oceania...	....	55	55	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	49
50	French W. Indies.	....	616	616	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	50
51	Madagascar	1,756	....	1,756	11,171	....	11,171	520	42,970	43,490	203	4,122	4,325	....	....	....	....	....	....	51
52	S. Pi're & Miq'elon	7,141	4,768	11,909	2,157	1,911	4,068	3,415	2,653	6,068	2,222	2,022	4,244	1,899	3,033	4,932	3,273	2,089	5,362	52
53	Germany	7,984,629	3,105,369	11,089,998	10,082,199	4,132,348	14,214,547	11,151,601	3,434,622	14,586,223	3,887,906	1,199,080	5,086,986	41,126	45,178	86,304	11,212	2,920	14,132	53
54	German Africa....	....	....	....	....	....	....	....	51,710	51,710	....	113,305	113,305	....	....	....	....	....	....	54
55	German Oceania..	12	....	12	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	55
56	Greece.......	552,008	257	552,265	545,355	240	545,595	444,811	225	445,036	415,953	1,958	417,911	327,621	11,215	338,836	159,963	509	160,472	56
57	Hayti	....	28	28	....	....	....	....	106	106	....	....	....	....	....	....	....	....	....	57
58	Italy................	722,482	424,340	1,146,822	1,211,371	502,214	1,713,585	1,428,517	661,870	2,090,387	1,055,516	417,283	1,472,799	633,554	286,717	920,271	871,228	355,779	1,227,007	58
59	Japan	1,302,207	1,209,668	2,511,875	2,118,146	1,385,387	3,503,533	1,463,970	1,140,246	2,604,216	1,301,992	1,481,473	2,783,465	2,177,946	1,837,179	4,015,125	6,094,235	2,028,500	8,122,735	59
60	Korea	....	70	70	....	....	....	....	....	....	75	....	75	45	....	45	....	....	....	60
61	Liberia	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	61
62	Mexico	14,887	994,670	1,009,557	37,059	3,067,013	3,104,072	36,958	1,434,224	1,471,182	52,055	1,177,922	1,229,977	375,597	247,684	623,281	61,179	616,372	677,551	62
63	Morocco	....	2,500	2,500	93	1,574	1,667	....	162	162	....	89	89	1,699	....	1,699	2,647	....	2,647	63
64	Netherlands	1,170,005	1,253,897	2,423,902	1,452,877	1,656,677	3,109,554	1,642,791	1,372,665	3,015,456	1,229,505	539,751	1,769,256	782,123	275,610	1,057,733	1,030,349	204,644	1,234,993	64
65	Dutch East Indies	1,771,035	54,543	1,825,578	2,957,287	252,107	3,209,394	877,017	99,073	976,090	116,153	81,589	197,742	31,315	137,854	169,169	567,987	52,201	620,188	65
66	Dutch Guiana	47,980	....	47,980	64,330	....	64,330	216,126	....	216,126	186,376	....	186,376	372,248	....	372,248	4,549	....	4,549	66
67	Dutch W. Indies..	....	378	378	138	....	138	....	367	367	....	....	....	....	....	....	....	....	....	67
68	Norway	290,927	25,832	316,759	426,606	61,533	488,139	446,513	39,866	486,379	316,744	68,903	385,647	210,630	68,461	279,091	238,232	87,007	325,239	68
69	Panama	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	69

COUNTRIES (Fiscal years ended March 31st) IMPORTS	1912			1913			1914			1915			1916			1917			
	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
FOREIGN COUNTRIES																			
70 Paraguay																			70
71 Persia	3,013		3,013	39,186	200	39,386	11,879		11,879	6,015	509	6,524	3,789		3,789	33,617		33,617	71
72 Peru	167,136		167,136	314,686		314,686	747,546	1,000	748,546	1,407,350	86,696	1,494,046	789,223	373,180	1,162,403	1,553,086	100,204	1,653,290	72
73 Portugal	201,352	58,190	259,542	273,957	69,292	343,249	256,168	21,213	277,381	196.395	19,213	215,608	164,051	43,583	207,634	229,848	30,246	260,094	73
74 Azores&Maderia I.	488		488	1,211		1.211	5,282		5,282	1,865		1,865	4,303		4,303	20,452		20,452	74
75 Portugese Africa																			75
76 Roumania	118	635	753	700	680	1,380	3,806	750	4,556	6,960	185	7,145							76
77 Russia in Asia	1,730		1,730	861		861				62.514	42,941	105,455	8,205	115.699	123,904	429	23,711	24,140	77
78 Ruasia in Europe	23,160	312.622	335.782	30,460	893,763	924,223	21,160	461.649	482,809										78
79 San Domingo	1,173.761	2,806	1,176,567	1,803,963		1,803,963	2,942,333		2,942,333	3.193,796		3,193,796	4,020,491		4,020,491	3,888,607		3,888,807	79
80 Serbia	270		270		4,074	4,074					140	140							80
81 Siam		25,649	25,649		40,517	40,517	895	79,389	80,284	494	12,178	12,672	1.065	29 586	30,651	14,058	3,705	17,764	81
82 Spain	1,172,973	100,238	1,273,211	1,203,223	55,747	1,258,970	1,273,643	78.490	1,352,133	901,247	76,201	977,448	529,281	87,744	617,025	830,276	79,270	909,546	82
83 Canary Islands																			83
81 Spanish Africa																			84
85 Sweden	255,003	74,731	329.734	404,223	68,155	472,878	515,427	87 974	603,401	411,288	134,547	545,835	112,241	50.430	162,671	58.720	41,118	99,838	85
86 Switzerland	3,410,529	47,477	3,458,006	4,228,262	68,440	4,296,702	4,252,961	61,844	4,314,805	3,920,387	58,869	3,979,256	3,474,301	50,816	3,525,117	4,436,320	63,601	4.499,321	86
87 Turkey in Af.(Trip'li)	27		27																87
88 Turkey in Asia	437,845	23.647	461.492	407,864	113,645	521,509	897,234	82,035	479.269	306,849	16,378	323,227	42,248		42,248	243		243	88
89 Turkey in Europe	10,358	23,439	33,797	59,702	14,235	73,937	15,527	185	15,712										89
90 United States	196,886,150	133.542,352	330,428,502	276,330,434	159,439,647	435,770,081	249,482,610	146,082,718	395,565,328	168,658,299	127,974,207	296,632,506	199,466.665	171,029,909	370,496,574	332,039,327	332,180,326	664,219,653	90
91 Alaska	300	61,072	61,372	7,896	38,681	48,577	28,432	38,038	66,470	20,768	17,524	38,292	4,731	1,629	6,360	10.094	9,478	19,572	91
92 Guam, etc.																			92
93 Hawaii	13,003	17,311	30,314	26,518	18,171	44,683	49,985	11.380	61,365	23,217	9.438	32.655	20,253	1.854	22,107	54.585	1,112	55,697	93
94 Philippines	4,405	66.441	70,846	4,227	19.413	23,640	4,838	877	5,715	2.177	4,027	6,204	1,020	11,339	12,359	39,899	425	40,324	94
95 Porto Rico	198	635	833		99	99	22	1,591	1.613				3		3	498	4,890	5,388	95
96 Uruguay		314,511	314,511	451	160,191	160,642	1,024	54,702	55,726	1,434	11,347	12,781		280,437	280,437		146.619	146,619	96
97 Venezuela		148,002	148,002	8,908	193,842	202,750	3,560	129.683	133,243	51.036	158,590	209,626	114,569	789	115,358	138,305	18,779	157,084	97
98 Other For. Countries																			98
Totals, For. Coun.	232,828,726	150,636,969	383.465,695	322,492,225	185,056,588	507,548,813	298,589,439	165,340,903	463,930,342	199,381,745	140,721,861	340,103,606	221,524,205	181,062,977	402,587,182	360,449.508	340,773,879	701,223.387	
Grand Totals	335,304.060	186,144,249	521.448,309	441.606.885	228,482,181	670,089,066	410.258.744	208,198,400	618,457,144	279,792,195	175,654,117	455,446,312	289,366,527	218,450,632	507.817,159	461,733,609	383,622.697	845,356,306	

SHIPBUILDING IN BRITISH COLUMBIA

Important Industry is in Full Swing—Steel Plant Needed —Launching of the "War Dog"

BY H. H. STEVENS, M.P.

In the short space of two years, British Columbia has advanced from the anticipatory stage to the actual, as far as shipbuilding is concerned. It has been demonstrated that wooden or steel ships can be built on this coast successfully, and it is confidently expected that the shipbuilding industry is now permanently established.

As far as wooden shipbuilding is concerned, we have a limitless supply of suitable timber and this is now being secured in adequate quantities. For a while, the shortage of skilled labor presented the chief difficulty, but after nearly two years' experience, nearly all the yards state they find no real or insuperable difficulty in training ordinary carpenters to efficiently handle the more intricate task of ship carpentry.

As regards steel shipbuilding, one of the causes of anxiety on the part of the operating yards has been the uncertainty of supply of sufficient steel plates, but in spite of this, wonderful progress has been made. Here also, the lack of trained or skilled men has been a handicap, but, as in the case of wooden shipbuilding, it has been found quite feasible to utilize iron workers of other lines and train them in the new work.

Six Large Yards.

There are six large yards now engaged in wooden shipbuilding and three in steel construction in British Columbia. Already eleven wooden sailing ships of 2,500 tons burthen, with auxiliary power, have been launched and are now scattered in every quarter of the globe with cargoes from British Columbia. There are twenty wooden steamers now in various stages of completion, and seven more under contract for the Imperial Munitions Board. These are of about 3,500 tons' burthen. The yards which are now engaged in this work are well equipped and will be able to take on more work in the immediate future. Referring to the labor conditions one expert said to the writer recently: "There is a great dearth of shipwrights and caulkers, and, in consequence, the yards are somewhat handicapped, as it takes time to convert an ordinary carpenter into a shipwright."

As far as steel shipbuilding is concerned, splendid progress has been made. The Wallace Shipyards have had the honour of completing the first vessel, a steamer of 4,600 tons burthen (the "War-Dog"), and they have another of the same type well under way. Several other orders are in hand by this firm.

The "J. Coughlan & Sons" converted their structural steel plant into a shipbuilding plant with a capacity for constructing ships up to 10,000 tons, and at the present time have signed contracts for six vessels each of 8,800 tons. This firm can now lay down six such vessels per year, and can easily increase this capacity to ten per year. It is expected that the first of these vessels will soon be launched.

Another yard is about to be established with orders in hand for four steel vessels for the French Government, besides several official enquiries from the British, Norwegian and American governments.

Six Thousand Employees.

There are now about 6,000 men employed directly in this new industry and several millions of dollars have already been spent and many millions more contracted for. In addition to this, many machine shops and factories are busy turning out accessories and equipment, so that shipbuilding has now become one of our most promising and thriving industries.

As some evidence of the need of ships, there is one order for ten million feet of timber which cannot be filled for lack of bottoms to carry it to its market; besides this, it is impossible to handle the cargoes offering for oriental ports alone.

Last year, in *The Monetary Times* Annual, I pointed to the need of a steel plant to supply the steel required, and this need is now much more apparent; in short, it is imperative. The iron ore is here in vast quantities, with unlimited supplies of coking coal and an immediate demand at home and abroad for iron and steel. It would therefore seem reasonable that such a plant should now be established.

CANADA'S COMMERCIAL BALANCE SHEET—*Continued from page 235*

EXPORTS (Coin and Bullion excluded)

COUNTRIES	1912			1913			1914			1915			1916			1917			
(Fiscal years ended March 31st) EXPORTS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	
BRITISH EMPIRE	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
1 United Kingdom	147,240,413	4,592,966	151,833,379	170,161,903	7,820,099	177,982,002	215,253,969	7,068,323	222,322,292	186,668,554	25,089,164	211,757,718	451,852,399	11,228,842	463,081,241	742,147,537	13,923,522	756,071,059	1
2 Aden	65		65	26		26	1,732		1,732	9,014		9,014	13,740		13,740	6,769		6,769	2
3 Africa—British East	22,172		22,172	51 022	6	51,028	57,103	25	57,128	59,838		59,838	76,681		76,681	25,799		25.799	3
4 British South	2,411,252	7,241	2.418,493	3.332,040	8 473	3,340,513	3,831,270	3,322	3,834,592	4,585,791	59,798	4,645,589	5.456,201	52,880	5,509,081	4,447,802	5,137	4,452,939	4
5 British West	54,721		54,721	82,830		82,830	39,011		39,011	40,927		40,927	128,508	50	128,558	268,728		268.728	5
6 Bermuda	526,517	16,755	543,272	414.644	23,867	438,511	383,151	21,958	405.109	357,712	10.551	368,263	435,615	12,866	448,481	584.577	16,869	601,446	6
7 British China																			7
8 E. Indies—Brit. Ind.	156.335	633	156,968	226,184	416	226,600	416,373	1,106	417,479	415,105	575	415,680	904,889	11,425	916,314	1,094,046	4,310	1,098,356	8
9 Straits Settle.	131.617	168	131,815	228,606		228,606	230,455	1,099	231,554	245.355	101	245,456	281,734		281,734	333,390		333,390	9
10 Other East Indies	19,675	121	19.796	7.243		7,243	39,496	250	39,746	23,905		23,905	44,217		44,217	27,827		27.827	10
11 British Guiana	576,365	7,171	583,536	627,244	3,236	630,480	649,675	3.061	652,736	675,660	3,137	678.797	1,207,134	4,770	1,211,904	1,631,395	8,075	1,639,470	11
12 British Honduras	9,063	128	9,191	10,252	147	10,399	9,298	60	9,358	9,450		9,450	3,355	132	3,487	2,562	211	2.773	12
13 British West Indies	3.967,748	66,677	4,034,425	3,915,172	45.453	3,960,625	4.469,329	20,540	4,489,869	4,333,095	33,697	4,366.792	4,115,872	19,029	4.134,901	5,163,278	15,805	5.179.083	13
14 Falkland Islands																110		110	14
15 Gibraltar	24,613		24,613	36,919		36.919	38,004		38,004	210.303	1,226,011	1,436,314	1,073,156	364,478	1,437,634	2,608,554		2,808,554	15
16 Hong Kong	564,729	14,640	579,369	774.954	189	775,143	1,879,261	3.020	1,882,281	653.838	1,215	655,053	779,358	34,615	813,973	494,462	610	495,072	16
17 Malta	24,684		24,684	42,625		42,625	108,389		108,389	23,313	42,770	66,083	35,136	4	35,140	6.190	6.090	12,280	17
18 Newfoundland	4,131.602	151,955	4,283.557	4,472.717	254,805	4,727.522	4,508,090	232.555	4,740.645	3,976.160	216,303	4,192.463	4,820.395	246,529	5,066.924	6,517,529	251 211	6,768,740	18
19 Oceania—Australia	3,924.023	22,992	3,947,015	3,954.481	41.906	3,996.387	4,673,997	31,825	4,705,822	5,522,594	30,092	5,552,686	7,748,051	25,158	7,773.209	6,549,546	27.179	6,576,725	19
20 New Zealand	1,330,762	10,070	1,340,832	1,694,408	3,685	1,698,093	1.933,698	2,178	1.935,876	2,619,556	4,299	2.623,855	3,307,404	54,595	3,361.999	3,302,240	31,670	3.333,910	20
21 Fiji	125,615	144	125,759	144.898	641	145,539	118,441	282	118,723	112,355	324	112,679	196,308	770	197,078	155,653	541	156,194	21
22 Other Oceania				3.499		3.499	1,775		1,775	8,244		8.244	10,087		10,087	12,157		12,157	22
23 Other Brit. Empire																			23
Totals, Brit. Empire	165,242,001	4,891,661	170,133,662	190,181,667	8.202,923	198,384,590	238,642,517	7,389,604	246,032,121	210,550,769	26.718,037	237,268,806	482,490,240	12,056,143	494,546,383	775.740,446	14,291,230	790,031,676	
FOREIGN COUNTRIES																			
24 Abyssinia																			24
25 Argentine Republic	2,975,906	76	2,975.984	2,251,855	11,969	2,263,824	2,134 522	751	2,135,273	634,387	5,082	639.469	2,398,628	27	2.398,655	1,673,575	1,085	1,674,660	25
26 Austria-Hungary	55,662	203	55,865	154,165	429	154,594	368,425	10,399	378,824	220.654	59,134	279,788							26
27 Belgium	2,851,044	881,178	3,732,222	4,241,568	567,429	4,808,997	4,269,394	550,449	4,819,843	2,220.709	1,038,650	3.259.359	334,762		334,762	664,722		664,722	27
28 Belgian Congo																54		54	28
29 Bolivia	2,855	7	2.862	4.634		4,634	2,727		2,727				2,383		2,383	19,367		19,367	29
30 Brazil	760,910	12,778	773,688	974,462		974,462	767,858		767,858	541,998	517	542.515	1,059,700	82,405	1,142,105	1,028.163	34,382	1,062.545	30
31 Bulgaria																			31
Central Amer. States																			
32 Costa Rica	85,372	5,095	90,467	64,264	451	64,715	42,851	431	43,262	36,045	37	36,082	28,338		28,338	30.192		30,192	32
33 Guatemala	18,661	25	18,686	22.648		22,648	49.862		49,862	27,295		27,295	17,798		17,798	22,980		22,980	33
34 Honduras	6,453		6,453	2,966	116	3,082	3.706		3,706	5,587	20	5.607	7,759		7,759	15,544		15.544	34
35 Nicaragua	9,703	655	10,358	7,593	753	8,346	4,926	201	5,127	1,618		1,618	3,311		3,311	4 699		4,699	35
36 Salvador	6,250	25	6,275	6,009		6,009	12,137		12,137	2,215		2,215	4,190		4,190	6,214		6,214	36
37 Chile	175,253		175,253	136,107		136,107	134,457	21	134,478	55,302	45	55,347	88,634		88,634	508,177		508.177	37
38 China	413.899	908	414,807	740.690	1,270	741,960	473,074	105	473,179	294,251	2.152	296,403	536,332	150	536,482	408,002	10,397	418.399	38
39 Colombia	23,550		23,550	37,304	2,119	39,423	25,686		25,686	24,027	90	24,117	32,259		32.259	66,836		68 836	39
40 Cuba	2.024,617	72,161	2,096.778	1,496,857	29,986	1,526,843	1,815,414	13,107	1,828,521	1,482,649	39 342	1,521,991	1,419,087	12,203	1,431.290	2,967 053	47.269	3,014,322	40
41 Denmark	605,609	3,454	609,063	785,606		785,606	637,286	607	637,893	529.690	190,230	719.920	111,432	1,556	112,988	111,044	1,221	112.265	41
42 Danish W. Indies	11,189	98	11,587	17,870	191	18,061	15,207	173	15,380	13,536	35	13,571	7,537		7,537	24,910		24,910	42
43 Greenl'd, Icel'd, &c.	50		50	21		21	272		272	1,668		1,668	5,132		5,132				43
44 Ecuador	8,810		8,810	14,638		14,638	19,145		19,145	8,646		8,646	19,395		19,395	12,241		12,241	44
45 Egypt and Sudan	5.904		5,904	35,947		35,947	62,677		62,677	26,484		26.484	39,493	346	39,839	160,295		160,295	45
46 France	2,048,768	74,937	2,123,705	2,357,154	207,449	2,564.603	3.632,444	178,118	3,810,562	10,499,680	4,096,025	14,595,705	33,703,183	2,382,630	36,085,813	64,039,192	2,612,908	66.652,100	46
47 French Africa	223,521		223,521	65,409		65,409	57,105		57,105	4,170		4,170	12,536	4	12.540	8,744		8,744	47
48 French Guiana	1.021		1,021							2,374		2,374	1,234		1,234	231		231	48
49 French Oceania	400		400				1,431		1,431	1,488		1,488	2,355		2,355	815		815	49
50 French W. Indies	12,141		12,141	30,161		30,161	20,862		20,862	32,479		32,479	103.895		103.895	187,093		187,093	50
51 Madagascar																			51
52 S. Pi're & Miq'elon	138,035	4,818	142,851	155,927	6,748	162,675	114,827	8,466	123,293	141,097	14,235	155,332	154,920	16,650	171,570	187,661	22,123	209,784	52
53 Germany	3.577,817	237,067	3.814,914	3,049.105	353,298	3,402,394	4,044,019	389,717	4.433,736	1,447,341	714,619	2,162,010							53
54 German Africa	104		104	349		319	2,020		2,020										54
55 German Oceania	1,000		1,000	200		200	10,720		10,720	4,800		4,800							55
56 Greece	8,644		8,644	65 658		65,658	11,934		11,934	87,485		87,485	222,330		222,320	19 309		19,309	56
57 Hayti	26,218		26 218	33.069		33,069	37,783		37,783	4,295		4,295	2,119		2,119	6,365		6,365	57
58 Italy	282,225	2,866	285,091	328.148	277,571	605,719	514,660	140,596	655,256	521,802	1,319,108	1,840,910	6,572,687	4,160,601	10.733,288	11.228.051	242,548	11,468,599	58
59 Japan	486,441	1,127	487,568	1,137,867	1.731	1,139,598	1,587,467	1,600	1.589,067	963,631	73,370	1,037,001	996,575	1,665	998.240	1,205,067	77,048	1.282,115	59
60 Korea	21,175		21,175	13,863		13,863	12,880		12,880	1.712		1,712	605		605	106,850		106,850	60
61 Liberia	142		142	393		393	1,500		1,500	63		63				310		310	61
62 Mexico	494,723	772	495,495	218,371	47	218,418	51,747	155	51,902	18,551		18,551	72,819	14,344	87,163	70,330	10,060	80.390	62
63 Morocco	35		35													4,634		4,634	63
64 Netherlands	1,434.379	348,347	1,782,726	2,380 983	361,730	2,741,713	3,985,987	1,522.819	5.508,806	1,623,405	3,631.424	5,254,829	1,815,950	747,676	2,563,626	1,561.480	7.834	1,569,314	64
65 Dutch East Indies	7,001		7.001	11,578		11,578	20.366		20,366	25,927		25,297	272,710		272,710	332.785		332,785	65
66 Dutch Guiana	57,710		57,710	50,665		50,665	46,749		46,749	40,453	495	40.948	49,574	301	49,875	71,411	201	71,612	66
67 Dutch West Indies	917		917	3,853		3,853	2,289		2,289	6 715		6,715	7,701		7,701	20,373		20,373	67
68 Norway	618,738	835	619,573	673,304	727	674,031	845,331	53	845,384	1,000,715	75	1,000.790	458,530	12	458.542	964,552	1,601	966.153	68
69 Panama	224,849	4,609	229,258	191,953	14,845	206,798	222,741	953	223,694	125,630	3,406	129,036	153,556		153.556	271,022		271.022	69

	COUNTRIES (Fiscal years ended March 31st) EXPORTS)	1912			1913			1914			1915			1916			1917			
		Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	
		$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
	FOREIGN COUNTRIES																			
70	Paraguay	....	....	....	397	....	397	50	....	50	....	....	....	....	....	....	88	....	88	70
71	Persia	....	....	....	300	....	300	....	....	....	....	....	....	....	....	....	475	....	475	71
72	Peru	12,825	48	12,873	11.120	....	11,120	11,817	....	11,817	13,141	....	13,141	47,182	80	47,262	246,791	72	246,863	72
73	Portugal	70,390	....	70,390	49,142	....	49,142	55,481	....	55,481	25,206	763,279	788,485	56,726	....	56,726	209,689	....	209,689	73
74	Azores & Maderia I.	17,191	....	17,191	32,690	....	32,690	33,988	....	33,988	6,279	....	6,279	17,833	2	17,835	33,441	....	33,441	74
75	Portugese Africa	72,819	....	72,819	103,808	....	103,808	91,296	....	91,296	79,611	....	79,611	58,349	419	58,768	15,593	....	15,593	75
76	Roumania	97,395	....	97,395	106,052	....	106,052	69,800	....	69,800	3,150	....	3,150	....	....	....	....	....	....	76
77	Russia in Asia	....	....	....	....	....	....	61,487	....	61,487	1,270.941	60,250	1,331,191	4,874,152	1,863,000	6,737,152	3,755,569	430,253	4,185 822	77
78	Russia in Europe	1,241,438	36	1,241,474	2,145,211	25	2,145,236	1,368,939	1,154	1,370,093										78
79	San Domingo	29,254	....	29,254	53,050	....	53.050	59,721	....	59,721	3,938	....	3,938	12,919	....	12,919	39,827	....	39,827	79
80	Serbia	1,435	....	1,435	64	....	64	1.538	....	1,538	8	....	8	12,475	....	12,475	....	....	....	80
81	Siam	539	....	539	....	....	....	3,171	....	3,171	16 322	....	16,322	22,486	....	22.486	22,154	....	22,154	81
82	Spain	114,546	18	114,564	48.628	....	48,628	63,995	4	63,999	243,001	246,679	489,680	634,977	21	634,998	326,179	5,000	331,179	82
83	Canary Islands	6,607	....	6,607	12,923	....	12,923	21,639	....	21,639	29,841	328	30,169	24.559	....	24,559	79,966	....	79,966	83
84	Spanish Africa	....	....	....	....	....	....	....	....	....	....	....	....	39	....	39	....	....	....	84
85	Sweden	129,309	5	129,314	121,582	540	122,122	177.313	179	177,492	172,796	500	173.296	53,440	....	53,440	18,215	....	18,215	85
86	Switzerland	16,329	3,189	19,518	7,599	7,753	15,352	21,439	25,276	46,715	11,853	4,592	16,445	224,535	754,568	979.103	672,508	882	673,390	86
87	Turkey in Af. (Trip'li)	....	....	....	33,040	....	33.040	....	....	....	....	....	....	....	....	....	....	....	....	87
88	Turkey in Asia	18,101	....	18,101	8,453	1,650	10,103	11,588	....	11,588	3.979	1,982	5,961	....	....	....	....	....	....	88
89	Turkey in Europe	9,010	2,500	11,510	16,762	....	16.762	457,790	....	457,790										89
90	United States	102,041,222	10,915,073	112,956,295	139.725.953	11,235,722	150.961,675	163,372,825	13,575.474	176.948,299	173,320,216	13,022,640	186,342,856	201,106,488	15,562,774	216,669,262	280,616.330	9,962,443	290,578,773	90
91	Alaska	335,887	26,553	362,440	345,140	24,736	369,876	134,238	32,308	166.546	297,282	16,595	313,877	331 558	24,708	356,266	462,511	69.832	532,343	91
92	Guam, etc.	100	....	100	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	92
93	Hawaii	133,147	564	133,711	76,498	125	76,623	29,672	5,741	35,413	70,591	700	71,291	35.756	3,783	39,539	247,752	6,313	254,065	93
94	Philippines	22,431	93	22,524	75,404	....	75,404	60,806	....	60,806	41,574	....	41,574	7,323	....	7.323	12,808	....	12.808	94
95	Porto Rico	689,424	196	689,620	609,375	2,421	611,806	542.982	324	543,286	468,698	....	468,698	699,460	3.256	702,716	719,918	576	720,494	95
96	Uruguay	191,642	....	191,642	160.636	....	160,636	90,615	....	90,615	52,820	....	52,820	33,101	....	33,101	68 549	....	68,549	96
97	Venezuela	22,982	319	23,301	65,892	....	65,892	139,264	....	139.264	56,196	....	56,196	98,567	....	98,567	238,911	54	238,965	97
98	Other For. Countries	....	....	....	....	....	....	....	....	....	....	....	....	*49.024	*108	*49.132	....	....	....	98
	Totals, For. Coun	124.981.856	12,600.633	137.582,489	165,572,933	13,110,832	178,683,765	192 915.922	16.459,181	209,405,103	198,868,067	25,305.636	224,173,703	259,120,398	25,633,289	284.753,687	375,635,322	13.544,102	389,179,424	
	Grand Totals	290,223.857	17.492.294	307.716.151	355.754.600	21.313,755	377.068,355	431,588,439	23,848.785	455,437,224	409,418,836	52,023,673	461,442,509	741,610,638	37.689,432	779,300.070	1151375.768	27.835,332	1,179,211,100	

* Montenegro

CANADIAN MANUFACTURERS AFTER THE WAR

They Will Be in Good Position to Meet New Problems—Labor Conditions

By SENATOR CURRY.

In regard to the manufacture of munitions and the change from this business to regular business lines after the war, I believe the Canadian manufacturers engaged in munition work are generally strengthening their financial position, which will be a great help to them in their regular business after the war is over.

Now that the United States are purchasing enormous quantities of shells, a number of Canadian manufacturers who have finished their contracts are disposing of their machinery at good prices to United States manufacturers, and it is quite possible that others may use their machinery on finishing shells for the United States government.

Condition of Machinery.

As to the condition of this machinery at the close of the war, it is likely that before the war is over a great deal of this machinery will have been in use four years, and most of it operated from 20 to 24 hours per day, so that a great deal of it will be worn out and have to be scrapped on that account, and no doubt most of the machinery that remains in good condition until the end of the war will find use in general commercial lines under peace conditions.

As to manufacturing generally under peace conditions after the war, my opinion is that stocks of manufactured goods of all kinds will be at a very low level at the end of the war, both on account of the very high prices now existing and the necessity of using all facilities for munitions and other articles necessary for the carrying on of the war. Therefore, I think that prices will rapidly become normal after the war and the filling of the requirements for commercial goods will keep practically all of our manufacturers busy for years to come.

Labor Conditions.

Labor conditions should improve with the close of the war, and the return of so many men from military service to their former occupations.

I also believe that we may confidently look for a very large increase in the number of settlers coming to Canada after the war.

LIVE STOCK IN CANADA

The quinquennial return of live stock in Canada was issued at Ottawa last month. The following are the figures the unit being thousands:—

	1912.	1917.
Horses	2,692	3,035
Cattle	6,431	5,971
Sheep	2,082	2,010
Pigs	3.477	2,514

The average value of horses in Canada in 1916 was about the same as in the previous year, but milch cows, other cattle, sheep and swine showed a substantial increase and returned values that were higher than in any year since these records began to be collected in 1909 by the census office, Ottawa. Horses three years old and over average, for Canada, $150 in 1916 as against $160 in 1915, milch cows are $70 as compared with $62, cattle between one year old and three years average $43 against $38, sheep average $10.48 against $7.96, and swine $11.98 per 100 pounds, live weight, as against $8.58. The average value of wool attains a record of 37 cents per pound for unwashed and 50 cents per pound for washed wool. Using the numbers of live stock as estimated in June, 1916, and the average values returned, the total value of the farm animals of Canada may be estimated at $798,544,000, as compared with $746,246,000 in 1915, the values of each description being as follows: Horses, $374,831,000 as against $370,378,000 in 1915; milch cows, $181,813,000 as against $164,224,000; other horned cattle, $170,254,000 as against $151,477,000; sheep, $20.588 000 as against $16,225,000, and swine, $51,058,000 as against $43,042,000. There has been comparatively little change during the past year.

Table showing Important Changes in Wholesale Prices, 1914—17

(Compiled by the Department of Labour, Ottawa)

Article	1914		1915		1916		1917	
	January	July	January	July	January	July	January	July
	$	$	$	$	$	$	$	$
§Wheat, No. 1, Northern, per bu., Winnipeg	.85	.89½	1.38¾	1.40	1.27⅜	1.15	1.84¾	2.40
Wheat, No. 1, Northern, per bu., Duluth	.86	.91	1.30½	1.40¾	1.32¼	1.11½	1.96½	2.70
Wheat, No. 1, Northern, per bu., Liverpool	1.04½— 1.04¾	1.07¾— 1.08½	1.74	1.67⅛— 1.67⅝	2.04⅜— 2.05⅝	1.67⅛— 1.68⅞	2.70⅛— 2.73¾	2.62
Flour, first spring wheat patents, per bbl., Toronto	5.30	5.70	7.30	7.20	7.20	6.70	10.10	13.10
Flour, standard patent, in wood, per bbl., Minneapolis	4.45— 4.60	4.35— 4.65	6.65— 6.95	6.60— 7.10	6.70— 8.90	5.80— 6.30	9.20— 9.70	13.10— 14.40
Flour, household, per lb., London	.074	.024	.041	.025	.045	.040	.052	.053
*Bread, average price, per lb., Canada	.043	.042	.045	.049	.044	.047	.061	.074
" " " " United States	.055	.055	.060	.063	.062	.062	.070	.068
" " " " Great Britain	.035	.035	.039	.041	.042	.042	.052	.058
Beef, dressed, hindquarters, per 100 lbs., Toronto	15.00— 16.00	15.00— 17.00	13.50— 14.50	15.00— 16.00	13.00— 14.00	17.00— 18.00	15.00— 17.00	18.00— 20.00
" carcass, fresh, per lb., Chicago	.12½	.12¼	.12	.12⅛	.11¼	.14	.13	.15¼
" Scotch sides, per lb., London	.134	.149	.167	.144	.165	.238	.248	.307
Bacon, breakfast, per lb., Montreal	.17— .19	.16— .17½	.16— .18	.19— .21	.18— .22	.24½— .25	.27	.34
" short ribs, per lb., Chicago	.12¾	.12½	.11⅜	.11½	.12	.14	.17	.23½
" American, per lb., London	.163†	.154†	.184	.159	.185	.187	.230	.273
Butter, creamery, finest, per lb., Montreal	.28½— .29	.23½— .23¾	.30— .30½	.27½— .27¾	.34½— .35	.29½— .29¾	.43— .43½	.36— .36½
Potatoes, per bag, Toronto	.95— 1.00	1.50	.65— .75	.60— .75	1.85— .65	1.90	2.50	3.00
Wool, Ontario, washed, per lb., Toronto	.25½— .27½	.26½— .28½	.28— .31	.36— .41	.40— .44	.47— .52	.42— .45	.65— .70
Cotton, raw, upland middling, per 100 lbs., New York	12.50	13.25	7.80	9.60	12.50	14.30	17.45	27.40
Leather sole, for jobbing, per lb., Toronto	.36— .37	.36— .37	.38— .40	.38— .40	.38— .40	.50— .51	.67— .68	.67— .68
Iron, pig, per ton, Montreal	19.50— 21.00	19.00— 20.00	19.00— 19.75	19.75— 20.00	23.00— 24.00	24.50— 25.50	28.00	40.00— 50.00
Spelter, zinc, per lb., Toronto	05	.05¼	.06	.28	.21	.15	.13½	.12½
Coke, furnace, Connellsville, per ton at ovens	.75	1.75— 1.80	1.60	1.60	3.00	2.50— 2.75	8.00	14.50 15.75
Coal, anthracite, egg, per ton, Montreal	.80	6.40	6.70	6.40	6.65	6.75	7.10	8.40— 8.50
Lumber, spruce, deals, per M., St. John	5.50	15.25	18.50	15.50	21.00	19.00	20.50	20.50
Paris Green, lb., Toronto	.20¾	.19	.18½	.25	.40	.44	.45	.55
Carbolic acid, crystal, per lb., Toronto	.28	.30	.55	2.00	2.25	1.50	1.20	.90
Caustic soda, per 100 lbs, Montreal	2.25	2.50	3.00	3.40	7.25	7.50	6.50	7.50
Rubber, raw, Para Islands, fine, per lb., New York	.60— .61	.57— .58	.70— .72	.53— .54	.80— .82	.59	.70	.61— .61½
Pulp, sulphite, bleached, per ton, Montreal	58.00— 60.00	55.00— 58.00	57.00— 58.00	54.00— 58.00	68.00	150.00	160.00— 170.00	120.00— 130.00
Rope, manilla, pure, per lb., Toronto	.16	.15	.14	.16	.17½	.22½	.27	.37

* Retail † Irish § In store at Port Arthur or Fort William

Table showing Index Numbers of Wholesale Prices in Canada by Groups of Commodities, 1910 to August, 1917—Average Prices 1890—1899-100

(Compiled by the Department of Labour, Ottawa)

Article	1910	1912	1913	1914	1915	1914				1915				1916				1917*							
						Jan.	Apr.	July	Oct.	Jan.	Apr.	July	Oct.	Jan.	Apr.	July	Oct.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
1.—Grains and fodder	140.7	167.3	136.8	156.5	186.9	140.9	145.4	150.4	167.1	191.7	204.0	191.2	161.1	181.0	177.0	179.0	220.7	258.7	243.0	254.1	275.9	304.2	290.9	294.1	294.7
2.—Animals and meats	163.6	160.8	180.8	192.3	187.2	194.2	194.8	195.7	187.6	177.9	185.4	195.0	187.3	196.3	218.1	231.7	211.5	249.2	260.2	269.1	283.0	306.5	280.4	292.6	289.2
3.—Dairy products	135.7	159.0	154.7	454.4	161.4	179.9	148.6	131.3	162.6	177.5	160.7	141.2	172.1	186.7	170.1	160.5	211.4	233.3	234.8	224.2	216.0	221.8	205.7	208.6	225.2
4.—Fish	145.1	155.7	158.0	156.0	149.7	153.9	157.4	148.9	159.7	160.0	145.2	137.9	151.9	163.7	171.4	155.9	168.2	183.8	188.7	195.1	218.0	199.2	198.4	190.4	190.4
5.—Other foods —																									
(a) Fruits and vegetables	111.5	134.1	119.6	118.1	110.7	125.2	136.8	131.2	111.6	115.1	114.7	103.5	122.2	169.6	173.5	170.5	165.8	234.9	266.8	280.8	298.6	303.4	323.2	292.3	258.1
(b) Miscellaneous	112.7	118.3	115.2	119.4	139.7	112.9	112.6	112.5	133.5	133.4	143.9	138.8	133.9	143.2	147.3	153.6	168.4	176.7	177.7	178.5	192.3	221.7	222.4	218.2	225.7
6.—Textiles	114.6	120.7	130.8	133.5	149.2	135.2	133.6	132.8	134.2	126.1	145.5	153.4	160.6	174.2	186.1	192.7	202.3	216.4	223.8	230.7	238.0	242.6	261.1	266.2	274.1
7.—Hides, leather, boots and shoes	135.4	152.4	163.9	171.8	180.5	168.1	172.5	173.6	173.0	178.1	179.5	176.3	183.1	193.5	207.6	240.2	237.8	275.9	264.7	254.2	254.2	273.5	275.4	267.6	269.7
8.—Metals and implements —																									
(a) Metals	97.6	117.4	119.1	113.9	152.4	114.7	114.7	109.2	114.5	112.6	140.4	176.5	155.9	198.4	215.3	191.9	192.6	210.9	234.2	241.1	250.0	265.0	274.2	277.8	278.0
(b) Implements	104.5	104.7	105.6	106.8	112.1	106.6	106.6	106.6	106.6	107.5	110.6	113.2	114.2	116.6	134.8	136.7	141.2	156.5	165.2	165.2	165.2	167.7	192.3	198.7	200.7
9.—Fuel and lighting	103.0	113.3	118.2	110.9	108.8	113.6	113.7	109.0	108.9	108.9	107.6	106.2	109.8	122.0	124.4	125.6	134.3	159.7	162.5	174.9	171.1	170.0	183.2	216.1	205.8
10.—Building materials —																									
(a) Lumber	158.5	166.5	181.3	182.1	175.7	183.5	182.4	183.2	180.8	178.0	176.7	174.1	174.5	178.1	182.4	182.2	185.5	185.8	189.2	193.5	198.8	204.3	204.4	215.9	221.3
(b) Miscellaneous	109.2	105.4	112.7	111.4	115.9	114.0	113.3	110.8	109.9	108.2	111.2	120.3	118.9	132.4	152.5	153.6	165.3	179.6	186.0	191.3	146.7	202.5	209.3	214.7	216.1
(c) Paints, oils & glass	145.5	148.6	144.8	140.7	157.1	140.2	140.8	140.6	142.4	142.9	150.4	162.1	161.7	193.9	198.9	197.4	203.7	213.0	222.8	244.4	252.4	258.4	257.8	256.0	259.6
11.—House furnishings	110.6	114.5	126.2	129.5	136.5	128.8	128.8	128.8	131.9	131.9	135.2	138.7	138.7	146.7	148.7	152.6	166.1	167.9	168.9	170.2	179.5	190.2	195.7	198.4	198.4
12.—Drugs and chemical	109.5	115.5	113.3	121.6	181.3	111.1	111.6	111.6	136.4	135.0	159.2	174.2	224.8	250.4	260.9	249.0	243.9	236.7	237.0	246.3	248.7	255.3	254.4	256.6	262.8
13.—Miscellaneous—																									
(a) Furs, raw	234.5	297.3	307.9	205.4	161.9	226.5	241.3	235.0	172.5	121.8	133.8	144.0	153.1	269.6	295.7	292.3	292.3	399.5	403.7	403.7	412.4	396.6	396.6	396.6	388.4
(b) Liquors and tobacco	132.9	155.2	134.7	136.9	135.6	138.8	138.4	128.3	138.6	137.9	135.8	134.7	135.1	136.7	143.5	136.7	143.6	167.2	164.8	164.8	167.2	175.5	175.5	175.5	175.5
(c) Sundries	118.0	104.3	113.1	108.5	116.6	109.3	108.4	106.2	107.8	113.6	113.8	116.3	120.9	135.1	139.9	142.1	146.6	155.5	155.6	157.2	161.3	183.5	194.2	193.4	196.5
All commodities	124.2	134.4	135.5	136.1	148.0	136.5	136.7	134.6	138.7	138.9	146.4	150.2	152.4	172.1	181.0	180.9	188.2	208.1	217.3	220.6	228.7	240.0	242.7	242.6	245.0

* Preliminary figures

Based on the world's total production of crude petroleum from 1857 to 1916, inclusive, the United States produced about 60 per cent. of the total, as compared with more than 65 per cent. in 1916. Russia's percentage in 1916 was approximately 16 per cent. of the world's total as compared with 27 per cent. from 1857 to 1916, inclusive. The growing importance of Mexico in oil production is shown by the fact that it produced approximately 40,000,000 barrels in 1916, or nearly 9 per cent. of the world's total production, as compared with a total production of 163,000,000 barrels from 1857 to 1916, inclusive, or about 2½ per cent. of the world's total production for that period. The world's production from 1857 to 1916 was 6,478,944,229 barrels of 42 gallons. Of this, Canada produced 23,907,197, or 0.37 per cent. of the total.

Cost per week of a Family Budget of Staple Foods, Fuel and Lighting and Rent, in Terms of the Average Retail Prices in Sixty Cities in Canada

(Compiled by the Department of Labour, Ottawa)

Article	Quantity	1910	1913	1914				1915				1916				1917							
				Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	Feb.	Mar.	April	May	June	July	Aug.
		c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.
Beef, sirloin steak..	2 lbs.	37.6	44.4	46.4	49.0	49.4	50.2	47.2	46.6	49.2	47.6	47.2	48.4	52.6	52.4	52.8	54.0	56.2	58.0	61.2	63.2	63.6	62.8
Beef, chuck roast ...	2 "	26.0	29.6	32.6	33.0	33.6	35.0	32.8	32.8	33.4	32.6	32.4	32.2	35.2	34.4	34.8	35.8	38.2	39.8	43.0	43.6	43.5	43.4
Veal, roast..........	1 "	12.8	15.7	16.6	17.6	17.4	18.1	17.6	17.1	17.3	17.5	17.1	18.1	19.2	19.7	20.3	20.9	21.6	21.7	22.5	22.6	22.8	23.0
Mutton, roast......	1 "	16.8	19.1	20.9	21.0	20.9	21.4	20.4	20.8	21.3	20.8	21.1	22.6	23.9	24.2	24.8	25.9	26.5	26.9	28.2	28.5	28.9	28.8
Pork, roast, fresh...	1 "	18.0	19.5	20.6	20.3	20.2	20.4	19.0	18.4	19.5	19.6	19.9	20.9	22.4	23.5	24.6	28.1	28.8	27.3	29.3	30.1	30.0	30.6
Pork, salt, mess.....	2 "	34.4	35.2	36.2	37.0	37.4	38.0	35.8	34.8	34.4	35.8	36.0	37.0	38.8	40.2	44.8	45.2	46.8	47.6	55.6	54.0	54.1	55.6
Bacon, breakfast ..	1 "	24.5	24.7	24.8	26.1	25.5	26.9	25.1	24.7	26.6	26.0	26.7	27.6	28.7	30.5	31.2	32.8	33.3	34.5	37.3	39.0	39.8	40.4
Lard, pure leaf....	2 "	40.6	38.4	37.2	38.2	36.8	37.4	35.6	35.0	35.8	35.8	36.6	37.8	40.4	42.2	48.6	50.2	52.8	56.4	60.2	62.2	62.3	62.2
Eggs, fresh.........	1 dnz	33.3	33.7	45.5	24.0	26.9	35.3	45.5	23.4	25.3	36.2	46.4	26.6	31.0	43.6	56.9	54.9	46.9	37.1	40.8	42.5	38.9	45.0
Eggs, storage.......	1 "	28.4	28.1	33.4	23.2	24.9	31.5	34.9	21.8	24.9	31.6	36.1	26.0	28.0	38.3	45.3	44.5	41.8	32.9	34.5	36.6	35.9	41.2
Milk................	6 qts	48.0	51.6	55.2	53.4	51.0	54.0	55.2	54.6	52.2	51.0	52.2	52.8	45.0	54.6	59.4	60.8	60.6	60.6	60.0	58.8	59.3	60.0
Butter, dairy.......	2 "	52.0	58.0	61.0	59.0	49.8	59.0	61.8	66.2	56.2	60.8	66.6	66.6	60.4	74.2	88.4	86.4	85.4	85.2	85.6	83 4	75.5	80.2
Butter, creamery...	1 "	31.9	33.9	35.9	34.7	30.0	34.7	35.0	37.9	32.6	35.1	38.1	38.3	34.5	42.4	48.9	48.0	48.7	47.9	47.7	46.8	42.5	44.9
Cheese, old........	1 "	18.5	20.5	21.3	21.4	21.1	22.0	22.5	23.6	24.6	24.0	24.4	24.7	25.6	27.8	30.5	31.2	31.9	33.0	34.1	34.0	33.4	33.5
Cheese, new	1 "	17.5	19.1	19.6	19.3	19.4	20.3	20.5	22.0	22.6	21.1	22.4	23.3	23.6	26.1	28.8	29.5	30.1	30.8	31.7	32.0	30.3	30.1
Bread, plain, white.	15 "	66.0	61.5	64.2	64.5	63.0	67.5	67.5	72.0	79.2	66.0	66.0	69.0	70.5	84.0	91.5	91.5	90.5	93.0	111.0	111.0	110.4	110.0
Flour, family......	10 "	33.0	32.0	32.0	33.0	33.0	38.0	39.0	43.0	41.0	35 0	37.0	37.0	37.0	48.0	53.0	52.0	53.0	59.0	77.0	73.0	69.9	69.0
Rolled Oats.........	5 "	21.0	22.0	21.5	22.0	21.5	25.0	24.5	26.0	26.0	24.0	24.0	24.0	24.0	25.0	27.0	26.5	27.5	28.0	30.5	31.5	31.4	31.5
Rice, good, medium	2 "	10.4	11.4	12.0	11.6	11.6	13.2	12.2	11.8	11.8	12.1	12.0	12.8	13.4	13.6	13.6	13.6	13.0	13.8	14.6	16.0	16.8	17.2
Beans, hand picked	2 "	10.8	12.4	11.8	11.8	11.8	13.6	13.2	13.8	14.8	14.8	16.9	18.3	19.4	20.8	24.4	25.2	25.6	26.8	29.0	30.4	31.5	32.6
Apples, evaporated.	1 "	11.5	12.0	12.4	13.0	13.1	13.7	12.1	11.6	11.9	12.1	12.5	13.3	13.4	13.4	14.6	14.0	14.2	14.6	15.3	15.4	15.8	16.0
Prunes, medium....	1 "	9.9	11.9	12.2	12.5	12.4	13.2	12.9	12.9	13.1	12.9	12.7	13.0	13.1	13.2	13.6	13.8	14.0	14.3	14.8	15.1	15.5	19.1
Sugar, granulated..	4 "	24.0	23.6	22.8	22.4	22.0	31.2	30.8	32.4	31.9	30.0	31.2	34.4	38.4	36.8	36.8	38.4	36.4	38.4	40.0	40.0	39.5	40.4
Sugar, yellow......	2 "	10.8	11.0	10.2	10.4	10.2	14.0	14.0	14.6	14.6	13.8	14.4	16.0	17.6	16.8	17.0	17.0	16.8	17.6	18.6	19.0	18.3	18.6
Tea, black..........	¼ "	8.7	8.9	9.1	8.8	9.1	9.9	9.6	9.2	9.5	9.7	9.7	9.8	9.9	9.9	10.1	10.4	10.7	10.9	11 4	11.5	11.6	12.0
Tea, green	¼ "	9.1	9.3	9.2	9.7	9.3	9.8	9.6	9.7	9.8	9.9	10.0	10.2	10.3	10.2	10.1	10.5	10.7	10.8	11.1	11.3	11.3	11.6
Coffee..............	¼ "	8.9	9.4	9.5	9.5	9.4	9.9	9.9	9.8	9.8	9.8	9.8	9.9	10.0	9.9	9.9	10.5	10.0	10.0	10.1	10.1	10.1	10.1
Potatoes	2 pks	30.3	36.0	38.0	43.3	50.3	35.3	31.7	32.0	29.3	35.0	47.0	61.5	58.6	53.0	64.7	78.3	98.7	99.0	126.0	127.0	118.2	97.3
Vinegar, white wine	⅛ pt.	.7	.8	.8	.8	.7	.8	.8	.8	.8	.7	.8	.8	.8	.8	.8	.8	.8	.8	.8	.8	.8	.8
		$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
ALL FOODS......	......	6 954	7.337	7.729	7.505	7.417	7.993	7.967	7.793	7.797	7.815	8.279	8.339	8.457	9.295	10.272	10.463	10.695	10 765	11.819	11.894	11.618	11.677
		c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.	c.
Starch, laundry.....	½ lb.	3.1	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.3	3.2	3.2	3.3	3.3	3.5	3.5	3.5	3.5	3.6	3.8	3.9	4.0	4.1
Coal, anthracite.....	1/16 ton	48.1	55.0	54.1	52.1	53.2	53.9	54.1	53.1	52.1	51.2	53.2	53.5	54.7	57.9	64.0	68.7	66.6	64.7	64.8	67.3	63.2	67.7
Coal, bituminous ..	" "	35.0	38.7	37.1	38.4	38.0	37.8	38.0	37.2	35.8	36.9	36.9	37.7	38.0	39.9	47.7	50.4	51.1	50.8	50.8	53.9	53.8	54.2
Wood, hard, best...	" c'd	38.8	42.5	42.9	43.8	42.5	42.6	42.5	34.1	41.7	41.5	41.6	41.5	41.9	43.9	45.7	47.9	49.6	50.6	51.7	51.9	52 0	53.2
Wood, soft..........	" "	29.4	30.6	32.1	34.2	31.8	31.5	31.2	31.4	30.6	30.2	30.7	30.2	30.2	31.6	32.7	33.7	36.1	36.9	37.6	39.4	39.7	39.1
Coal Oil............	1 gal.	24.4	23.7	23.9	24.4	23.5	24.1	23.7	23.6	23.4	23.0	23.0	23.0	22.8	23.0	23.2	23.2	23.4	24.5	25.3	25.4	25.6	25.8
		$	$	$	$	$	$	$	$	$	$	$	c.	$	$	$	$	$	$	$	$	$	$
Fuel and lighting...	......	1.757	1.905	1.901	1.929	1.890	1.899	1.895	1,794	1.836	1.828	1.854	1.859	1.876	1.963	2.134	2.239	2.268	2.276	2.302	2.379	2.343	2.40
Rent	......	4.05	4.75	4.830	4.850	4.825	4.545	4.370	4.170	4.099	3.980	3.975	3.977	4.040	4.083	4.050	4.040	4.160	4.265	4.340	4.360	4.370	4.36
Grand Total	......	12.792	14.024	14.493	14.136	14.164	14.469	14.265	13.789	13.765	13.660	14.140	14.208	14.406	15.376	16.464	16.778	17.158	17.342	18.500	18.672	18.368	18.478

Cost per week of a Family Budget of Staple Foods, Fuel and Lighting, and Rent by Provinces

(Compiled by the Department of Labour, Ottawa)

ALL FOODS

Province	1910	1911	1912	1913	1914				1915				1916				1917							
					Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	Feb.	Mar.	April	May	June	July	Aug.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Nova Scotia.......	6.817	6.776	7.166	7.289	7.413	7.278	7.245	7.701	7.851	7.393	7.628	7.908	8.265	8.478	8.466	8.774	10.166	10.425	10.567	10.635	11.495	11.892	11.58	11.899
Prince Edward Is..	5.812	5.795	6.107	6.338	6.685	6.510	6.543	6.723	6.806	6.612	6.597	6.663	7.034	7.456	7.367	7.796	8.63	8.75	8.943	9.09	9.88	10.04	9.686	10.629
New Brunswick...	6.548	6.836	7.130	7.041	7.450	7.204	7.045	7.652	7.752	7.565	7.447	7.498	8.289	8.410	8.407	8.873	9.919	10.152	10.379	10.696	11.493	11.714	11.065	11.514
Quebec	6.331	6.457	6.968	6.870	7.277	7.035	6.916	7.404	7.444	7.169	7.621	7.457	8.029	8.032	8.221	8.946	10.028	10.517	10.558	10.655	11.464	11.58	11.256	11.332
Ontario......... ..	6.504	6.666	7.251	7.203	7.265	7.287	7.286	7.772	7.709	7.399	7.300	7.732	8.134	8.295	8.551	9.405	10.347	10.619	10.894	11.143	12.155	12.178	11.904	11.747
Manitoba..........	7.462	7.405	7.884	7.873	8.230	7.970	7.763	8.267	8.126	7.934	8.149	8.031	8.439	8.543	8.345	8.867	9.796	10.042	10.083	9.74	10.816	10.885	10.621	11.222
Saskatchewan	7.859	8.083	8.164	8.250	8.516	8.027	8.163	8.635	8.864	8.332	9.897	8.009	8.465	8.302	8.673	9.111	10.435	10.334	10.371	10.296	11.180	11.321	10.853	11.23
Alberta............	7.998	8.081	8.147	8.327	8.672	7.973	7.784	8.464	8.566	8.326	7.994	7.911	8.314	8.259	8.224	9.305	10.528	10.687	10.895	10.756	12.032	11.891	11.732	12.007
British Columbia..	8.321	8.789	9.028	9.128	9.082	9.128	8.985	9.505	8.975	8.898	8.988	8.041	8.706	8.498	9.014	9.793	10.639	10.181	10.896	11.144	12.209	12.297	12.29	12.191
FUEL AND LIGHTING																								
Nova Scotia.......	1.431	1.366	1.448	1.526	1.548	1.640	1.662	1.546	1.561	1.562	1.556	1.553	1.578	1.585	1.603	1.780	1.995	1.998	2.061	2.082	2.142	2.151	2.165	2.157
Prince Edward Is..	1.278	1.278	1.494	1.470	1.502	1.502	1.502	1.533	1.486	1.486	1.660	1.500	1.548	1.564	1.739	1.742	1.815	1.816	1.939	2.079	2.364	2.22	2.408	2.408
New Brunswick...	1.628	1.601	1.604	1.676	1.819	1.805	1.771	1.756	1.785	1.766	1.738	1.733	1.798	1.583	1.669	1.981	2.074	2.187	2.244	2.267	2.337	2.446	2.381	2.381
Quebec	1.646	1.690	1.702	1.785	1.886	5.820	1.767	1.786	1.809	1.799	1.763	1.729	1.764	1.755	1.766	1.821	2.152	2.498	2.431	2.420	2.455	2.612	2.559	2.566
Ontario............	1.678	1.716	1.743	1.814	1.791	1.871	1.796	1.802	1.791	1.797	1.771	1.778	1.783	1.775	1.795	1.889	2.116	2.189	2.255	2.249	2.283	2.352	2.369	2.376
Manitoba..........	2.330	2.333	2.373	2.335	2.362	2.369	2.369	2.322	2.391	2.326	2.326	2.029	2.203	2.265	2.312	2.509	2.523	2.546	2.546	2.648	2.664	2.664	2.688	2.82
Saskatchewan	2.670	2.732	2.580	2.652	2.622	2.625	2.625	2.600	2.582	2.369	2.373	2.380	2.397	2.423	2.460	2.473	2.673	2.668	2.690	2.680	2.602	2.724	2.708	2.747
Alberta	1.561	1.777	1.859	1.649	1.623	1.761	1.749	1.750	1.754	1.687	1.647	1.720	1.709	1.710	1.722	1.727	1.661	1.665	1.660	1.661	1.660	1.762	1.825	1.852
British Columbia..	2.193	2.182	2.220	2.245	2.315	2.341	2.417	3.221	2.354	2.324	2.415	2.061	2.21	2.232	2.189	2.204	2.175	2.252	2.241	2.274	2.279	2.338	2.409	2.447
RENT																								
Nova Scotia.	4.02	3.40	3.79	3.92	4.30	4.275	4.275	4.275	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.150	4.310	4.400	4.400	4.400
Prince Edward Is..	2.00	2.00	1.92	1.75	1.750	1.750	1.750	1.750	1.750	1.750	1.750	1.750	1.750	1.875	2.250	2.250	2.250	2.250	2.250	2.250	2.250	2.250	2.250	2.250
New Brunswick...	2.85	2.87	2.90	3.08	3.28	3.012	3.452	3.450	3.452	3.452	3.452	3.452	3.452	3.500	3.500	3.500	3.500	3.500	3.500	3.50	3.630	3.630	3.630	3.630
Quebec	2.85	2.98	3.38	3.52	3.53	3.900	3.640	3.562	3.500	3.600	3.547	3.545	3.547	3.610	3.812	3.813	3.875	3.875	3.910	3.910	3.875	3.880	3.880	3.880
Ontario............	3.48	3.62	3.92	4.10	4.245	4.265	4.390	4.220	4.070	3.855	3.835	3.755	3.780	3.800	3.890	3.940	3.780	3.95	4.150	4.265	4.390	4.420	4.420	4.470
Manitnba..........	6.20	6.12	6.90	7.38	7.50	6.875	6.875	6.438	5.812	4.875	4.875	4.875	4.875	4.875	4.875	4.875	4.750	4.857	4.875	5.50	5.500	5.500	5.500	5.500
Saskatchewan	8.18	8.75	9.15	9.58	8.905	8.592	7.975	6.405	6.095	5.470	5.470	5.467	5.155	5.000	5.000	5.313	5.31	5.000	5.000	5.312	5.310	5.310	5.310	5.310
Alberta............	5.68	6.42	6.60	7.58	7.687	7.970	7.975	6.720	5.970	5.845	5.405	5.217	5.217	5.218	5.125	5.125	5.125	4.50	5.125	5.280	5.280	5.280	5.280	5.410
British Columbia..	5.35	5.92	6.12	7.12	5.40	5.750	5.200	5.272	5.125	4.660	5.489	4.017	4.017	3.928	3.928	3.928	3.93	3.895	3.895	3.895	3.940	3.940	3.980	4.020

INCREASED FACTORY PRODUCTION

Analysis of the Problems Facing Canadian Manufacturers —Production, Marketing, Finance, Organization

BY H. VICTOR BRAYLEY.

The question of increased production in our factories, combined with a higher percentage of net profits, is possibly one of the most interesting subjects to the majority of the readers of *The Monetary Times*, as many of the readers are shareholders in some manufacturing company, and a number, also, are directors of such companies.

Some of the different problems that face manufacturers are: (a) Production. (b) Marketing. (c) Finance. (d) Organization.

Production can be grouped into three classes: 1. Location of plant. 2. Buildings and equipment. 3. Manufacturing costs.

Location of Plant.

The suitable location for a manufacturing plant depends on: 1. The cost of power—whether steam or electric. The question as to whether power costs are of great importance or not depends on the quantity of power required and the percentage of the cost of power to the total manufacturing cost. Also, an important point to be kept in mind is the fact that transportation and deliveries often become a most serious question where steam is used. A large number of plants faced a serious problem last winter, owing to the shortage of coal, due to the conditions of our railways on account of storms and lack of motive power.

2. The supply of labor, whether skilled or unskilled; adaptability to new methods, whether plentiful or not; housing of employees, cost of living, etc.

3. Transportation.—The two important questions in regard to transportation are:—

(a) What will be the cost of freight and handling of raw materials to the factory or plant?

(b) What is the most suitable location as a centre for transportation and which at the same time will allow of transportation at the lowest possible cost to the wholesaler, retailer or consumer? All freight charges should be kept as low as possible so as to give the benefit of this saving to the workmen, the manufacturer, or the consumer.

A large number of manufacturing plants are so situated that any further expansion of their business is prohibited, owing to the extra heavy charge for transportation which would be incurred if their market were extended.

Buildings and Equipment.

The cost of production in most manufacturing plants is considerably higher than it would be if the plant were laid out more efficiently, and in most cases the present layout can probably be remodelled in such a way as to reduce costs and increase production. A poorly laid-out plant will make the cost of handling work during process of manufacturing so high that any further increase in production would make the manufacturing unprofitable. Consequently, one of the most important points to consider in housing a manufacturing plant is to lay out the plant so that the handling of work in process will be reduced to a minimum, and to have the buildings and equipment so arranged that, in the event of an increased business necessitating an expansion of the plant, the handling of material can still be kept at a minimum at all times.

Very few manufacturers, when constructing a new plant or extending their old one, give this question sufficient attention, and, therefore, neglect getting advice from an expert, and through this shortsightedness cause an unwarrantably high cost in manufacturing. The writer is of the opinion that the layout of a great many manufacturing plants can be so rearranged that the cost of handling can be materially reduced, and that the saving made thereby will soon pay for the cost of the rearrangement.

The equipment for a new manufacturing plant should be given the utmost study, not only by the officials of the company, but also by outside experts familiar with the class of manufacturing for which the equipment will be used. The design and layout of equipment installed will have a bearing on power costs, labor costs, maintenance and renewal costs. A saving on any one of these costs may decide the question as to whether or not the company will be successful.

Another matter in which equipment has a strong bearing upon profits is in the question of insufficient production. That is to say, a small production will oftentimes necessitate so high a cost of indirect expense, burden or overhead, that profits will cease, whereas a larger production, even with a slightly larger amount of burden or overhead expense, would show a profit. Very often insufficient production is due to unbalanced equipment; i.e., one department equipped to turn out 1,000 units and the next only 500, causing 50 per cent. of the equipment in the first department to be wasted.

Many manufacturing plants can have their present equipment rearranged with a very small outlay of money so as to increase their production by from 10 to 20 per cent., and this without increasing their cost of labor for each unit manufactured, and in many cases decreasing the cost per unit. It would pay a number of manufacturers to move their present plants to a more suitable location, where a saving could be made in transportation, and where they would be able to open up larger markets, reduce power costs, and at the same time construct a new plant in such a way as to reduce the cost of manufacturing.

Manufacturing Costs

Many executives of manufacturing companies look upon cost systems as a lot of "red tape" and extra work to keep a number of accountants and clerks in employment. They are right—(1) If the manufacturing costs do not tie up with the commercial accounting. (2) If the officials do not study and make use of the figures so obtained. (3) If a monthly manufacturing report or statement is not presented to them and so arranged that it will clearly show the cost of sale for each article manufactured.

The only value of a cost system is the information thereby obtained, which enables officials to determine where costs can be reduced, the margin of profit that can be added to fix the selling price, and the party or parties upon whom to fix the responsibility for any high cost. If the cost system is not used by the executives for these purposes, it is a waste of money and time to install and operate one.

The procuring of the charges for direct labor and material should be so arranged that the direct costs can easily be arrived at for any unit manufactured at a time when said unit is ready for shipment. Direct costs are simple to procure. It is the indirect costs which are hard to allot in proportion to each unit manufactured. First, there is the accumulation of these indirect costs, which are also termed "factory expense," or "burden." Secondly, their allotment to the unit manufactured. Their allotment is based either on direct labor hours or wages, machine hours, tonnage, or number of units manufactured during the month. It is often a question for experts to decide what class will be used to distribute indirect charges.

If the distribution is not based on the right factor for allotment to each unit manufactured it will not give the correct cost of sales for such unit. A most important factor to consider when calculating costs is to see that they include the depreciation on buildings and equipment. The writer has come across cases where insufficient depreciation, and sometimes none at all, has been charged into the costs. In some cases, if the proper depreciation had been charged to cost of production, it would have shown that the cost of manufacture was too high to procure a profit. Apparent profits may be shown for a few years if insufficient or no depreciation has been allowed, but eventually a loss will be shown by the manufacturer.

Upkeep of a Plant.

The writer favors keeping a plant up to the highest possible point of efficiency, charging all maintenance and minor repairs to monthly operating costs, and to set aside monthly, as a reserve on plant and equipment, a certain percentage on cost of plant and equipment. Renewals and large repairs would be paid out of this reserve account. This reserve would be added to monthly until it equalled the book values of plant and equipment shown in the fixed assets.. If the manufacturer does not procure a statement of the monthly costs his business is not under control, in which event it will very likely prove a failure, as no executive can intelligently operate a business not under his control. He will eventually not only lose his business, but his reputation as well. The essential factor for success in business is a knowledge on the part of the chief executives of accurate cost figures for the month, combined with a monthly balance sheet.

Manufacturing costs should be shown for each unit manufactured, and should be divided as follows: (a) Direct material. (b) Direct labor. (c) Overhead (indirect labor and material, expense or burden). (d) Total gives the cost of sales.

As to Marketing.

One of the first questions to be taken up in manufacturing is the available market for the manufactured article. The neglect of this question often means a failure in time. The size of the market will decide the size of plant and equipment required for present and future requirements. The writer has seen manufacturing plants which were from 50 per cent. to 100 per cent. larger than their requirements, the market not being there to absorb the production. This meant a large amount of capital tied up unnecessarily in fixed assets.

Another error made is in not studying the requirements of a possible market and endeavoring to manufacture a high-priced article when the market demands a low-priced one, or vice versa.

Marketing merchandise depends on a combination of the four factors: (a) Quality for the price. (b) Selling or distribution. (c) Advertising. (d) Service.

One is as important a factor as the other. Without the quality and workmanship behind the merchandise it is a waste of time and money to employ salesmen for the distribution of the merchandise or to advertise it in order to have the consumer purchase, for it will not repeat. The quality for the price of the merchandise depends upon the ability of the manager of production to turn out an article at the lowest possible cost, which is, at the same time, the best value possible for the selling price procured, and which will compare favorably with the goods sold by any competitor in a similar line at the same price.

Choosing the Right Salesmen.

The selling or distribution of merchandise depends largely upon the sales manager's ability in picking out the right salesmen, having them believe in the merchandise they are selling, and operating his department at a low percentage on gross sales, thereby keeping down the cost of the article sold. Selling costs are important to the sales manager as manufacturing costs are to the production manager. He must pay his salesmen a good remuneration, in return for which he must see that he procures their whole time and attention, with the most productive methods of selling possible. Distribution of merchandise can best be procured by systematically organized selling after the sales manager has obtained an intelligent idea as to what is the maximum consumption of the merchandise in each locality or salesman's district and the real ability of each salesman employed.

There are a great many men in salesmen's positions who are not fitted for salesmen, as their ability lies in another line of work. Others have the selling ability, but lack training, and possibly a large number know really very little about the merchandise they are selling. A salesman should first know all about the material he is selling and the reasons why the manager of production claims that his goods are superior in quality and workmanship to those of his competitor. A real salesman sells on service and quality, not on price alone. A salesman should always bear in mind that his company is judged by their customers largely from his actions, appearance and ability. Every salesman's remuneration should be based upon the profit that is made on the merchandise which he alone sells, and not simply upon the quantity or total value of the goods he sells. For example, a salesman selling $1,000 worth of goods with $250 profit is worth more to his firm proportionately than the man who sells $2,000 worth of goods at $300 profit.

As to Advertising.

Good advertising is that which will give a maximum increase in sales for the lowest percentage of expenditure for advertising, based on the gross sales. There is possibly more money wasted in poor advertising than in any other branch of business. This is due largely to the fact that there is no basis on which to estimate the results that can be obtained from advertising. In manufacturing and selling, past cost figures can be used to calculate very closely as to future results. The best method to decide upon the amount of money to be allotted to advertising is to allow a certain percentage on gross sales for a given past period.

There are a great many ways to advertise after the amount to be spent has been appropriated. It is most important that every means should be taken to see that the best mediums are employed, as the use of the wrong mediums of advertising is often found to be one of the reasons why sufficient sales have not been procured for the amount of money expended. When the best methods of advertising have been decided upon it is most important to procure the right style of advertising and the proper territory in which to place it.

The executive who is responsible for the advertising should not only have exceptional ability to decide upon the most effective style or form of the advertisement, but should also be thoroughly familiar with the requirements and mediums of advertising which will appeal to the prospective consumer in each locality. This man also has to have a very vivid imagination and originality, combined with an open mind, in studying matters pertaining to advertising.

The advertising executive should know thoroughly all the details as to the quality and workmanship of the merchandise he is advertising, combined with statistics of past gross sales by week, month and year in each locality. A good sales manager is not very often an advertising manager any more than a production or manufacturing manager is a good sales manager. The three positions should be filled by men of totally different abilities. It will pay a great many manufacturers to have the advice of outside experts who make a specialty of advertising, whether this advice is followed or not, on all advertising, thereby getting the benefit of the experience of a large number of companies, among them, possibly, of some in a similar line.

Salesmen can only procure distribution to the retailers; it takes quality of merchandise and proper advertising to move the merchandise from the retailer to the consumer. If the merchandise is sold direct from the factory to the consumer, it still requires both salesmen and advertising to get a proper and profitable distribution of the article manufactured.

Matters of Finance.

I do not think I am far out in making the statement that very few men responsible for the financing of a company are furnished with the proper information to enable them to figure accurately the future requirements for financing and what future earnings can be relied on for payment of loans made for financial purposes.

The manager of production or the executive who has charge of the manufacturing end of the plant should be in a position, by getting accurate monthly costs, to know the amount of money that would be required for labor, raw material and indirect expense or burden of each branch of the business for a certain period in advance.

The sales manager or executive who has charge of the sales should be in a position to advise the executive in charge of the finance what it will cost to sell a specific quantity of merchandise in any locality. This is based on accurate selling costs for previous performances and a knowledge of the market possibilities in each locality. If the chief executives of the several branches of the manufacturing company are all competent men, they can, at a meeting with the financial executive get a fairly accurate estimate of the future financial requirements. If a business is well under control in every branch it should be a simple matter to make up a budget in advance for each period, and this budget can be lived up to, as far as expenditures go, if the executives of each department have the ability for the work that they are called upon to do.

The fact is that every business of any size should be operated on a budget or appropriation system. These budgets or appropriations can be made up on the 15th of the month previous to that for which they are compiled, and within the next ten days can be approved of by the board of directors. This places the directors in a position to really direct the affairs of the company, and at the same time enables them to procure a clear insight into all the problems of their business. I should judge, however, from my observations in Canada that there are few manufacturing concerns operated on these lines.

Besides the fixed assets, there are two other ways in which money can be tied up, i.e., in inventories and in accounts receivable. If there is team work between the manager of production and the sales manager they should know fairly accurately how often they will turn over their stock of finished merchandise in a year, and, therefore, will require to carry only sufficient merchandise to make this turnover. In a great many lines of manufacturing the inventory carried is too high as compared with their turnover. Some businesses turn over their merchandise every month and some only once a year. If the finished merchandise is kept within bounds and the manager of production has his stores under control with perpetual inventory in operation, he should, if he has the ability, keep his raw material and finished merchandise down to such quantities that he will not be overstocked in any one article.

Proper Accounting System.

The other way in which working capital is tied up is in accounts receivable. Very few companies realize the importance of operating a simple system of accounting whereby collections are closely followed up. There is not sufficient attention given by the directors and chief executives of the majority of companies to the ratio that accounts receivable bear to the gross sales, based on the terms of sale. For instance, it is a simple matter to know whether accounts receivable are too high or not by making a comparison of the accounts receivable as shown by your monthly balance sheets with the gross sales for the same period. If your accounts receivable are over 50 per cent. of your gross sales on a 30 days' term of sale, your collections and accounting pertaining to collections have something radically wrong with them. A proper system of accounting, giving a condensed report monthly to the executive in charge of the finance, will enable him to make use of these reports to get after the men who are responsible for any weakness shown thereby, and so keep the working capital tied up in accounts receivable at a minimum.

It is the duty of the financial executive to see that his business is under proper control in that he, on account of his position, is called upon to arrange for sufficient funds to operate the different branches of the business, and by having the business under his control he is kept fully advised of the following: (1) Whether sufficient profit is being made on the cost of manufacturing after taking into consideration the cost of selling and administration. (2) Whether the cost of selling is increasing or decreasing per unit sold. If increasing, he should immediately find out the reason therefor.

Through proper control, obtainable only by proper accounting methods, the accounting department should be able to keep in close touch with the value of inventory on hand, whether of raw material or finished merchandise, and whether collections are being kept up to date or whether they are increasing more rapidly than the sales. By having this information laid on the desks of the chief executive and financial executive at frequent periods, or whenever required, they can immediately stop any course of action which may have a tendency to tie up capital unnecessarily or cause a loss. It is the duty of these executives to report any weaknesses immediately to the board of directors or their chief representatives.

In my opinion, the executive responsible for the financing of a company should see all pay-rolls and pass on all purchases over a certain amount, as he is responsible for finding the money to pay salaries and wages and for material purchased.

Features of Organization.

The term "organization" is used here as meaning the classification of the employees, from the president down, so that responsibilities will be fixed throughout, at the same time allotting the class of work for which an officer or other employee is paid, whether it is the general manager or the office boy.

A great many heads of departments and executives, who are being paid high salaries as executives, devote a large part of their time to looking after small matters and detail work which could be as well taken care of by an employee receiving a much lower salary, and, consequently, the remuneration paid to such a party is being wasted in that the company is not getting the full value for their money which they should derive from the ability, experience and knowledge of the executive so employed.

One of the great wastes going on in manufacturing concerns to-day is the overlapping of work, and consequent waste of time, both in the office and factory, in the planning of future work in the factory and the lack of efficient service in the office and clerical end of the business occasioned by high-priced employees doing work that lower-paid employees could do.

When an organization is arranged so as to fix the responsibilities, the inefficient employees, wasters, etc., are soon shown up, as are also those who are doing work or occupying positions for which they are not suited, and whose ability and workmanship would probably procure higher individual results if placed in other occupations.

With the right organization in the factory or office, team work can be arranged, and groups of two or more can be compared with other groups as to cost and value of work. The proper organization will also bring about co-operation amongst employees. Possibly one of the most frequent causes of failure in a great many concerns to-day is the lack of co-operation, particularly on the part of those who show jealousy, or who are inclined to "play politics." There is probably more politics, in proportion to the amount of business done, in manufacturing concerns than there is in government work.

A great many heads of departments and branches allow their judgment to be swayed by personal feeling and prejudice, with a consequent tendency to grant positions to those whom their better judgment would show lacked the ability to fill them. It is, perhaps, one of the hardest things for any man to be broad-minded enough to prevent his personal feelings from swaying his judgment in business matters.

The writer feels that if those who read this article will seriously consider and carry out at least one of the items mentioned it will improve manufacturing conditions in Canada, as it will mean increased production, with reduced costs, and a better control of their business, and a great many failures will be prevented. The trouble with us all is that we are inclined to avoid unpleasant work, and a man to be a successful director, shareholder or chief executive must be aggressive, even though every aggressive move he makes means that he is compelled to work that much harder and assume greater responsibilities.

PREPARE FOR TRADE AFTER WAR

Well Devised Plan of Action is Necessary—Government Has Taken No Action

BY HON. FREDERIC NICHOLLS.

Perhaps nothing is more essential at this stage of Canada's history and development than constructive statesmanship that will take heed of the future and prepare for it, in addition to guiding the ship of state through the tempestuous times we now live in. In the marts of trade in the banking house, and in all places where men of business most do congregate, one of the common topics of discussion is in regard to trade conditions after the war. All realize the serious import of unpreparedness, and yet nothing has been done, collectively, to even lay the first plank for the construction of a platform from which a definite and virile policy can be advocated. After the war, the deluge, is a prevailing impression, and, while there is yet time, no preparations are being made to meet the certain dislocation of trade and possible panic that may threaten.

To-day, hundreds of millions of dollars are being expended in this country by Great Britain and her Allies for war materials and natural products. To-morrow this inflow of gold may cease, our trade become stagnant, and through lack of earning capacity payment of the interest on our debt may become a serious problem. Of what avail is a war profits tax or an income tax when war profits shall be non-existent and income shall become shrunken? The people of Canada are too prosperous to-day to look ahead for to-morrow, and the government is too occupied with present problems and the election campaign to desire to attend to matters that are not at the moment pressing and which can be pushed aside with promised consideration to-morrow—and to-morrow never comes.

Is temporizing wise; is it constructive statesmanship; and are those in authority awake to a realization of the peril which threatens us? Is it not as incumbent on a nation to look ahead in order to safeguard and protect its people as it is for the head of a family to make provision for his dependents by life insurance or other means? It is true that Canada has astonished the world with an exhibition of its capabilities, its latent resources, and its generosity. The numbers of our volunteer forces, as compared with the total available, evidences the highest form of patriotism. The totals of our war loans, including the late Victory Loan, has evidenced the desire of our people generally that Canada shall play a man's part in the terrible conflict, which has now waged for three years, and the end of which is not in sight. Our subscriptions to the Patriotic fund, Red Cross Society, sailors' relief funds, and for innumerable other worthy causes has shown the spirit of the people, and the magnitude of the services rendered in so many ways by the women of Canada has proved them to be fit mothers and sisters of courageous manhood.

Is this sufficient, however, great though it may be? Shall we adopt the motto, "Sufficient for the day is the evil thereof," or the more trite and homely one, "You will never miss the water till the well runs dry"? After the war the present sources of our income will to a large extent fail us and run dry, and we must look far afield for new sources. After the war great industries will have their machinery lying idle, and many thousands of work people now employed in the production of war materials will likewise be idle, and the ranks of the unemployed will be augmented by the tide of returning soldiers, who must be found suitable employment, so that after fighting to protect us in our right to live as free people they may honorably, by their labor, add to our future prosperity. One cannot make bricks without straw.

A factory cannot operate without orders; the farmer and the lumberman cannot produce without customers; and the government cannot "carry on" without an income from taxation that will provide the public with efficient public service, public utilities, and transportation and educational facilities. The ability to pay taxes necessitates the earning of an income, and the average income is based upon prosperous commercial conditions which afford employment to capital, brains and labor. Is it, then, not incumbent on the State to assist in the development of overseas trade to take the place of export war orders when the latter cease?

Special Committee Appointed.

The significance of the present situation was debated in the Senate during its last session and a special committee on the conservation of Canadian trade was appointed. This committee held many sessions and listened to evidence given by men of outstanding ability, who were invited to present their views. In due course the committee submitted a report, which was unanimously approved by both sides of the House. A copy was forwarded to the Right Honorable the Prime Minister, with the request that due regard and consideration be given to the question of overseas trade to replace in part the present great volume of orders for war materials. It may be asked, "Where can trade be found to replace the war-time orders?" and the question may be answered by quoting from one of the speeches in the Senate debate:—

"The countries now at war, however, particularly those that have been devastated in Europe, will require to expend immense sums in reconstruction, and will become customers of those countries which are most ready to supply the requirements promptly and at a reasonable price. In this country we have had little experience in either looking for or catering to an export trade, and if we desire to share in the volume of business that will be offering overseas we can make our preparations none too soon."

Competition with Other Countries.

It may also be asked, "Have our manufacturers the ability to produce in competition with other countries?" and again the question may be answered by another quotation from the same debate:—

"Since the war, as I have pointed out, we have manufactured and shipped upwards of six hundred millions of dollars worth of munitions alone, and I speak with knowledge when I say that the production of munitions is the most intricate, the most delicate, and the most precise class of manufacture that could be undertaken. It was an entirely new industry to Canada, and it is a credit to Canadian industry that in such a short time so many existing factories were recognized and so many new ones estabilshed that have turned out such an immense quantity of munitions, and thereby brought to Canada so large a sum as six hundred million dollars for munitions alone. If the manufacturers, when the need arose, were able to accomplish such results, I take it that they would be equally resourceful in manuacturing many other lines of goods for export that will be required by the European countries, we hope, at no late date; but in order to bring this about some systematic method of state aid will have to be adopted."

It is now generally known that Canadian manufacturers have shown wonderful executive and constructive ability in the manufacture of munitions, and it is also a fact that they are making them—at least selling them—at a lesser price than is obtained in Great Britain and the United States, and, consequently, there should be no misgiving as to their ability to cater for the world's trade in any branch of industrial enterprise.

Work of Other Nations.

Germany has already set the pace in preparedness for after-war conditions, and Sir Robert Borden, in speaking at Manchester during his last visit to England, said:—

"It is believed that the industries of Germany will be supported and developed in future by a more thorough and powerful state organization than ever known."

Great Britain has also taken action, and, on the recommendation of a special committee appointed by parliament, the British trade corporation has been organized to assist in obtaning orders from abroad for British manufacturers and traders and to grant financial facilities for the execution of such orders. The United States has also taken action by the formation of an export trade organization, whose objects are the same as those of the British trade corporation. Japan and Australia have also taken action along the same lines, and is it fitting that Canada should be the only country to lag superfluously on the stage? If it is wise in times of peace to prepare for war, it is equally essential in times of war to prepare for peace, and "If it were done, 'twere well it were done quickly." The financial, industrial and commercial interests should co-ordinate their efforts, and, in co-operation with the government, evolve some well-devised plan of action to the end that prospective loss of trade, which may threaten the welfare of the community should, so far as possible, be offset by an official or quasi-official organization, which, acting on behalf of the trade interests of Canada as a whole, will accomplish results that individual efforts could not possibly achieve.

Call to Action.

In January of last year the fourth national foreign trade convention was held at Pittsburg, and in the report of the proceedings appears the following passage from an address by one of its members:—

"As I have pointed out, export trade development to-day has three great needs. The first is leadership; the second, a definite policy; the third, the acquirement and dissemination of all export knowledge available. Leadership logically falls to the bureau of trade and commerce. Being a governmental department, it commands the respect and confidence of all elements of our commercial life."

The Right Honorable Sir George E. Foster, our own minister of trade and commerce, some months since issued an eliquent "Call to Action," but, so far as I am aware, the call has not been answered. neither has any action yet been taken. We know that if we prepare the land and plant the seed a greater or lesser crop may be expected, but if the land be neglected and seed not planted, we may be reasonably sure of a crop of thistles. The government issued the call to action, but has itself taken no action. Government leadership is essential, and it will be found that the business community is both ready and willing to rally round them. It is admitted that most momentous problems now occupy their attention, but that is no reason why a future problem of such momentous import should not be given full consideration, otherwise we cannot expect to reap a harvest where we have not planted the seed.

Through carelessness and inefficiency there is wasted in garbage every year throughout Canada food to the value of $56,000.000, or about $7 per capita of the home population, according to estimates of the Canadian food controller. Here are his figures: Estimated annual cost of feeding Canada's overseas soldiers, $50,000,000; estimated annual preventable waste in Canadian garbage, $56,000,000; estimated annual saving possible by preventing garbage waste and further reducing cost of living by five cents per head (total, seven cents per head), $204.400 000.

GRAIN SHIPMENTS FROM FORT WILLIAM AND PORT ARTHUR

Crop Year	No. of Cargoes	Nationality of Vessels	Wheat Bus.	Oats Bus.	Barley Bus.	Flax Bus.	Sample Mixed Grain	Elevator Screenings
1913-14	788	Canadian	64,121,077	25,276,164	5,942,629	2,218,179	26,076,624	16,855
	350	U.S.	62,105,746	14,351,324	4,031,185	9,927,058	.....	48,942
	1138		126.226,823	39.627.488	9.973.824	12,145,237	26.076.624	65,797
1914-15	617	Canadian	58,732,477	15,505,598	1,837,022	1,448,748	7,292,247	14,321
	95	U.S.	18,813,926	1,130,203	690.854	3,035,977	....	17,247
	712		77,546,403	16,635,801	2,527,876	4,484,725	7,292,247	31,568
1915-16	1019	Canadian	109,516,553	42,622,651	5,852,179	1,033,999	12,458,833	6,992
	830	U.S.	147,613,134	17,171,859	3,102,636	3.650,649	....	67,233
	1849		257,129,687	59,794 510	8,954.815	4,684,648	12,458,833	74,225
1916-17	683	Canadian	76.749,071	32,342,495	4,000,268	1,698,326	11,167,307	5,007
	451	U.S.	61,824,966	15,344,190	2,810,566	4,659,770	9.967,119	20,256
	1134		138.574.037	47,686,685	6,810,834	6,358,096	21,134,426	25,263

Statement of Immigration to Canada for season April to October, 1917, compared with preceding season

(Figures furnished to "The Monetary Times" by Mr. W. D. Scott, Superintendent of Immigration, Ottawa.)

Month	1916				1917				Percentages of Increase and Decrease
	British	United States	Other Countries	Totals	British	United States	Other Countries	Totals	%
April	743	5,696	437	6,876	129	14,409	402	14,940	117 increase
May	858	4,583	474	5,915	134	10,496	613	11,243	90 "
June	1,134	4,148	561	5,843	138	6,801	461	7,400	27 "
July	1,021	4,450	502	5,973	197	5,169	423	5,789	3 decrease
August	910	6,059	515	7,484	209	5,715	414	6,338	15 "
September	1,065	6,020	537	7,622	341	5,377	371	6,089	20 "
October	879	4,794	770	6,443	376	5,072	438	5,886	9 "
Totals	6,610	35,750	3,796	46,156	1,524	53,039	3,122	57,685	25 increase

HOMESTEAD ENTRIES IN CANADA, 1897-1917

Years	Total entries	Entries by English	Entries by Scotch	Entries by Irish	Entries by Americans	Entries by Continental Immigrants
Calendar Year						
1897	2,384	300	83	33	164	673
1898	4,848	489	161	75	581	1,270
1899	6 689	578	192	97	1,064	1,796
*1900	7,426	350	95	50	833	1,643
Fiscal Year						
1901	8,167	659	182	99	2,026	1,866
1902	14,673	1,096	300	184	4,761	2,653
1903	31,383	2,816	724	336	10,942	7,260
1904	26,073	3,486	911	267	7,730	4,909
1905	30,819	4,284	1,225	421	8,532	4,999
1906	41,869	5,897	1,657	543	12,485	5,955
†1907	21,647	3,032	807	252	6,059	2,951
1908	30,424	4,840	1,026	339	7,818	5,373
1909	39,081	5,649	1,310	506	9,829	7,265
1910	41,568	5,459	1,326	546	13,566	6.896
1911	44,479	6,161	1,291	492	13,038	8,793
1912	39,151	5,739	1,041	476	10,978	9,044
1913	33,699	4,452	836	307	8,895	7,757
1914	31,829	3,894	966	400	7,293	8,139
1915	24,088	2,974	800	363	4,334	6,881
1916	17,030	2,374	700	314	2,435	3,899
1917	11,199	1,469	496	194	1,734	2,132
‡1918	6,193	640	193	108	1,679	838

* Six months ended June 30th. † Nine months ended March 31st. ‡ 7 months to October.

If the average number of persons for each entry, 2.5, be approximately correct, then during the above period 19 per cent. of English, 16 per cent. of Scotch, 20 per cent. of Irish, 29 per cent. of American and 29 per cent. of Continental immigrants made entry for homesteads in Western Canada. It will be observed from the foregoing that the number of immigrants represented by the homestead entries in the Western Provinces is much larger than the number on whom bonus was paid.

DIVIDENDS & BONUSES PAID BY ONTARIO'S SILVER & GOLD MINING COMPANIES FROM JANUARY 1ST, 1913, TO DECEMBER 31st, 1917

SILVER COMPANIES	Date of Incorporation	Authorized Capital	Issued Stock	Par value of shares	Total Dividends and Bonuses										Last Dividend or Bonus	
					1913		1914		1915		1916		1917		Date declared	Rate
		$	$	$	%	$	%	$	%	$	%	$	%	$		%
(1)Beaver	Feb. 25, 1907	2,000,000	2,000,000	1.00	3	60,000	3	60,000	6	120,000	3	60,000	......	......	April 29, 1916	......
(2)Buffalo	April 27, 1906	1,000,000	1,000,000	1.00	66	660,000	5	50,000	......	......	......	......	......	......	July, 1915	5
Casey Cobalt	Dec. 19, 1906	100,000	100,000	1.00	......	109,199	......	93,750	......	......	......	......	......	......	April 22, 1914	......
City of Cobalt	Oct. 5, 1906 Jan. 7, 1909	500,000 1,500,000	1,500,000	1.00	......	......	......	......	......	......	......	......	......	......	April 15, 1909	3
Cobalt Lake	Dec. 22, 1906	3,000,000	3,000,000	1.00	......	315,000	......	150,000	......	......	......	......	......	......	May 29, 1914	2½
Cobalt Townsite	May 8, 1906	100,000	45,011	1.00	......	371,259	......	200,000	......	......	......	......	......	......	April 14, 1914	......
(3)Mining Corpor. of Canada	March 20, 1914	2,075,000	2,075,000	1.00	......	......	12½	259,375	25	518,750	27½	570,625	18¾	1,556,296	Dec. 15, 1917	12½ + 6¼
Cobalt Central	Dec. 13, 1906	5,000,000	5,000,000	1.00	......	......	......	......	......	......	......	......	......	......	Aug. 25, 1909	1
Cobalt Comet	April 16, 1913	1,000,000	200,000	5.00	2.7	27,000	7.6	76,000	13	130,000	......	......	......	......	July 29, 1915	......
Cobalt Silver Queen	April 1, 1906	1,500,000	1,500,000	1.00	......	......	......	......	......	......	......	......	......	......	Dec. 31, 1908	3
Coniagas	Nov. 24, 1906	4,000,000	4,000,000	5.00	41	1,640,000	33	1,320,000	15	600,000	15	600,000	7½	300,000	Aug. 8, 1917	2½
Crown Reserve	Jan. 16, 1907	2,000,000	*1,999,957	1.00	45	795,966	24	424,515	6	106,128	......	......	5	88,440	Dec. 28, 1916	5
(4)Glen Lake Mines	Feb. 14, 1906	1,000,000	915,588	1.00	......	......	......	......	......	......	......	......	......	......	Jan. 1, 1907	5
Kerr Lake	Sep. 14, 1905	3,000,000	3,000,000	5.00	20	600,000	20	600,000	20	600,000	20	600,000	23	690,000	Oct. 9, 1917	5
La Rose	May. 22, 1908	7,500,000	7,493,135	5.00	12½	936,642	12	899,176	5½	412,122	4	299,725	4	299,725	Oct. 20, 1917	1
McKinley-Darragh-Savage	April 17, 1906	2,500,000	2,247,692	1.00	46	1,033,938	21	472,015	12	269,723	12	269,723	12	269,723	Nov. 6, 1917	3
Nipissing	Dec. 16, 1904	6,000,000	6.000,000	5.00	30	1,800,000	22½	1,350,000	20	1,200,000	25	1,500,000	30	180,000	Dec., 1917	10
(5)Penn-Canadian	April 24, 1912	1,500,000	1,349,705	1.00	......	......	......	......	......	......	5	67,085	11	148,467	Sep. 10, 1917	3
(6)Peterson Lake	April 11, 1906	3,000,000	2,401,820	1.00	......	......	3½	84,063	7	168,127	7	168,127	1¾	42,031	Jan. 2, 1917	1¾
Right of Way Mining Co., Ltd.	July 13, 1906	500,000	500,000	1.00	......	......	......	......	......	......	......	......	......	......	Oct. 1, 1909	6
(7)The Right of Way Mines, Ltd.	Sept. 11, 1909	2,000,000	1,685,500	1.00	......	......	1	16,855	......	......	1½	25,282	½	8,427	Mar. 5, 1917	½
Seneca-Superior	Sept. 29, 1911	500,000	478,884	1.00	65	310.774	70	335,218	70	335,218	125	598,605	......	......	Nov. 27, 1916	20
(8)Temiscaming & Hudson Bay	July 29, 1903	25,000	7,761	1.00	2,100	162,981	900	69,849	......	......	......	......	......	......	Nov. 10, 1914	300
The Hudson Bay	July 16, 1909	3,500,000	3,200,050	5.00	6	192,003	......	......	......	......	......	......	......	......	Aug. 31, 1913	2½
Temiskaming	Nov. 16, 1906 Jan. 1, 1908	2,500,000	2,500,000	1.00	3	75,000	......	......	3	75,000	9	225,000	12	300,000	Oct. 24, 1917	12
Trethewey	May 30, 1906 June 1, 1911	2,000,000	1,000,000	1.00	15	150,000	5	50,000	......	......	......	50,000	5	50,000	Aug., 1917	5
Wettlaufer-Lorrain	Nov. 30, 1908	1,500,000	1,416,590	1.00	10	141,659	......	......	......	......	......	......	......	......	Sep. 22, 1913	5
GOLD COMPANIES																
Dome Mines Co., Ltd	April 12, 1910	5,000,000	4,000,000	10.00	......	......	......	......	10	400,000	20	800,000	7½	300.000	June 1, 1917	2½
(9)Hollinger Consol. Gold Mines	May 25, 1916	25,000,000	24,600,000	5.00	39	1,170,000	39	1,170,000	52	1,560,000	13	2,400,000	13	738,000	April 23, 1917	1
(10)Porcupine Crown	May 26, 1913	2,000,000	2,000,000	1.00	......	......	9	180,000	12	240,000	12	240,000	3	60.000	June 15, 1917	......
McIntyre Porcupine, Ltd.	Mar. 16, 1911	4,000,000	3,610,283	1.00	......	......	......	......	......	......	......	......	20	722,056	Dec., 1917	5

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(1) While the Beaver is developing the Kirkland Lake Mine, dividends will be uncertain. (2) Company's fiscal year, May to April. The capital stock was decreased 25 cents per share by payment in cash to stock holders. (3) This company acquired the assets of Cobalt Townsite, Cobalt Lake and City of Cobalt Mining companies, and Cobalt property of Townsite Extension Mines, and Little Nipissing Mine on April 1st, 1914, which companies have been wound up. The City of Cobalt paid, in the years 1908 and 1909, a total of $145,000 in dividends. The Cobalt Townsite was, and the Mining Corporation of Canada is the operating company, the shares of which are owned by English companies whose shares are listed in London. The capitalizatio of the Mining Corporation in London is £1,660,050. (4) Formerly known as Foster Cobalt. (5) On April 29, 1912, this company took the property of Cobalt Central, purchased at sale from the liquidator of Standard Cobalt Mines, Limited, the Canadian operating company. The Penn-Canadian is not a re-organization of the old company, but an entirely new company. Cobalt Central has not been in operation since May, 1910, when it went into the hands of a liquidator. (6) Seneca Superior was a lease on Peterson Lake and has now reverted to parent company. (7) On October 21, 1909 this company took over the Right of Way Mining Company, Ltd., together with a controlling interest in Cobalt Merger, Limited, paying therefor 1,685,500 shares in the new company. Shareholders received 3 shares in the new company for each 1 they held in the old. For the quarter ended December, 31, 1909, the new company paid a dividend of 2%—$33,710. During 1910 the company paid three quarterly dividends of 2%, and declared a fourth dividend, payable on January 30th, 1911. Every quarterly dividend amounted to $33,710, making a total for the year of $101,130. Since then, dividends of $84,275 have been paid as noted in the table above. Dividends paid by the Right of Way Mining Co., March 5th, 1907, 7%; July 31st, 1907, 7%; May 5th, 1908, 7%, September 15th, 1908, 7%; April 1st, 1909, 8+9%; May 20th, 1909, 10%; July 1st, 1909, 6%; October 1st, 1909, 6%. The Right of Way Mines, Limited, has paid dividends of 2%: December 31st, 1909, April 1st, 1910, June 30th, 1910, September 30th, 1910, December 31st, 1910, December 2nd, 1911; and 1% in November, 1914. (8) The Temiscaming & Hudson Bay Company, on September 15, 1909, transferred 9 Cobalt claims to the Hudson Bay Mines, Limited, for a consideration of 3,000,000 shares of that company's capital stock. The former company in that way controls the latter company. (9) The name of the Hollinger Gold Mines, Ltd. (incorporated June 28, 1910, with authorized and issued capital of $3,000,000, par value of shares, $5), was changed to Hollinger Consolidated Gold Mines, Ltd., upon its amalgamation with Acme Gold Mines, Ltd., and Millerton Gold Mines, Ltd. The amalgamation became effective on May 25th, 1916. The capital stock of Hollinger Consolidated is $25,000,000, divided into five million shares of $5 each, of which $24,600,000 have been issued. The Hollinger Consolidated Co. paid dividends at the rate of 1% every four weeks, which is equal to 4%, or 52% per annum on the stock of Hollinger Gold Mines, Ltd., which was converted into Hollinger Consolidated shares on the basis of four Consolidated shares for one of the old shares. The last dividend of Hollinger Gold Mines, Ltd., was No. 48, paid on June 16th, 1916. Commencing July 14th, 1916, and every four weeks thereafter, Hollinger Consolidated paid a dividend at the rate of 1% until April 23rd, 1917, since which date no dividends have been paid. Prior to their amalgamation with Hollinger Gold Mines, Ltd., the Acme and Millerton paid no dividends. (10) First dividend paid April 1st, 1914.

(*) Of this 231,143 shares are held by trustees for the benefit of the company, and do not bear dividends.

The Drummond and O'Brien companies are practically close corporations: the dividend figures have not been made public.

All the above figures are official and have been supplied to *The Monetary Times* by the individual companies.

CANADA'S NEED OF POTASH

To Increase Production of Food—Question of Research—Germany's Potash Monopoly

BY JAS. P. MURRAY.

The great message given to the world by all governments during the last three years is that important one of conserving food. That message should have been given many years before the war. The continual shrinkage in the yield of field crops should have had the nations' attention. Here are a few facts which can be amplified by any enquirer:—

Twenty-five to thirty years ago the wheat fields of the Western States yielded 38 to 40 bushels to the acre. Why did that yield fall to 10 to 15 bushels?

In our own prairie lands twenty years ago the yield was equal to or greater than that. This year, while the yield in some places is given as 25 bushels, the average is expected to be about 19 to 20 bushels to the acre.

To keep up the quota, or to increase it, means that annually a very much larger increase of acreage must be brought under the plough. But even so, that will not improve the productiveness of the land already tilled. This virgin land may make the farmer richer, but not the country. In addition, he uses more land, time and labor to produce as much as his original acreage did years before.

Though wheat is referred to here, yet in their various relations all other grain and root crops deserve consideration. Nature will not be interfered with when life is concerned, animal or vegetable. The land is like a man. If you overwork him and only partly feed him, you do not expect par value in his work. So, if you take out of the land that which is essential to plant life it cannot be expected that that land can produce as abundantly as before. Opinions seem to differ as to what that plant food really is. Some experts insist that nitrates and phosphates are the most valuable, but the extraordinary capital investments being made in the United States (costing much over a million dollars for one plant alone) to procure potash from the seaweed, kelp, strengthens the point to which attention is called by this article. Even allowing that other fertilizers are necessary, there are enough qualified authorities who give an average of 80 pounds of potash to an acre required as land food for vegetation. A lot of time and labor is given to collect, load, cart, unload and spread manure as a fertilizer, yet twenty tons of manure must be dug into the land to supply from manure the potash needed. Think of it! Twenty tons of manure handled five times and dug in to get 80 pounds of potash. But, "Oh," says the farmer, "I have all the manure from the cattle byres and the stables." If the same quantity of the leaves which fell from the trees were gathered, a far better fertilizer would be had.

What is Potash?

From the earliest days, ever since intelligence has been applied to the reproductiveness of land by returning to it that ingredient necessary to plant growth, every means has been tried to produce potash. What is potash? The extract of wood ashes, when boiled down, forms potash. This product consists of crude potassium carbonate, and gives the name to the element. To chemists it is known as K_2O. To get this same element from other sources has had attention in the research laboratories in many countries.

So that some idea of how much potash is absorbed by various grains and roots, the following table has been prepared recently by a well-known chemist who is associated with one of the important government farms:—

	Yield per acre, bushels.	Grain, pounds.	Straw, pounds.	Potash taken, pounds.
Grains—				
Wheat	30	9.3	19.5	28.8
Barley	40	9.8	25.9	35.1
Oats	45	9.1	37.0	46.1
Corn	30	6.5	29.8 (stalks)	35.13
Beans	30	24.3	42.8 (straw)	66.11
	Tons			
Meadow hay	1½	. . . .	. . . .	50.9
Clover hay	2	. . . .	. . . .	83.4
Roots—				
Turnips	17	108.6	40.2 "	148.8
Swedes	14	63.3	16.4 "	79.7
Mangels	22	222.8	77.9 "	300.1
Potatoes	6	. . . .	. . . .	76.5

That shows nearly 90 pounds, on an average, to the acre of potash absorbed by eleven kinds of crops, those measured by bushels requiring, on an average, one pound and a quarter of potash to a bushel. Unless that quantity is returned to the ground, it is a foregone conclusion that the following crop, no matter what it may be, will be below the possibilities. Potash costs less to handle than manure and is cleaner in every way. It needs no wagon hauling once it is on the farm.

As is shown, on an average, an 80-pound bag to an acre fills the need, and with such grains as wheat, oats, barley, etc., it can be fed to the ground with the seed grain.

The market value of potash is not a point in this article, because, if it is beyond the reach of the ordinary farmer, the government should supply it on the same conditions as it supplies seed grain.

Potash from Feldspar.

Canadian felspar (Feldspar) has been proved to contain 14 per cent. of K_2O, and it is free from impurities. It permits of simple and inexpensive quarrying under facilities not met with in any similar industry, or which can return equally beneficent results.

Some people who have not given deep thought to the essential needs of the country, may, perhaps, pass over the importance which potash holds in this present war, and before it.

Germany is said to hold the world monopoly for potash. The great Magdeburg-Halberstadt rock salt basin of Stassfurt and of deposits in Galicia, Chili, Persia and Eastern Asia, all under German control, was one of the reasons why Germany satisfied herself that she could starve her enemies —in time—because they would not be able to obtain the potash so necessary for agriculture.

The principal German source of potash is the "Carnallite" formation, which underlies the "Kiserite" beds at Stassfurt. It requires mining operations to raise it from a depth of from 1,100 to 5,000 feet.

The purest never gave more than 7½ per cent. of K_2O, and had to be freed of sodium chloride, magnesium chloride, soda, bauxite and alum. Three of these are detrimental to agriculture, and their removal adds considerably to the cost of producing pure potash. Through investigations made in 1862 by Dr. Frank, assisted by Justus von Liebig, potash was proved to be a valuable fertilizer. Owing to these researches the cost of production was greatly lessened, the result being that the value fell from $100 per metric ton in 1862 to a third of that price in 1864. Since that time Germany has held the world's monopoly for potash.

In Britain and United States.

It is only in recent years that Britain and the United States have commenced to value the need of potash in agriculture. Statistics show that England used in 1901 only 55 pounds to 100 acres, increased to 150 pounds in 1911; Scotland used in 1901 only 227 pounds to 100 acres, increased to 379 pounds in 1911; United States used in 1901 only 40 pounds to 100 acres, increased to 126 pounds in 1911.

While the quantity taken by the United States does not look big as given per acre, it took 258 vessels of 4,000 tons each to carry the 1,032,127 tons of potash used by the United States and Hawaii in the year 1911.

The potash industry forms a realm of research for the chemist and the geologist. For agriculture, and hence for the maintenance of the people, it is a sine qua non. There is scarcely a trade in industrial activity but which uses potash in one form or another. Photographers, painters, dyers, cleaners, bleachers, soapmakers, electricians, all need it. It is used in fireworks, gunpowder, matches, glass, in preservatives, to cheapen production of artificial cold, and for the extraction of gold from the ore.

The United States has offered as an inducement in research a large sum to the citizen who can produce potash from one or more of the natural resources of that country, and in quantities which will give a sufficient supply for the farming necessities. Why does not Canada, having quantities of latent supply, do likewise?

A Nova Scotia wool dealer last year sold a consignment of 14,606 pounds of washed wool in the United States at 95 cents a pound.

The War Is Bringing a Tremendous Demand For Executive-Trained Men

These trained business men are greatly needed now. Think then, how much greater the need will be when the War is over!

THE men who stay home and direct the industrial energies of our country to greater effort and efficiency are no less patriots than the boys at the front. True, it's the man behind the gun who will bring peace — but it's the man behind the man behind the gun that feeds him—clothes him, equips him, sustains him, pays him.

You men who head big businesses need further training to help you carry the additional burdens.

You men who head departments need a keener insight into business fundamentals to qualify you for the chairs of those ahead.

You younger men whose feet are still on the lower rungs of the ladder need quick, intensified business training for the Executives' places now awaiting you.

Are you going to do your bit by qualifying as a *better* leader—or are you going to let "the other fellow" lead?

Never were such opportunities open to the business man who *knows* the fundamentals of business.

Never did a man have such a chance, selfishly and unselfishly to serve his country and himself.

Never before in the history of the world has such an opportunity existed for any man to bring out the best that is in him by self-training.

How officers are trained for the business army

Acquiring the true fundamentals of business is absolutely essential for real business success. Upon the *degree of training* depends the *measure of success.*

Half way successes think they "know it all"—they have ceased to grow. Mental slackers will not learn by the experience of others. Thus they will *never* grow.

Trained men will win this War. The man who follows the Alexander Hamilton Institute Course is as important a link as the man who goes to a soldiers' training camp to learn to be an officer. He increases his earning capacity by becoming a better leader. He develops his business mind and becomes a better executive—a better *MAN.*

The concentrated experience of thousands of successful men

If you own a business, large or small,—if you ever hope to own one—if you are now helping to run some other man's business—if you have your eye on the man's desk above you, the Modern Business Course and Service will direct your mind and energy along the sound lines that lead to certain success. It helps you avoid those pitfalls which cause business failure. The Alexander Hamilton Institute gives you, in easily readable, convenient and compact form, for absorption in your leisure time, the practical working experience of thousands of successful business men.

Over 65,000 men have enrolled. What our Modern Business Course and Service has done for its subscribers will probably never be known in its entirety. But daily there filter into the headquarters in New York many intensely human stories, showing how men are helped.

One day you hear of a brilliant lad of twenty-two, in a big New York Bank, rising to a $9,500 job and giving credit to the Institute for his success.

The next day a factory manager writes that the Course has just helped him save his firm $7,000 a year and that "a fair slice" of this went to increase his salary.

The next day a man in a Western concern tells how he saved the firm $37,000 a year by one suggestion, and what happened then to *his salary.*

These are only typical cases.

The kind of men enrolled

Presidents of big corporations are enrolled for this Course and Service along with ambitious young men in their employ.

Among the 65,000 subscribers are such men as A. T. Hardin, Vice-President of the New York Central Lines; E. R. Behrend, President of the Hammermill Paper Co.; N. A. Hawkins, Manager of Sales, Ford Motor Co.; William C. D'Arcy, President of the Associated Advertising Clubs of the World; Melville W. Mix, President of the Dodge Mfg. Co.—and scores of others equally prominent.

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BRITISH WEST INDIES AND CANADA

Opportunities for Expansion of Trade Between the Two Countries

By A. T. DRUMMOND, LL.D.

The proposal for federal union of the different Crown colonies comprised under the term British West Indies, and for closer commercial relations with Canada, has aroused wide interest in these colonies. A feature in this interest, important to us, is the general desire amongst the mercantile community, and in the press, for an expansion of trade with this country. The time appears to be thus opportune for considering how this expansion can be brought about. Federal union of these colonies would, without a doubt, greatly increase their internal development, and the opportunities and facilities for enlarged trade, but, in the past, obstacles have been raised to federal union, resulting from each colony having its own tariff, and control over its own legislation and expenditure, and, it may be added, a jealousy of each other, lest in any federation, certain colonies would secure favored treatment to the detriment of the others. Some of these obstacles, when viewed in the light of Canadian experience under similar circumstances, have greatly less weight than British West Indians appear to give to them, whilst others will be overcome by the large financial resources of the federation, as compared with the limited means of the individual colonies, and the utilizing of these resources for internal developments, so much needed in every part of the federation, and for intercolonial and foreign ocean, cable, wireless and air services, so essential in the interests of trade. Apart from these considerations is the vastly greater prestige which the federation would have in negotiating commercial relations with the rest of the empire and with foreign states. And then the war, which has emphasized the need of closer ties between the different sections of the empire, and of developing their resources to the utmost, is leading many of the foremost men in the British West Indies to join in the determination, now so prevalent in Great Britain and the Dominions and other colonies, that obstacles in Imperial problems must be met in a broad spirit and with an earnest desire to overcome them.

Can Supply to Canada.

What then is the nature of the trade which can thus be expanded, and what facilities must be afforded in order to give effect to this expansion? Each country has very many natural, or partially prepared products which the other needs in large quantity, and cannot itself produce, whilst the British West Indies requires many lines of manufactures which Canada can readily supply. These tropical colonies can furnish us with rubber, balata, unrefined sugar, molasses, rice, raw cotton, cocoa, coffee, cocoanuts, tapioca, arrowroot, tea, grapefruit, shaddocks, oranges, mangoes, lemons, limes, bananas, plantains, onions, ginger, pimento, sweet potatoes, yams, broom, corn, hemp, tobacco, chicle and other gums, cohune nuts, copra and other sources of oil, asphalt, dyewoods, and special timber for structural, machinists' and cabinet work. There is a rapidly increasing consumption in Canada of most of these products far larger than most West Indies people imagine, as they would find if they consulted our trade returns, but some of these products are not yet familiar to us, and others, like grapefruit and sweet potatoes, are thus far, regarded rather as luxuries. With the mango, said to be one of the most delicious fruits of the tropics, and with care, to bear transportation, we are still unacquainted, whilst the yam, which is a common vegetable in the tropics, and can readily be exported, and which Mr. Aspinall, of the West India committee of London, commends to the English people, as much preferable to our potato, is quite unknown to most of us.

On the savannahs of British Guiana, and also in British Honduras there are extensive opportunities for the breeding of cattle, leading thus to the export of frozen meat, of hides and of various by-products. In the forests, especially, of these two colonies, there are numerous woods of great value, including the greenheart, widely known for its strength and for its durability, whether under water or exposed to the atmosphere; the mahogany, crabwood, locust, rosewood and others valuable for cabinet work; and the mora, wallaba, simarupa, cedar and dalli, which, with others, are somewhat softer woods, useful for house construction, shipbuilding, railway work and general plantation purposes. Still other trees supply latex, gums, oils and dyes abundantly, and, like the rubber, balata, sapodilla, logwood, fustic, tonkin bean and cahune and cocoanut trees, are well known to commerce. Most of the trees there attain a commercial size in one-third to one-half of the time required by the slower growing trees of our northern temperate climate. Probably all of these trees will improve with cultivation. The Para rubber especially, being a native of northern Brazil, should do well, and its successful introduction into the Malay Straits Settlements, where there are to-day nearly one thousand estates of an average of about six hundred acres each, devoted to it, and employing towards a quarter of a million laborers, should be an incentive to effort, especially in British Guiana and Trinidad, which lie in about the same latitude.

Openings for Canadian Capital.

With expanding markets near at hand, like the United States and Canada, and with enterprise and increased capital, all of these important natural products can be developed on a vastly greater scale. There can be no question that Canadian capital and activity will be directed in a large measure to the British West Indies, if these Crown colonies enter into a federal union among themselves, and a commercial union with this country. Not only are there ample areas available in practically every colony for the growth of the numerous tropical products already referred to, but many of these now shipped in the raw, or partially prepared state, can be advantageously manufactured, within the country, into one or other of their ultimate products, thus saving large bulk when exported. There are also railways to be constructed, water powers to be developed, transmission lines to be built for light and power, harbors to be created or deepened, steamship services to be established, whilst research will find an almost untouched field in these tropical countries for both old and new materials, and for new methods in adapting these materials to industrial purposes.

Can Supply to the West Indies.

Our manufacturers and merchants have given but small attention in the past to these colonies, with the result that the greater enterprise of New York, Boston and New Orleans has secured for these cities large business which rightfully belonged to Canada. It is not that Canada does not produce, on an ample scale, what the British West Indies wants, and does not consume largely what these colonies produce, but our agricultural interests have found ready and convenient markets in Great Britain and the United States, and our manufacturers have for some years been wholly engrossed with the expanding home market, whilst our buyers of West Indies products have in most cases, preferred to take advantage of the quick deliveries, even at what must be higher prices, from New York and Boston, rather than submit to the delays and risks of importing direct by way of Halifax. To indicate the wide range of Canadian products which we can supply, and which the West Indies require, it is only necessary to mention such articles as wheat, oats, flour, fresh, dried and canned fruits and vegetables, fresh, dried and canned fish, beef and pork in barrels, condensed milk, dressed and undressed lumber, furniture and household appliances, shooks and staves, carts, wagons and automobiles, manures and fertilizers, coal, coke and patent fuel, paints, oils and varnishes, musical instruments, asbestos goods, books and educational apparatus, newsprint and other paper supplies, wearing apparel, boots and shoes, sewing machines, wire fencing, steel structural materials, agricultural machinery and implements, electrical, mining, marine and general machinery, steamships and sailing vessels, railway, telegraph, telephone, wireless and aerial material and appliances, surgical instruments, drugs and the very varied chemical products.

Trade Between Two Countries.

Presently the preferential tariff between this country and these Crown colonies has not led to any very marked extension of business between them. Not only were the concessions in rates of duty small, but prior to the war, manufacturers here were too much taken up with the profitable home trade, whilst transportation facilities, both by rail and ocean, were inadequate, and did not afford that quick dispatch which perishable articles from the West Indies, and agricultural products and manufactures from Canada, required in order to build up an important trade. The war has, however, changed conditions in Canada. With the enormous export business which has resulted from the British and foreign demand for munitions, military equipment, railway material, wearing ap-

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The holder of the certificate may stake mining claims to the extent of 200 acres.

WORKING CONDITIONS.—During the first six months following the staking of the claim, work on it must be performed to the extent of at least twenty-five days of eight hours.

SIX MONTHS AFTER STAKING.—At the expiration of six months from the date of the staking, the prospector, to retain his rights, must take out a mining license.

MINING LICENSE.—The mining license may cover 40 to 200 acres in unsurveyed territory. The price of this license is Fifty Cents an acre per year, and a fee of $10.00 on issue. It is valid for one year and is renewable on the same terms, on producing an affidavit that during the year work has been performed to the extent of at least twenty-five days labor on each forty-acres.

MINING CONCESSION.—Notwithstanding the above, a mining concession may be acquired at any time at the rate of $5 an acre for SUPERIOR MINERALS, and $3 an acre for INFERIOR MINERALS.

The attention of prospectors is specially called to the territory in the North-Western part of the Province of Quebec, north of the height of land, where important mineralized belts are known to exist.

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The Honourable HONORÉ MERCIER, Minister of Colonization, Mines and Fisheries, Quebec.

How to Acquire Authorization for the Development of Water-Powers in the Province of Quebec

To obtain authorization for the utilization of a Water-Power in the Province of Quebec, application should be made to the Honourable Minister of Lands and Forests.

Water-Falls capable of developing less than 200 H.P. may, under certain circumstances, be bought outright. But those of over 200 H.P. are granted under emphyteutic leases, the conditions of which are upon the following lines:—

1.—The duration of the lease is from 25 to 99 years according to the importance of the water-power and to the amount of capital required for its development.

2.—Payment of a yearly rental—which does not vary during the term of the lease—for the land granted, counting from the date of the signature of the contract.

3.—Payment of an additional yearly charge, or royalty of from 10 to 50 cents per H.P. developed, according to the geographical situation of the water-power, and such charge being payable from the time the power is produced.

4.—The above royalty (art. 3) is subject to revision every 21 years counting from the date of the signature of the contract.

5.—A delay of two years is granted for beginning works and two further years for producing power.

6.—The lessee is under obligation to make a deposit in money, or in securities, as a guarantee of good faith in the carrying out of the contract. Such deposit may be forfeited if the conditions are not fulfilled; but if they were, it may be refunded after a certain time.

7.—Lastly, the grantee must submit plans of his works, mills, etc., to the Department previous to their installation, and when such installation is completed, he must keep the Department informed as to the quantity of power produced.

parel, food supplies, mining products and machinery, Canadian manufacturers have gained a wide experience in the export trade and are desirous of continuing in it after the war is over.

What can then be done to foster and expand it when munitions and military material are no longer required? It cannot be too strongly pointed out that this one market, that of the British West Indies, is comparatively close at hand, is waiting for further development, and possesses these direct advantages that the merchants there are strongly desirous of having more extensive and closer relations with us, and that, already, throughout these colonies there are active branches of two leading Canadian banks, ready to assist with information and banking facilities in developing our trade. But even these advantages would be futile if they are not supplemented by three transportation conditions: (1) More frequent and quick steamship services between the British West Indies and Halifax; (2) very fast through freight services between the Halifax piers, Montreal and Toronto, timed to meet the arrival and departure of the steamships; and (3) through freight rates and charges between the West Indies and Montreal and Toronto, via Halifax, not exceeding those via New York and Boston. To meet the conditions which the special trade requires, there must be cold storage facilities at the shipping points; cool, ventilated accommodation, especially for fruits, in both steamships and cars; prompt transfer at Halifax to and from steamships and cars; and such a fast service by sea and rail that the time taken between the steamship's departure at British West Indian points and the arrival of the cargo in Montreal and Toronto will not exceed fifteen to sixteen days, with a similar time for return cargoes of Canadian products to the West Indies. To effect this, will require organization and close co-operation from start to finish, between the steamship and railway authorities, and a determination on the part of both to develop the business.

Quick Freight Service Certain.

Conditions now exist which make it quite possible to inaugurate a fast freight service, and the Intercolonial Railway management, to whose attention the matter has been brought, proposes to give every consistent aid when the time comes. With the Intercolonial and the new Transcontinental roads forming, together, under Dominion government auspices, a double track system between Quebec and Moncton, we now have a continuous, connected double track from Toronto and westward, over the Grand Trunk and the government railways, to Halifax, except the short distance between Moncton and Halifax. Thus a fast service has become practicable.

The food controller, Hon. Mr. Hanna, has made experiments in fast delivery with car loads of fresh fish from Nova Scotia to Toronto, and they appear to have been successful. Thirteen to fourteen knot steamships should cover the voyage from British Guiana to Halifax in nine days, from Trinidad in eight days, from British Honduras in ten days, and from Jamaica in less than eight days. These facts demonstrate that West Indian products can be delivered in Montreal and Toronto in not much over two weeks from loading of the steamship in West Indian ports. There should, with such facilities, be no reason left to Canadian importers why they should continue to buy so very largely West Indian products in New York and Boston, and equally no reason why our manufacturers and merchants should not develop in the British West Indies a large outlet for Canadian manufactures and agricultural products. The steamships will be forthcoming whenever there is the business in prospect, and, suggestively, there could be, with advantage, two steamship services, each weekly, the one between Halifax, Bermuda, Barbados, Port of Spain and Georgetown, British Guiana and the other between Halifax, Nassau, Kingston and another port in Jamaica, Belize and Guatemala's outport at the terminus of the Guatemala Railway, whilst there would be interinsular steamship services to connect the other islands closely with the through steamships at Barbados, Port of Spain, and probably, in time, Nassau.

Development of live stock exports from Western Canada to the United States is indicated by comparison of export trade for the first six months of 1916 and first six months of 1917. In the former period the total exports from Manitoba to the United States were: Cattle, 4,721; hogs, none. In the same period in 1917, the exports were: Cattle, 10,943; hogs, 1,288

CANADA AND SPAIN

Spain's Only Investment Here is in Aerial Cable Car at Niagara Falls

By CHEVALIER J. ENOCH THOMPSON.

Spain is neither a poor nor an unprogressive country. The Bank of Spain stands second in proportion of gold reserve to notes outstanding, having 1,810 millions of gold, 741 millions of silver against a circulation of 2,592 millions, or 98.41 reserve of specie; the Bank of England stands first though having only 1,341 millions gold (reduced to Spanish pesetas), against a circulation of 1,001 millions being 133.96 gold reserve. Spain has a population of 20 millions, ranking as seventh in the 22 nations of Europe.

Spanish investments outside of the Iberian Peninsula are almost entirely made in Spanish-speaking countries. Spanish capitalists own large sugar plantations in Cuba and have many millions invested in Mexico and South America.

The only instance of Spanish investment in Canada is the aerial cable car across the Whirlpool Rapids of Niagara. This system is the invention of an eminent Spanish engineer, Mr. Quevedo, who is also the inventor of an improved airship which has been adopted by the British government. This aerial tramway was built and is owned by Spanish capitalists. The terms imposed by the Niagara Park commissioners were not such as would encourage future investments from Spain in Ontario.

Canadian Capital in Spain.

Canadian capital to a much larger extent has been invested in Spain encouraged by the liberal and untrammelled conditions which Spanish authorities offer. The Barcelona Traction, Light & Power Company, Limited, a Canadian company, has invested over 90 million dollars.

Until 1910 Spanish emigrants did not come to Canada but attracted by the reports of high wages and promoted by transportation companies by 1914, 3,000 had arrived. Many have since returned or drifted to the States. There are probably 300 Spaniards in Ontario mostly employed in factories, mines and as cigar makers. They are good workers, industrious and sober.

The imports from Spain to Canada consist of raisins, grapes, almonds, onions and wines, and are about annually two million dollars. Formerly a large trade in oranges existed, but the competition of California and Florida has reduced it to small proportions. The export to Spain, mainly agricultural implements, was in 1912 $65,000, and has not been exceeded.

Absence of Direct Boats.

The absence of direct steamers between Canada and Spain has always been a serious obstacle to increasing the trade. A few months before the war two Spanish trade commissioners appointed by the government visited Canada and were so well impressed with the prospects of business, that they recommended the Spanish government to subsidize a direct line which would have gone into effect in the fall of 1914 but for the war.

Spanish imports are about 200 million dollars, exports about the same in normal times, of which about 35 million dollars worth are imported from the United Kingdom and about 70 millions shipped there.

Fruit and nuts are the largest item of exports, and fertilizers to the value of 3½ million dollars figure amongst the imports. 3¼ million acres are in vineyards producing 3 million tons of grapes, 3½ million acres in olives producing nearly 2 million tons, and 10 million acres in wheat produce 150 million bushels.

Manufacturers do not figure largely in Spanish exports but they are growing in importance. Barcelona, which with its suburbs is the largest city of Spain, is a combination of Liverpool and Manchester, being the largest maritime and most important manufacturing city of the country. Fabrics, automobiles, pianos and machinery are produced to a considerable extent for local consumption, protected by a high tariff. An important export business is carried on with South America in such articles as the residents of these republics and their children were accustomed to use when they lived in Spain.

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It is probable that after the war, products of Spanish workshops and looms will be made in larger quantities and consequently cheaper, and attain such importance as to join in the race with other countries to replace goods of German origin. Abundance of cheap labor, shipping facilities and the development of water powers will aid this movement.

Anglo-Spanish Society Helps.

In one direction Spain will greatly benefit from the war. The thousands, nay millions of British, American, Canadian and South American people who were in the habit of visiting Germany will not during the present generation set foot in that country and will naturally turn to Spain. The few who visit Spain or have enjoyed the lovely winter climate of Malaga, Seville, Alicante, return every year. The rush of tourists will astonish the Spaniards and this traffic will be greatly promoted by the universal teaching of Spanish in place of German in British, Canadian and American schools. This agitation has assumed large proportions. In England the Anglo-Spanish Society has been established to promote and maintain friendly and sympathetic relations between the British Empire and Spanish-speaking nations; to stimulate the reciprocal study of language, endow professorships and scholarships in Spanish, etc. The officers of the society include the prime minister, Mr. Balfour, Lords Milner, Cecil, etc., the Spanish Ambassador in London and the British Ambassador in Madrid. In the United States every college or school of importance is teaching Spanish, and in one state 2,000 high schools adopted Spanish in place of German. In Canada the Board of Education of Toronto passed a unanimous resolution to teach Spanish. The minister of education and most of the university professors are in sympathy with this movement.

A Spanish club has been started in Toronto with 60 members to promote the study of Spanish language and literature and to foster commercial and social relations with Spanish-speaking countries. The consuls of Spanish countries resident in Toronto are heartily supporting the club.

CANADIAN PORTS FOR CANADIAN BUSINESS

Federal Government Should Equip Them for National Use—Progress of Eastern Ports

By R. E. ARMSTRONG.

A senator from an eastern constituency inquired last session whether it was the intention of the government "to take any action to prevent in future the bulk of the export of oceanic traffic being routed via American ports." There were some sympathetic speeches on the subject, but Hansard does not record that the inquiry was completely answered. This question of the utilization of Canadian ports in preference to ports on foreign soil is likely to be a burning one in maritime Canada when the war is over and trade has begun to settle into its accustomed grooves.

Before the war, there was a feeling in the maritime provinces that they were not as fully considered in the general scheme of Canadian affairs as they should be, and that there was an ignorance of maritime possibilities and conditions, and an indifference to their ambitions, on the part of the peoples of the rest of the Dominion.

The transportation companies in their advertising literature have in the past laid much heavier emphasis upon central and Western Canada than upon maritime Canada. The possession of the ports of St. John and Halifax has been found to be of incalculable value to the empire. In the early stages of the war, when the United States was not so favorably disposed to Britain and to Britain's cause as it is to-day, the Imperial authorities would have found themselves greatly handicapped if they had not had the open ports of St. John and Halifax to fall back upon when the cold weather had sealed the ports on the St. Lawrence. Many thousands of troops and many thousands of tons of war supplies were sent through these two ports that would have had to wait until spring had unsealed the St. Lawrence or would have had to be forwarded by a roundabout way through the port of Vancouver. This record of Imperial achievement, which cannot be minimized or denied, must forever stand as a powerful argument in favor of the open ports of the maritime provinces.

The people of the maritime provinces feel that they have every right to approach the federal government and ask them to equip their ports for national use and that they have every right to ask the Canadian shippers of grain and the Canadian exporters and importers of other commodities that they should route their shipments through Canadian ports and over Canadian railways. They feel, too, that they have just as strong a right to make this appeal to the exporters and importers of Great Britain and of the nations of Europe that are allied with her in the present struggle.

The maritime provinces have willingly contributed their share to the development of Western Canada, and they have willingly shared in the sacrifices that Canada has made to defend the honor of the empire and to uphold the principles for which it has been fighting, and they feel that they have won the right to share in the fruits of those sacrifices.

Aside from this view of the question is the larger one of the strengthening and upbuilding of the Dominion as an Imperial adjunct. Experience has shown the wisdom of Canada making herself as independent of her neighbors as her resources and position will permit. This is a national principle which all countries recognize and it carries with it no infringement of the rights and no aspersion of the peaceful intentions of our neighbors. To secure that national independence, Canadians must be brought to a realization of their responsibilities towards each other.

Canadian Ports for Business.

The St. John board of trade, following up its slogan of "Canadian Ports and Canadian Railways for Canadian Business," has been continually pressing the claims and advantages of the open ports of the maritime provinces upon the public of Great Britain and Canada. The demand has been made by this board that action should be taken to secure to a fuller extent the carrying of commerce designed for Great Britain and her allies through the ports of Canada.

In a resolution adopted by the St. John board quite recently, it was resolved that "the council urges upon the government of Canada, in co-operation with the home government, the importance of further hastening the development of the open ports of the maritime provinces, so as to care for this commerce in summer and winter, and it also calls upon Canadian shippers to route their shipments wherever possible through Canadian ports, thus assuring them necessary sea protection, and at the same time strengthening and upbuilding Canadian ports and railways, toward the development of which vast sums of the public moneys of Canada have already been expended."

Exports and Imports.

In this connection it may be of interest to note the progress that the port of St. John has made in the matter of exports and imports during the past six years.

Year.	Exports.	Imports.
1912	$ 21,895,963	$ 8,590,197
1913	25,594,721	9,873,026
1914	21,359,760	9,433,220
1915	43,872,932	9,112,916
1916	120,042,590	11,165,463
1917	190,586,561	15,500,659

This rapid development which places St. John as second in the export ports of Canada, may be largely traced to the fact that it has the advantage of having the shortest rail haul to and from the west of any other all-the-year-round port in eastern Canada.

Halifax has likewise made progress as a port during the past six years, the blue books showing its exports and imports to have been as follows:—

Year.	Exports.	Imports.
1912	$15,857,184	$11,996,093
1913	15,173,250	12,404,055
1914	19,157,170	12,139,606
1915	17,247,719	10,712,585
1916	26,843,487	9,873,309
1917	34,175,832	14,062,009

The above port results have been reached with only a small portion of each port developed. When the full development of which these ports are capable has been attained, their possibilities will be very great.

In addition to the winter port of St. John, which has accomplished so much during the short period that it has been used as such, New Brunswick possesses two splendid open

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ports at St. Croix and Letang on the Bay of Fundy. These national harbors are capable of rapid equipment should the traffic at St. John ever get beyond the capabilities of that port. "Canadian Ports and Canadian Railways for Canadian Business" would be just as good a slogan for Canada as a whole as for the maritime provinces.

DEVELOPMENT OF WESTERN CANADA

Importance of Immigration Policy in Relation to Agriculture

BY JAMES CARRUTHERS.

The most vital problem facing Canada to-day, outside of winning the war, is the question of immigration A country that in fifteen years can increase its grain production from 43 million bushels in 1900 to 745 million bushels in 1915 proves conclusively that agriculture is its basic industry, and, in my opinion, everything possible should be done to foster and encourage immigration into our western lands.

It is difficult to say to what extent emigration will be permitted from European countries. Some writers claim the immigration tide may turn from the west to the east. The United States commissioner of agriculture, Frederick C. Howe, seems to be of this opinion, and believes there will be a large exodus from the United States to European countries after peace is declared, provided ocean accommodation can be secured, or unless some drastic legislation is made by the government to prevent same.

Must Attract Settlers.

If European countries are going to compete with America for agricultural settlers, then it is apparent Canada should do everything possible to attract settlers to the fertile lands in our North-west, and, if necessary, offer special inducements.

Canada is an agricultural country, and what we need most of all is people to settle our lands in the North-west. Unless we can get these settlers it is going to mean rather serious problems for Canada for the next ten years to come.

Weakness of System.

Three weak points in our immigration system are:—

(1) The lack of any efficient system of selecting suitable immigrants. (2) The lack of controlling and assisting newcomers to our country. (3) Our lamentably unscientific system of agricultural settlement.

Now is the time when we should set to work on a comprehensive plan to remedy these weaknesses, which in the past have been productive of waste in what would otherwise have been effective man-power.

How shall we get our immigration? It has been suggested that large numbers of British soldiers will come to Canada after the war, and it is thought that many good men of other nations will be glad to leave war-ridden Europe and make a home in this country. All this is problematical, however, for we do not know to what extent any of these countries will discourage emigration.

This much, however, is plain. Our immigration plans must be so fashioned as to attract the largest possible number of available men of the agricultural classes. It must also provide opportunities for the attraction, instruction and assistance of such men as wish to take up agriculture.

In regard to settlement, our present system of laying out farms on the checkerboard plan is a grave handicap. It emphasizes to the utmost possible degree the isolation of the individual units

Must be Attractive.

Life on the new lands must be made socially attractive, and the only way to do that is to group the settlers into communities. We need a complete reorganization of our methods of survey. The checkerboard plan must give way to the community plan of individual holdings, and the sooner we set about making the change the better. Mr. A. C. Flumerfelt, K.C., of British Columbia, who has devoted much thought to this problem, has put forth an admirable scheme along these lines. He not only advocates a system of self-contained communities as against the present policy of isolated farms. but also a plan of co-operation in the purchase and use of the most approved agricultural machinery, and a plan for expert assistance in dealing with agricultural problems and financing the new settlers.

Among the good points of our present system which should be developed are the government experimental farms, which have done splendid work, and the "Farmers' Special" trains, taking experts all over the country to give lectures and demonstrations in good farming. This latter is most important, for good farming means larger returns for the money expended. The average yield in Western Canada could be doubled by intensive farming.

Value of Crops.

In 1917, we had a crop of nearly 250,000,000 bushels of wheat of superlative quality, which practically all grades No. 1 or No. 2 Northern. It is a conservative estimate to say that the total yield of grain in the three provinces last year means a return of $750,000,000. If we were to add to it the total value of the returns of all other kinds of farm produce, not only in the west, but in all Canada, I think we should be staggered by the revelation of the importance of farming in the economy of this country.

Now, here is the point I want to make. Our neighbors to the south produce a grain crop of around 5,000,000,000 bushels; that is to say, about one billion bushels of wheat, three billion bushels of corn, and the balance made up of other grains.

We can produce as large a crop of grain as the United States. We have the land. What we want is the people. We have only 22,000,000 acres of land under cultivation in the prairie provinces out of over 250,000,000 acres of fertile land available for agricultural purposes. Think of the opportunities this means for the production of wealth and the building up of a great nation!

Finest Wheat in World.

There is another thing. Our wheat is the finest in the world. It weighs 62 to 63 pounds to the bushel, of a quality that cannot be produced elsewhere. This war has done wonders in spreading a knowledge of the value of our wheat lands and the superiority of our product. We have been exporting wheat to countries that never had it before. Italy, for instance, which formerly bought none of our wheat, has purchased an enormous quantity. I myself shipped to Italy on behalf of the government about 12,000,000 bushels. That is big advertising for Canadian wheat.

In our territory, extending from the Atlantic to the Pacific, we have natural resources of every conceivable kind Also, we have a climate which cannot be excelled in any part of the world. I believe that at the close of the present century we shall have a population as large as that of the mother country. But it all depends upon how we meet the vital problem of immigration, and upon whether we realize as we should that the basis of all prosperity is what comes out of the soil.

A chart of the food waste problem has been compiled by Mr. Lucius P. Brown, director of the bureau of food and drugs, department of health, New York City. This chart follows food from the farm to the kitchen and tabulates eight great causes of waste. They are: No terminal markets; duplication of marketing facilities; expensive cartage; high retail delivery costs; unnecessary credits; extravagance in service and display; failure to buy home-packed goods of equal quality; and failure of retailer to use proper merchandizing methods.

The Canadian minister of railways last year granted the sum of $25,000,000 as a fund provision for the purchase of locomotives and rolling sock for the government-owned railways and freight cars to supply the shortage on other railroads. In all, 6,000 freight cars are being purchased, 4,000 from the Canadian Car and Foundry Company, 1,000 from the Eastern Car Company, and 1,000 from the National Steel Car Company. They are all to be delivered between October 1st, 1917, and February 1st, 1918. Only 4,000 of the cars are required for the government-owned railways, therefore the balance will be distributed among other railroads, most of which will go to the Canadian Northern and Grand Trunk railways.

General View of Granville Island during Process of Reclamation Forty-two acres now available for Industrial Sites.

Choice Industrial Sites in the Heart of

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BRITISH COLUMBIA, CANADA

Granville Island is located only nine blocks from the retail business district of Vancouver.

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Excellent industrial sites are available at extremely low rates. The island was reclaimed for the fostering of industries and is under the control of a Government Board.

Vancouver offers manufacturers vast supplies of raw materials, a home market which imports goods to the value of many millions yearly and opens up direct connection for trade with the Orient.

Water transportation available the year round.

A number of industries are now operating on the island and eastern firms are securing locations and preparing for local and trans-pacific business.

Learn just what opportunities are made possible for the manufacturer or handling of your goods or allied lines.

You can have, free, an accurate, unbiased and confidential report on the situation, from your particular point of view, by stating your needs.

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Board of Trade Building, Vancouver, B.C.

THREE PERIODS OF RAILWAY DEVELOPMENT

Pioneer, Construction and "Digestion" Eras—Case for Railway Rates Increase

BY J. L. PAYNE.

Canada might be said to have definitely entered upon a third phase of railway development. The first began in 1836 and ended in 1880. That was the pioneer stage, and resulted in the building of 7,194 miles of line, all of which were located east of Lake Superior. The second phase began with the construction of the Canadian Pacific, and terminated with the the completion of the Grand Trunk Pacific in 1913. During those thirty-two years, which might be classified as the expansion period, there was an addition of 22,110 miles to the available railway mileage. Since 1913 there have been added 8,130 miles of line, bringing the total in 1916 up to 37,434; but that addition merely represented the bringing into operation of mileage which had been in process of construction for a number of years. Not a single new railway undertaking has been given effect since 1912.

The commencement of the second phase saw the first mile of track laid down in the great prairie provinces, and it is significant that at the present time 17,488 miles, out of a total of 37,434 in the Dominion, are in operation west of the Ontario boundary. That was what the period of expansion brought about. It meant the opening up for settlement and commerce, of those vast fertile areas lying north of the forty-ninth parallel and west of the Great Lakes, which have already become such an important part of the Dominion and which will inevitably rise in peace. Those were pregnant years, 1880-1913, for Canada.

Period of Digestion.

The third phase, which is now assuming positive form, might be defined as the period of digestion. During the thirty years which witnessed the relatively rapid development of the western provinces there was in constant evidence a spirit of abounding optimism. Not a croaker arose to tell us we were building railways in advance of our national needs; on the contrary, there was a universal conviction that we were rather lagging in the creation of transportation facilities. Activity in construction was applauded us the means by which we should take full possession of our magnificent heritage. The nation speeded up as the years rolled by. We need not smudge the retrospect with reproaches. It was well. We have the railways; but we also have an inconvenient attack of dyspepsia. During this current third phase we shall find room for first-class sagacity in restoring ourselves to the eupeptic condition which characterized our splendid efforts at nation building during the eventful years which immediately followed the completion of the Canadian Pacific.

It may help us to a clearer understanding of what we have done in railway building if we set before our eyes a few comparisons. When the first phase had ended in 1880, the total capitalization outstanding was $270,617,493. When the second phase had run its course the aggregate had risen to $1,531,830,692. It stood at $1,893,877,819 last year, and when the account has been brought down to date it will probably be found that we have reached the $2,000,000,000 mark. When the Canadian Pacific was begun, the freight traffic of the country was slightly under 10,000,000 tons. Last year it amounted to 109,659,088 tons. During the same period the number of passengers carried rose from 6,462,948 to 49,027,671. Even more striking was the advance of gross earnings from $23,561,447 in 1880 to $263,527,157 in 1916.

Earnings Per Mile.

In one way and another it has become fashionable to measure railway progress by gross earnings, and, as far as it goes, that is both a satisfactory and comprehensive test. It strikes the eye with compelling force. But the analyst prefers the more enlightening figures which relate to earnings per mile of line, and when resort is had to that standard of measurement a somewhat different result is revealed. For example, in the pivotal year 1880 the per mile average was $3,275. When the Canadian Pacific had been completed in 1886, despite a gain of $10,000,000 in gross, the average per mile had fallen to $2,831. Mileage had moved upward more rapidly than had earnings. Precisely the same thing has happened during recent years. While gross earnings have increased by nearly $100,000,000 since 1910, the average per mile of line has actually fallen from $7,034 to $6,943. This was due to the fact that during that period nearly 10,000 miles of new line had been brought into operation. Quite obviously, new mileage cannot be expected to produce the volume of traffic which attaches to established mileage.

The war has both helped and hurt our Canadian railways. A perceptible decline in traffic had begun several months before the tocsin sounded, and in the following year nothing but rigid retrenchment saved a perilous situation. If there was heroism on the battlefield during the first twelve months of fighting in Europe there was also courage displayed by the men who had charge of our wide-flung transportation interests at home. They deserve infinite credit for avoiding conditions which might have approached disaster. When the movement of a great volume of war supplies began there was a swift return to swelling earnings, and 1916 showed a gain of $64,000,000 over 1915. For 1917 the weekly return of earnings by the larger railways point conclusively to a new high level. The official figures for all lines will not be available until well along in the new year; but it may be assumed with safety that they will add materially to the total for gross and the average per mile.

Pre-War Rates.

While there has been a painful advance in the all-round cost of living, as the result of acute war conditions, the railways have not had any share in the uplift of prices. They have had to pay a great deal more for both supplies and labor; but they have been held firmly to pre-war rates. The selling price of transportation by rail has been stationary, while the selling price of transportation by water has gone up to undreamt-of figures. This is the illuminating lesson of control. The producers of food, for example, unchecked by any authorized and law-fortified tribunal, have run riot. Just why we have permitted ourselves to get into such a needlessly hurtful situation cannot be regarded as a tribute to either our perspicacity or sanity. If the alleged law of supply and demand is both automatic and inexorable, it ought to be as available to the producer of transportation as to the producer of wheat.

It is somewhat of a triumph that, in face of decidedly adverse conditions, our Canadian railways have been able to maintain net earnings. They have, indeed, slightly increased them. Perhaps no finer proof of administrative skill could be given. The means by which they have done this are in part negative and in part positive. That is to say, they have skillfully cut down all unproductive train mileage on one hand, and on the other they have increased both the carload and the trainload. These things represent, perhaps, the very finest tests of sound management. The average carload in 1907 was 15.37 tons; in 1916 it had been brought up to 20.91. The average trainload in 1917 was 260 tons; in 1916 it was 411. It is along these lines that the shrewdest executive heads of big railways across the border are directing their most determined efforts as the only means of offsetting the rising cost of operation. We are doing just as well, all things considered, on this side of the line.

Principle of State Control.

The third phase of railway development in Canada will be marked by a long and significant stride in the direction of extending the principle of state control. With the taking over of the Canadian Northern and the National Transcontinental, government for the first time comes into possession of a system extending from the Atlantic to the Pacific. This vital change, it will be conceded, was the result of purely financial circumstances rather than the deliberate assertion of a policy. Coincident with this movement has sprung up a demand in some quarters for the general nationalization of railways, and it is noteworthy that a somewhat similar agitation appears to be gathering headway in the United States. These things may be alluded to as facts coming properly within the scope of a brief resume of the railway situation; but it would be obviously improper on my part to venture either a word of comment or a syllable of speculation as to what may be the outcome.

These are times of radical and sudden changes. The world is in a state of flux. With a pronounced disposition on the part of communities and nations to right many things that are found to be wrong, it should not be surprising if departures are made swiftly which would have taken generations to develop under normal conditions. Whatever may take place, it may be taken for granted that our railway facilities are capable of meeting the needs of both a larger

CALGARY

(ALBERTA)

Progress in Calgary of late years as shown by

BANK CLEARINGS

Year	Amount
1912	$ 275,492,393.00
1913	247,882,928.00
1914	201,669,873.00
1915	169,758,599.00
1916	233,097,671.00

STOCKYARD RETURNS

Year	Horses	Cattle	Hogs	Sheep
1914	10,660	42,311	194,162	34,055
1915	17,675	43,445	161,514	13,147
1916	23,084	71,870	121,568	25,087
Estimated 1917	25,622	91,007	124,568	25,021

POWER (ELECTRIC) STATISTICS

Year	Current supplied	Rates	
		Domestic	Power
1912	....	4c.—7½c.	1.1c.—2c.
1913	30,188,737 K.W. hrs.	4c.—7c.	1.1c.—2c.
1914	37,296,182 K.W. hrs.	4c.—5c.	1.1c.—2c.
1915	31,106,945 K.W. hrs.	4c.—5c.	1.1c.—2c.
1916	34,102,549 K.W. hrs.	4c.—5c.	1.1c.—2c.

(1 year's revenue, $565,600.00)

SCHOOL STATISTICS

Year	Teachers	Attendance
1912	161	7,903
1913	170	9,207
1914	220	10,430
1915	230	11,102
1916	253	11,670

(62 school buildings in Calgary)

STREET RAILWAY STATISTICS

Year	Revenue	Expenditure	Passengers carried
1912-13	$704,053.29	$502,119.42	16,986,658
1913-14	691,008.83	515,192.44	16,213,731
1914-15	$561,626,60	$561,291.16	12,976,293
1915-16	605,634.18	576,912.09	13,894,317

(79 cars in operation)

Population 65,000. Per capita debt, including utilities, $392.00.

Largest commercial centre between Winnipeg and Vancouver. Centre of rich mixed farming country.

City offers to prospective industrial and, manufacturing concerns, suitable sites at cost price to City on extended payment plan. Lowest rates to power users in any city west of Winnipeg. Natural Gas supply at cheap rates.

J. M. MILLER (City Clerk).

population and a larger commerce. That is something which ought to inspire confidence in the future; for adequate transportation lies at the foundation of national growth. We may face the momentous new year without misgivings on that score.

UNITED STATES FACTORIES FOR CANADA

Many More Will Probably Come After the War—Our Location is Favorable

By F. M. SCLANDERS, F.R.G.S.

Here, at the southern extremity of Canada, our long peninsular protrudes wedgelike into the United States. On all sides, save the north, we are embraced by American territory. On our west, we have Michigan; on our south, Ohio; and, on our east, Pennsylvania and New York. Our geographical location probably accounts for the ignorance of many of our own people elsewhere as to what is happening here, at these border cities of Ford, Walkerville, Windsor, Sandwich and Ojibway. We are deemed to be somewhat beyond the beaten track of things. This is apparently accepted as a handicap to any material development. Consequently, it seems instinctively reasonable to classify us along with those points which remain the same yesterday, to-day and forever.

However, a little thought may convince that instead of a serious handicap, our location is really an exceedingly valuable advantage. Obviously, the further south we are, the closer are we to many of the most important industrial centres of a great country of over one hundred million people of extraordinary national genius and amazing enterprise. For, it is to the United States that we must look for our industrial expansion; and, we are not looking in vain. Within the past three months, eight manufacturing concerns have concluded negotiations to establish here; several of them are here already.

"Made In Canada."

The Americans know us better than do our own people. This is indicated by the fact that our development of recent years will compare most favorably with that of the most progressive points in the Dominion.

The existence of the war does not appear to dampen the ambition of the American manufacturer for a Canadian branch. In many instances, it would seem to be the reverse. These far-sighted people to our south know that war cannot last indefinitely. They are confident that matters will take an emphatic turn for the better after the active advent of a large United States army at the front. They are looking well ahead; and one thing they certainly do recognize is, that after the war, that little trinity of simply words, "Made in Canada," is destined to prove the most potent selling slogan that ever paved the path to great commercial possibilities. The American knows that these little words are no longer a mere designation of origin. He realizes that they have now acquired a world-significance deeper and more potent than centuries of conscientious commerce ever could have induced; and that behind them stand the magnificent record and the supreme sacrifice of this young country in the cause of world freedom.

Canadian Branch Factories.

The astute American wants to come to Canada. At the same time, he does not wish to go too far from his United States headquarters. Our location suits him admirably. We are only one hour-and-fifty minutes train journey from Toledo, four hours-and-five minutes from Grand Rapids, four hours-and-forty-five minutes from Cleveland, seven hours-and-fifty-three minutes from Chicago, etc., etc. Therefore, with one set of highly paid executive brains, the American can also operate a Canadian branch factory here, where we are surrounded on all sides save the north, by American territory. Hence the outstanding value, and not the detriment, of our location.

However, the essential object of this article is to point to the most definite movement of American industries toward Canada. Even in passing on the trains through Michigan, Wisconsin and other neighboring States, it would almost seem that, at every point, industrial development stretched out like the fingers of a hand in the direction of our great country.

Everywhere I go among American manufacturers, there is the same keen, intelligent, well-informed interest in Canada and her industrial possibilities and purchasing potentialities. When I say "well informed," I speak mildly. The general knowledge of Canada possessed by the greater proportion of the high officials of large United States concerns whom I have interviewed, would do great credit to the average individual whose ancestors for several generations back, sleep in Canadian soil.

Despite the war, American industries will continue to flow into this country most encouragingly,—but, after the war, we shall experience an invasion of them. This is my whole message; my whole point.

In 1915, Canada's total imports amounted to $629,444,794. Of these, about 75 per cent. emanated from the United States Yet, on account of our tariff, most of the goods thus represented could have been more economically and more profitably manufactured in the Dominion.

I am not afraid to predict that a year or so after the war, a material proportion of the sum of our present annual imports will be added to the value of our industrial production. This desirable change will result largely from the American industrial invasion of Canada.

ONTARIO'S NICKEL RESOURCES

Metal Found in Commercial Quantities in Four Localities in Province—Value of Nickel Steel

By THOS. W. GIBSON.

The most distinctive metal produced in Ontario is nickel. There are other sources of nickel in America, Australasia and Europe, but none of the deposits are worked on so large a scale or form the basis of an industry at all comparable to that of Sudbury. The story of the discovery of nickel in this province is not devoid of romantic interest, and is related in the report of the Royal Ontario Nickel Commission, published in 1917, together with a great body of information on all other aspects of the nickel question, which for so many years occupied the public mind. The building of the Canadian Pacific Railway along the north shore of Lake Huron in 1883, laid bare a deposit of chalcopyrite, or copper ore, the exact spot being what is now known as the Murray mine. Other bodies of a similar kind were found, and mining of the ore began. On sending it to the smelters for treatment, the ore was found to be refractory, and investigation proved that the difficulties were due to the presence of nickel.

It was then realized that what had been discovered in Northern Ontario was nickel ore rather than copper ore; or, more correctly, for both metals are contained in commercial proportions, nickel-copper ore. Long before this, nickel had been detected by Alexander Murray at the Wallace mine (1848), and also on Michipicoten Island, but in very small quantities. Murray, who was the able assistant of Sir William Logan, the provincial geologist, following up a hint given him by Surveyor A. P. Salter, visited a locality about 30 miles north of Lake Huron, where Salter's compass had been greatly affected by magnetic attraction, attributed by him to iron ore in the surrounding rock. Murray found the compass variations to be due to "an immense mass of magnetic trap," specimens of which he carried away with him for analysis—by his co-worker, Sterry Hunt, afterwards one of the foremost of American chemists. The latter found these specimens to contain minute grains of magnetic iron ore, also titaniferous iron ore, iron pyrites and a small quantity of nickel and copper.

In Government Blue Books.

Salter, Murray and Hunt made their reports to the government, as was their duty, and the government in due course put them in print. All this in the year 1856; and for 30 years these precious hints lay in the government blue books unnoted and unacted on. But in 1886, the Creighton mine was discovered, which the Nickel Commission states is the "greatest nickel mine in the world," and also "one of the greatest metalliferous mines of any kind," and, on consulting Surveyor Salter's notes, it was found that Murray's "immense mass of magnetic trap," and the Creighton mine, were one and the same. The shaft of this mine is now hoisting 5,000 tons of ore per day.

CANADIAN PACIFIC RAILWAY'S FINANCIAL STRENGTH

Company Has Rendered Great Assistance to the Imperial Authorities

An important arrangement was made, early last year, by the Imperial government with the Canadian Pacific Railway for the establishment of dollar credits in New York. It was proposed to issue nearly $200,000,000 new bonds in New York to replace sterling bonds of the Canadian Pacific Railway mobilized by the British authorities. The issue was about to be made when the United States entered the war, and postponed the transaction indefinitely, as credits were established for Great Britain out of Liberty Loan funds and in other ways.

SENATOR THE HON. F. L. BEIQUE,
Director of the Canadian Pacific Railway.

While the transaction was postponed, all the necessary preliminaries were completed, so that it can be carried out without delay at any time in the future. A bill authorizing the Canadian Pacific Railway to issue new bonds in order to replace sterling bonds taken over by the Imperial government became law last summer. Sir Thomas White then stated that it was not the intention at present to make such an issue, but the Canadian Pacific Railway had been asked by the Imperial government to secure the necessary legislation in order to be prepared for the contingency, should it arise. The Canadian Pacific Railway, explained Sir Thomas, if action was taken under the legislation, would be simply doing it to facilitate Imperial financing in the United States.

Later in the year, the Canadian Pacific Railway Company advanced $10,000,000 to the Imperial Munitions Board, which facilitated the financing of further business under its control in Canada.

Some months previously the company issued and loaned to the British treasury $40,000,000 of the company's 4 per cent. debenture stock for a period of five years. This stock was used as collateral for British government loans in New York.

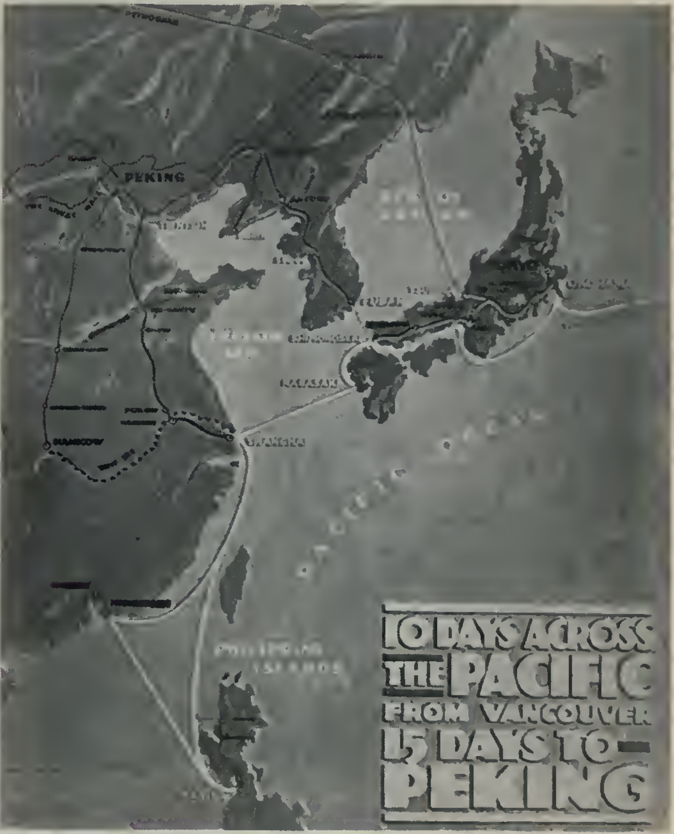
The total amount loaned, either in cash or securities, by the Canadian Pacific Railway to the Imperial and Canadian governments, to further the war, is now $80,000,000.

The Canadian Pacific Railway has also subscribed heavily to the Canadian war loans. Its subscription to the Victory Loan in November last was $10,000,000, the largest single subscription recorded.

The French-Canadians have always taken a close personal interest in the fortunes of what they call for short "Le Pacifique," just as the English have abbreviated the Canadian Pacific Railway into the more familiar C. P. R. It is, therefore, only right that they should be represented on the board of directors, and no more fitting representative of the race could be found than Senator, the Hon. Frederic Ligori Béique, whose career has been one of such distinction in so many paths of life. Lawyer, business man and philanthropist, interested in many charities, his days have been, and continue to be, full of useful labors in the upbuilding of his native country and in promoting the welfare of her people. His is one of those versatile natures, which, paradoxical as the expression may appear, is only at rest when in the midst of labor.

F. L. Béique, the son of Louis Béique, was born in St. Mathias, Rouville County, Quebec, on May 20th, 1845. Acquiring his education at the College de Ste. Marie de Monnoir, he chose law for his profession, and later on became an LL.D. of Laval University. He was called to the Bar in 1868, and made a King's Counsellor for the Province of Quebec in 1885, and for the Dominion of Canada in 1889. Accurate knowledge, sound judgment and clear speaking made him one of the leading lawyers of his period. His brothers in the legal profession have recognized this. From 1891 to 1893 he was Batonnier of the Bar in the district of Montreal.

Senator Béique has been engaged as counsel in many celebrated cases. He repeatedly pleaded before the Privy Council in England; he was a member of the Royal Commission in the famous Whelan case of 1890; as counsel for the late Hon. H. Mercier and his colleagues who were accused in connection with the Baie des Chaleurs Railway by the Lieutenant-Governor of Quebec, in 1891, he won a wide reputation; in 1896 and 1897 he was counsel for the Dominion before the Behring Sea Claims Commission. For years he has worked in partnership with Sir Louis Jetté, and he still energetically pursues his legal practice.



The new overland route from Yokohama to Peking and the "Empress" steamers of the Canadian Pacific Ocean Services, have now brought the capital city of China within 15 days' journey of Vancouver. Through tickets are now issued from Yokohama for this journey over the Railways of Japan, Korea and China.

Coincident with the opening of the newly found nickel deposits of Sudbury was the discovery of nickel steel. In 1889, James Riley, of Glasgow, established the fact that a small proportion of nickel greatly increased the strength of steel. Up to this time, nickel had played a very minor part among the metals, but Riley's discovery lifted it to a place of much importance, and quickly led to an increased demand which the Sudbury deposits were in a position to supply, and which greatly hastened their development. A special application of nickel steel was in the manufacture of armour plates for battleships. The United States government of the day was quick to realize the importance of nickel steel armour plates, and its large requirements put the industry at Sudbury on its feet. Undoubtedly, however, the future of nickel steel is an industrial one.

After the present devastating war is ended, the work of reconstruction will begin, and in this it is certain nickel steel will play a worthy and important part. For large bridges, locomotive and automobile parts, marine shafts and boiler tubing for everything, in short, where steel is required to be both strong and light, nickel would seem to be almost indispensable. Other uses there are for nickel, such as in electroplating, in cupro-nickel, nickel silver, coinage, etc., but these, while not unimportant, do not now, and are not in the future, likely to require much metal, compared with nickel steel. Even the war, while diverting nickel as well as almost everything else for the time being to purposes of destruction, is making the industrial world more familiar with the advantages of nickel steel, and will probably conduce to a greater demand than ever before.

Alloyed with Steel.

There are several other metals which, when alloyed with steel, exercise a beneficial effect comparable to that of nickel; among them, tungsten, manganese, vanadium, chromium, molybdenum. But the supply of most, if not all of these is scanty and precarious. The difficulty of obtaining sufficient quantities of manganese since the war broke out, is well known, and the scarcity of tungsten has led to molybdenum being used in its place. But most deposits of molybdenite, the principal ore of this metal, are pocketty, and of comparatively small extent. It would seem that nature was in a niggard mood when she provided these beneficiators of steel.

This scarcity is not so marked in the case of nickel, which indeed occurs abundantly—more abundantly than copper—as a constituent of the solid crust of the earth, but only here and there is it sufficiently concentrated to furnish workable deposits. In one or two localities, for instance, in the island of Cuba, nickel occurs on a really important scale, but in such a form—namely, accompanied by chromium in an earthy iron ore of low metallic contents, as to make its commercial extraction or utilization somewhat difficult. It is less easy to make a product of uniform composition from a natural alloy of this kind than from the necessary materials in separate form, since in the latter case the proper proportions are more readily obtained and controlled. But so far the largest and best deposits from which nickel as such can be extracted are those of the Sudbury district of Ontario. Here large masses of pyrrhotite mixed with chalcopyrite are found, containing on an average about 3 per cent. of nickel and 1.5 per cent. of copper.

In Four Localities.

From four separate and distinct localities in Ontario nickel in commercial quantities has been obtained. The earliest of these was Silver Islet, a tiny speck off the north shore of Lake Superior. The chief metal of this mine was silver, but with it were associated also nickel and cobalt. In 1874—43 years ago—a shipment of nickel and cobalt in the form of speiss, mattes and oxide, was made to Schneeburg, in Saxony, for which, reckoning also the silver which was left in these materials, some $30,000 was obtained. It must be remembered that at that time nickel was worth about $3 and cobalt about $4 a pound.

The second area was that of Sudbury, now by far the most important source of production in the world. The third nickel-bearing locality was Cobalt, so-called from the metal of that name, whose rose-pink arsenate colored the rocks alongside the Timiskaming and Northern Ontario Railway Company's right-of-way near Lake Timiskaming, and attracted the attention of the woodrangers and workmen when the railway was being built in 1903. The assemblage of minerals at Cobalt was almost precisely the same as at Silver Islet—silver, cobalt, nickel and arsenic. The nickel contents in both cases were small, yet from the Cobalt silver ores have been taken nickel amounting to about 4,000 tons in all, and from these ores was made the first metallic nickel refined in Ontario.

In the township of Dundonald about 130 miles northeast of Sudbury, the fourth nickel deposit was discovered. A prospector, named Alexander Kelso, who read the government reports, noted that the surveyor in laying out the township of Dundonald had observed a strong local deflection of the needle, and being a man of intelligence, examined the spot and found the disturbance due to a body of pyrrhotite carrying nickel and copper. This, it will be observed, was the Creighton mine case over again, except that the information contained in the government blue books was made use of. This mine is called the Alexo, and it has for several years yielded 10,000 or 12,000 tons of ore averaging over 4 per cent. of nickel and about 1 per cent. of copper.

Two Distinct Types.

These four nickel areas are of two distinct types: Silver Islet and Cobalt being alike in their mineral constituents, while the Sudbury and Alexo deposits closely resemble each other. In the first two the ore is essentially one of silver, accompanied by the arsenides of nickel and cobalt. In the second, the chief component is pyrrhotite with which are associated nickel and copper sulphides. But Sudbury far surpasses the other three in size and importance.

Two operating companies work the mines of Sudbury—the Canadian Copper Company and the Mond Nickel Company, the former an American, and the latter an English concern. The seat of the former is Copper Cliffe, and of the latter Coniston. The copper company treats about 1,300,000 tons of ore yearly and the Mond company over 300,000 tons. Both are excellent samples of the modern, large-scale mining company, whose works and equipment are of the most approved type.

The process of treating the ore is interesting. After being raised from the mine and washed, it is roasted in huge heaps in the open air to drive off the sulphur, which, according to the Nickel Commission, escapes from the heaps, and also from the smelter and refinery stacks, in quantities equivalent to one million tons of sulphuric acid per annum. The roasted ore is smelted in an ordinary blast-furnace to a low grade matte, and the latter is then blown to a Bessemer matte, containing about 80 per cent. of nickel plus copper. This matte is exported to New Jersey and Wales for the final separation of the metals. The International Nickel Company, with which the Canadian Copper Company is associated, is erecting a large refinery at Port Colborne, Ontario, which it is expected will shortly go into operation, with a capacity of 7,500 tons of refined nickel per annum. The Mond Company's refining is all done at Clydach in Wales, where metallic nickel and sulphate of copper are made. A third company, the British-America Nickel Corporation, is opening a large deposit of ore at the Murray mine, and will build a smelter and refinery there also. This company has the financial backing of the British government. The output of the Sudbury mines for 1917 was about the same as for 1916, or, say, 41,500 tons of nickel and 21,250 tons of copper, the value of which, in the matte form, was about $30,050,000. Both metals, owing to war demands, are higher in price than for years.

Other Countries' Deposits.

The other main source of the world's supply of nickel is the island of New Caledonia, some three days' voyage by steamer from Sydney, Australia. The New Caledonia ores are of an entirely different character from those of Sudbury, being for the most part of an earthy, lateritic nature. They carry a higher percentage of nickel, but no copper. No refining is done on the island, the ores being exported as such, or as matte, principally to Britain and France, but also to a smaller extent to the United States, for refinement. These deposits for a long time dominated the nickel market, but their output now is less than one-third that of the Sudbury mines. For instance, during the five years, 1911-1915, New Caledonia turned out 39,607 tons of nickel, while Ontario produced 121,106 tons. Since 1915, the production of New Caledonia has not increased, while that of Ontario has gone up more than 20 per cent.

Norway also has nickel-copper deposits of the Sudbury type, but the ores are poorer both in nickel and copper. The war demand has brought about an increase in the Norwegian production which, however, is less than 1,000 tons per annum. Most of it has found its way to Germany, but of late this export trade has been much curtailed

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NATIONAL OBLIGATIONS AND TRADE

Analysis of Conditions and Outlook for Post-bellum Business

By R. J. YOUNGE.

The business men of Canada, in conjunction with the Dominion government, must carry the responsibility of preparing now for the trade conditions which will follow the war. The majority of our leading business men are not in the trenches. Their presence and assistance have been necessary at home, and they have given in most cases unstintedly of their time, their effort and their money in the production of munitions, the maintaining of a score of patriotic funds, the flotation of national loans and many other meritorious projects for the winning of the war. But what have they done to get ready for the conditions which must inevitably follow the coming of peace? In every other belligerent country a great deal of time and thought have been given to these problems.

Let me ask three important questions: First of all, in connection with the changes that must come when our munitions orders are finished. We have to-day in Canada one thousand factories making shells and various kinds of requirements for the war. Employed in those factories there are half a million workmen. What is going to happen to these factories when these munitions orders are cut off, as they will be some day—soon, we hope—perhaps overnight?

The second question is, how are we going to take care of our returned soldiers? We will have, perhaps, three or four hundred thousand soldiers coming back from the front, and all the manhood there is in us tells us that our first duty as Canadians is to see that employment is offered to these men. If we do not plan to-day, if we allow these intervening months to pass, while they are carrying the burden in the trenches, without preparing and organizing to insure them, not only a welcome when they come back, but a good job which will bring them proper remuneration, we shall have failed to do our duty.

National Obligations After War.

But, even supposing that we have orders to fill these factories, even supposing that we have plenty of work for all our soldiers who will come home, then let me ask, how are we, as a nation, going to meet our national obligations after the war, unless we build up a balance of trade by greater production and wider markets? We do not realize what our national debt is going to be when the war is over. The 7,500,000 of people in Canada can avoid staggering under that debt, only if, as a nation, we are able to sell more than we buy; that is the only solution for meeting our national obligations.

This view may appear more or less pessimistic, but when we think seriously of these problems which are confronting us, we must face hard facts. There is another side, however, to this picture. If these conditions which we must face as business men, do appear to be almost insurmountable, there is a brighter side in the magnificent prospect which we have to establish ourselves as a greater factor in the world's markets than we have been in the past. Speaking with a few hundred manufacturers as I have in the last two years, I have been told by many that we cannot compete with the world, that our export experience, before the war, has taught us that money can be lost in export trade as well as made, and that when compared with the much lower priced labor in Great Britain and much more highly specialized industries in the United States, Canada is operating under enormous disadvantages. The president of the National Association of Manufacturers of the United States, speaking more than a year ago, said that in the enormous changes that were taking place in the world's trade, the manufacturer in the United States would reap his full harvest from those changes only if he learned now to understand that "old things have passed away and all things have become new." If that is true for the highly specialized and highly capitalized manufacturer of the United States, then it is even more true for the small and sometimes struggling manufacturer in the Dominion of Canada. The sooner that we learn that the conditions which prevailed before the war are not the conditions that will prevail after the war—are not the conditions that will dominate the future—just so soon will we commence to appreciate our wonderful new opportunities.

The old channels of trade have been buried in the past; old scale of wages have passed away; the old surplus of labor has gone; old shipping conditions have passed away; old easy-going systems of taxation are gone, for our lifetime at least; old antiquated methods, party distinctions and political ideas are passing away and all is new. New channels of trade, new sources of supply, new markets, new scales of wages, new shipping conditions, new standards of efficiency, and new political ideas making the narrow sordid aims of party—subservient to the welfare of the nation.

These changes are much more significant than they appear to us now. The Britain of to-day is not the same old Britain of before the war. The France of to-day is a new France. The Russia that calls for deliverance, and is to-day bursting the chains that have bound her for centuries, is a new Russia. The Germany that with bowed head and broken heart will sign the greatest peace treaty which was ever signed, will be a new Germany. And who will say that Canada, with the losses she has sustained, the sacrifices she has made, and the everlasting glory which has been won for her by her sons in battle—who will say that she will not emerge from this terrible trial a new and greater Canada?

Matter of Tariffs.

There are those who believe that after the war we will have international preferential tariffs which would be of the greatest assistance to manufacturers of this country. They predict that we will have, first of all, an inner circle for the members of the family of the empire, a British preference operating throughout all British Dominions; a second circle just outside of that for allied countries; a third circle outside of that for neutral countries; and a fourth and almost prohibitive circle for the production of enemy countries. For the reconstruction of our trade and our finances, what a splendid assistance this would be! If preferences come, we must be ready to reap the full advantage of them. But supposing we get no tariff preference, are we to sit down and say that just because we are not going to get a preference, we are not going to organize our natural resources and our industrial strength to show the world what we are and what we have? After all, I believe that what we need most is a new confidence in ourselves, and a willingness and determination on the part of Canadian business men to say that they want world business and that they are going to get it. It has been surprising to see the part that Canada has played industrially in the war, in fact it has been one of the great surprises of the war. Many of us do not realize that every plant that has been making shells in this country has undergone an experience in the widespread knowledge of new processes, in accuracy, in precision, in the study and use of metals, and, above all else, actual efficiency, from the management down to the meanest workman. It is a proud thing for us to know that the efficiency engineers who have visited our country and inspected the munitions plants here and have compared them with the munitions plants of Great Britain, have said that the Canadian plants are fully the equal of the plants across the sea, not only in the actual results, but in the efficiency with which these plants are managed. Our industrial progress since the beginning of the war has been so marked that it would have been impossible for the universities and technical schools of Canada to impart, in the course of many years, such a wealth of knowledge and experience as has been crowded into as many months.

Call for National Action.

But all this progress will be in vain unless we can gather it up and nationalize it. Here we must take a lesson from the success of Germany. Germany learned to do things nationally. Every source of production throughout the German empire co-operated and took its place in the great plan which was to place her at the head of the world. Her farmers and her manufacturers, her banks, her railways, her steamship lines, and, behind them all, her government, worked together to the one great end, which, had it not been inspired by Prussian militarism, would have made Germany in many ways a model of national and commercial progress. Canada must learn to act nationally and her business men must show the way.

The share of the world's trade which will come to us, depends altogether upon how we organize to get it. What is Canada doing to prepare herself for world trade? What are our manufacturers, and our banks, and our government doing to get ready for Canada's century? How much attention are the manufacturers giving to this big question? We should understand now that, unless we use these intervening

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ESTIMATED YIELD AND VALUE OF AGRICULTURAL PRODUCTS, 1917

	Acreage	Bushels	Yield per Acre	Price	Revenue
Spring Wheat	2,845,647	52,644,469	18½	$2.00	$105,288,938.00
Winter Wheat	51,693	1,214,785	23½	2.00	2,429,570.00
Oats	2,537,883	84,384,610	33¼	.60	50,630,766.00
Barley	472,112	10,504,492	22¼	1.00	10,504,492.00
Flax	139,827	1,115,572	8¼	2.50	2,888,920.00
Rye	30,883	787,516	25½	1.50	1,181,274.00
Other Grain Crops	49,114	393,912	18	1.00	393,912.00
Hay	492,522	492,522 Tons	1 Ton	10.00	4,925,220.00
Potatoes	48,917	7,337,550	150	.60	4,402,530.00
Turnips	5,746	1,149,200	200	.50	574,600.00
Carrots	5,199	1,039,800	200	.50	519,900.00
Animals slaughtered and sold					45,000,000.00
Dairy Products					25,000,000.00
Wool Clip (2,086,633 lbs.)					1,181,682.00
Game and Furs					2,000,000.00
Horticultural					175,000.00
Poultry and product					3,500,000.00
Total Acres (Grain) 6,127,159 1917					260,596,804.00
1916					170,725,650.00
Increase					89,871,154.00

Live Stock	Number	Price	Value in Dollars
Horses	716,317	$100.00	71,831,700.00
Swine	730,237	15.00	10,935,555.00
Sheep	276,966	8.00	2,215,328.00
Dairy Cows	325,861	60.00	19,551,660.00
Calves	363,583	10.00	3,635,830.00
Steers	187,538	40.00	7,501,520.00
Other Cattle	616,671	30.00	18,500,130.00
Bulls	41,861	75.00	3,139,575.00
1917	....	....	137,329,298.00
1916	....	......	118,098,685.00
Increase	....	......	19,230,613.00
Total Increase	......	......	109,101,767.00

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CHARLES S. HOTCHKISS,
Chief Publicity Commissioner
EDMONTON, ALTA.

HON. DUNCAN MARSHALL,
Minister of Agriculture
EDMONTON, ALTA.

months till the war is over in organizing and consolidating our position, the coming of peace will find us absolutely unprepared. We must organize at home and abroad. We must demand national technical education. We must increase the efficiency and perhaps the capacity of our plants. We must tell the world what we can produce; and we must seek out reliable agencies and channels of trade in every friendly foreign market to sell Canadian goods.

Does not Foresee Depression.

I am not one of those who believe that after the war we will see a great and universal trade depression. There must come a period of readjustment, but we must distinguish between such a temporary condition and a world-wide trade depression. If we analyse the manufacturing strength of the allied countries, we begin to see to what extent after the war the allied countries must lean on Great Britain. Take the staple commodities of life: with the exception of the United States, she is the only one of the allies capable of producing the manufactured products demanded by the buying nations of the world. After the war, when the world's stocks must be built up again—they are practically depleted now in most lines—when reconstruction must commence in Belgium, France, Servia, Poland and Roumania—when that time comes Great Britain will only be able to fill a fraction of her orders. Enormous demands will be made upon her by every other allied country and her own country is thirsty for goods of many varieties; but where must the surplus goods—the orders that Great Britain cannot fill—come from? There is only one outlet for those orders, and that is the North American continent; the surplus orders must be filled in the United States and Canada and just in proportion as we can organize now to get ready, just in that proportion will Canada reap her share. War orders are very different from export orders. War orders have been thrust upon us, and we have been commanded to use every ounce of energy that we have to increase our production and give the armies at the front what they need. But we will not have export orders thrust upon us—they will not fall from the skies—we will dig for them; and so I say again, the whole key to the situation lies in organization, and if we do not organize we will surely fail.

No business man in Canada should dismiss this subject until he has decided that the opportunities are too great to be disregarded, the duty too clear and too insistent to be thrown aside, and, finally, that his hearty co-operation will be given in solving this problem which we must admit is of the greatest importance to Canada, next to the winning of the war.

FORESTS AS A NATIONAL RESOURCE

Our Commercial Forest Area is 400,000,000 Acres—Forest Fires Undiminished

BY R. H. CAMPBELL.

The present is a time when in the strong light of war conditions enquiry is being made as to the resources of Canada to meet the present situation and as the continuance of the war for an indefinite period in the future adds to the liabilities which must be met by the country, the question presses itself whether our resources will be equal to the great strain that will be placed on them. It is easy to dismiss the question with optimistic orations on the illimitable resources of Canada, but that will not be of a sufficiently substantial nature to satisfy the creditors who have to be paid in cold cash, nor will the inflation of the wealth of the country by the methods of the real estate boomster or the subsidized literary agent go far toward meeting real obligations. And there is nothing more pathetic than the light and easy way in which new organizations, public or private, undertake from time to time to make a survey of the natural resources of the country in the course of a few weeks or months. While there is no real fear in Canada that we will not finally meet our obligations whatever they may be, it should be realized that much of the optimism displayed has its origin in inferences which are not based on any wide foundation of real knowledge of the natural resources of the country or how they are being developed.

Nowhere is this more strikingly displayed than in connection with the timber resources of the country. The phrases, "illimitable timber wealth," "inexhaustible forest resources," that came so glibly from the tongue are still heard though they now come more falteringly and there is an uneasy feeling that there may be trouble ahead. In fact some of those who have given the subject most thought and are in the best position to know the actual situation, are not making statements that can be described as optimistic at all. In a recent speech in the Senate the following statement was made by Senator W. C. Edwards, one of the leading lumbermen of the Dominion:—

"Coming to the next industry which I have named, that of lumber, I think it will be agreed that with this I am somewhat familiar. I do not hesitate to make the statement that every province in the Dominion of Canada far overestimates its resources in this respect. There are many in Canada who even to-day believe that our resources in this respect are inexhaustible, and that it will only be a question of time until the United States will be exhausted of lumber and will have to turn to Canada for a supply. This idea, I assure you, is absolutely incorrect. The United States has as great a supply of lumber relatively to her wants as Canada has, and the total quantity of standing timber in Canada would not supply the wants of the United States for more than eight years. Canada was once a comparatively rich country in this resource, but bush fires and unwise administration of our timber resources on the part of the various provinces have brought about the unfortunate result I have named.

"In pulpwood we are considerably stronger than in timber for lumber manufacturing—of this there is no question; but, if our pulpwood resources are no better administered than our lumber resources have been in former years, they, too, will become exhausted much more rapidly than is at present anticipated."

After the War Question.

The whole question has an important bearing on the ability of Canada to meet the obligations resulting from the war. These obligations will be met mainly by exports of the products of the country. The products of the forest have had a place in the export trade of Canada second only to that of agricultural products. From Confederation to the present time the values of various classes of exports have been as follows:—Agricultural products, $2,010,298,011; animal products, $1,743,974,236; the forest, $1,418,568,514; the mine. $849,845,443; the fisheries, $485,298,526; manufactures, $898,623,720; miscellaneous, $20,857,806; total exports, $7,427,466,256.

Both the lumber and the pulp business are capable of larger expansion in Canada. The forest area of Canada, that is the portion that will bear a commercial forest and is not suitable for agriculture, may conservatively be put at 400,000,000 acres. The forest production of Sweden, with a forest area of 5,563,985 acres, is valued at $107,000,000. There is a question whether or not Sweden may be cutting over its annual production of timber, but the general opinion is that it is not and that this yield may be maintained permanently. Sweden is not now cutting virgin stands of timber but stands that are the result of forest management and replanting. The conditions of forest growth in Sweden are very similar to those in Canada and there seems to be no reason why an equal scale of productiin should not be reached and maintained here. The exasperating features of the situation is that Canada's forest resources are on the down grade, although we are not cutting as much timber relatively as Sweden, that the forests are becoming steadily poorer and less productive and that no adequate means have yet been taken to turn the tide in the other direction.

Forest Fires Undiminished.

The fire danger has not been controlled. Every year the loss runs into millions of dollars and the resulting deterioration of the type of forest means a still further loss of production that is incalculable. Almost everyone who discusses the forest situation in Canada asks: What are you doing in reforestation? Yet the same man will go out in the forest and drop a match or a cigarette stub, and in one fire burn up more young trees than could be planted in twenty years. A fire in Southern Manitoba this year destroyed 600 acres of vigorous young growth. To replant this would cost probably $10 per acre, or $60,000, and would require 600,000 young trees. Solely as a result of the inefficiency of a forest ranger one fire in another place ran over 14,000 acres. To replant this would cost $140,000 and take 14,000,000 young trees. Similar cases might be cited all over the country. And when

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The output of gas for the year ended September 30, 1917, was over 4,200,000 thousand cubic feet, being approximately equal to the combined output of all the other gas companies in Canada. In addition, over $350,000.00 worth of merchandise was sold, and over $895,000 worth of residual products.

The present capital of the Company is $5,360,700. There is a reserve fund of $3,525,833.49, and a plant renewal fund of $1,608,312.80. Assets total $11,672,283.21. Profits for the past fiscal year were $953,306.61, after providing for all expenses of management and operation.

The reserve and plant renewal funds together equal 96% of the Company's capital, which funds are invested principally in the Company's business, with no interest charges against them. This means that the Company need earn only about 5% on the money invested in order to meet its dividend requirement of 10% on the capital stock. The Company has steadily maintained its 10% dividend for forty-three years.

The directors are Messrs. A. W. Austin, President; Wellington Francis, K.C., Vice-President; A. H. Campbell; F. Le M. Grasett, M.D.; John Hoskin, K.C., LL.D., D.C.L.; Herbert Langlois; Thomas Long; Lieut.-Col. J. F. Michie; Sir Edmund Osler, M.P. The General Manager is Mr. Arthur Hewitt; the Secretary, Mr. John J. Armstrong.

Table Showing Increase of Company's Business

Year	Population	Increase per cent.	Output of Gas M. Ft.	Increase per cent.	No. of Meters	Consumption per meter	Com. per Capital of Pop.	Miles of Main	Price of Gas per M.
1855	42,500	......	22,000	......	1,119	11,500	302	23	$3.00
1865	47,500	11.7	30,014	36.4	1,188	16,000	402	41¼	3.00
1875	68,678	44.6	100,122	233.9	2,508	26,500	969	66	2.50
1885	105,211	53.2	273,484	173.1	6,778	28,300	1,873	126	1.50
1895	190,000	80.0	614,553	124.7	20,626	25,000	2,883	227⅓	1.05
1905	250,000	31.5	1,374,114	123.6	39,711	31,334	5,496	302.06	.80
1917	500,000	100.0	4,202,516	205.8	108,719	36,797	8,001	585	.80

a continuous dry season occurs, as it does periodically, such areas of destruction occur all over the country and in greatly extended areas. Only an awakened public opinion which will result in fires not being started and which will insist on an efficient organization and service for fire prevention, with the efficiency of which no political influences will be permitted to interfere, can effect an adequate result.

The method in which the forests are being cut is resulting in heavy loss to the country. Forest operations are carried on with only the present crop in mind, and the result is the forests are steadily deteriorating.

Forests Steadily Deteriorating.

White pine forests have by a steady process of cutting out the pine and leaving inferior species wholly changed their character and now carry trees of less value and productiveness than the pine. Spruce forests are being so cut that they are becoming forests of fir, poplar and birch, trees of less value in every way and offering less material suitable for export. Before the commission of enquiry into the cost of paper production one company states that its pulp limits will be exhausted inside of fifty years, and another reports that it is each year writing off a considerable sum for deterioration in value of its pulpwood holdings. That is, these forests are steadily deteriorating although a proper system of forest management would bring about a greater stand of timber and a greater production in Canada while it would allow of cutting as large a crop of timber as is now being harvested. The latter statement seems paradoxical, but is proved true by the general results of forest management in Europe.

Such management can be brought about only by putting men technically trained as foresters on the actual scene of operations to study Canadian forest conditions in the light of their theoretical scientific knowledge and gradually bring about the changes in methods that are found necessary to the desired end. The improvement will not be brought about by the woods foreman or superintendent who has no conception of any new methods being required and no sympathy with them, nor will it be brought about by the lumberman whose chief concern is in the office and the marketing of the produce, nor by the forester who is an office theorist. Science and practise must reach an effective combination in the forest

White Pine Blister Rust.

There have been heavy losses in the forest from insects and fungi. Some years ago the larch sawfly largely wiped out the tamarack in eastern Canada. At the present time eastern Canada is facing a most serious situation in the danger to the white pine forests from the white pine blister rust. This fungus, which is much similar to the rust on wheat, has made the growing of American white pine an impossibility in Europe, and it was introduced into both the Untied States and Canada by shipments of white pine stock received from forest nurseries in Germany. The disease was probably introduced into the United States in 1900 on such stock, but shipments received in 1909 were in the worst condition and have been responsible for the wide spread of the disease which is now in all the states bordering on Canada as far west as Minnesota. It was in the latter year that the disease was introduced into Canada from Germany, but it was not discovered until 1914, when its presence was noted, and on investigation it was found to be widely distributed in the Niagara peninsula.

The study of the life history of the fungus and the necessary inspections to ascertain the places of infection were undertaken by the Dominion and provincial governments, and the present situation is that the disease has been found spread so generally in Ontario and Quebec that only the most active and heroic measures will stop its spread and even now it may be too late. As the rust spends one period of its development on currant bushes, it is apparently being distributed by shipments of such stock from nurseries. The only remedy is the destruction of both the currant bushes (wild and cultivated), and the white pine trees affected. If this is not done thoroughly over considerable areas the inevitable result will be that Canada will have to go out of the growing of white pine and after the present mature crop is harvested will have no more white pine to export and will have to substitute red pine, spruce or possibly Scotch pine. That is, Ontario and Quebec will have to go into the lumber export market with products of a lesser quality and will have to wait until the young white pine now growing is replaced by means of a costly system of planting of species that are immune to the disease.

These are some of the facts of the case and they indicate that there are serious difficulties to be overcome in placing forest production on a permanent basis so that the material required for home consumption and export may be provided. The forest is a peculiar crop. Compared with agricultural crops it requires a long time to reach maturity, and is, therefore, subject to many dangers before it can be reaped. On the other hand, it is a living thing and can be reproduced over and over again for all time and developed and improved by proper management.

The subject is not entirely one of Canadian concern. It is one of imperial importance. When the war broke out one of the first necessities that made itself felt in the British Isles was a supply of pit props for carrying on coal mining operations. The greater part of the wood used for this purpose had been imported from Russia, Sweden, Norway, Germany, France, Portugal and Spain. Steps were immediately taken to meet the situation, and by severer cutting in the British Isles and readjustment of imports the situation was met. A forestry committee was, however, appointed by the Imperial government to go into the whole question of timber supplies as it affects the British Isles, and although the report is not yet submitted it is understood that it will not only urge forest development in the homeland but point to the necessity of the protection and development of the forests of Canada, the main timber producing country in the Empire, thus accomplishing a patriotic work of imperial concern as well as one vital to the development and prosperity of the Dominion.

Future of our Forests.

Canada has of late years given some attention to the question of the future of the forests. The federal government and the provinces have forest fire acts and fire patrol systems in varying degrees of development and efficiency, but none of them adequate to the task in hand. The lumbermen, especially in the province of Quebec, have organized protective associations for the prevention of fire. But the fires still continue and in dry years the losses are heavy.

Forest management as it is practised in Europe, that is, so as to have the cutting operations result in improving the quantity and quality of the production, is practically unknown in Canada. A few tentative efforts are being made in that direction, but as yet with little effect on the general tendency.

Whether the white pine blister rust or the white pine will survive in the struggle is for the future to tell. If the former it will certainly not be the survival of the fittest, and the providing of a less valuable substitute for the white pine will be a long drawn out and costly procedure.

Conservation and Development.

Some of the main things that are required for the proper conservation and development of the Canadian forests are:—

1. A recognition by the public that the forest is an important resource of the country, that sixty per cent. of the area of the country will grow nothing but trees, and that the forest must be given a permanent place in our national economy.
2. Nation-wide co-operation for the prevention of fires.
3. Government forest services that shall be adequately manned and efficiently administered and freed from the evil of political patronage.
4. Forest surveys on recognized methods which will require a considerable expenditure over a term of years, to get definite knowledge of the forest resources of the country, developing gradually from the general survey to the more intensive one.
5. Proper provision for scientific investigation in connection with the forest. The federal government provides a whole department for such work in connection with agriculture and mines and although the forest is specially responsive to scientific treatment and is susceptible to many dangers, such scientific investigation as far as the forest is concerned is made a mere side issue in a branch of a department already overloaded with administrative work. France, Russia, Norway, Sweden, Denmark, Belgium, every country doing anything in forestry work has its regularly organized division of forest investigations and a series of forest experiment stations for carrying out special studies.
6. Proper forest management accompanied by replanting where necessary.
7. Co-operation in every way possible between the federal and provincial authorities in the interests of forest development.

DIVIDENDS AND NOTICES

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31ST DECEMBER, 1917, payable JANUARY 15TH, 1918, to shareholders of record December 31st.

By order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 20th December, 1917.

PENMANS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and one-half per cent. has been declared on the Preferred Shares of the Capital Stock of this Company, for the quarter ending January 31st, 1918, payable February 1st, 1918, to Shareholders of record of January 21st, 1918; also a Dividend of one per cent. and bonus of one per cent. on the Common Shares for the quarter ending January 31st, 1918, payable February 15th, 1918, to Shareholders of record of February 5th, 1918.

By order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, December 19th, 1917.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A dividend of two and one-half per cent. of the Ordinary Shares of the Company has been declared payable on January 15th, 1918, to Shareholders of record of December 31st, 1917.

By order of the Directors,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, December 24th, 1917.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A dividend of two per cent. of the Preferred Shares of the Company for the quarter ending December 31st, 1917, has been declared payable on January 15th, 1918, to Shareholders of record of December 31st, 1917.

By order of the Directors,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, December 24th, 1917.

CANADA CEMENT COMPANY, LIMITED

ORDINARY SHAREHOLDERS

DIVIDEND NO. 7.

NOTICE IS HEREBY GIVEN that a dividend of 1½ per cent. for the three months ending December 31st, 1917, being at the rate of 6 per cent. per annum on the paid-up Ordinary Stock of this Company has been declared, and that the same will be paid on the 16th day of January, 1918, to Ordinary Shareholders of record at the close of business December 31st, and that the Transfer books of the Company will be closed from January 1st to 10th inclusive.

H. L. DOBLE,
Secretary.

Montreal, December 15th, 1917.

Fidelity and Surety Bonds

The Guarantee Company of North America

(Founded by Edward Rawlings in 1872)

MONTREAL

THE BOARD OF DIRECTORS

President and Managing Director: HENRY E. RAWLINGS, Esq.
Vice-President: WM. MCMASTER, Esq., President Canadian Explosives, Limited.
SIR VINCENT MEREDITH, Bart., President Bank of Montreal.
E. F. HEBDEN, Esq., Man. Director, Merchants Bank of Canada.
JAMES B. FORGAN, Esq., Chairman, First National Bank, Chicago.
HON. E. C. SMITH, President, Cent. Vermont Ry. Co., St. Albans.
PHILIP STOCKTON, Esq., President, Old Colony Trust Co., Boston.
JOHN MACDONALD, Esq., John Macdonald & Co., Ltd., Toronto.
THOMAS DE WITT CUYLER, Esq., Commercial Trust Co., Philadelphia.
SIR AUGUSTUS NANTON, Financier, Winnipeg, Man.
FRANK SCOTT, Esq., Vice-President, Grand Trunk Railway System, Montreal.

This Company operates under a Dominion Charter.
It transacts its business in Canada and the United States.
Its investments in Canada are over $1,250,000.
Its assets and resources are over $2,500,000.

Toronto Agency: MEDLAND & SON, Mail Building
Winnipeg Agency: OSLER, HAMMOND & NANTON

SMART-WOODS, LIMITED

DIVIDEND NOTICE

A Dividend of One and three-quarters per cent. (1¾%) on the PREFERRED STOCK of SMART-WOODS, LIMITED, has been declared for the Quarter ending December 31st, 1917, payable December 31st, 1917, to Shareholders of record December 27th, 1917.

By order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, December 19th, 1917.

THE BANK OF TORONTO

ANNUAL MEETING

The Annual General Meeting of Shareholders of this Bank will be held at the Banking House of the Institution, corner of King and Bay Streets, Toronto, on Wednesday, the ninth day of January next, the chair to be taken at noon.

THOS. F. HOW,
General Manager.

The Bank of Toronto,
Toronto, December 1st, 1917.

Credits by the United States to the allies passed the four billion-dollar mark on December 29th, when Treasury Secretary McAdoo authorized additional loans of $185,000,000 to Great Britain for January purchases in the United States; $155,000,000 to France; $7,500,000 to Belgium, and $1,000,000 to Serbia. Last Saturday's total was $358,500,000, and the total credits to the allies to that date were $4,236,400,000.

Canada's Wheat Grain, Root, and Fodder Crops

Government's Preliminary Estimate Shows That Last Year's Field Crops Are Worth $1,089,687,000—The Crop Record of The Monetary Times

Field crops of Canada.	1915. Per bushel.	1915. Total.	1916. Per bushel.	1916. Total.	1917. Per bushel.	1917. Total.
Wheat	$0.91	$356,816,900	$1.31	$344,096,400	$1.95	$ 451,874,000
Oats	0.36	171,009,100	0.51	210,957,500	0.60	236,142,000
Barley	0.52	27,985,800	0.82	35,024,000	1.00	51,684,000
Rye	0.77	1,921,900	1.11	3,196,000	1.50	6,359,700
Peas	1.65	5,724,100	2.22	4,919,000	3.00	10,117,800
Beans	3.05	2,206,800	5.40	2,228,000	7.00	9,727,900
Buckwheat	0.75	5,913,000	1.07	6,375,000	1.20	9,860,400
Flax	1.51	9,210,400	2.04	16,889,900	3.00	20,618,100
Mixed grains	0.57	10,062,300	0.88	9,300,900	1.00	15,461,400
Corn for husking	0.71	10,243,000	1.07	6,747,000	1.00	9,177,400
Potatoes	0.60	36,459,800	0.81	50,982,300	1.00	81,355,000
Turnips, etc.	0.24	14,588,700	0.39	14,329,000	0.46	29,253,000
	Per ton		Per ton.		Per ton.	
Hay and clover	14.37	152,531,600	11.60	168,547,900	10.40	142,320,300
Fodder corn	4.91	16,612,600	4.92	9,396,000	5.18	10,900,900
Sugar beets	5.50	775,500	6.20	440,000	6.75	793,800
Alfalfa	12.68	3,309,100	10.69	3,066,000	11.59	3,041,300
Totals	.....	$825,370,600	.....	$886,494,900	.....	$1,089,687,000

The above is the preliminary estimate of the census and statistics office, Ottawa, issued on November 30th, of the value of the field crops last year, compared with the finally revised estimates for 1915 and 1916. The total for 1917 is $1,089,687,000, which is 22 per cent. greater than the total for the previous year. This is the first time that the estimated value of the field crops of Canada has reached $1,000,000,000, that large figure being due to the high prices now ruling. The estimated value for 1917 represents the prices received by farmers, being calculated from market quotations in October. They are subject to revision after the compilation of returns from correspondents in December. The final estimates of value for 1917 will be issued by the census and statistics office this month.

Probable Demand for Wheat and other Cereals upon Canada and the United States

The following table, compiled in October last, shows the normal peace sources of the annual supplies of wheat of France, Italy, the United Kingdom and Belgium, being an average of the three-year prewar period:—

Commodiay.	Production. Bushels.	Imports from United States. Bushels.	Imports from Canada. Bushels.	Net imports, other sources. Bushels.	Consumption. Bushels.
Wheat	590,675,000	79,426,000	112,900,000	188,478,000	974,485,000
Corn	121,109,000	10,811,000	....	135,675,000	266,596,000
Oats	570,890,000	6,783,000	16,580,000	88,612,000	682,865,000
Barley	125,201,000	4,946,000	6,660,000	63,030,000	199,793,000
Rye	78,573,000	567,000	60,000	11,309,000	90,537,000
Total	1,486,448,000	102,533,000	136,200,000	487,134,000	2,214,276,000

It will be seen from the above that the normal imports of wheat are 381,000,000 bushels, and of other cereals 345,000,000 bushels. The estimate of the 1917 harvest in the allied countries, based upon crop reports from these countries, is as follows:—

Commodity.	Probable 1917 porduction. Bushels.	Average normal production. Bushels.	Deficiency in production due to war. Bushels.
Wheat	393,770,000	590,675,000	196,905,000
Corn	94,464,000	421,109,000	26,645,000
Oats	337,235,000	570,890,000	233,655,000
Barley	93,585,000	125,201,000	31,616,000
Rye	41,732,000	78,573,000	36,841,000
Total	960,786,000	1,486,448,000	525,662,000

In order to provide normal consumption it would therefore be necessary to import in the next 12 months a total of 577,000,000 bushels of wheat and 674,000,000 bushels of other cereals. North America will have an apparent surplus of wheat of 208,000,000 bushels and of other cereals of about 950,000,000 bushels.

The prospective position of the United States and the Canadian harvest was estimated in October as follows:—

Commodity.	Probable United States, 1917. Bushels.	Average normal United States consumption. Bushels.	Probable United States surplus. Bushels.	Add possible Canadian surplus. Bushels.
Wheat	678,000,000	509,304,000	88,000,000	120,000,000
Corn	3,124,000,000	2,653,698,000	470,000,000	62,000,000
Oats	1,453,000,000	1,148,713,000	304,000,000	30,000,000
Barley	214,000,000	178,829,000	35,000,000	9,000,000
Rye	56,100,000	35,866,000	20,200,000	18,000,000
Total	5,525,100,000	4,607,410,000	917,200,000	239,000,000

The allies are isolated from those markets other than Canada and the United States, on which they were accustomed to rely before the war. The Russian supply cannot be got out. Bulgarian and Roumanian supplies are in the hands of the central empires. The voyage from Australia and India is three times as long, and therefore requires three times as many tons of shipping as is required from North Atlantic ports. It is also twice as dangerous, because of the longer exposure to submarine attack. There has been a large failure in the South American countries, and the new harvest from that quarter will not be available in Europe until next spring All the allied countries are, and have been for some time, rigorously administering and economizing their food. In

Belgium the relief commission has been compelled to reduce the consumption of cereals by nearly 50 per cent.; this brings the food supply so low that the population are incapable of labor.

From the above tables it will be seen that on normal bases of consumption the total allied wheat import requirements are 577,000,000 bushels against a North American surplus of 208,000,000 bushels. From the United States supplies must be reserved a certain amount for neutrals from which the United States receive vital supplies and also an amount to protect the United States stocks better this year than last. There is therefore on normal consumption a deficit of over 400,000,000 bushels.

In the other cereals used in Europe mostly for animal feed, the import necessities of the allies on normal consumption basis are about 674,000,000, against a North American surplus of 950,000,000, but again a reserve for neutrals and increased "carry over" will absorb all the margin. In any event it means the United States must multiply its exports of these cereals 20 times. However, upon the present season's crops, it should be possible to supply the requirements of the allies in cereals other than wheat.

ESTIMATED EXPORTABLE SURPLUS OF WHEAT, 1917-18.

Items.	Bushels.	Bushels.
Carry-over from 1916-17	....	7,464,400
Allowance for imports, say	....	300,000
Crop of 1917 (Preliminary estimate).	....	249,147,500
		256,911,900
Loss in cleaning and for grain not of merchantable quality (10%)....	24,915,000	....
Seed for crop of 1918, say 16 million acres at 1.75 bushel per acre....	28,000,000	....
Food: Population of 8 millions at 6.25 bushels per capita	50,000,000	102,915,000
Balance available for export.	....	153,996,900

CANADA'S GRAIN ELEVATORS

Canada has 3,200 grain elevators at 1,340 stations, including terminals, with combined capacity of nearly 185,000,000 bushels. The three prairie provinces have more than 3,000 grain elevators at 1,320 stations with combined capacity of 106,000,000 bushels, or much more than one-half of the total.

Fort William and Port Arthur, at the head of the lakes in Ontario, have the big terminal elevators, the former having 19 with 27,770,000 bushels capacity, and the latter six with 15,315,000 bushels capacity, a combined total of 25 elevators and 43,085,000 bushels. The Canadian Pacific's terminal is Fort William, and the Canadian Northern's is Port Arthur.

Total Ontario private elevator capacity, including that at the head of the lakes, is less than 45,000,000 bushels, while that of British Columbia is only 1,725,000 bushels, represented by eight elevators and one warehouse. Ontario has also 14 public elevators, with 18,350,000 bushels capacity. Quebec has five with 8,400,000; New Brunswick, two with 2,000,000; Nova Scotia, one with 500,000. Total public elevators 22, with 29,250,000.

FACTORY EMPLOYEES WELL PROTECTED

Outline of the New Legislation in Alberta—No Children Under Fifteen Years Employed

By E. B. WILLIAMS.

The western provinces have been credited with advanced legislation. There is a great looking to the future here, consequently our legislation is often in advance of the fact. We have not many manufactories, but we have always had the raw material, and now we have the transportation and are getting the population. Last session the Alberta legislature passed "An act for the protection of persons employed in factories, shops and office buildings." Most of the older provinces have had a factories act for years, and in drafting ours we had the benefit of the statutes and experience of the older members of the Confederation family.

In our act those protected are brought under two heads—children and women. Any one who is under 15 years of age, the termination of compulsory school age, is known in the act as a "child," and any female over 15 is a "woman."

We have regulated minimum age and wage and maximum hours of labor. The hours of labor are regulated by "shifts." The "day shift" maximum is from 7 a.m. to 6 p.m., with one hour between 11 and 2 for meals, and the night shift must not exceed 8 hours with a similar hour for meals. If any part of a shift is before 7 a.m. or after 6 p.m., it is deemed a night shift and therefore becomes an 8-hour shift. No person may be employed for more than one shift in one day.

No "child" may be employed in any factory, shop, office or office building. No person shall receive less than $1.50 per shift, except an apprentice whose minimum wage is $1. Wages are payable semi-monthly.

In most other respects the acts of the older provinces were used as guides, but in the above respects the employees' interests as such touch them most keenly and intimately are protected for the first time in Canada by legislation embodied in the factories act.

The city of Saskatoon is served by three railways, the Canadian Pacific, the Canadian Northern, and the Grand Trunk. Its central location makes it one of the best distributing centres in Saskatchewan. Cheap power is supplied by the city.

CANADIAN RAILROAD EARNINGS

The following are the approximate gross earnings of Canada's transcontinental railroads month by month.

	Canadian Pacific Railway			Grand Trunk Railway			Canadian Northern System		
Month	1916	1917	Increase + Decrease –	1916	1917	Increase + Decrease –	1916	1917	Increase + Decrease –
	$	$	$	$	$	$	$	$	$
January...........	8,380,000	9,941,000	+1,561,000	4,257,416	4,677,388	+ 419,972	2,086,800	2,832,600	+ 745,800
February...........	8,546,000	8,832,000	+ 286,000	4,018,721	3,843,006	– 175,715	2,089,200	2,358,600	+ 269,400
March	10,228,000	11,692,000	+1,464,000	4,509,243	5,002,337	+ 492,994	2,606,000	3,272,400	+ 666,20
April	10,568,000	12,036,000	+1,468,000	4,685,505	4,885,211	+ 190,946	2,824,300	3,314,900	+ 491,5
May	12,187,000	14,068,000	+1,881,000	4,677,936	5,857,403	+1,179,467	3,088,900	3,784 700	+ 695,
June	11,343,000	13,005,000	+1,662,000	5,109,036	6,227,119	+1,118,083	3,377,200	4,048,600	+ 671
July................	12,247,440	13,377,860	+1,130,420	5,331,363	6,101,780	+ 784,419	3,834,200	3,844,900	+ 1
August...............	12,880,000	12,023,000	– 857,000	5,750,376	6,020,820	+ 270,444	3,684,900	3,405,200	– 27
September, ...	11,846,000	11,952,000	+ 106,000	5,626,826	5,883,792	+ 256,966	3,187,900	3,341,700	+
October....	13,102,000	14,593,000	+1,491,000	5,660,321	5,844,525	+ 184,204	3,716,800	3,941,600	+
November..	13,157,000	14,942,000	+1,785,000	5,343,653	5,549,336	+ 205,683	3,722,300	4,050,200	+
*December.........	12,289,000	12,651,000	+ 362,000	5,280,245	5,315,592	+ 35,347	3,485,400	3,602,480	+

*Figures for December 1917, estimated

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HOW OUR FOUR WAR LOANS WERE ALLOTTED

Subscriptions of	First Loan, November, 1915 ($100,000,000)	Second Loan, September, 1916 ($100,000,000)	Third Loan, March, 1917 ($150,000,000)	Fourth Loan, November, 1917 ($400,000,000)
(1) $25,000	.....	In full	In full	In full
(2) From $25,000 to $100,000	All subscriptions of $50,000 and under in full. Subscriptions, except banks, for amounts over $50,000, in full, with privilege of withdrawing subscriptions	First $25,000 in full; remainder 30 per cent.	First $25,000 in full; remainder 80 per cent.	In full
From $100,000 to $1,000,000	.....	Of first $100,000, $25,000 in full, remainder 30 per cent; above $100,000, 40 per cent.	Of first $100,000, $25,000 in full, remainder 80 per cent.; above $100,000, 70 per cent.	Over $500,000 and up to and including $1,000,000, $500,000 in full and 75 per cent. of the balance
In excess of $1,000,000	.....	Of the first $1,000,000, $25,000 in full, and remainder 40 per cent; above first $1,000,000, 26 per cent.	Of the first $1,000,000, $25,000 in full, and the remainder 70 per cent; above first $1,000,000, 45 per cent.	Over $1,000,000, $500,000 in full and 75 per cent. of the balance for first million, and 50 per cent. of amount in excess of first $1,000,000.

NOTE.—First loan—Subscribers, other than the chartered banks, for amounts exceeding $50,000 were allotted their subscriptions in full, but were allowed to withdraw or reduce the amount of their subscriptions by written notification lodged with the finance department on or before December 18th, 1915. The chartered banks, which subscribed an aggregate of $25,000,000. were allowed to take such portion of their subscription as they desired, but so that the total issue did not exceed $100,000,000. Of the total loan so increased to $100,000,000, the Government employed $50,000,000 to establish a credit with the finance department for the Imperial treasury. Second loan—No allotments of the $50,000,000 subscribed by the banks were made, but a credit of $50,000,000 was established here for the Imperial treasury.

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Established 1867 —— Old as Confederation

JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

How Can We Maintain Trade?

PROBLEMS of Our Export Business—Work for Individual Manufacturers—United States Has 30 Per Cent. of the World's Import Trade and Canada 6 Per Cent.—Manufacturers May Find Assistance in Co-operation—We Shall Be Seeking Business After the War and Will Meet Strong Competition.

By **WILLIAM LEWIS EDMONDS**

THAT the greatness of a nation industrially depends upon the development of its export as well as that of its home trade the facts of history amply prove.

First in importance as the home market undoubtedly is to manufacturers and producers generally, taking as it does in normal times approximately 80 per cent. of the merchandise the country produces, yet the industrial development of the Dominion would be seriously handicapped were it not for its export trade.

During the last three years, owing to the conditions created by the war, the export trade of the Dominion has assumed an importance immeasurably greater than at any time in the history of the country. The year the war broke out the value of the total exports was $478,997,928. During the last fiscal year it reached the enormous sum of $1,375,758,148, an increase of $896,760,220, or 187 per cent. But great and all as this increase was, its chief importance lies in the fact that it came at a time when it was urgently needed. Had it not come when it did the financial and commercial life of the country would to-day be in anything but the prosperous condition it is. It undoubtedly tided us over what threatened in the fall of 1914 to be a serious crisis in our history.

And now that the export trade has tided us over one crisis much thought is being given to its potency in the future development of the industrial life of the country, and particularly during the period of adjustment that must inevitably follow the close of hostilities.

That to a certain extent the development which has taken place in the export trade of the Dominion will be maintained, there can scarcely be any doubt. Where there is a doubt, it is in regard to the extent the development will be maintained. Had the expansion, enormous and all as it is, taken place under normal conditions, there would, in all probability, be less concern than there is at present concerning the future of the trade. But, unfortunately, the conditions were not normal. On the contrary, they were decidedly abnormal.

Notwithstanding, however, the fact that the expansion of the export trade during the last three years took place under abnormal conditions, it is imperatively necessary that when normal conditions again prevail, it should be maintained on a scale as closely approximating to that of to-day as is possible.

And that which makes it particularly necessary that it should be so maintained, is the fact that although our export trade since the outbreak of the war has increased to the extent of 187 per cent., the national debt of the country will, by the end of the present fiscal year, have increased by practically the same percentage, if the estimate of the minister of finance proves to be correct,

That in turn will mean an enormous increase in the interest charges which we shall be compelled to pay annually on our foreign indebtedness. Prior to the outbreak of the war our annual interest charges on public and private borrowings were estimated to be from $135,000,000 to $140,000,000. Some months ago, according to estimates made by both Sir Thomas White and Sir Frederick Williams-Taylor, it had reached $180,000,000.

Provided we can maintain our export trade at its present high standard, or at any rate maintain it at its present relative proportion to the import trade, thereby preserving the average favorable trade balance of the last two years, there will be no need for uneasiness, particularly in view of the fact that the annual combined productive value of the farms, factories, forests, fisheries and mines has reached a sum in excess of three billions of dollars.

That it will be no easy matter to maintain in the time of peace the increase which has been experienced in the export trade during the past three years of the war may be taken for granted, particularly when the fact is taken into account that of its total $284,474,137, or over 20 per cent. of the whole, consisted of munitions, arms and explosives. But while it may not be an easy matter to maintain the export trade at its present value, or even at its present proportion to the import trade, it is not an impossible task. At any rate it does not seem as impossible as three years ago it would have been deemed possible to increase it by 187 per cent. in that period. On the eve of the day that saw the outbreak of the war it was a decrease rather than an increase that most people anticipated.

One thing is certain: The market will be there. For of the aggregate approximate twenty billion dollar import trade of the countries of the world, only about 6 per cent. is supplied by the exporters of the Dominion compared with about 30 per cent. by the United States.

Of the total export trade of $1,375,758,148 during the last fiscal year $756,071,077 was with the United Kingdom, $486,870,690 with the United States, and $132,816,381 with all other countries.

It naturally follows that in order to maintain this trade when peace again obtains it will be necessary to increase it in ordinary commodities to an extent sufficient to cover the inevitable loss which will take place when the export demand for munitions and other war material ceases to exist. It is when that period arrives the real test will come.

Under the conditions obtaining during the last three years it has been a comparatively easy matter to carry on the export trade, owing to the fact that buyers abroad have sought our various products to an extent unparalleled in our experience. When peace, with its normal trade conditions again obtains the order will be reversed. We shall be seeking their business, and in the seeking of it will have to meet the competition of other exporting countries. When that time arrives the manufacturers and producers generally will be in a much better position than they were in ante-bellum days to compete for business in the importing countries of the world.

In the first place the experience of the past three years has enabled them to acquire a much wider knowledge regarding both the requirements of the foreign market and of the ways and means best calculated to supply them. In the second place they have from their experience acquired much greater efficiency in methods of production and in the science of business management generally. In the third place, manufacturers and producers generally are in a much stronger position financially. Not only is this self-evident, but even better proof than this is furnished by the bankers of the country, who tell us that during the period of prosperity, through which we have been passing, the manufacturers of the country have not only been able to liquidate their liabilities, but that they have been able to create substantial rest accounts to an extent unparalleled in the history of the Dominion.

But while these conditions provide a favorable foundation upon which to build an export trade of a character more permanent than that which has been stimulated by the war they will not in themselves carry us very far. If we would go farther, and for reasons already pointed out we should go farther, greater effort, both individual and co-operative, must be put forth.

Work for Individual Manufacturer.

The individual manufacturer must make an effort to acquire all possible information regarding the foreign market in which he desires to sell his goods. He must not only ascertain the kind of goods they want, but the peculiar way in which they want them made, how they want them packed, and the terms of payment in vogue. Then there are certain well established facts that he must recognize. In the first place he must recognize that when he sells goods his invoices should be made out in the currency of the country in which his customers reside. In the second place when he receives an inquiry from a country in which a language other than English is spoken, his reply should be written in that language, whether it be Russian, French, Spanish, Italian or otherwise. If, in addition, he sends a catalogue, he should furnish a translation of that part of it which deals with the particular article or articles regarding which information is desired.

When a representative is sent to solicit business in a foreign country, he should be one who is able to converse in the language of that country. Otherwise he will be of very little use no matter how proficient he may be, generally speaking, as a salesman.

Co-operation Is Necessary.

While none of us can agree with the "peaceful penetration" object of Germany, yet we must recognize the fact that in the carrying of it out she reduced her methods to a science. Her exporters acquired complete knowledge regarding the requirements of every country whose market she desired to penetrate, while the representatives she sent were proficient as linguists as well as salesmen. They knew their business from A to Z.

While individual effort is, as a rule, the best when possible, in order to build up a satisfactory export trade, yet individual effort is not possible in all cases. As a rule, it is only the larger firms that can undertake it. But no manufacturer need be precluded from participating in the export trade because of his size. Two avenues are open to him. He can either co-operate with one or more manufacturers, or he can employ the services of a concern whose special business is to develop the export trade for manufacturers generally and are equipped with branch offices at important trade centres throughout the world.

There is still another method of co-operation which Canada should develop, and that is one which embraces the department of trade and commerce, the transportation companies, and the banks as well as exporters themselves. It was largely due to co-operation of this kind that Germany was enabled in a comparatively few years to build up the enormous export trade that she did prior to the outbreak of the war. And that which co-operation of this kind did for Germany can, to some extent at least, be done for Canada.

The export trade may be complex and in the cultivation of it Canada's position may be less favorable than that of certain older countries, but the experience of the past three years afford much encouragement for the undertaking of that which the general welfare of the country demands should be undertaken—namely, a more intensive and wider spread development of its export trade.

FINANCING BY THE UNITED STATES

Nation Will Spend $16,000,000,000 During Current Fiscal Year—Must Finance Allies' Purchases

The war finance arrangements of the United States last year assumed very large proportions. In July, secretary of the treasury McAdoo stated that expenditures for the current fiscal year for purposes of that country would amount to about $11,000,000,000. That sum omitted prospective advances to the allies which, at the rate of such loans in 1917, would bring expenditures for the fiscal year up to $16,000,000,000 or more. This total eclipses the annual expenditures of Great Britain, where, up to the present, the cost of the war has fallen heaviest. In the eight months from the outbreak of the war to the end of the British fiscal year, the outgo through the Exchequer, including ordinary governmental expenses, was $2,485,000,000; in the next twelvemonth, it was $7,800,000,000; while in the year ended March 31st last, it was approximately $11,000,000,000.

At about the time Mr. McAdoo was submitting his estimates in July, chancellor of the exchequer Bonar Law, of the United Kingdom, was saying in the House of Commons that: "We can rely on receiving in the United States resources which are necessary to pay for supplies of all kinds required by the allies in America," much of that expense having previously been borne by England. Further, it was an open secret, he added, "that we had spent so freely of our resources that those available in America had become nearly exhausted."

The first loan of the United States to the allies since its entrance into the war was made to Great Britain. The amount, $200,000,000, was made available out of the proceeds of the $5,000,000,000 Liberty Loan bond issue, of which $3,000,000,000 it was proposed should be loaned to the allies. The first block of $2,000,000,000 of Liberty Loan bonds was offered in June. In reaching the decision to make the first loan to Great Britain, the United States was influenced by the knowledge that Great Britain, as banker for the allies prior to the United States' entrance into the war, had met the heaviest financial strain imposed upon any of the entente governments.

In making the loan the United States accepted British bonds bearing three and a half per cent. interest as security. These bonds were deposited in the United States treasury, and the interest payments made upon them—at a rate considerably lower than that which Great Britain had had to pay for previous borrowings—will balance the payments made by the United States to holders of the American bonds. A similar course was proposed in making loans to other allied nations.

NEW BANK NOTE DESIGNS

The Canadian Bank of Commerce have in course of preparation a new series of bank-notes, which are in originality and beauty of design, a marked advance over those at present in circulation. The designs are copyrighted in Canada, the United Kingdom and the United States, and they will be the bank's exclusive property. The work of engraving the plates is a slow and tedious process and some of the notes will not be completed for several years, but the smaller denominations will be put into circulation during the current year.

WIDER INVESTIGATION OF PAPER SITUATION

The investigation by Royal Commissioner R. A. Pringle, K.C., into the paper situation, in so far as it relates to the requirements of book or magazine publishers, was adjourned on Wednesday to be resumed later after an expert accountant had visited the various mills and reported to the commissioner facts and figures in regard to production costs.

An inquiry into the newsprint situation was again resumed when the commission met yesterday. The paper manufacturers claimed that there should be corresponding inquiry and publicity in regard to the publishing business if their cost of production and profits was made public.

It was then that Commissioner Pringle referred to the necessity of widening the enquiry so as to trace up the profits and costs of the publishers as well as the manufacturers.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

DECEMBER FIRES

Calais, Alta.—December 29—Candy factory of Beckett and Company destroyed. Estimated loss, $30,000.

Camrose, Alta.—December 22—Mrs. Hilland's millinery store. Caused by defect in stove pipe.

Canyon, B.C.—December 26—Boarding house of Canyon City Lumber Company destroyed. Estimated loss, $1,500.

Edmonton, Alta.—December 25—Moses Lyons' store destroyed. Buildings and stock of Cockshutt Plow Company, Limited, destroyed. Estimated loss, $20,000.

Fort William, Ont.—December 31—House of Peter Robbins damaged.

Grand Mere, Que.—December 31—Premises and stock of Edmond Doyon damaged. Estimated loss, $12,000.

Halifax, N.S.—December 27—Clayton Military Convalescent Home destroyed. Estimated loss, $50,000.

Keeler, Sask.—December 29—Office of Agiboie's Elevator Company damaged.

Kitchener, Ont.—December 29—Home of Mr. and Mrs. A. Wolfield was destroyed. Estimated loss, $2,000.

Lachine, Que.—December 31—Premises of Rapid Tool Company and structure containing thirty-five automobiles destroyed. Estimated loss, $55,000.

Montreal, Que.—December 26—Three-story blocks of buildings destroyed. Estimated loss, $40,000.

December 29—Several stores destroyed on St. Viateur Street. The losers were: Michell's millinery shop, Archambault Tailoring and the Nap. Girourard restaurant. Three dwellings on Waverley Street destroyed. The losers were: Mrs. C. Leduc, Octave Vermette and Mrs. E. Duncan. Estimated loss, $40,000. Tenement on City Hall Avenue damaged.

Moose Jaw, Sask.—December 26—Farm house of Mr. and Mrs. George Ross destroyed. Estimated loss, $400.

Ottawa, Ont.—December 30—Office in House of Commons, Parliament Buildings was damaged. Borbridge block was destroyed. Estimated loss, $175,000.

Owen Sound, Ont.—December 28—Shed at rear of residence of Mrs. Hatton destroyed. Estimated loss, $300.

Quebec, Que.—December 28—House of R. Baker damaged. Estimated loss, $500.

Rapid City, Man.—December 22—Home of G. P. Wastle destroyed.

Regina, Sask.—December 27—Imperial Oil Company's plant damaged. Caused by explosion of condenser box. Estimated loss, $30,000.

Sault Ste. Marie, Ont.—December 27—The Pearl Laundry was destroyed. Estimated loss, $50,000.

Sherbrooke, Que.—December 27—Store of O. F. Ticehurst destroyed. Estimated loss, $9,000.

Simcoe, Ont.—December 30—Storehouses of Simcoe Wood Stock Company destroyed. Cause, incendiarism. Estimated loss, $25,000.

Three Rivers, Que.—December 30—Building at No. 111 Bonaventure Street destroyed. Estimated loss, $50,000.

Toronto, Ont.—December 27—Once a Week newspaper printing plant damaged. Estimated loss on building, $350; on contents, $500.

Windsor, Ont.—December 29—Home of Thos. Dufour destroyed. Caused by defective chimney. Estimated loss, $3,000.

December 30—Hydro office destroyed. Estimated loss, on building, $18,000; on stock and fixtures, $25,000.

Winnipeg, Man.—December 25—Eaton employees' lunchrooms destroyed. Estimated loss, $2,000.

December 28—Liquor store of Rosenthal and Adelman damaged. Caused by overheated furnace. Estimated loss, $100.

December 29—Parkyte grease and oil store and stock, owned by Myer Rosenthal, damaged. Estimated damage to store and stock $150.

JANUARY FIRES

Beaconsfield, Que.—January 1—Summer residence destroyed.

Chatham, Ont.—January 6—Plant of Pittsburg and Des Moines Steel Company damaged. Caused by conflagration after two explosions. Estimated loss, $8,000.

Cornwall, Ont.—January 7—Turdif Block, owned by J. H. Turdif, of Montreal, was damaged. Estimated loss, $5,000.

Earlscourt, Ont.—January 2—St. Clair garage damaged. Caused by hot ashes. Estimated loss, $25.

Hartland, N.B.—January 4—C. H. Taylor's brick block destroyed. Estimated loss, $18,000.

Hamilton, Ont.—January 2—Frame shed of the Steel Company of Canada damaged. Estimated loss, $200.

January 7—Cooperage department of the Steel Company of Canada destroyed. Estimated loss, $10,000. Royal Theatre damaged. Estimated loss, $100.

January 9—Gage Avenue School, used as soldiers' barracks, destroyed. Estimated loss on building, $14,000. Rilett Block, owned by the Main Realty Company, was destroyed. Loss of $33,000 is divided among the Electrotype Company, Dunlop Tire and Rubber Company and the Red Cross Association, the latter losing $8,000 on preserved fruit for soldiers.

Knowlton, Que.—January 4—Summer residence of Mr. John Ballie, of Montreal, destroyed. Estimated loss, $15,000.

Lauzon, Que.—January 4—Seven dwelling blocks destroyed. Caused by overheated stove.

London, Ont.—January 5—Home of Hubert Ashplant damaged. Estimated loss, $600.

Montreal, Que.—January 1—Apartment house at 269 St. Denis Street destroyed.

Arena, ice plant and several houses destroyed. Estimated loss, $100,000. Insurance carried, $50,000.

January 3—Storage sheds and contents of N. G. Valiquette Company damaged. Rose Convent damaged. Estimated loss, $400. Street car damaged. Cause, defective controller.

January 5—The two-story brick building of the Society Amicale Athetique and Dramatique was damaged.

Munson, Alta.—January 2—Business block, consisting of the Morrin Trading Company, general store, machine shed, stable, opera house and Chinese restaurant, was destroyed. Estimated loss, $35,000.

New Westminster, B.C.—January 4—Home of Mr. and Mrs. Wedge damaged.

Peterboro, Ont.—January 6—Peterboro Canoe Company's factory destroyed. Estimated loss, $30,000.

January 8—Residence of John Curry destroyed. Estimated loss, $2,000.

Quebec, Que.—January 4—Employee's residence, large storage house, motor trucks and many other vehicles at Brookside Dairy Farm, were destroyed. Estimated loss, $10,000.

Toronto, Ont.—January 5—Home of John Cannon damaged. Caused by boy playing with matches. Estimated damage to building, $500; to contents, $200.

January 6—Toronto Ferry Company's dock destroyed. Estimated loss, $42,000. Insurance carried, $30,000. Steamer "Chippewa" damaged. Caused by fire from blazing ferry dock. Estimated loss, $1,000.

St. Joseph, Que.—January 3—Four houses destroyed. Estimated loss, $10,000.

St. John, N.B.—January 2—Jewelry store of A. B. Smalley damaged. Estimated loss, $50,000. Two buildings of Hamm Brothers Biscuit Manufacturing Company destroyed. Estimated loss, $100,000.

January 4—Residence of Mr. F. E. Williams destroyed. The total insurance carried on house, $35,000, is divided among the companies as follows: Liverpool-Manitoba, $5,000; Northern, $8,000; National Benefit, $1,000; Firemen's Fund, $1,000; Connecticut, $2,000; Guardian, $5,000; Liverpool and London and Globe, $3,000; Hartford, $5,000; North British and Mercantile, $3,000; Northern, $2,000. The total insurance carried on furniture, $8,000, is divided among the following companies: Firemen's Fund, $5,000; North America, $2,000; British Crown, $1,000.

Stratford, Ont.—January 2—Old house on St. David Street and Cobourg Lane destroyed.

Vancouver, B.C.—January 8—Printing plant of A. H. Timms destroyed. Estimated loss, $30,000.

Welland, Ont.—January 1—Jeffries' furniture factory damaged. Estimated loss, on building, $1,200; on goods, $1,000; on household furniture, $1,500.

Westmount, Que.—January 5—Block of brick houses at corner of Melbourne and Metcalfe Avenues was destroyed. Estimated loss, $15,000.

Windsor, Ont.—January 6—Brick building at 4 Goyeau Street destroyed. Estimated loss, $3,000. Loss is divided between C. S. Smith and Baum and Brody.

Winnipeg, Man.—January 8—Premises of Winnipeg Brass and Fixtures Company destroyed. Estimated loss, $3,000. Room of Codville Company damaged. Cause, spontaneous combustion. Estimated loss, $10,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Angus, Ont.—December 24—Frame building of L. S. Lee destroyed. Caused by defective flue. Estimated damage to stock, $4,000; to buildings, $3,000. Insurance is carried in four companies through F. A. Lett, Barrie, Ont.

Hamilton, Ont.—December 31—The Steel Company of Canada's plant was damaged. Estimated loss on building, $1,115.79; on equipment, $7,784.76. The total insurance loss of $320,000 is divided among the companies as follows: Legal, $3,500; United States, $17,500; Richmond, $15,000; Merchants, $12,500; National Fire and Marine, $2,500; Stuyvesant, $26,500; Fire Association, $3,500; Georgia Home, $7,500; Peoples National, $2,500; North River, $13,000; Michigan Millers, $2,500; Dixie, $2,500; Hamilton, $2,500; National Union, $8,000; Colonial, $2,500; Millers National, $2,500; Millers Mutual, $2,500; Lumbermans, $2,500; Cornhill, $2,500; Excess, $5,000; London Lloyds, $53,000; London Lloyds, $6,000; Nationale, $5,000; Mount Royal, $12,500; Rhode Island, $7,500; Assurance Company, $2,000; Columbian National, $2,500; Niagara, $10,000; Ohio Millers, $20,000; North Branch, $3,000; National Benefit, $10,000; National Union, $12,000; United States, $2,250; Pacific, $13,000; North River, $2,250; London Lloyds, $22,000.

Montreal, Que.—December 20—The Church of St. Stanislas de Kotska, which was destroyed, carries a total insurance of $157,000, which is divided among the following companies: London Guarantee, $10,000; Mount Royal, $15,000; Scottish Union, $50,000; Royal, $15,000; Sun, $10,000; Fidelity Underwriters, $10,000; Fidelity-Phenix, $5.000; Atlas, $20,000; Niagara, $10,000; North-West, $5,000; Pacific Coast, $5,000; National of Paris, $2,000.

Ottawa, Ont.—December 13—The insurance carried on property destroyed on Sparks Street is divided among the companies as follows: Rea Building—Royal Exchange, $30,000; Liverpool and London and Globe, $22,500; Globe and Rutgers, $10,000; General of Paris, $7,500; St. Lawrence Underwriters, $5,000; Century, $5,000; Royal, $10,000; total, $90,000. H. K. Atkinson—Queen, $5,000; Mount Royal, $5,500; total, $10,500. Ottawa Typewriters Company—London, $8,600; Royal, $1,500; Caledonian, $1,000; total, $11,100. Loss, $1,700. Nelson D. Porter—Hudson Bay (rental), $2,400. Loss, $1,200. Layzell Stock—Yorkshire, $10,000; Hudson Bay, $5,000; Nationale, $6,000; Provincial, $4.000; total, $25,000. Loss, $10,000. Furniture and Fixtures—Provincial, $1,000; Nova Scotia, $2,500; total, $3,500. Loss, $875. Ely Stock—Guardian, $5,000; London Mutual, $2,500; Commercial Union, $2,500; Yorkshire, $5,000; total, $15,000. Loss, $12,750. O'Connor—North America, $5,000; Phœnix of London, $1,000; total, $6,000. Powers—National of Paris, $2,000; Mount Royal, $4,000; Provincial, $2,000; Continental, $4,500; total, $12,500.

December 29—The Borridge Block, which was destroyed, carries a total insurance of $91,250, which is divided among the companies as follow: Atlas, $4,500; Sun, $13,500; Commercial Union, $8,000; National of Hartford, $1,500; Employers, $2,500; Royal Exchange, $5,000; Northern, $2,000; Phenix of Paris, $2,300; General, $2,000; Hudson Bay, $500; New York Underwriters, $3.000; Scottish Union and National, $5,000; Hartford, $3,000; Minnesota Underwriters, $1,500; Mercantile, $150; Phœnix of Hartford, $2,700; North Western, $2,500; Royal, $5.500; Home, $3,600; Globe and Rutgers, $2,000; North British and Mercantile, $2,000; Western, $6,500; Glens Falls, $3,000; Exchange Underwriters, $4,500; Fidelity-Phenix, $4,500.

St. John, N.B.—December 13—St. David's Presbyterian Church, which was destroyed, carries a total insurance of $55,000, which is divided among the following companies: Norwich Union, $5,000; Scottish Union and National, $1,500; Quebec, $4,500; New York Underwriters, $5,000; North British and Mercantile, $3,000; Royal, $5,000; Home Underwriters, $2,000; Hudson Bay, $3,000; Westchester, $4,500; Firemen's Fund, $4,500; Montreal Underwriters, $5,000; Employers, $5,000; Phœnix of Hartford, $2,000; Queen, $3,000; London and Lancashire, $2,000.

St. John's, P.Q.—December 13—The Excelsior Straw Works Company, which was damaged, carries a total insurance of $22,000, which is divided among the following companies: Equitable, $2,000; Fidelity-Phenix, $2,500; Mount Royal, $1,000; Employers, $3,000; Royal, $2,000; Liverpool and London and Globe, $4,000; Guardian, $7,500.

Valleyfield, Que.—December 13—The Montreal Cotton Mills Company lost $100,000 when their plant was damaged. Insurance is carried in the New England Mutual Company.

Victoria, B.C.—December 31—Fire Chief Thomas Davis reports the loss on buildings and contents and the insurance carried thereon as follows: Loss, buildings, $79; contents, nil; total, $79; insurance, buildings, $2,350; contents, nil; total, $2,350; property at risk, $43,000.

Wallaceburg, Ont.—December 10—The Dominion Sugar Company, which was destroyed, carries a total insurance of $96,300, which is divided among the following companies: New York Underwriters, $7,500; Aetna, $2,500; St. Paul, $5,500; Home, $10,000; British America, $15,000; Caledonian, $7,500; North British and Mercantile, $7,500; Ocean, $1,300; Law Union and Rock, $5.000; Phœnix of London, $10,000; Union, $5,000; Commercial Union, $5,000; Connecticut, $6,250; Yorkshire, $6,250. Loss is approximately 50 per cent. of the total insurance.

Winnipeg, Man.—December 22—The Crown Elevator Company's plant, which was destroyed, carries insurance which is divided among the companies as follow: Insurance on contents, North British, $20,000; London and Lancashire, $12,500; American Central and Sun, $7,500 each; North America, $6,500; Royal Exchange, $5,500; Aetna, Calumet, Firemen's Fund, Hamilton, London Assurance, Niagara, National Union and Union of London, $5,000 each; Liverpool and London and Globe, $4,500; Pacific Coast, $3,500; Delaware Underwriters, Fidelity Underwriters, Union of Paris, Norwich Union, Ocean, Providence-Washington, Palatine, Phœnix of Hartford, Quebec, St. Lawrence Underwriters. Scottish Union and Yorkshire, $2,500 each; North-Western National, $1,500; American Underwriters, $1,000; total, $140,000. Loss estimated at 68 per cent. owing to over-insurance. Insurance on building, Lloyds', $10,000; Caledonian, Firemen's of Newark, Imperial Underwriters, Union of Paris, $5.000 each; Yorkshire, $4,500; National Union, $4.000; Aetna, American Central, British Colonial, Continental (N.Y.). Delaware, London and Lancashire, Liverpool-Manitoba, Norwich Union, North Empire, Occidental, Pacific Coast, Palatine, Quebec, Royal Exchange, St. Lawrence Underwriters, Scottish Union, Sun, $2,500 each; Dominion, Firemen's Fund, Guardian, London Guarantee, London Assurance, National Benefit, Providence-Washington, $2,000 each; Fidelity Fire, Hamilton, Liverpool and London and Globe, National Fire and Marine, $1,500 each; Union of London, $1,250; American Underwriters, Continental (Winnipeg), Great American, Globe and Rutgers, Ocean, Phœnix of Hartford, $1,000 each; St. Paul, $750; total, $109,000. Loss, 85 per cent.

Westmount, Que.—January 2—The Arena, which was destroyed, carries a total insurance of $50,000, which is divided among the following companies: Home, $5,000; Liverpool and London and Globe, $10.000; Guardian, $20,000; Northern, $2,000; Royal, $5,000; Sun, $5,000; Union, $3,000. The building is stated to have cost $75,000 20 years ago.

NEW FIRM TAKES OVER BANFIELD BUSINESS

The business of J. J. Banfield, Vancouver, was taken over on January 1st by the incorporated company of Banfield, Gunther and Black, Limited, who will carry on the business in the same city. Mr. Banfield has been actively engaged as general agent for the Norwich Union Insurance Company and in the mortgage, loan and real estate business. Colonel E. F. Gunther went to British Columbia from Toronto several years ago to become superintendent of insurance for the province of British Columbia. He resigned several months ago to re-enter the insurance field. Mr. Black has long been associated with Mr. Banfield as office manager. The new firm have the good wishes of their many friends.

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The Monetary Times was established in 1867, the year of Confederation. It absorbed in 1869 The Intercolonial Journal of Commerce, of Montreal; in 1870, The Trade Review, of Montreal; and the Toronto Journal of Commerce.

The Monetary Times does not necessarily endorse the statements and opinions of its correspondents, nor does it hold itself responsible therefor.

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INTERNED GERMAN SHIPS

All the damage done to 109 German ships by their crews, prior to their seizure by the United States government when war was declared, has been repaired and these ships are to-day in service, adding more than 500,000 gross tonnage to the transport and cargo fleets in war service for the United States.

There is evidence that a German central authority gave an order for destruction of these ships, effective about February 1st, 1917, simultaneously with the date set for unrestricted submarine warfare and that the purpose was to inflict such vital damage to the machinery of all German ships in United States ports that none could be operated for from eighteen months to two years. This purpose was defeated in signal fashion. In less than eight months all the ships were in service.

The destructive campaign of the German crews comprehended a system of ruin which they believed would necessitate the shipping of new machinery to substitute for that which was ruthlessly battered down or painstakingly damaged by drilling or dismantlement. There is documentary proof that the enemy believed the damage irreparable. To obtain new machinery would have entailed a prolonged process of design, manufacture, and installation. Urged by the necessity of conserving time, the engineers of the United States Navy Department succeeded, by unique means, in patching and welding the broken parts and replacing all of the standard parts which the Germans detached from their engines and destroyed or threw overboard.

American ingenuity, as our friends at Washington have stated, defeated German malice and craft by restoring to service 109 badly damaged interned ships. We must not, however, overlook the part played by the British Navy in keeping those 109 ships bottled up in United States ports, in many cases for years.

NECESSITY OF ORGANIZATION

We must so co-ordinate the productive forces of the nation that there will be the nucleus of a new organization already prepared to utilize the labor of the unemployed in the production of food and in its distribution and transportation to the great markets abroad. This was the statement of Sir John Aird, general manager of the Bank of Commerce at the annual meeting of that institution this week. It is another reminder that we in Canada must organize and get nearer to a war basis. To-day there is employment at high wages in war industries. Money is plentiful and is being freely spent. But there will come a time, as Sir John said, when high taxation and uncertainty as to the future will make men hesitate to embark on new enterprises, when there will be double the number of applicants for half the number of jobs and when food will be still more scarce than it is at present. Only then shall we realize the full effects of the high cost of living. How shall we prepare for that day? "The great need of the world will then be abundance of food, at reasonable prices," said Sir John, "and if we in Canada by stimulating production, transportation and distribution, are able to supply the nations in abundance, we shall not only have laid broad and deep the foundations of prosperity for ourselves, but shall have earned the gratitude of the nations. We shall have found a way to utilize the services of the unemployed and to lower as far as possible the high cost of living." The machinery for accomplishing this cannot be created on the spur of the moment, and we must equip ourselves beforehand to cope with the changed conditions which will prevail after the war. Our national organization must be made efficient now to cope with post-bellum problems.

FIRE WASTE

According to the record of *The Monetary Times*, the fire waste in Canada last year amounted to $20,086,000. This is exclusive of the losses estimated at over $1,000,000 due to explosion and fire in the Dragon munition plant in Quebec province. The Commission of Conservation records even a higher total, namely, $23,251,000, represented by 14,092 fires. More than $15,600,000 of damage resulted from 76 fires. *The Monetary Times'* records show that there were at least 238 fires involving a loss of $10,000 or over. The average monthly fire waste exceeded $1,500,000. Taking our population at 7,800,000, the fire waste per capita was $2.60.

The Commission of Conservation has drawn attention to these losses in a striking way. It points out that the Canadian government pays $2,000,000 a month in separation allowances to soldiers' wives and dependants, while the Canadian people burn about $2,000,000 worth of property every month. Canada's annual fire waste is sufficient to pay 5 per cent. interest on nearly all our war loans and provide a sinking fund large enough to cancel the total indebtedness in thirty years. One year's fire loss in Canada would purchase 12,000,000 bushels of wheat for our allies. The value of grain and other agricultural produce burned in Canada in 1916 was equal to the average annual production of 1,500 hundred-acre forms. Canada's fire loss in 1916 would have provided 3,500 aeroplanes or 25,000 machine guns or maintained over 20,000 men in the trenches for a year.

Carelessness is responsible far the majority of the fires. Legislation will probably be introduced in due course so that carelessness in regard to fires will be a costly offence.

WAR AND UNREST

In his address at the annual meeting of the Canadian Bank of Commerce, Sir Edmund Walker made an opportune reference to the present social unrest. He pointed out that this is being experienced at a time when those in North America were never so easily able to obtain employment suited to their varied capacities, never so highly paid so far as those are concerned who aid in the production of goods for sale, and never so prosperous, using the word in a material sense. The price of everything, however, was almost never so high, and the purchasing power of the dollar has declined so much and so rapidly that people with a more or less fixed income suffer keenly, while those who earn more money than they could have conceived possible a few years ago, are disappointed and apparently surprised to find that everything else has advanced in price in proportion to their high wages. Out of this turmoil, he reminded us, has come a bitterness towards all who, by any stretch of fancy, can be held responsible for existing conditions, a bitterness often without any real basis, and which is accompanied by explosions of wrath directed at whatever happens to be the nearest object of criticism, but, if continued, and kept at fever heat as it has been of late, promises ill for our country after the war. It is untrue to say that Sir Edmund is defending capital and what are termed the big interests. Sir Edmund is a capable banker and a business man, with a thorough knowledge of conditions outside of banking and business and practical sympathy for the views of the so-called man in the street.

The problems of the social unrest require the serious consideration of capital, labor and government. Their solution cannot be obtained by a generally hostile attitude of the big interests to labor or by bitterness of labor towards capital. Effective results should be obtained by reasonable discussion of differences. Extremists in both camps are largely responsible for the wide gap between the two.

The conditions arising out of the war are at the bottom of most of our present troubles. As Sir Edmund pointed out, what is necessary is not only fair dealing on the part of those who supply the wants of the people, "but patience, and some remnant of belief in our fellow-men, on the part of those who feel the pinch and who, perhaps naturally, would like to punish somebody." If dealers have combined to put up prices, let them be punished, but apparently we are complaining because dealers, in buying from producers, did not combine to lower prices or to keep them down. The needs of the war are, however, so great that no combination can control prices either in one way or the other.

Sir Edmund also said: "If society by its laws should choose to limit the amount of wealth which any one may accumulate, let us wait until it has done so before passing judgment and when we undertake to express our opinion of the character of those who possess great wealth, let us judge them by the use they are making of it, by the extent to which they regard it as a trust which came to them only because they were in some things abler than their fellows, and as a means through which they may leave the world the better because of their existence. Many rich men do not come up to this standard, and by inheritance taxes we are gradually adjusting matters, but in North America there are so many instances of good service rendered to the state by wealthy citizens that one wonders if we should not be greatly the losers by any new condition which would hamper individuality and, in so doing, perhaps destroy the main factors which separate our twentieth century comfort from the miseries of the middle ages. In contending for a more rational consideration of the relations between the consumer and the producer, we have no intention of claiming that conditions are satisfactory, nor are we expressing an opinion regarding the relations of employers and employed, and certainly we hold no brief for either side. A great bank is vitally concerned with what will conduce to the true interest of the country, and that means the greatest amount of well-being on the part of its citizens."

We have referred only briefly to Sir Edmund's references to this important matter. They are printed in full elsewhere in this issue. His remarks were exceptionally thoughtful and fair and merit the widest possible circulation.

TRADE AFTER THE WAR

With comparatively little publicity, the United Kingdom is organizing a commercial intelligence system which eventually will prove of great value to manufacturers and traders there and to British Empire trade generally. Sir Albert Stanley, president of the Board of Trade, recently outlined the programme of the Board's extended activities toward increasing overseas commerce, including the dissemination of up-to-date information from all parts of the world. According to cable despatches, a new Department of Overseas Trade will control the Board of Trade's trade commissioner service within the Empire. It is intended to extend the trade commissioner service to India and some of the principal Crown colonies, and to greatly increase its commercial services.

Sir Albert Stanley described a new step in the distribution of information under the pledge of secrecy to traders and manufacturers regarding possible exporters in certain foreign countries of British manufactured goods. The idea is the outcome of the Trading-with-the-Enemy Act. Ten thousand traders have already availed themselves of its use. All whose bona fides are doubtful are checked, with the assistance of leading commercial organizations. Even more secret is the confidential register which provides for wider information regarding trade openings abroad, reports on foreign competitors, and various overseas industries.

Sir Arthur Steel-Maitland, M.P., who will represent in parliament the new Department of Overseas Trade (Development and Intelligence), speaking in London recently stated that it was now plain that before the war we were face to face with a commercial strategy on the part of the enemy just as real as the military strategy they are now employing to-day. "In many foreign countries," he said, "there is a perfect system of penetration by German finance and German industry, and the two are linked together in a way, if we do not wish literally to copy it—for no foreign country is anxious to rid itself of German penetration merely to substitute English—we intend to combat."

In the United Kingdom, in Canada, and in other parts of the Empire, trade intelligence organizations are being perfected. They will become a formidable opponent of enemy trade and will help to increase materially the sales of our Empire's merchandise throughout the world's markets.

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up - - - - $16,000,000
Rest - - - - $16,000,000
Undivided Profits $1,664,893
Total Assets - - - $403,980,236

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And New York, Chicago and Spokane in the United States

A GENERAL BANKING BUSINESS TRANSACTED

THE CANADIAN BANK OF COMMERCE

Established 1867

Head Office .... TORONTO

Paid-up Capital $15,000,000
Reserve Fund $13,500,000

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Savings Bank Department at every Branch
(Yukon Territory excepted).

INCORPORATED 1855

THE BANK OF TORONTO

HEAD OFFICE, TORONTO, CANADA

Capital ....$ 5,000,000
Assets........... $84,000,000
Reserved Funds.. $ 6,555,306

THRIFT

MONEY IS NEEDED—for the war—for the home emergencies—for the growing cost of living—for a business start—for a holiday—for old age—for all purposes.

INCREASE YOUR SAVING—hold down your spending—open a savings account at the Bank of Toronto. Savings accounts for small or large sums invited at all branches of this Bank.

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LONDON, ENGLAND—LONDON CITY AND MIDLAND BANK, LTD.
NEW YORK—NATIONAL BANK OF COMMERCE
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ESTABLISHED 1875

IMPERIAL BANK OF CANADA

CAPITAL PAID UP $7,000,000
RESERVE FUND - 7,000,000

PELEG HOWLAND, President.
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GOVERNMENT, MUNICIPAL and other HIGH-CLASS SECURITIES BOUGHT and SOLD

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ADDRESS

THE MANAGER, BOND DEPARTMENT,
TORONTO

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PERSONAL NOTES

Mr. Herbert Hale Williams, of H. H. Williams & Company, real estate brokers, and president of the International Realty Company, was recently elected to the board of the Dominion Bank, to succeed the late Mr. W. R. Brock. Early in December Mr. Williams was elected to succeed Mr. Brock on the board of the Toronto General Trusts Corporation.

(British and Colonial Press Photo.)

H. H. WILLIAMS,

Elected Director of the Dominion Bank.

Mr. George Fisher has been elected a director of the Northern Crown Bank. He is a prominent citizen of Winnipeg, and has a reputation as a sound business man. Mr. Fisher is manager in Canada of the Scottish Co-operative Society, grain buyers. He is a past president of the Winnipeg Grain Exchange, and was recently elected an alderman for the city of Winnipeg.

(The Monetary Times Photo.)

GEORGE FISHER,

Elected Director of the Northern Crown Bank.

Mr. John Stovel, one of Winnipeg's best business men, has been elected vice-president of the Northern Crown Bank.

Mr. C. L. Sweeney, of Montreal, has been appointed branch manager at Montreal for the Manufacturers' Life Insurance Company.

Mr. Hugh Leach, formerly assistant general manager of the Bank of Toronto, but who retired twenty years ago on account of ill-health, died at his home recently.

Mr. T. B. Greening, president of the Pure Gold Manufacturing Company, and Mr. James Hardy, F.C.A., of Jenkins & Hardy, chartered accountants, have been appointed directors of the Standard Bank of Canada.

Mr. G. P. Awrey, who was formerly connected with the Crown Life and also with the Federal Life, has been appointed field secretary for Western Ontario for the Monarch Life Assurance Company, with headquarters at Toronto. Mr. Awrey has had field and head office experience, and should be a valuable asset to the Monarch Life.

Mr. Thomas A. Bradshaw, commissioner of finance and city treasurer of Toronto, has been appointed assistant to Sir Thomas White to obtain information, and advise with the minister as to the administration of the recent order-in-council relating to the issue and sale of securities in Canada. Mr. Bradshaw's services will be honorary, and without remuneration. He is one of the best qualified experts upon municipal securities and finance in Canada, and his appointment will receive widespread approval.

Mr. H. Milton Martin, Edmonton, Alta., who was chairman of District No. 4 Northern Alberta Committee, Victory Loan campaign, is a true westerner, having been 31 years in Western Canada, for the past 11 years in Edmonton and previously in Vancouver and the Yukon. He is chairman of the Edmonton committee, Western Canada Fire Underwriters' Association, and an ex-president of the Edmonton board of trade, and the Canadian Club. He is chairman of the civic interests committee of the board of trade, also chairman of the relief committee, Northern Alberta Branch, Canadian Patriotic Fund. Mr. Martin is consul in Edmonton for Belgium.

QUANTITY AND ESTIMATED VALUE OF LUMBER

The following table shows Canada's lumber production by provinces for the two latest years for which official figures are available:—

1915.

	Quantity 1,000 ft. B.M.	Value.	Value per 1,000 ft. B.M.
Ontario	1,035,341	$19,663,950	$18.99
British Columbia	699,816	8,414,227	12.56
Quebec	1,078,787	17,784,415	16.49
New Brunswick	633.518	9.902,202	15.63
Nova Scotia	294,475	4,366,165	14.83
Saskatchewan	62,864	880,353	14.00
Manitoba	42,357	549,436	12.97
Alberta	17,975	244,487	13.60
Prince Edward Island	7,543	114,577	15.19
	3,842,676	$61,919,812	*$16.11

1916.

	Quantity 1,000 ft. B.M.	Value.	Value per 1,000 ft. B.M.
Ontario	894,050	$17,845,238	$19.96
British Columbia	875,937	12,928,830	14.76
Quebec	818.523	13,726,630	16.72
New Brunswick	513,655	8,382,849	16.32
Nova Scotia	220,718	3,054.737	13.84
Saskatchewan	84,275	1,191,648	14.14
Manitoba	57,711	850,660	14.74
Alberta	18,350	262,405	14.30
Prince Edward Island	7,331	118,175	16.12
	3,490,550	$58,361,172	*$16.74

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*Average.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital	-	$4,866,666.66
Reserve Fund	-	$3,017,333.33

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This Bank has Branches in all the principal cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

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Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

Savings Department at All Branches

THE MOLSONS BANK

Capital Paid-Up, **$4,000,000** Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

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Formosa
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" Market
" James & Barton
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" West Toronto
Trenton
Wales | Waterloo
Williamsburg
Woodstock
Zurich
QUEBEC
Arthabaska
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" St. Catherine St.
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" Maisonneuve
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" St. Lawrence Boulevard
" Cote St. Paul
" Park & Bernard
" Montreal West
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Quebec
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Richmond
Roberval
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Trois Pistoles
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Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital paid-up	-	$ 6,500,000
Reserve Fund	-	12,000,000
Total Assets	-	110,000,000

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67 in Ontario	14 in Western Provinces

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Brigus
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Burin
Carbonear
Catalina
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Fogo
Grand Bank
Harbor Grace
St. John's
" East End
Twillingate
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Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

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France—Credit Lyonnais.

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DECEMBER FIRE LOSSES

Halifax Disaster Makes Big Total—Many Large Fires Reported

The Monetary Times' estimate of Canada's fire loss during December, 1917, is $5,144,100, as compared with the November loss of $959,049 and $3,271,496 for December of 1916. The following is the estimate of the December losses last year:—

Fires exceeding $10,000	$4,654,000
Small fires reported	80,000
Estimates for fires unreported (15 per cent. on total, exclusive of Halifax disaster)	410,100
	$5,144,100

The Monetary Times' record of the past four years shows the following monthly losses:—

	1914.	1915.	1916.	1917.
January	$ 2,796,312	$ 1,249,886	$ 1,649,217	$ 1,918,660
February	2,920,749	1,019,556	3,275,600	2,009,953
March	2,660,666	1,632,696	1,406,501	2,050,650
April	1,916,235	1,463,747	1,460,437	1,317,714
May	1,935,516	881,855	1,850,205	1,163,110
June	1,267,416	1,157,156	494,557	1,184,627
July	2,033,139	773,269	3,039,634	1,101,734
August	2,921,379	403,693	1,057,109	1,230,183
September ..	1,356,281	1,116,109	981,703	1,301,700
October	1,326,565	1,290,325	1,077,815	704,605
November ...	1,524,932	1,087,980	923,235	959,049
December ...	1,661,822	1,595,255	3,271,496	5,144,100
Totals ..	$24,321,012	$13,671,527	$20,487,509	$20,086,085

The fires reported in December at which the losses amount to $10,000 and over were:—

Bathurst, N.B, November 28, John H. Dun, hospital, $20,000.

Fort William, Ont., November 27, stock and fixtures of Chapples, Limited, $13,500.

Halifax, N.S., December 6, large part of city, $2,000,000.

Toronto, Ont., December 6, Polsons Iron Works, $300,000.

Toronto, Ont., December 10, Canadian Auto Sales Company, $17,000.

Wallaceburg, Ont., December 10, Dominion Sugar Company, $100,000.

Winnipeg, Man., December 10, Gordon apartments, $25,000.

Hamilton, Ont., December 10, central market, $85,000.

Fingal, Ont., December 11, public school, $18,000.

Port Arthur, Ont., December 12, Canadian Northern Railway station building, $65,000.

Ottawa, Ont., December 13, Arcade building, $250,000.

Alliston, Ont., December 13, J. H. Mitchell's elevator and 10,000 bushels of grain, $20,000.

St. John, N.B., December 14, No. 2 Barracks, $20,000.

Toronto, Ont., December 15, Bachrack Brothers' shoe store, $13,500.

St. John, N.B., December 16, National Manufacturing Company's building, $125,000.

Regina, Sask., December 18, Winter Fair building, $140,000.

Montreal, Que., December 19, St. Stanislas R.C. Church, $500,000.

St. Boniface, Man., December 22, terminal elevator and grain of the Northern Elevator Company, $250,000.

Sussex, N.B., December 25, Provincial Dairy School, $20,000.

Montreal, Que., December 26, three-story blocks of buildings, $40,000.

Halifax, N.S., December 27, Clayton Convalescent Home, $50,000.

Regina, Sask., December 27, Imperial Oil plant, $30,000

Montreal, Que., December 29, three stores, St. Viateur Street, three dwellings, Waverley Street, $40,000.

Windsor, Ont., December 30, Hydro-Electric Commission's offices, $85,000.

Ottawa, Ont., December 30, Borbridge block, $175,000.

Sydney, N.S., December 30, St. Ann's Church, convent and glebe house, $100,000.

Lachine, Que., December 30, Rapid Tool and Machine Company's plant, $55,000

*Three Rivers, Que., December 30, Eugene Julien and Company's garage, cars, warehouse, etc., $50,000.

*Montreal, Que., December 30, Canadian Vinegar Company's premises, $10,000.

Simcoe, Ont., December 30, Simcoe Wool Stock Company's storehouses, $25,000.

Grand Mere, Que., December 30, store and stock of Edmond Doyan, $12,000.

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*Preliminary estimate of loss and included in *The Monetary Times* December and annual fire loss records.

Among the reported causes in December were: Explosion of gas generator, 1; explosion of gasoline lamp, 1; overheated stove pipe, 2; backfire from engine, 1; defective flue, 1; lighted match thrown into bundle of straw, 1; explosion of munition ship, 1; fire from cookstove, 1; child playing with matches, 1; lighted cigarette dropped into hay, 1; explosion of oil stove, 1; defective wires, 1; overheated furnace, 1.

The structures damaged or destroyed last month were: Dwelling houses, 18; plants, 8; stores, 6; garages, 2; grain elevator, 1; mill, 1; courthouse, 1; barns, 3; factories, 2; creamery, 1; laundry, 1; apartment block, 1; oil house, 1; post offices, 2; blacksmith shop, 1; unfurnished house, 1; churches, 2; schools, 2; market hall, 1; hotel, 1; barracks, 1; print shop, 1; fair building, 1; stable, 1; bank, 1.

Fires at which fatalities occurred:—

Montreal, Que., Dec. 6	Trapped in burning house .	1
Montreal, Que., Dec. 12	Playing with candle	1
Montreal, Que., Dec. 12	Contact with stove	1
Montreal, Que. Dec. 15	Trapped in burning stable .	1
Toronto, Ont., Dec. 18	Contact with gas jet	1
Montreal, Que., Dec. 18	Trapped in burning house .	1
Bathurst, N.B., Dec. 18	Contact with overheated stove	1
Quebec, Que., Dec. 19	Can of kerosene exploded ..	1
Edmonton, Alta., Dec. 19 ..	Trapped in burning house .	2
Winnipeg, Man., Dec. 19 ..	Contact with overheated stove	1
Dauphin, Man., Dec. 21	Contact with overheated stove	1
Montreal, Que., Dec. 26	Oil lamp igniting clothes ..	1
Toronto, Ont., Dec. 27	Playing near stove	1
Toronto, Ont., Dec. 27	Playing with wood fire	1
	Total	15

The following table compiled by *The Monetary Times*, shows deaths caused by fire during the year of 1917, as compared with previous returns:—

	1910.	1911.	1912.	1913.	1914.	1915.	1916.	1917.
January ...	27	27	27	14	26	3	10	21
February ..	15	12	11	21	18	11	23	19
March	20	18	24	22	27	23	23	20
April	37	20	15	11	22	14	6	15
May	15	28	18	33	8	5	14	12
June	52	13	6	18	12	2	6	9
July	15	110	9	9	8	13	268	19
August	11	22	16	29	3	14	30	12
September .	10	13	6	27	9	27	6	21
October ...	16	17	21	15	9	7	39	23
November .	19	20	22	24	14	12	12	21
December .	19	17	28	13	19	11	94	15
Totals	256	317	203	236	175	142	531	207

In *The Monetary Times* of December 28th, page 14, under the heading "Adjustment of Halifax Fire Losses," it was stated that the adjustment is left in the hands of three men who will adjust for all the companies interested. An insurance company writes: "This statement is entirely incorrect. The work of the committee is to apportion losses to the adjusters and not to adjust them. Every company can appoint its own adjuster. As far as our three companies go, and they are very heavily involved, these adjusters will not act for us. Moreover, these adjusters were not appointed by the Halifax committee; they were appointed by various companies interested, and there is no obligation on any company to employ them."

The United States entered the new year with a national debt of $5,615,000,000, more than five times greater than when it entered the war nine months ago, but only one-third of the debt which promises to develop by the first of next year. The debt per capita is about $51, and the percentage of debt to estimated national wealth is 2½ per cent.

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler, President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Quarterly Dividend Notice No. 109

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending January 31st, 1918, and that the same will be payable at the Head Office in this City and at its Branches on and after Friday, the 1st day of February, 1918, to Shareholders of record of the 23rd of January, 1918.

The Annual General Meeting of the Shareholders will be held in the Head Office of the Bank in Toronto on Wednesday, the 27th of February next, at 12 o'clock noon.

By order of the Board,
C. H. EASSON,
General Manager

Toronto, December 21st, 1917.

THE

Royal Bank of Canada

INCORPORATED 1869

Capital Authorized	$ 25,000,000
Capital Paid-up	12,911,700
Reserve and Undivided Profits	14,564,000
Total Assets	335,000,000

HEAD OFFICE, MONTREAL
Sir H. S. Holt, Pres. E. L. Pease, V. Pres. and Man. Dir.
C. E. Neill, General Manager.
365 Branches in Canada and Newfoundland.
Thirty-eight Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela.

BRITISH WEST INDIES

ANTIGUA—St. John's; BAHAMAS—Nassau; BARBADOS—Bridgetown and Speightstown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; MONTSERRAT—Plymouth; NEVIS—Charlestown; ST. KITTS—Basseterre; TOBAGO—Scarborough; TRINIDAD—Port of Spain and San Fernando; BRITISH HONDURAS—Belize; BRITISH GUIANA—Georgetown, New Amsterdam, and Rose Hall (Corentyne).

LONDON, ENGLAND
Bank Bldgs.,
Princes Street, E.C.

NEW YORK CITY
Cor. William and
Cedar Streets.

Business Accounts carried upon favorable terms.
Savings Department at all Branches.

AUSTRALIA and NEW ZEALAND

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL	$ 18,526,600.00
RESERVE FUND	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916	$277,488,871.00

J. RUSSELL FRENCH, General Manager

338 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C.

Agents: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

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Manual of Canadian Banking

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THE MONETARY TIMES, 62 Church St., TORONTO

The Canadian Appraisal Company

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Expert detailed presentation of the facts with respect to present values for war tax purposes.

Auditors appreciate the necessity of having the permanent or fixed assets established on the basis of a Certified Appraisal by a recognized authority.

TORONTO
Royal Bank Bldg.

MONTREAL
17 St. John St.

ONTARIO GOVERNMENT'S FISH MARKETING

The policy adopted by the Ontario government during the past year of placing on the Ontario markets, virtually at cost, supplies of native fish, thus assisting both to reduce living costs to consumers and to conserve meat supplies for the benefit of Great Britain and her Allies, is to be further developed with assurance of a more abundant general supply, through the attachment of conditions of fishing licenses now being issued for the current year. These conditions merely require the fishermen, if called upon, to furnish to the government a proportion of their catch, not exceeding 20 per cent., at prices not to exceed eight cents per pound for whitefish, trout and pickerel, dore, six cents for herring, pike and similar coarse fish, and nine cents for catfish skinned and dressed. All such fish commandeered in the public interest are to be delivered, boxed and iced, dressed if required and the price to be f.o.b. at the point of shipment.

BANK OF TORONTO

With the well-deserved reputation of an enterprising and properly conservative financial institution, the directors of the Bank of Toronto this week presented an exceptionally strong financial statement at the sixty-second annual meeting of the bank. An examination of the balance sheet shows immediately available assets of $37,938,500, consisting of cash, bank balances, negotiable securities and call loans, equal to over 52 per cent. of the amount owing the public. a gratifying position. The negotiable securities total $17,265,152. This is an increase for the year of $9,092,722, reported chiefly by additional investments in Canadian and British war issues. The cash and gold reserves total $12,582,352, an increase of $2,162,116 for the year. The total assets are $84,293,918, an increase of $11,179,364, equal to more than 15 per cent. over the previous year, a splendid record.

The bank's loans at the end of the fiscal year exceeded $42,000,000, a large sum which reflects the assistance given by the bank to Canadian business. Deposits total $63,907,000, an increase of 16.42 per cent. for the year. Notes in circulation total $7,606,005, a gain of $1,906,872, or 33.63 per cent. The bank has $2,500,000 deposited in the Central Gold Reserves, and $262,273 deposited with the minister of finance as protection to its note issues.

The profits for the past year were $802,920, an increase of $71,966 over the previous year, from which were paid war tax on circulation $49,403, patriotic fund and other subscriptions of $31,200 were made, and the usual contribution of $25,000 to the officers' pension fund. A dividend of 11 per cent. was paid to the stockholders.

The bank's rest and reserved profits total $6,555,306, which with the paid-up capital of $5,000,000 makes the substantial reserve of $11,555,306.

Mr. W. G. Gooderham, president of the bank, gave at the annual meeting his usual instructive annual review of Canadian conditions. Mr. T. F. Howe, general manager, reviewed the progress of the bank and also delivered the following timely warning:—"It is necessary not to be carried away, either in times of prosperity or in times of depression. The country is at present enjoying prosperity, but it is, nevertheless, a time for more than usual caution. Manufacturers, merchants and farmers have been carrying on business on a rising market for their products. This condition has assisted profits for the time being, but as the war is prolonged difficulties will increase. Already there is a scarcity of labor—at least labor of the right class—and of raw materials and food supplies. Prices have reached very high levels, and will probably continue to rise. When the war at last comes to an end and government expenditure for war purposes is reduced to a minimum, there will be a swift reversal of the conditions of the past two years. As the war is the greatest the world has ever known, so will the aftermath be the most far-reaching. It will therefore be the part of wisdom for all classes to conserve their gains and place themselves in a position to meet the period of readjustment."

Officials of the municipalities enjoying hydro-electric service throughout Ontario are to meet in Toronto on Tuesday next for conference with Sir Adam Beck and other officials of the Hydro Commission as to the power shortage and the recent order having for its object the further conservation of power required in the production of munitions.

IS NOW SIR FRANK BAILLIE.

Mr. Frank Baillie, Toronto, has been honored by the king and made a Knight Commander of the new British Empire order. Sir Frank Baillie, for the decoration of Knight Commander of the British Empire carries with it that prefix, has been active in war work since 1914. He is president of the Canadian Aeroplanes, Limited, and a director of the Aviation Department of the Imperial Munitions Board. Born in Toronto on August 9, 1875, Sir Frank commenced his business career as clerk and private secretary to the late Senator Cox. He was later secretary of the Central Canada Loan and Savings Company; subsequently general manager of the Metropolitan Bank, Toronto. In 1903 he formed the brokerage firm of Baillie, Wood and Croft, and in 1912 he organized the Bankers' Bond Company, Limited. He also organized about the same time the Burlington Steel Company, Limited, and the Dominion Steel Foundry, Limited. At the commencement of war Sir Frank formed the Canadian Cartridge Company to manufacture brass cartridge cases for the British government. In July, 1916, he turned over to the government $758,248, profits from the manufacture of munitions.

Sir Frank Baillie is the first Torontonian to receive the Knighthood of the Order of the British Empire, and the second Canadian, as Sir Charles Gordon, of Montreal, was the first, to receive the decoration. The order of the British Empire was instituted in June last. It consists of five classes and is awarded to both men and women for services rendered to the Empire. The first two classes for men are Knight Grand Cross (G.B.E.) and Knights Commanders (K.B.E.) Both these classes are entitled to prefix to their names "Sir."

CANADIAN BANK OF COMMERCE

Second only among the Canadian banks in the matter of total assets, the Canadian Bank of Commerce is high also in the list of the world's great banks. It holds first place in Canada in regard to current loans and discounts in the Dominion, an indication of the important part played by the bank in providing the financial requirements of our mercantile community and of carrying on the daily business of Canada. In his address at the annual meeting of the bank this week, Sir John Aird, general manager, pointed out that in 1912 the current loans and discounts in Canada of the bank were three times as great as those of all the Canadian banks in the year in which the Canadian Bank of Commerce was founded. It was hoped to announce this year the increase of the rest to an amount equal to the paid-up capital of the bank. This would have been accomplished had it not been for the war.

An idea of the vast business carried on by the Canadian Bank of Commerce is gathered from the statement of the general manager that the total turnover of the institution during the past year was $20,000,000,000. The banks lost a large percentage of their trained staffs under the voluntary enlistment system, and the problem of carrying on the large amount of banking business, much of it of great national importance, has become more difficult. The deposits of the Canadian Bank of Commerce have reached the large total of $276,000,000, an increase during the year of $46,529,000. When it is recalled that not until 1901, thirty-four years after the bank's establishment, did the total deposits equal the amount of this increase, and then only after the taking over of the Bank of British Columbia, the extent of the increase and of the difference in scale in Canadian affairs will be better understood.

The profits of the bank last year, which marked its semicentennial anniversary, amounted to $2,637,555, an increase of $198,000 over the figures of the previous year, but an increase not at all commensurate with the additional business transacted or the additional responsibility involved. Large advances have been made from time to time to both the Dominion and the Imperial governments, and these naturally bear low rates of interest. This is considered by the bank as part of their contribution to the cost of the war.

The payment of the usual dividend of 10 per cent. per annum was continued, with a bonus of 1 per cent. at the end of each half-year. The war tax on note circulation last year reached its maximum, and after providing for these items, the bank carried forward the large sum of $1,332,000 at the credit of profit and loss account. The financial statement for the past year was one of the strongest ever presented by the bank.

THE BANK OF OTTAWA

Capital Paid up	$4,000,000
Rest	4,750,000

94 Branches in Canada

START THE NEW YEAR RIGHT

By opening a Savings Account in the Bank of Ottawa

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Wilton Ave.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

ESTABLISHED 1865

Union Bank of Canada

Head Office - WINNIPEG

Paid-up Capital	$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	143,000,000

BOARD OF DIRECTORS

Hon. Pres., SIR WILLIAM PRICE President, JOHN GALT, Esq.
Vice-Presidents, R. T. RILEY, Esq.; G. H. THOMSON, Esq.

W. R. Allan, Esq.
G. H. Balfour, Esq.
Hume Blake, Esq.
M. Bull, Esq.
Major-General Sir John W. Carson.
B. B. Cronyn, Esq.
E. L. Drewry, Esq.
S. Haas, Esq.
J. S. Hough, Esq., K.C.
F. E. Kenaston, Esq.
R. O. McCulloch, Esq.
Wm. Shaw, Esq.

H. B. SHAW, Gen. Manager
J. W. HAMILTON, Assistant General Manager

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches.

London, Eng., Branches, 6 Princes Street, E.C., and West End Branch, Haymarket, S.W.
New York Agency, 49 Wall Street, New York City.
Geo. Wilson, Agent.

The Bank, having over 305 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies.

Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world.

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The National Bank of Scotland

Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

THE STERLING BANK OF CANADA

To make you feel safe, to make you feel satisfied, and then to give you something more is SERVICE.

Head Office
King and Bay Streets, Toronto

53

BANK OF HAMILTON

HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

DIRECTORS

SIR JOHN HENDRIE, K.C.M.G., President.
CYRUS A. BIRGE, Vice-President.

C. C. Dalton
Robert Hobson
W. E. Phin
I. Pitblado
W. A. Wood
J. Turnbull

J. P. BELL, General Manager.

BRANCHES

ONTARIO

Ancaster
Atwood
Beamsville
Blyth
Brantford
" East End
Burlington
Chesley
Delhi
Dundalk
Dundas
Dunnville
Fordwich
Ft. William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
Lucknow
Midland
Milton
Milverton
Mitchell
Moorfield
Neustadt
New Hamburg
Niagara Falls
Niagara Falls, S.
Oakville
Orangeville
Owen Sound
Palmerston
Paris
Port Arthur
Port Elgin
Port Rowan
Princeton
Selkirk
Simcoe
Southampton
Teeswater
Toronto
" Queen & Spadina
" College & Ossington
" Yonge & Gould
West Toronto
Wingham
Wroxeter

MANITOBA

Bradwardine
Brandon
Carberry
Carman
Dunrea
Elm Creek
Foxwarren
Gladstone
Hamiota
Kenton
Killarney
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Treherne
Winkler
Winnipeg
" Norwood
" Princess St.

SASKATCHEWAN

Aberdeen
Abernethy
Battleford
Brownlee
Carievale
Caron
Dundurn
Estevan
Francis
Loreburn
Mawer
Melfort
Meota
Moose Jaw
Mortlach
Redvers | Regina
Rouleau
Saskatoon
Stoney Beach
Tuxford

ALBERTA

Brant
Calgary
Cayley
Champion
Granum
Nanton
Oyen
Stavely
Taber
Vulcan

BRITISH COLUMBIA

Armstrong
Kamloops
Port Hammond
Salmon Arm
Vancouver
Vancouver E.
N. Vancouver
S. Vancouver (Cedar Cottage P.O.)

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Canadian Car and Foundry Company.—The company's plant at Kingsland, N.J., has been sold to a chemical concern, which will establish a factory for general manufacture of commercial chemicals. The property consists of 85 acres of land.

Civic Investment and Industrial Company.—The net earnings for the month of November were $520,863. After charges there was available for dividend $437,974, and after dividends were paid there was a surplus of $224,932, compared with $199,316 in October.

Kaministiquia Power Company.—The company's capital stock has been placed on an 8 per cent. per annum dividend basis. The rate since the summer of 1916 had been 7 per cent. This is the second dividend increase since the war started, and prior to that there had been a progressive advance in dividend from year to year since the first declaration of ¾ of 1 per cent. in the first quarter of 1910.

Dominion Glass Company.—The earnings for the fiscal year ended September 30th amounted to $487,000 in round figures, as compared with $454,328 for 1916. Last year an amount of $50,000 was deducted for sinking fund and $182,000 for preferred dividends, while bond interest took $120,000. This would leave a balance of well over $100,000, and the statement was made this morning that surplus account now stands at $725,000.

H. Rogers Company.—By creating 6,000 additional preference shares of $100 each, the company's capital stock will be increased from 2,400,000 to $3,000,000. The new stock will carry a cumulative dividend of 7 per cent, and will be used to acquire the business of Simeon and Geo. H. Rogers Company, of Hartford, Conn., which enterprise is to receive $222,800 of the company's preferred stock for its business and assets. The balance of the increase of $600,000 will not be issued at present.

Imperial Oil Company, Limited.—The incorporation of the Imperial Oil Company, Limited, with a capital stock of $50,000,000, will be followed by the distribution of stock in the new company to shareholders. The new stock will be most likely distributed on a share-for-share basis. The company will take over the business of refining and marketing petroleum now carried on in Canada and Newfoundland, and the charter also gives it the right to operate live stock ranches and to deal in agricultural products.

This new move follows the issuance of 50,000 shares of its stock at par in the ratio of one share for every five shares held by the shareholders. The company is the Standard Oil organization in Canada. It has grown rapidly in the last few years, and now operates a series of refineries reaching across the Dominion. The recent stock issue and the incorporation are the result of expansion in its business.

Coniagas Mining Company.—The output of the property of the company was placed at 1,344,267 ounces for the year ended October 31st, 1917, which is a marked decline from the preceding twelve months. Higher operating costs was another unfavorable factor encountered during the year. The enhanced price of silver tended to counteract the other influences, and the net returns were quite close to those of 1916.

The total revenue for the year was $1,065,745, comparing with $1,192,424 in 1916. A balance of $773,905 was left after operating and administration costs was deducted. After allowing for depreciation, etc., there remained $641,334 to the credit of the profit and loss account. The deduction of two dividends aggregating $300,000 and the addition of last year's balance brought the current balance up to $1,668,360, against $1,363,460 last year.

Little addition has been made to the ore reserves during the year, justifying the company's policy in securing the Ankerite gold property, prospects of which are believed to be encouraging.

Brompton Pulp and Paper Company, Limited.—In the company's first annual report the earnings for the year ended October 31st last are $1,073,562. The figures are given after the deduction of an unstated amount for the business profits war tax provision, for which is included in an item of $233,263 among current liabilities, the item representing pay roll and other charges accrued, as well as the reserve for the tax.

After deducting $176,670 for depreciation, $87,066 for bond interest and $140,000 for preferred stock dividend, there was a net surplus of $669,826 available for the common stock, an amount equal to 9.6 per cent. earned on the $7,000,000 issue. It was found that after distributing 5 per cent. to shareholders for the year, a surplus of $319,825 was carried forward to surplus account. Current liabilities to the public amount to only $366,678, including $133,415 in accounts payable and $233,263 in pay roll, war tax, reserve, etc. With $35,000 in preferred dividend and $87,500 in common dividend, payable after the close of the company's year, the total current liabilities footed up $489,178. Against that the company had $556,169 in accounts receivable, $363,471 in cash and $1,289,293 in inventories, a total of $2,208,934. The net working capital was, therefore, $1,719,756. Cash and receivables by themselves are aapproximtely double the total of current liabilities.

The statement of assets and liabilities shows the following:—

Assets.—Property, plant, etc., $8,896,544; inventories, $1,289,293; accounts receivable, $556,169; cash, $363,471; investments, $149,277; deferred charges, $78,247; total, $11,333,004.

Liabilities.—Preferred stock, $2,000,000; common stock, $7,000,000; bonds, $1,524,000; accounts payable, $133,415; pay roll, tax, etc., $233,263; dividends payable, $122,500; profit and loss, $319,825; total, $11,333,004.

MOOSE JAW'S DEBT AND TAX LEVY

Regarding the annual report for 1916 of the department of municipal affairs for Saskatchewan, extracts from which were reprinted in *The Monetary Times* of December 28th last, Mr. George D. Mackie, city commissioner, Moose Jaw, writes, stating there are inaccuracies in the table of assessment and tax levies of the cities, as published in the provincial department's report. He says:—

"In 1916 the quinquennial federal census was taken in the prairie provinces, and in furnishing the statistics to the minister of municipal affairs for the year 1916, Moose Jaw gave as its population the federal census return as then published, but the other cities evidently furnished figures of the population which, in most cases, were in excess of the census returns, and when these inaccurate figures are used as a basis of arriving at the per capita debt and tax levy they naturally place Moose Jaw in an unfavorable light compared with other cities.

"The population of the three largest cities as per the census returns and these cities' own estimates are:—

	Estimated population, 1916.	Census figures, 1916.
Regina	40,000	26,127
Saskatoon	35,000	21,048
Moose Jaw	16,889	16,934

"Regarding the tax levies, I find from the financial statement for 1916 of the city of Regina that their total levy was $1,338,184, and not $1,143,471, and in the case of Saskatoon, the levy, as shown in the city commissioner's report, is $859,446, to which, however, should be added the sum of $22,407 in respect to business licenses, making a total levy of $881,853. In the cases of Regina and Moose Jaw, the levy in respect to business is included in the tax levy.

"Taking these figures as a basis, the tax levy and debenture debt per capita for 1916 is found to be:—

	Population.	Debenture debt per capita.	Tax levy per capita.
Regina	26,127	$404	$51.21
Saskatoon	21,048	389	41.89
Moose Jaw	16,934	314	51.24

THE

Merchants Bank

OF CANADA

ESTABLISHED IN 1864

Capital Paid-up - - - - - $7,000,000
Reserve Fund and Undivided Profits 7,421,292

Head Office, MONTREAL

Board of Directors:

SIR H. MONTAGU ALLAN, President
K. W. BLACKWELL, Vice-President

THOMAS LONG
P. ORR LEWIS
ANDREW A. ALLAN
LT.-COL. C. C. BALLANTYNE
A. J. DAWES
P. HOWARD WILSON
FARQUHAR ROBERTSON
GEO. L. CAINS
ALFRED B. EVANS
E. F. HEBDEN
THOS. AHEARN
LT.-COL. J. R. MOODIE

E. F. HEBDEN, Managing Director
D. C. MACAROW, General Manager
T. E. MERRETT, Supt. of Branches and Chief Inspector

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" 1255 St. Catherine St. E.
" 320 St. Catherine St. W.
" 2215 St. Denis St.
" 1319 St. Lawrence Blvrd.
" 1866 St. Lawrence Blvrd.
" 672 Centre St.
" Notre Dame de Grace
Beauharnois
Bury
Chateauguay Bsn.
Grand Mere
Huntingdon
Lachine
" Notre Dame St.
Maisonneuve
Napierville
Ormstown
Quebec
" St. Sauveur
Quyon
Rigaud
Shawville
Sherbrooke
Ste. Agathe des Monts
St. Jerome
St. Johns
St. Jovite
Vaudreuil
Verdun

ONTARIO

Acton | Almonte
Alvinston
Athens
Barry's Bay
Belleville
Bothwell
Brampton
Brantford
Bronte
Chatham
Chatsworth
Chesley
Clarkson
Collingwood
Creemore | Delta
Douglas
Eganville
Elgin | Elora
Finch | Ford
Fort William
Galt
Gananoque
Georgetown
Glencoe
Gore Bay
Granton
Guelph
Hamilton
" East End
Hanover
Hespeler
Ingersoll
Kincardine
Kingston
Kitchener
Lancaster
Lansdowne
Leamington
Little Current
London
London East
Lucan | Lyn
Manitowaning
Markdale
Meaford
Mildmay
Mitchell
Napanee
Newbury
New Toronto
Niagara Falls
Oakville
Orillia | Ottawa
Owen Sound
Parkdale
Pembroke | Perth
Prescott
Preston
Renfrew | Sarnia
Stratford
St. Eugene
St. George
St. Thomas
Tara
Thamesville
Thorold
Tilbury
Toronto
" Wellington St.
" Parl't St.
" Dundas St.
" Dupont and Christie Sts.
Wallaceburg
Walkerton
Walkerville
Waterford
Watford
West Lorne
Westport
Wheatley
Williamstown
Windsor
Yarker

MANITOBA

Brandon
Carberry
Gladstone
Hartney
Macgregor
Morris
Napinka
Neepawa
Oak Lake
Petit Cote
Portage la Prairie
Russell | Souris
Starbuck
Winnipeg
" Bannerman Av.

SASKATCHEWAN

Antler | Arcola
Carnduff
Frobisher
Gainsborough
Gull Lake
Humboldt
Kisbey
Limerick
Maple Creek
Meacham
Melville
Moose Jaw
Oxbow
Prelate
Prussia
Regina
Saskatoon
Shaunavon
Unity
Whitewood

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Alliance
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SECURITIES ISSUES REGULATION

Order Stands as Drafted—Abundant Reason for Enactment—Quebec Enters Protest

Late last week it was stated that an order slightly amending the recent enactment in regard to bond issues was under consideration by the government, and was before the justice department. While the principle of control by the minister of finance of all security issues was adhered to, it was stated that authority might be given the minister to define certain classes of bonds in respect to which his consent might be waived.

On Monday, Sir Thomas White, finance minister, declared there was no authority for the above report. Approval of all new issues, therefore, will have to be obtained at Ottawa.

Forms to be Used.

The forms to be issued by the finance minister are simple. There is an application blank and a certificate of approval blank. The application is addressed to the minister of finance. It contains the name and address of the applicant; space for a description of the securities sought to be issued, showing their amount and par value, rate of interest and date or dates of maturity; space for a statement of the purposes for which the proceeds of the securities are to be used and a line for the signature of the applicant, which in the case of a corporation includes the signatures of the proper officers and the seal of the corporation.

The certificate of approval states that "approval is hereby given, under the provision of Order-in-Council (3439), dated the 22nd day of December, 1917, to the issue, offering and sale within Canada of ...." and then follows a description of the issue. The certificate has space for the date and the signature of the minister of finance.

Quebec's Protest.

Last week, an order-in-council appeared in the Quebec official Gazette, in which the executive council of the province protested against the order-in-council and informed the government of Canada that it is the intention of the Quebec government to consider the regulations as illegal, unconstitutional and in no wise binding on the province of Quebec.

Mr. S. P. Grosch, chairman of the provincial local government board has given tacit assent to the measure by suggesting that the body over which he presides might be appointed an advisory committee for Saskatchewan.

The question of classifying companies so as to exempt small mining and other concerns from the necessity of securing certificates at Ottawa has been considered, but this may not be done.

The purpose of the order is to conserve money for future Federal war loans and also to protect existing bonds. It is estimated that about $50,000,000 of provincial and municipal flotations are contemplated this year

Bond Sales Last Year.

According to the bond records of Mr. E. R. Wood, of the Dominion Securities Corporation, Toronto, the sales of Canadian securities in 1917 were larger than ever before, Dominion government issues naturally predominating. The following is Mr. Wood's record of bond sales:—

Securities.	Total sold.	In Canada.	In United States.	In Great Britain.
Government	$693,420,279	$551,180,279	$142,240,000	....
Municipal	25,219,103	19,387,738	5,831,365	....
Railway ..	22,566,666	200,000	17,500,000	$4,866,666
Public service Corporation	15,425,000	1,825,000	13,600,000	....
Miscellaneous	16,110,800	8,370,800	7,740,000	....
Total ...	$772,741,848	$580,963,817	$186,911,365	$4,866,666

Big Tasks Ahead.

Commenting on these figures, Sir Edmund Walker said this week: "That 580 millions of securities could be placed in Canada in one year, in addition to the aid given by the banks to the manufacture of munitions, is very surprising, but we must remember that it was still necessary to obtain 190 millions from outside during the year and that not only are these avenues now completely closed, but if we hope to continue the making of all kinds of war products as actively as heretofore, we must find at home much larger sums in 1918 than in 1917 for investment in war securities. Even if the sale of the relative securities were possible, all expenditures, except for the war, must be restrained, and this is abundant reason for the recent order-in-council under which new issues in Canada of the securities of any province, colonial or foreign government, municipality, corporation or incorporated company, may be sold only with the approval of the minister of finance."

BRITAIN'S VAST WAR CREDITS

To December Last, They Totalled £6,242,000,000—Record of the Credits

Up to December, 1917, Great Britain had voted war credits of £6,242,000,000 as follows:—

No.	Date of Treasury Notice.	Amount. £	Total for each Fiscal Year. £
	1914-15—		
1.	August 5, 1914	100,000,000	
2.	November 12, 1914	225,000,000	
3.	February 25, 1915	37,000,000	
			362,000,000
	1915-16—		
4.	February 25, 1915	250,000,000	
5.	July 10, 1915	250,000,000	
6.	July 19, 1915	150,000,000	
7.	September 14, 1915	250,000,000	
8.	November 9, 1915	400,000,000	
9.	February 17, 1916	120,000,000	
			1,420,000,000
	1916-17—		
10.	February 17, 1916	300,000,000	
11.	May 18, 1916	300,000,000	
12.	July 19, 1916	450,000,000	
13.	October 10, 1916	300,000,000	
14.	November 30, 1916	400,000,000	
15.	February 9, 1917	200,000,000	
16.	March 13, 1917 (supplementary)	60,000,000	
	1917-18—		
17.	February 9, 1917	350,000,000	
18.	May, 1917	500,000,000	
19.	July 24, 1917	650,000,000	
20.	October 30, 1917	400,000,000	
21.	December 12, 1917	550,000,000	
			2,450,000,000
	Total		£6,242,000,000

Average Daily Expenditure.

In moving a vote of credit of £550,000,000 in December, Right Hon. A. Bonar Law, Chancellor of the Exchequer, estimated that the vote would carry the expenditure to the end of March, 1918. He declared that the average daily expenditure in the previous sixty-three days was £6,794,000, and for the period since the end of the last financial year £6,686,000. The total excess expenditure over the budget estimate, the chancellor said, was £309,000,000.

From the beginning of the financial year to September 29th, 1917, the daily average expenditure was £6,648,000, an increase of £1,237,000 over the Budget estimate. The increase was made up under the following heads:—Army and navy, £590,000; miscellaneous services, £306,000; advances to the allies and Dominions, £341,000.

On September 29th the national debt stood at £5,000,000,000. But from this sum the government are entitled to deduct the amount advanced to the allies and the Dominions. This sum in the case of the allies was £1,100,000,000, and in the case of the Dominions £160,000,000. The government are also entitled to deduct part of the gift of the government of India to the Empire for the war. The gift amounted to £100,000,000, but of that amount about like £34,000,000 had been treated as revenue. The Indian government, however, had taken the responsibility for the balance. The total to be deducted therefore is £1,326,000,000.

Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, has received an official cable from the British secretary of war notifying him that his son, Lieutenant Williams-Taylor, is a prisoner of war in Turkey.

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War Bonds unless registered cannot be reinstated if once lost or destroyed without considerable trouble and inconvenience. Keep them in one of our Safety Deposit Boxes. Our All-Steel Safety Vaults are the final achievement in fire-proof and burglar-proof construction. A Private Box is always accessible to the holder during business hours, and costs only $3.00 per year and upwards, according to size. Visitors would be interested to see the various devices for insuring safety, as well as the attractive accommodations, where box holders can inspect their papers in privacy.

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November Bank Statement Makes New Records

Savings Deposits at $1,008,000,000 is Highest Total to Date and Represents an Increase of 60% in Four Years—Note Circulation at $196,000,000 Was a New High Total—Current Loans Declined in November But at $868,000,000 Are Still Larger Than in Any Past November—Call Loans Abroad Reduced.

	November, 1916.	October, 1917.	November, 1917.	Year's Inc. or dec.	Month's Inc. or dec.
Deposits on demand	$459,277,454	$495,058,449	$1,538,869,362	+ 17.2	+ 8.6
Deposits after notice	836,593,269	985,790,850	1,008,657,874	+ 20.6	+ 2.3
Current loans in Canada	813,791,947	883,986,860	868,973,714	+ 9.2	— 1.7
Current loans elsewhere	76,087,370	93,821,865	95,954,524	+ 25.0	+ 2.1
Loans to municipalities	32,945,963	41,204,381	36,459,598	+ 12.5	— 12.2
Call loans in Canada	89,395,370	71,653,719	72,178,345	— 19.1	+ 1.4
Call loans elsewhere	183,250,389	151,018,747	139,832,552	— 24.0	— 7.8
Circulation	148,197,971	195,298,212	202,181,328	+ 36.5	+ 3.5

THE above are the changes in the principal accounts of the chartered banks during November. For the first time on record, savings deposits exceeded a billion dollars, the exact figures being $1,008,000,000. For the first time also, the combined total of demand and notice deposits exceeded $1,500,000,000. Total deposits increased over $66,000,000 in November following an increase of $63,000,000 in October and $27,000,000 in September. As during the past few years a certain amount of demand deposits has been transferred to savings account, it is not correct to describe this large total of $1,008,000,000, as savings. To a large extent, however, that is what the figures represent. In June, the savings deposits stood at $900,000,000. In the past year, there has been an increase of over 20 per cent. in the total.

The growth in demand, usually non-interest-bearing, deposits in the past two months has been substantial, a gain of about 43 millions in October being duplicated in November. In the former month the gain reflected in part the increase in the current loan account, which was $28,000,000 higher for the month. Current loans, however, contracted about $15,000,000 in November. The Victory Loan campaign may have been a factor in this instance, as there was probably some money deposited and ear-marked for loan subscriptions, and which went into current rather than into savings accounts.

Note circulation of the banks made a new high record at $196,000,000, which stood at the end of November against $189,000,000 in October, and against a paid-up capital of about $113,000,000. To provide for the excess issue, the banks' deposits in the Central Gold Reserve were enlarged upwards of $10,000,000 to $91,000,000.

The following table gives a record of deposits for the past 13 months:—

	Deposits payable on demand.	Deposits payable after notice.
1916—November	$459,277,454	$836,593,269
December	458,208,417	845,006,717
1917—January	427,308,526	864,163,344
February	430,331,801	880.456,637
March	448,151,528	888,765,698
April	471,312,285	874,948,724
May	443,839,847	892,562,657
June	449,689,670	900,510,552
July	450,849,356	929,442,340
August	443,317,275	806,774,687
September	451,749,532	965,393,541
October	495,058,449	985,790,850
November	538,869,362	1,008,657,874

The following table shows the record of savings for the past four years:—

November.	On demand.	After notice.	Total.
1913	$384,486,046	$ 625,803,150	$1,012,640,075
1914	350,884,153	625,994,852	976,879,005
1915	406,735,171	714,219,286	1,120,954,457
1916	459,277,454	836,593,269	1,295,870,723
1917	538,869,362	1,008,657,874	1,547,527,236

In four years, the increase in demand deposits has been $154,000,000 or 40 per cent. and in notice deposits, $383,000,000 or 61 per cent. The increase in total deposits in the same period was $535,000,000 or 52 per cent.

The following table shows the course of current and call loans in Canada during the past thirteen months:—

Loans.	Current in Canada.	Call in Canada.
1916—November	$813,791,947	$89,395,370
December	820,378,557	82,569,983
1917—January	806,479,147	79,737,064
February	813,302,717	78,686,535
March	843,054,466	76,478,708
April	880,523,897	82,737,417
May	844,890,589	78,514,798
June	839,355,782	76,085,220
July	829,560,700	71,376,788
August	836,429,670	71,204,351
September	855,306,953	72,421,187
October	883,986,860	71,653,719
November	868,973,714	72,178,345

Current loans were at their highest point in October, but in November showed a sharp contraction of $15,000,000. The decrease in this account probably reflects the rapid payment for grain and other Canadian goods shipped abroad in the month. With the increase in savings deposits it is a complement to the foreign trade return for the month, which showed a record-breaking volume of exports. As the autumn rise in current loans last year continued through November, the easier position at the end of last month is a satisfactory change.

The following table gives a record of the loan accounts during the past four years:—

November.	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
1913	$830,715,015	$55,819,280	$70,123,101	$122,380,863
1914	794,269,220	42,966,275	69,394,407	74,459,649
1915	777,162,563	55,240,955	83,203,787	135,530,562
1916	813,791,947	76,087,370	89,395,370	183,250,389
1917	868,973,714	95,954,524	72,178,345	139,832,552

While current loans in November were less than in the previous month, they were still $38,000,000 higher than in any November of the past five. Current loans abroad in November last were $40,000,000 higher than in November, 1913. Call loans in Canada were less than a year ago, as also call loans abroad. Cash holdings of the banks, both coin and Dominion notes, made a gain during November, partly in preparation for annual statements made by a number of the banks which close their year on November 30th. There was also a reduction of $11,000,000 in call loans abroad, following a reduction of $15,000,000 in October and $11,000,000 in September.

The course of call loans abroad for the period beginning two months before the declaration of war is of interest and is shown in the following table:—

	1914.	1915.	1916.	1917.
January	....	$ 85,796,641	$134,248,552	$155,747,476
February	....	89,890,982	139,138,651	162,344,556
March	....	101,938,685	141,889,989	161,616,735
April	....	121,522,971	147,146,443	159,156,054
May	....	136,098,835	163,400,659	168,692,675
June	$137,120,167	124,604,875	182,757,015	159,309,133
July	125,545,287	117,821,174	177,121,733	151,875,676
August	96,495,473	120,607,677	171,380,353	176,610,625
September	89,521,859	135,108,412	173,877,586	166,480,004
October	81,201,671	120,681,624	189,346,216	151,018,747
November	74,459,643	135,530,562	183,250,389	139,832,552
December	85,012,964	137,157,869	173,878,134	....

The Hamilton Provident and Loan Society

DIVIDEND No. 93

Notice is hereby given that a Dividend at the rate of Eight per cent. per annum has been declared for the half year ending December 31st, 1917, upon the paid-up Capital Stock of the Society, and that the same will be payable at the Society's Head Office, Hamilton, Ontario, on and after Wednesday, the 2nd day of January, 1918.

The Transfer Books will be closed from the 15th to the 31st of December, both days inclusive.

By order of the Board.
D. M. CAMERON, Treasurer.
Hamilton, November 24th, 1917.

"INVESTMENTS"

A MUCH MISUSED TERM

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Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after **1st Jan., 1918**, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board,
6th December, 1917. WALTER GILLESPIE, Manager.

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National Trust Company Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000
18-22 KING STREET EAST, TORONTO

Chartered Banks' Statement to the

NAME OF BANK	Capital Authorized	CAPITAL STOCK		Amount of rest or reserve fund	Rate per cent. of last dividend declared	Notes in circulation	Bal. due to Dom. Gov. after deducting advances for credits, pay-lists, etc.	Balances due to Provincial Governments	Deposits by the public, payable on demand in Canada	Deposits by the public, payable after notice or on a fixed day in Canada	Deposits elsewhere than in Canada
		Capital Subscribed	Capital Paid Up								
	$	$	$	$		$	$	$	$	$	$
1 Bank of Montreal............ ...	25,000,000	16,000,000	16,000,000	16,000,000	10	30,153,981	9,810.436	2,450,599	85,307,617	166,593,724	57,178,193
2 Bank of Nova Scotia............	10,000,000	6,500,000	6,500,000	12,000,000	14	11,811,024	602,534	59,328	22,825,151	57,688,096	18,208,856
3 Bank of British North America..	4,866,666	4,866,666	4,866,666	3,017,333	8	5,814,764	172,016	238,661	16,336,835	33,379,998	4,184,848
4 Bank of Toronto.................	10,000,000	5,000,000	5,000,000	6,000,000	11	7,606,005	1,132,222	119,723	23,914,061	38,738,089	....
5 The Molsons Bank................	5,000,000	4,000,000	4,000,000	4,800,000	11	6,172,008	1,868,053	277,932	13,567,642	35,628,329	....
6 Banque Nationale	5,000,000	2,000,000	2,000,000	2,000,000	9	3,754,981	3,944,963	196,079	5,279,270	21,081,424	1,437,136
7 Merchants Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	10	13,823,058	290,383	2,019,909	36,461,732	62,616,674	1,004,932
8 Banque Provinciale du Canada...	2,000,000	1,000,000	1,000,000	700,000	7	1,163,113	1,905,273	238,719	2,921,958	11,918,254	....
9 Union Bank of Canada	8,000,000	5,000,000	5,000,000	3,400,000	8	12,779,662	208,976	4,280,848	51,050,958	59,212,965	3,123,413
10 Canadian Bank of Commerce	25,000,000	15,000,000	15,000,000	13,500,000	10	23,995,244	22,582,823	3,985,779	93,962,360	131,614,785	24,279,905
11 Royal Bank of Canada...	25,000,000	12,911,700	12,911,700	14,000,000	12	28,159,351	14,582,659	1,354,981	63,138,814	122,995,784	65,497,802
12 Dominion Bank......	10,000,000	6,000,000	6,000,000	7,000,000	12	9,592,552	481,608	30,658	25,892,875	54,317,784	729,928
13 Bank of Hamilton	5,000,000	3,000,000	3,000,000	3,300,000	12	6,164,921	76,560	164,390	17,757,658	36,086,566	....
14 Standard Bank of Canada........	5,000,000	3,470,600	3,413,820	4,413,820	13	5,725,478	1,320 407	205,703	17,451,623	37,117,634	....
15 Banque d'Hochelaga..............	10,000,000	4,000,000	4,000,000	3,700,000	9	6,099,742	3,754,443	634,483	7,473,691	25,347,375	....
16 Bank of Ottawa	5,000,000	4,000,000	4,000,000	4,750,000	12	6,142,845	657,858	167,560	11,951,589	36,186,446	....
17 Imperial Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	12	9,352,774	3,251,524	836,269	21,734,993	47,619,313	....
18 Home Bank of Canada...........	5,000,000	2,000,000	1,947,297	300,000	5	2,301,960	3,795,542	943,337	3,850,567	9,184,034	....
19 Northern Crown Bank...........	6,000,000	1,431,200	1,429,447	715,600	5	3,854,322	233,032	956,747	11,817,046	12,236,444	....
20 Sterling Bank of Canada	3,000,000	1,266,600	1,215,520	300,000	6	1,259,065	547,010	164,562	3,884,784	7,812,539	....
21 Weyburn Security Bank..........	1,000,000	642,200	385,820	150,000	5	408,960	52,584	43,425	2,258,138	1,281,617	....
....	....	....	....	....	....	....	....	....	....	....	....
Total...........	189,866,666	112,088,966	111,669,770	114,046,753	....	196,135,810	71,071,106	19,399,492	538,869,362	1,008,657,874	175,645,031

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin			Dominion Notes			Deposit with Minister of Finance for security of note circulation	Deposit in central gold reserves	Notes of other banks	Cheques on other banks	Loans to other bks. in Canada, secured, including bills rediscounted	Dep'sits made with and bal. due from other banks in Canada	Due from banks and banking corres-pond'ts in the United King.	Due from bks. and banking corres-pond'nts else-where than in Canada and U.K
	In Canada	Else-where	Total	In Canada	Else-where	Total								
	$	$	$	$	$	$			$	$	$	$	$	$
1 Bank of Montreal.............	17,026,779	3,589,104	20,615,883	33,104,274	9,169	33,113,443	790,000	16,000,000	1,678,686	15,210,957	......	....	2,836,873	17,622,750
2 Bank of Nova Scotia.........	4,593,116	2,400,461	6,993,577	8,971,075	4,022	8,975,097	318,624	5,750,000	1,540,602	6,402,988	....	....	3,733,468	2,786,103
3 Bank of Brit. North America	832,772	229,144	1,061,916	5,077,493	5	5,077,498	245,822	2,420,000	979,576	2,726,334	....	4,205	280,408	2,054,236
4 Bank of Toronto..............	962,652	....	962,652	9,119,700	....	9,119,700	262,273	2,500,000	552,055	2,785 480	....	....	....	2 332,775
5 The Molsons Bank............	553,287	....	553,287	4,532,292	....	4,532,292	217,000	2,000,000	391,921	2,437,115	......	14,784	486,423	1,650,570
6 Banque Nationale.............	233,430	1,238	234,668	1,540,062	....	1,540,062	100,000	1,600,000	560,005	1,198,973	....		1,184	565,935
7 Merchants Bank of Canada ..	3,754,209	1,002,722	4,756,992	5,304,688	....	5,304,688	355,000	8,000,000	1,178,821	5,572,451	....	2 635	40,923	1,730,391
8 Banque Provinciale du Canada	105,245	....	105,245	351,768	....	351,768	63,453	....	341,513	1,061,372	....	1,625,587	8,618	104,559
9 Union Bank of Canada........	942,878	11,789	954,667	19,514,056	13	19,514,069	260,000	8,200,000	770,549	3,912,030	......	82,984	1,400,401	3,793,285
10 Canadian Bank of Commerce	11,368,506	11,328,830	22,697,336	21,943,552	11,357	21,954,910	831,173	10,000,000	2,004,762	11,930,875	....	....	310,795	8,185,308
11 Royal Bank of Canada........	5,995,420	10,084,410	16,079,830	18,282,218	2,226	18,284,444	645,585	16,000,000	5,308,203	15,283,364	....	229,868	111,821	10,592,517
12 Dominion Bank................	1,943,658	60	1,943,719	10,356,026	....	10,356,028	302,250	3,800,000	961,113	4,860,045	....	9,455	163,268	3,199,397
13 Bank of Hamilton...........	890,238	....	890,238	3,583,609	....	3,583,609	157,000	3,400,000	548,450	2,479,663	....	266,756	1,748,863	741,608
14 Standard Bank of Canada....	1,464,251	....	1,464,251	4,299,242	....	4,299,242	175,000	2,500,000	515,233	3,666,610	....	....	69,340	553,465
15 Banque d'Hochelaga..........	398,786	....	398,786	4,267,951	....	4,267,951	200,000	2,000,000	413,566	2,158,374	....	289,845	14,471	648,007
16 Bank of Ottawa	1,017,965	....	1,017,965	3,037,808	....	3,037,808	210,000	2,150,000	446,355	2,157,664	....	1,795,970	563,237	1,562,069
17 Imperial Bank of Canada	2,056,772	....	2,056,772	8,015,347	....	8,015,347	369,681	2,000,000	1,399,637	3,631,746	....	403,592	433,597	4,100,314
18 Home Bank of Canada........	124,716	....	124,716	1,039,354	....	1,039,354	105,000	200,000	198,199	421,643	......	111,146	38,988	252,351
19 Northern Crown Bank........	182,552	....	182,552	1,567,304	....	1,567,304	75,500	2,600,000	262,586	2,645,116	... ...	1 494,891	120,837	575,077
20 Sterling Bank of Canada	69,625	....	69,625	1,410,633	....	1,410,633	62,994	....	213,509	451,360	....	5 000	35,298	628,588
21 Weyburn Security Bank......	15,054	....	15,054	169,892	... .	169,892	17,705	....	118,364	32,947	....	1,463,712	....	163,653
....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Total...	54,531,971	28,647,758	83,179,731	165,488,344	26,792	165,515,137	5,764,000	91,120,000	20,383,705	91,027,107	....	7,800,430	12,398,813	63,842,958

Of the deposit in Central Gold Reserves $19.430,000 is in gold coin; the balance is in Dominion Notes.

LARGE OUTPUT OF CANADA'S MINERALS

The Department of Mines estimates the production of metals from Canadian ores in 1917 as follows:—

Gold, $17,000,000; silver, 23,500,000 ounces; copper, 113,000,000 pounds; nickel, 84,800,000 pounds; lead, 56,000,000 pounds; zinc, $31,000,000.

The production of pig-iron was about 1,106,000 short tons, and steel ingots and direct steel castings 1,735,000 short tons. The production of coal was about 14,100,000 short tons. The production of gold, silver, copper and coal was less than in 1916. The production of nickel, lead, zinc, pig-iron and steel was greater than during the previous year.

Higher prices received for silver, coal and other products considerably enhanced the total value of the mineral production. It is estimated to have been not less than $200,000,000, as compared with $177,201,534 in 1916.

TORONTO AND HAMILTON HIGHWAY BONDS

A block of the Toronto and Hamilton Highway Commission's 6 per cent. gold bonds is being offered at 99.50 by the Dominion Securities Corporation, Toronto. The principal and interest are guaranteed by the endorsation of the province of Ontario. This investment is legal for estate and trust funds in Ontario, and is made particularly desirable for such requirements by reason of being free from all provincial taxes and succession duty. The highway is now completed and the entire bonded indebtedness outstanding.

Dominion Government---Nov., 1917

LIABILITIES

Loans from other banks in Canada secured, including bills re-discounted	Deposits made by and balances due to other banks in Canada	Due to banks and banking correspondents in the United Kingdom	Due to banks and banking correspondents elsewhere than in Canada or the U.K.	Bills payable	Acceptances under letters of credit	Liabilities not included under foregoing heads	Balances due to the Imperial Government	Total Liabilities	Aggregate amount of loans to directors, and firms of which they are partners	Average amount of current gold and subsidiary coin held during the month	Average amount of Dominion Notes held during the month	Greatest amount of notes in circulation at any time during the month	
$	$	$	$	$	$	$	$	$	$	$	$	$	
....	5,322,804	....	472,950	1,086,221	2,954,160	2,958,719	....	364,299,410	514,556	30,162,484	43,086,274	30,919,821	1
....	443,487	64,315	892,503	....	542,783	2,554	....	113,140,635	632,196	7,005,139	8,878,385	12,016,719	2
....	10,666	32,563	410,860	1,651,683	1,589,128	2,928,621	....	66,750,643	47,624	1,531,375	5,833,573	8,425,554	3
....	276,407	86,717	192,642	....	530,757	138,784	....	72,735,412	166,783	967,939	8,786,102	7,677,200	4
....	255,748	61,715	55,790	....	1,116,819	663,620	....	59,467,660	472,952	548,043	3,862,859	8,511,333	5
....	487	668	3,113	....	35,300	14,425	....	35,747,850	890,751	231,668	1,313,400	4,161,746	6
....	813,777	28,454	3,395,537	....	699,231	4,317	....	121,158,008	739,493	5,719,123	13,132,724	14,499,338	7
....	221	....	....	....	....	41,379	....	18,188,919	....	95,779	312,213	1,216,303	8
....	372,938	97,427	1,035,455	....	2,586,609	156,248	....	134,905,302	705,308	1,442,918	14,935 898	12,786,227	9
....	580,958	1,412,226	5,882,883	120,857	5,597,665	527,668	....	314,543,158	962,629	20,458,000	27,626 600	24,973,320	10
....	364,787	187,140	5,614,668	297,494	5,510,310	394,426	....	308,098,221	436,099	13,164,945	20,781,440	28 917,018	11
....	923,211	65	439,340	231,600	384,953	410,810	....	93,435,588	680,610	1,929,000	8,671,000	9,592,552	12
....	35,838	....	411,791	....	73,127	....	....	60,770,854	414,574	871,150	2,927,031	6,271,331	13
....	1,450,801	593,282	77,998	....	88,229	....	....	64,031,158	32,750	1,422,525	4,390,075	5,838 618	14
....	....	48,483	197,524	....	36,217	....	....	43,591,960	120,175	386,116	1,841,768	6,335,907	15
....	20,246	7,167	491,630	....	7,288	174,221	....	55,806,855	554,929	1,008,253	2,898,361	6,284,260	16
....	517,045	1,183	26,600	....	85,152	....	....	83,424,855	321,279	1,924,726	7,685,565	9,647,274	17
....	21,796	48,000	671,640	....	....	....	....	20,816,878	219,893	125,480	1,198,700	2,458,500	18
....	1,092	....	7,219	....	48,949	40,709	....	29,253,564	401,670	183,595	1,433,847	3,885,757	19
....	139 854	....	....	....	1,416	6,261	....	13,815,493	330,806	68,558	1,015,796	1,329,350	20
....	635	....	....	....	....	73,446	....	4,118,807	93,292	17,697	173,505	433,200	21
....	....	....	....	....	....	....	....	....	....	....	....	....	
....	11,552,798	2,669,405	20,280,143	3,387,855	21,886,093	8,456,208	....	2,078,101,230	8,538,369	89,264,533	180,782,516	202,181,328	

ASSETS

Domin'n Government and Provincial Government securities	Can. municipal securities, and Brit., foreign and colonial public securit's other than Can.	Railway and other bonds, debentures and stocks	Call and short loans in Canada on st'cks debentures and bonds (not exceeding 30 days)	Call and short loans elsewhere than in Canada (not exceeding 30 days)	Other current loans and discounts in Canada	Other current loans and disco'nts elsewhere than in Canada	Loans to the Government of Canada	Loans to Provincial Governments	Loans to cities, towns, municipalities and school districts	Overdue debts	Real estate other than bank premises	Mortgages on real estate sold hy the bank	Bank premises at not more than cost, less amounts (if any) written off	Liabilities of customers under letters of credit as per contra	Other assets not included under the foregoing heads	Total Assets	
$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
28,540,722	40,108,978	12,627,250	....	82,759,283	99,384,231	10,473,062	....	1,438,829	8,935,733	393,045	49,164	57,905	4,000,000	2,954,160	15,266	399,606,227	1
12,668,210	13,139,425	3,861,805	4,010,324	6,449,301	45,726,843	6,448,711	....	34,673	438,307	272,134	69,000	2,725	2,836,047	542,783	110,097	133,110,852	2
6,350,000	8,573,655	125 046	2,607,013	4,849,125	26,913,778	6,037,670	....	1,031	1,448,444	436,394	32,310	8,228	2,374,637	1,589,128	291,550	76,488,004	3
6,170,018	10,198,509	896,625	2,158,411	....	41,515,261	....	....	....	839,031	117,083	....	....	3,510,884	530,757	....	84,451,518	4
7,213,943	7,728,589	1,066,870	3,936,808	....	31,397,932	....	....	....	1,536,565	84,654	103,660	4,883	2,292,167	1,116,819	253,028	69,019 318	5
5,341,434	1,402,580	1,049,685	2,200,461	....	21,545,238	250,000	....	....	529,366	28,131	379,261	234,110	1,181,459	35,300	32,858	40 010,717	6
8,562,507	12,261,382	3,996,090	5,710,326	6,407,036	63,766,778	365,618	....	210,865	1,699,687	263,536	286,185	225,130	4,777,994	699,231	100,740	136,275,015	7
770,000	2 872,598	1,403,593	2,856,768	....	7,113,776	....	....	....	478,281	71,769	171,095	15,081	329,532	....	255,264	19,999,880	8
9,361,729	16,244,470	2,933,212	6,634,990	2,938,000	55,916,565	3,154,431	....	592,128	2,282,799	250,204	370,603	99,974	1,106,299	2,586,609	51,918	148,411,927	9
27,596,420	22,095,133	6,192,461	13,460,862	20,076,903	142,104,535	14,846,130	....	3,193,121	4,524,371	237,796	1,136,999	196,005	5,090,075	5,597,665	111,588	344,375,232	10
22,322,197	21,586,545	12,777,503	12,040,687	14 574,136	98,669,934	53,764,037	....	365,739	3,322,353	490,064	1,114,552	....	6,371,329	5,510,310	129,156	335,574 186	11
9,357,583	10,156,962	3,626,866	3,929,708	1,277,768	47,580,056	26,326	....	....	392,097	29,640	23,513	14,375	5,513,478	384,953	....	107 908 606	12
5,077,782	8,595,906	599 620	2,698,103	501,000	30,608,904	555,000	....	457,612	1,345,010	167,140	508,790	53,655	2,067,790	73,127	273,477	67,399,111	13
5,443,174	6,916,369	337,758	2,867,069	....	41,066,849	....	....	....	996,707	370,119	16,006	1,185	1,289,859	88,229	70,494	72,706 961	14
4,588,497	5,668,051	254,468	1,682,408	....	23,743,748	....	....	....	2,388,939	140,339	519,515	90,802	1,619,257	36,217	428,218	51,549,468	15
9,209,141	12,137,699	660,330	1,712,145	....	24,285,834	....	....	....	1,236,671	415,788	206,954	47,154	1,805,553	7,288	106,126	64,771,759	16
11,423,484	11,259,435	898,893	2,234,131	....	42,873,811	....	....	20,129	3,314,613	344,293	359,072	517,716	3,012,148	85,152	50,162	98,803,734	17
3,730,708	1,370,998	346,749	985,538	....	10,337,525	31,213	....	2,000,000	335,700	51,023	74,685	70,827	859,535	....	93,617	23 279,522	18
8,841,215	3,014,499	1,424,750	281,695	....	7,138,142	....	....	326,272	256,001	184,666	24,250	87,831	353,814	46,949	99,266	31,603 224	19
2,379,325	2,612,483	615,166	170,898	....	6,250,704	....	....	....	114,847	12,402	....	....	294,885	1,416	122,616	15,451,755	20
560,000	461,377	19,800	....	....	1,033,270	2 326	....	....	46,076	127,703	12,440	7,080	164,232	....	58,335	4,473,969	21
....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	
195508089	218405643	56,214,540	72,178,345	139,832 552	868,973,714	95,954,524	......	8,640,399	36,459,598	4,487,923	5,458,048	1,734,666	50,850,974	21,886,093	2,653,776	2,320,270,965	

T. C. BOVILLE, *Deputy Minister of Finance.*

EXPORT OF CANADIAN METALS TO BE LICENSED

The government has decided for the present and until further notice to permit under license the free export of the metals molybdenum and tungsten, their ores, concentrates, alloys and chemical salts to approved consignees in the United States and France. This will relieve the situation that has been considered somewhat oppressive to Canadian producers.

Since an embargo was placed on the export of these metals the market for the Canadian production has been confined very largely to purchases made on account of the British government at fixed prices. These fixed prices have been lower, at times considerably lower, than the open market prices offered in the United States and France.

The requirements of the British government are being met and Canadian producers will now be permitted to take full advantage of the open markets in the United States and France. It will be necessary for the exporter, previous to shipment, to obtain from the commissioner of customs at Ottawa a license to export, and in the case of exports to the United States, it will be necessary, under the United States regulations, for the shipper or the consignee to obtain from the Bureau of Imports War Trade Board, Bond Building, Washington, a license permitting the importation of the shipment into the United States.

The Alberta government states that in the interests of farmers themselves the present is not an opportune time to commence the loaning of money under the Farm Loans Act, and it has been decided to postpone its operation until conditions become normal.

The Canadian Bank of Commerce

Report of the Proceedings of the Annual Meeting of Shareholders

TUESDAY, 8th JANUARY, 1918

The Fifty-First Annual Meeting of the Shareholders of the Canadian Bank of Commerce was held in the Banking House at Toronto, Tuesday, January 8th, 1918.

The President, Sir Edmund Walker, having taken the chair, Mr. A. St. L. Trigge was appointed to act as Secretary, and Messrs. W. S. Hodgens and E. M. Saunders were appointed scrutineers.

Before moving the adoption of the Report, the President called on the General Manager to address the Shareholders.

GENERAL MANAGER'S ADDRESS.

We are crossing the meridian into the second half-century of the Bank's existence and, pausing to look back, we may feel satisfaction in what has been accomplished in a comparatively short period of time. While we hold second place only among the Canadian banks in the matter of "Total Assets," we may point to our premier position as regards "Current Loans and Discounts in Canada" as an indication of the importance of the share taken by this Bank in the task of providing for the financial requirements of the mercantile community, and of carrying on the daily business of the country. In this connection it is interesting to note that by the year 1912 the current loans and discounts in Canada of this Bank were three times as great as those of all the Canadian banks in the year in which it was founded. We had hoped on this anniversary to announce the increase of the Rest to an amount equal to the paid-up capital of the Bank, and this doubtless would have been accomplished had it not been for the war. We have deemed it wise to follow a specially cautious and conservative policy and to provide during the war even more thoroughly than usual for any element of doubt in the loans and securities of the Bank. The increasingly keen competition in business has resulted in the banks being called upon to perform far greater services for smaller remuneration, so that the increase in the volume of their business is out of proportion to the increase in their profits. Naturally an increased volume of business means a corresponding increase in the provision to be made for doubtful items, while the profits do not provide in a corresponding measure for the relative appropriations. Whenever there is offered a new issue of government securities yielding a higher rate of interest, the market for existing securities is depressed to a corresponding extent and this entails a writing down of all securities on hand. Doubtless when the war is over this downward movement will cease and securities will tend to appreciate in value, so that much of this may be recovered.

Half Century Mark.

To mark the semi-centennial anniversary of the founding of the Bank it is our intention to publish its history. In the course of a comparatively short career it has taken over several much older institutions, which were among the pioneers of Canadian banking in their respective districts. For this reason in more than one province its roots go back to the beginning of banking in this country and the task calls for more research than would at first appear to be involved. In addition we have in course of preparation a new series of bank-notes, which are, we believe, in originality and beauty of design, a marked advance over those at present in circulation. We have had the designs copyrighted in Canada, the United Kingdom and the United States, and they will be our own exclusive property. The work of engraving the plates is a slow and tedious process and some of the notes will not be completed for several years, but we hope to put the smaller denominations into circulation during the current year.

Advance in Profits.

The profits for the year amounted to $2,637,555, an increase of $198,000 over the figures of the previous year but, as we have already pointed out, an increase not at all commensurate with the additional business transacted or the additional responsibility involved. Large advances have been made from time to time to both the Dominion and the Imperial Governments, and these naturally bear low rates of interest. This may be considered as part of our contribution to the cost of the war.

We have continued the payment of the usual dividend of ten per cent. per annum with a bonus of one per cent. at the end of each half year. The annual contribution to the Pension Fund shows an increase of $5,000, owing to the larger number of members of the staff who come within its provisions. We have again been called upon for subscriptions for various patriotic purposes, for which your approval is asked. The war tax on note circulation has this year reached its maximum, and after providing for these items, we carry forward the large sum of $1,332,000 at the credit of Profit and Loss account.

Increased Note Circulation.

There is again a large increase, amounting to $4,735,000, in the item of notes of the bank in circulation, nearly double the increase reported last year. As pointed out at the last annual meeting, the principal reasons for the high level of the note circulation are twofold: first, the high level of all prices, and second, the great business activity caused by the large orders for merchandise and munitions placed in Canada by the Allied Governments. A few years ago it would have been considered most extraordinary that the total note circulation of all the banks should be throughout the year in excess of the total of their paid-up capital. The course of events has thus fully vindicated the foresight of those who devised the provisions of the Bank Act under which the Central Gold Reserves were established, as otherwise there would be to-day no regular statutory provision for the additional bank-note currency needed to carry on the business of the country.

Twenty Billion Turnover.

The deposits now amount to the very large sum of $276,000,000, an increase during the year of $46,529,000. When it is recalled that not until 1901, thirty-four years after the Bank's establishment, did the total deposits equal the amount of this increase, and then only after the taking over of the Bank of British Columbia, the extent of the increase and of the difference in scale in Canadian affairs will be better grasped. We estimate the total turnover of the Bank for the year at 20 thousand million dollars. Needless to say, with the decrease in our trained staff caused by military enlistment, the problem of caring for this vast amount of business does not grow less difficult. The increases in other items of the liabilities do not call for special remark, as they are merely the result of the growth of our business.

Strong Cash Reserves.

Turning to the assets side of the Balance Sheet, we find an increase in our holdings of cash of $8,361,000, of which $1,722,000 is in gold and silver coin, $2,639,000 in Dominion notes and $4,000,000 in our deposit in the Central Gold Reserves. The last item has already been dealt with. Our cash holdings represent 18.19 per cent. of our deposits and circulation and 17.4 per cent. of our liabilities to the public, from which you will see that we have not deviated from our policy of carrying strong cash reserves in these times of difficulty and uncertainty. The large increases in our holdings of Dominion and Provincial Government Securities and of British, Foreign and Colonial Public Securities consist principally of Treasury bills of the Dominion and the Imperial Governments. We have continued, as opportunity offered, to realize on our holdings of other securities and these show a reduction of $1,618,000. Immediately available assets have increased by $37,995,000 and now stand at 53.2 per cent. of liabilities to the public. Call Loans are slightly lower than last year, but Current Loans in Canada have increased by $16,083,000, the net increase in the total of our current loans being $12,097,000. Bank Premises show an increase of $250,618; this is largely accounted for by the purchase of the premises in Calgary which we have occupied for many years, and have now acquired at what seems to be a reasonable figure. Total Assets have increased by $55,947,000 or 19.39 per cent.

In Mexico we continue the policy indicated in our reports of the last few years, of transacting only such limited business as the prevailing conditions will permit. While these have shown some improvement during the year, the present Government has many serious problems to solve, and we fear that some time must elapse before we can reap the benefit which our standing in the community and strong local connections justify us in expecting.

Halifax Disaster.

Since the report of our Halifax Manager appearing in the Review of Business Conditions was written, the whole country has been appalled by the calamity which laid a large section of the city of Halifax in ruins and cost the lives of so many innocent victims. The damage to property and to shipping proves apparently to be even heavier than was at first anticipated, though from the latest reports we are pleased to learn that the financial position of our customers has not been seriously affected. Our sympathies go out to the sufferers, especially to those who have not only lost relatives and friends in the disaster, but are themselves rendered homeless at this inclement season of the year.

1,121 Women Clerks on Staff.

The members of the staff number 3,633, including 280 messengers and 367 janitors; the total, after the withdrawal of the men called up under the Military Service Act, will still be somewhat larger than a year ago. The increase is, however, entirely in untrained women clerks, the number of women being now 1,121, an increase of about 400. On the other hand, the number of male officers has decreased by 128, in spite of the addition of a large number of inexperienced lads under the age of twenty. Having regard to the continued growth of our business and to the decrease in general efficiency caused by the changes in personnel, the burden laid on our men and women grows heavier with each succeeding month. It was therefore particularly gratifying to us that the results of the year's business were such as to justify a more than usually generous percentage bonus to all the members of the staff.

Of our officers 1,422 have now taken up arms, or 75 per cent. of our present male staff, exclusive of messengers. We know that we have supplied our full quota, but we are making efforts to release every man physically fit who is called up under the Military Service Act and who can possibly be replaced, and are asking exemption for only a few officers, the length and the character of whose training are such that they cannot be replaced.

The Roll of Honor.

With grief mingled with pride, we record a total loss of 153 men killed in action, 69 of whom have made the great sacrifice during the past year. No fewer than 255 have been wounded, many seriously, 7 are missing, and 16 are undergoing the hardships of the enemy's prison camps.

During the year the Canadian banks have been called upon to make large advances to the Dominion Government to provide for expenditures in connection with the war, and have also made advances to the Imperial Government for the purchase of our wheat crop, in addition to those already current for the purchase of munitions in Canada. In all this financing the Bank has taken its full share, assisting the Government in the prosecution of the war to the best of its ability. As an item of interest in this connection we may mention that our customers have during the year executed munition orders for a total of over 84 millions of dollars.

Success of War Loans.

The outstanding success of the Victory Loan was a striking tribute to the energy and patriotism of the organization which undertook to place the loan in the hands of the public, and the Finance Minister is again to be congratulated on the result of his endeavors to obtain within Canada as large a proportion as possible of the funds required to carry on the war. As in the case of the last Imperial War Loan the banks were not called upon to subscribe directly, as this would have meant a locking up of their funds in a permanent investment, and would also have tended to inflation as a result of the additional credit thereby created. Instead of this they undertook to make advances to small subscribers with fixed incomes so as to enable them to take a larger amount of the loan than would otherwise have been possible. The encouragement thus given to the habit of saving throughout the community is of the greatest national importance. The total amount of subscriptions to the loan appears to have reached $417,000,000, from about 807,000 subscribers, a financial accomplishment of the first magnitude. The subscriptions received through the branches of this Bank amounted to about $80,000,000 from over 116,000 subscribers.

Gold Reserves Problem.

After the United States came into the war the shipments of gold from Great Britain to that country ceased, and, as pointed out in the report of our New York Agent, a slight adverse movement set in; in order, therefore, to conserve its holdings and to prevent gold from reaching the enemy, the United States Government placed an embargo on exports of the metal. Upon representations being made at Washington, however, through the Canadian Bankers' Association, as to the unfairness of enforcing the embargo against us, the release to Canada of a certain amount of gold was arranged for. While this will, doubtless, aid in the stabilizing of the exchange between the two countries we feel that it is important that the underlying gold reserves of Canada should be increased to correspond with the great increase in the liabilities of the Canadian banks resulting from war activities. To this end we consider that our endeavors should be directed, and we believe also that the Government of Canada should place an embargo on the export of gold produced in Canada, and see that it is made available for this purpose.

Railways a Vital Factor.

Probably few people realize how essential to modern business is prompt and reliable railway service, or how the lack of such service invariably means high prices to the consumer. No modern business could continue in operation were the transportation facilities of the country suddenly to be suspended. A full consideration of the relation between delays in transportation and increased cost to the consumer is out of place here, but it may confidently be asserted that promptness and regularity of service are of more importance to business men and to the general public than low freight rates. Unfortunately of late years Government efforts have been directed almost entirely to the reduction of the latter, while ignoring altogether the greater importance of the former. The general increase in freight rates recently granted is a step in the right direction. The pass to which the railways of the United States have been brought in this connection is well described by our New York Agent in the Review of Business Conditions, although since his report was written, the United States Government has placed all the railroad lines in the country under the control of a Director-General, to be operated as a single system. Fortunately for the public interest, one of the great Canadian railway systems has not been dependent entirely upon its income from transportation, or the problem here would have become more acute. The cost of operation, that is, of labor, materials and supplies, has risen enormously in recent years, without a corresponding increase in the revenue from transportation. It is not always borne in mind that the development of Canada, and its subsequent increase in wealth and population, would not have been possible without the construction of the railroads, and that the large number of people who have invested in railroad securities have, therefore, performed a public service of the highest importance. Whatever may have been the motives which prompted the investment, this service still calls for some measure of recognition.

Need of Greater Thrift.

And now a few words as to the future. Up to the present the high cost of living, of which we hear so much, has borne heavily on comparatively few. The great majority of Canadians who are not serving in the armed forces of the Empire more to spend than they ever had before, and many are spending it. They scorn carefulness and the small economies that must perforce be practised by the inhabitants of less favored countries. But there will come a time when high taxation and uncertainty as to the future will make men hesitate to embark on new enterprises, when there will be double the number of applicants for half the number of jobs and when food will be still more scarce than it is at present. Only then shall we realize the full effects of the high cost of living. How shall we prepare for that day? The great need of the world will then be abundance of food, at reasonable prices, and if we in Canada by stimulating production, transportation and distribution, are able to supply the nations in abundance, we shall not only have laid broad and deep the foundations of prosperity for ourselves, but shall have earned the gratitude of the nations. We shall have found a way to utilize the services of the unemployed and to lower as far as possible the high cost of living. The machinery for accomplishing this cannot be created on the spur of the moment, and we must equip ourselves beforehand to cope with the changed conditions which will prevail after the war. We must so co-ordinate the productive forces of the nation that there will be, as it were, the nucleus of an organization already prepared to utilize the labor of the unemployed in the production of food, and in its distribution and transportation to the great markets abroad. The period of strain immediately following the war will pass away in time and normal conditions will again prevail. In order that this trade should be permanently successful under these normal conditions, it must be organized from the beginning with a view to efficiency and placed on a sound economic basis. When we consider what difficulties have been overcome in order to transport fresh meat from Australia, New Zealand and the Argentine through the tropical zone to the markets of Europe, we cannot but believe that the less serious difficulties confronting Canada can be successfully solved. We have millions of acres of productive land, we expect to have an abundance of labor, but we require organization and leadership.

PRESIDENT'S ADDRESS.

We meet again with the shadow of the great war affecting everything we say or do. We are nearer the end than we were a year ago, but only because a year has passed; in other ways there is no sign of the end. Although the war is in its fourth year, it is still full of surprises, indeed, the year has been one of many and swift changes. The submarine menace, so ominous at one time, is still very serious, "held but not yet mastered," as Sir Eric Geddes lately said. However, we no longer doubt our ability to cope with it, partly by a lessening in the number of ships lost and partly by vastly increased shipbuilding. The collapse in Russia and the set-back in Italy have altered the aspect on the Western front from one in which victory seemed near to one in which it may perhaps be necessary to wait for the new armies of the great republic, before the war can be pressed to its final stage. Unless Russia comes back into the fighting line, we have to meet the armies of the enemy thus released, but we are not afraid of the enemy ever again breaking through the Western front, and by next spring not only will there be a great accession of strength from the United States for fighting on land, but the building of aircraft and the training of armies of airmen will vastly alter the character of the struggle. Our greatest danger is lest we should falter, because victory is less easy to attain than we thought.

Foreign Trade Improves.

In considering our industrial affairs we find that, disregarding as usual shipments of gold and bullion, our exports for the fiscal year ending 31st March last, were $314,706,654 in excess of our imports, and for the following six months ending 30th September, the excess was $237,574,462, making for the eighteen months a surplus of $552,281,116 in the value of our exports. The gain in exports for the fiscal year was $399,911,030, while the increase in imports was $334,292,650. We therefore improved the results of our foreign trade by $65,618,380 as compared with the year preceding. The figures for the broken period indicate an increase on a much larger scale. Of the improvement during the fiscal year, over 350 millions is due to agriculture and to manufactures, the total increase from the mine, the forest, the fisheries, and animals and their products being less than 50 millions. The exports of manufactures amounted to 487 millions, an increase of 237 millions over those of the preceding year. There is an increase in exports and imports under almost every heading, but the only very noticeable item is that of $149,930,000 for military stores, munitions of war, etc., "imported and remaining the property of the Imperial Government." In this there is an increase of $111,296,000 over the corresponding figures for 1916. These imports, mainly necessary to complete munitions being made in Canada, do not affect this country in a financial way. Coal cost us $11,500,000 more, sugar $10,800,000 more, and provisions, much of which was doubtless exported again, $17,500,000 more. Of the various forms in which iron, copper and other metals are used as raw materials, ranging from the ore to beams, tubes, wiring, etc., we imported about $42,000,000 more than in 1916. These partially manufactured articles come under a great variety of headings, but they are all, or almost all, forms that we should eventually make in Canada. I regret to say that articles of luxury still show rather too prominently in the list of imports, and there is not much evidence of restraint on the part of Canadians in the purchase of unnecessary things. A surplus of 550 millions in our foreign trade for the 18 months ending September last leaves, even after interest on foreign indebtedness has been paid, a sum of money unheard of in the past, and to this is to be added the results of the crops since marketed or still to be marketed at prices hitherto unequalled, as well as the results of other products of our industry. The field crops of Canada for 1917 are valued at $1,089,000,000. All of this vast wealth is, however, needed for the conduct of the war, and the problem of the hour is how to apply it to that purpose, wherever it is not needed for some other equally urgent purpose. Great Britain, by shipments from various parts of the world through Canada to the United States, has sent to that country over a billion dollars in gold, but the time has now come when she must have credit for practically all her purchases, and obviously our own Government must have similar credit, except to the extent to which the cost of the war is paid by taxation. The extent to which we can supply money to our own Government for its share in the cost of the war and also supply money to Great Britain for munitions of all kinds, including the agricultural and pastoral products of Canada bought by Great Britain, depends on how far we are willing to avoid spending money on anything unnecessary to reasonable well-being, and clearly such an effort we have not made. Capital is not, however, in any large measure, being fixed in betterments, either by individuals, municipalities, or provincial and Dominion governments, and thoughtful people, at least, are spending less, and realize that we are engaged in the struggle of the ages. Now that the United States has entered the war there is no market for our securities outside our own borders, and therefore we are being put to a greater test of our economic powers than ever before. If provinces or municipalities have securities to sell they must be sold at home.

Trade With United States.

In the year ending 31st March, 1917, we bought goods to the value of 865 millions abroad and of these 678 millions came from the United States. As we sold that country only 290 millions we had to find 388 millions in money or securities. We can now sell securities nowhere but at home, and our export and import business is done almost entirely with Great Britain and the United States. We export to Great Britain enough more than we import to cover our shortage with the United States, and a large sum besides. Therefore it is clear that in respect of what we owe the United States that country must lend to Great Britain a sum corresponding to our sales to the latter country, if we are to continue to trade with the United States. Since the United States has entered the war, however, large orders for war supplies for their use have been placed in Canada, and it is too early to tell how these will affect our trade balance with that country. It should not be hard to understand from these figures how vitally important it is that we should not buy outside Canada a dollar's worth of merchandise that is not absolutely required for our most pressing national purpose, which is to win the war.

Government Issues.

The success of the Finance Minister in his share of the financing of the war has been so signal and its latest phase is so well known to you, that I repeat certain details now only for the information of our foreign shareholders and correspondents. In January the issue of War Savings Certificates began and thus far over 195,000 have been sold, amounting to twelve million dollars. The importance of these certificates, which are issued in denominations of $10, $25, $50 and $100, is not so much the amount thus secured as the opportunity they offer to almost every individual to save and to take some share in the nation's financing. In March the third Canadian war loan was brought out. The amount to be issued was $150,000,000, the loan being for twenty years with 5 per cent. interest, and the price 96. The net subscriptions, after deducting conversions and the subscriptions of the banks, amounted to $182,000,000. There were over 40,000 subscribers, as against 25,000 for the first and 30,000 for the second loan, the total thus far secured being $350,000,000. As no unusual effort was made, the results were very gratifying. In August the Minister secured in New York, by two-year 5 per cent. notes, $100,000,000, of which 20 millions were used to retire the balance of a loan obtained in 1915. In November the fourth Canadian war loan was offered. At that time we had before us the fact that while the Finance Minister had readily obtained from the Canadian people what he had asked for, they had subscribed to the third loan in the proportion of only about one in every two hundred.

807,000 Subscribers.

Having this in mind, the Finance Minister created an organization calculated to show what the Canadian people could do. An extraordinary body of bond-dealers, bankers and other business men, aided by the 3,000 branches of the banks, in a comparatively short campaign secured subscriptions for 417 millions of dollars from 807,000 people. If to these we add the 195,000 purchasers of War Savings Certificates and disregard the duplication of names, we find that about one in eight of our people have responded to the call. The Minister had offered a loan of $150,000,000, repayable in 5, 10 or 20 years with 5½ per cent. interest, issued at par with a slight advantage in interest to the subscriber in making his payments. He had stated that subscriptions in excess of 150 millions would be accepted in whole or in part, and the hope was that 250 or 300 millions would be secured. It is safe to say that such a figure as 400 millions was not deemed to be within the realm of possibility.

War Finances.

The actual disbursements of Canada for the war, to 30th November amounted to $685,000,000. To this must be added outstanding expenses and estimates for the balance of the year to cover requirements here, in Great Britain and in the field of war. These, carefully computed, indicate that at the end of the year the cost of the war to Canada was about $760,000,000. It is well known that, in addition to the task of finding money for such vast expenditure, the Finance Minister has been called upon to aid the Imperial Government to provide for a large part of the cost of munitions, etc., purchased in Canada. In addition to advances to the Imperial Munitions Board of 380 millions, as much as 32 millions was lent for the purchase of cheese, 15 millions for agricultural products, and about as much more for other items. Against this there are offsets in connection with the upkeep of our troops and with other matters, but the final result at the moment leaves Great Britain considerably in debt to the Canadian government.

The Chartered Banks.

A comparison of the figures of the chartered banks as in July, 1914, and in October last is very impressive. The total liabilities have grown from $1,323,252,000 to $1,995,488,000, an increase of $672,236,000, the growth in deposits being $589,837,000 and in note circulation $95,037,000. As against this, loans have increased $128,544,000, securities $320,742,000, cash $70,572,000, exchanges with other banks $50,911,000, balances due by foreign banks $20,429,000, and deposits against excess circulation $76,370,000. The addition to loans and securities of $450,000,000, and that large part of the remaining loans which has taken the place of ordinary industrial loans before the war, represent the financial aid rendered by the banks to the carrying on of the war, but the banks have now to face the loss in deposits which will be caused by the payments to be made for the Victory Loan. This will in any event mean something between three and four hundred millions of dollars by next May. It is true that the money in the end will return to the banks in one form or another, but not necessarily to the same banks and not in the same form. The loss of savings deposits, built up over a series of years and now transferred permanently into a new form of saving in which the banks have no part, is being borne cheerfully because the reason for it is imperative, but it would be foolish not to recognize what a serious and difficult operation the great war loan is to the banks. The banks still hold the Imperial obligations for munitions amounting to one hundred million dollars referred to a year ago, and during the past year they have made loans to the Dominion Government more or less connected with aid to the Imperial Government. In January they bought Canadian Treasury bills for 50 millions maturing early in 1918, in July and August 70 millions of three and five months bills, and in October 75 millions maturing in 1919. It will be observed that all of these loans except the last have been or will be shortly repaid.

Absorb Securities at Home.

The sales of Canadian securities for the calendar year 1917 show a much larger total than ever before, but the issues, other than those of the Dominion government, are naturally very small. As usual we supply the following details from the annual estimate of the Dominion Securities Corporation:—

Securities.	Total Sold.	In Canada.	In United States.	In Great Britain.
Government .	$693,420,279	$551,180,279	$142,240,000	
Municipal ..	25,219,103	19,387,738	5,831,365	
Railway	22,566,666	200,000	17,500,000	$4,866,666
Public Service Corporation .	15,425,000	1,825,000	13,600,000	
Miscellaneous	16,110,800	8,370,800	7,740,000	
Total	$772,741,848	$580,963,817	$186,911,365	$4,866,666

That 580 millions of securities could be placed in Canada in one year in addition to the aid given by the banks to the manufacture of munitions, is very surprising, but we must remember that it was still necessary to obtain 190 millions from outside during the year and that not only are these avenues now completely closed, but if we hope to continue the making of all kinds of war products as actively as heretofore, we must find at home much larger sums in 1918 than in 1917 for investment in war securities. Even if the sale of the relative securities were possible, all expenditures, except for the war, must be restrained, and this is abundant reason for the recent order-in-council under which new issues in Canada of the securities of any province, colonial or foreign government, municipality, corporation or incorporated company, may be sold only with the approval of the Minister of Finance.

Clearing House Records.

The totals of the twenty-five clearing houses re[illegible]ect the increased volume of almost all products and the high [illegible] prevailing. In every clearing house there is an in[illegible] compared with 1916. The total amounts to $12,554,[illegible] compared with $10,557,060,000 for the previous year, a growth of 18.92 per cent. The total for the eight clearing houses in existence in 1901 was $1,871,061,000 so that in sixteen years the figures have grown 571 per cent.

We also subjoin as usual the building permits of the four chief cities of Canada for 1913, the year previous to the outbreak of war, for 1916, and for the year just ended:—

	1913.	1916.	1917.
Montreal	$27,032,000	$5,334,000	$4,387,000
Toronto	27,038,000	9,882,000	7,163,000
Vancouver	10,423,000	2,412,000	768,000
Winnipeg	18,621,000	2,507,000	2,212,000

War Supplies.

We have found it rather more difficult than usual to obtain statistics regarding the quantity and the value of the various kinds of war supplies made in Canada, but as heretofore such figures as we are able to give are highly illustrative of the importance of this work, both as a part of our contribution to the war and as the main basis of our prosperity at the moment. There is a reduction in the output of many kinds of shells, fuses and cartridge cases, as purchases are being restricted to certain sizes. On the other hand, however, there is an important development in the building of steel and wooden ships and of aeroplane engines, and also of aeroplanes of a certain type. With these exceptions there is a large decrease in purchases by Great Britain, due doubtless to the inability of Canada to grant the necessary credits. It is therefore most gratifying to know that the Chairman of the Imperial Munitions Board has made arrangements with the Ordnance Department of the United States to use, until next midsummer, such surplus facilities existing here for the production of munitions as will help to meet the requirements of that country. Canada is producing gun ammunition, including propellants, high explosives, fuses and cartridge cases in 550 factories situated from St. John in the east to Victoria in the west. In addition to contracts given to private corporations, the Imperial Munitions Board has developed government factories for the loading of fuses, for the production of powder and high explosives, for the manufacture of sulphuric and nitric acids and acetone, and of steel and forgings, and for the construction of aeroplanes. On these plants the sum of $13,500,000 has been expended for account of the Imperial Government. The Board has also contracted for the building of a large number of the latest type of high-power aeroplane engines for the use of fighting planes at the front. This engine represents the highest type of workmanship of any engine that has been produced, and we may well be proud that such a young and inexperienced country as Canada is able to undertake the work. Even more important from the industrial point of view is the fact that there are now under contract in Canada for the Imperial and the Norwegian Governments, steel and wooden ships aggregating in value over $90,000,000. Up to December, forty-four steel and forty-six wooden steamships had been ordered. The steel ships range from 1,800 to 8,800 tons dead-weight, with a total carrying capacity of 213,600 tons, and the wooden ships have an individual carrying capacity of 2,500 tons dead-weight, with a total of 115,000 tons. In addition to this twenty-two steel vessels, of 3,500 tons dead-weight capacity each, have been ordered on Norwegian account, a total of 77,000 tons. This makes a grand total of one hundred and twelve ships with 405,600 tons capacity. The steel ships are being built at New Glasgow, Montreal, Toronto, Welland, Midland, Collingwood, Port Arthur, Vancouver, North Vancouver. The wooden ships are being built at Liverpool, St. John, Isle of Orleans, Côte St. Paul, Quebec, Three Rivers, Toronto, Fort William, Coquitlam, New Westminster, Vancouver, North Vancouver and Victoria.

Munition Metals.

As a consequence of the work of the Imperial Munitions Board, Canada is for the first time producing refined spelter (zinc) and refined copper and there is an important increase in the output of refined lead. The natural result of refining our spelter and copper is the local production of brass, and this again enables many articles made of brass to be produced from our own metal. The value of the orders thus placed by the Board exceeds $1,000,000,000 and the actual disbursements to date are almost $800,000,000. The number of complete shells thus far produced is 49 millions.

War Purchases.

The purchases made under the authority of the War Purchasing Commission for account of the Department of Militia, of the Department of Justice for interned aliens, and of the Department of the Naval Service, have been smaller as a whole than last year, although the purchases for the last-mentioned department have been larger owing to the increase in naval work at Halifax. We have been able to secure some interesting figures covering a part of the activities of the various departments. They are as follow:—

Department of Militia:	
Arsenals, supplies for manufacture of ammunition, etc.	$ 1,500,000
Clothing	5,000,000
Dental Supplies	120,000
Fish for C.E.F. in England	300,000
Mechanical Transport Supplies	300,000
Medical Supplies	500,000
Provisions, including food, fuel and forage..	7,500,000
Railway Construction Equipment	270,000
Stoves and Miscellaneous	2,500,000
	$17,990,000
Department of Justice:	
Internment Operations	700,000
Department of Naval Service	2,500,000

These departments also have appropriations which do not come under the control of the War Purchasing Commission.

British Purchases.

The public will be interested to learn that the Navy and Army Canteen Board of London, through which the various canteens of all the British forces are mainly supplied, sent a representative to Canada to secure assortments of Canadian products for sale in the canteens. The products selected were: canned meats, canned salmon and other fish, condensed and evaporated milk, biscuits, chocolate, candies, preserved fruits, jams, evaporated fruits, etc.

About a year ago the War Purchasing Commission secured samples of fish such as cod, haddock, pollack, etc., for the Board of Trade in London. This resulted in their placing in Canada large contracts for fish.

We are also able to afford approximate figures for purchases made on account of the British War Office by the Canadian Pacific Railway Company, as follows:—

Foodstuffs	$14,000,000
Merchandise of Iron and Steel	700,000
Sugar	8,000,000
Forestry and Railway Equipment	2,000,000
Other Articles	1,000,000
	$25,700,000

The purchases by the Department of Agriculture down to December cover about 110,000 tons of hay, 35 million bushels of oats, and 275,000 tons of flour, requiring about 14 million bushels of wheat. The total value of these purchases is about $48,000,000

Activities in Production.

We have made an attempt also to follow the purchases of such ordinary articles as wheat, cheese and meats. It is understood that the purchases in Canada by the Wheat Export Company of wheat and oats from this year's crop will reach 350 million dollars in value, and that there have been shipped cheese valued at between 30 and 40 million dollars and a large supply of meats, partly the product of Canada, and partly from animals bred in the United States, but cured here. The published returns are not easy to follow but we appear to have exported, during the year ending March, 1917, live animals, including horses, to the value of 15 millions and meats to the value of over 60 millions; against this we have apparently imported meats to the value of about 25 millions. For the six months ending September the totals of both imports and exports, measured only by value are on a basis 50 per cent. higher than for the previous year.

These figures show some of the activities of the Canadian people in the way of production, but the need is greater, in some directions much greater, than ever before. The outpouring of supplies of all kinds, from wheat to shells, must go on, but the most crying needs are for sea-going ships, aircraft and those forms of food which are more necessary than others to sustain life in its fullest vigor and without a sufficient supply of which the allied nations are threatened with starvation. The supply of wheat is vital, and the losses of shipping add enormously to the difficulty of obtaining supplies from the southern half of the world. At the same time the scarcity of labor makes the life of the North American farmer so difficult that he needs all our sympathy, and should have all the assistance which the city worker or student can give him in summer time.

The Food Question.

One of the most valuable foods for the soldier is bacon. He can apparently do more fighting on it than on anything else. In the United States, when necessary, breeding stock and help in other forms is being supplied to farmers to ensure the largest possible production of bacon, and associations of breeders have been formed for the purpose of distributing well-bred stock. This is being done by men who realize that if we fail in producing greater quantities of bacon than ever before, we shall fail in our duty to the soldiers. In this country we have been occupied in an effort to place the blame for the high price of an article, which, beyond any doubt, we ought not to consume in large quantities just now, and we have apparently forgotten that the price has gone up mainly because bacon is vital to carrying on the war and that if we do anything to lessen the efforts of the producers, the price will certainly be much higher next year than it is now. In England well-to-do people are standing in line for their food supplies, and they, at least, are learning that the talk of famine is not a story to frighten children with, but a terrible possibility. The harvests have not been plentiful and the danger is as real as the menace of the submarines. We ask the farmer, in spite of the great difficulties which confront him, to produce to the last ounce, but how can we make our city people save food, remembering that every ounce saved will provide food elsewhere for those who without it must starve?

High Cost of Living.

We are living in a time of social unrest affecting greater areas of disturbance than the world has ever known. We are experiencing this unrest at a time of which it may be said, that those who live in our part of the world were never so easily able to obtain employment suited to their varied capacities, never so highly paid, so far as those are concerned who aid in the production of goods for sale, never so prosperous, using the word in a material sense. The price of everything, however, was almost never so high, and the purchasing power of the dollar has declined so much and so rapidly that people with a more or less fixed income suffer keenly, while those who earn more money than they could have conceived possible a few years ago, are disappointed and apparently surprised to find that everything else has advanced in price in proportion to their high wages. Out of this turmoil has come a bitterness towards all who, by any stretch of fancy, can be held responsible for existing conditions, a bitterness often without any real basis, and which is accompanied by explosions of wrath directed at whatever happens to be the nearest object of criticism, but, if continued, and kept at fever heat as it has been of late, promises ill for our country after the war. I am aware that I shall be accused of defending Capital and what are called the Big Interests, but there must be many readers of the annual addresses made by the officers of this Bank who will believe that we try as faithfully as we are able, to portray conditions as they exist. Nothing in the end is to be gained by blaming the premier or the food controller, the provision dealer or the farmer, for high prices which are not merely a result of the war but a result of war requirements so peremptory that the question of cost almost disappears. The conditions arising out of the war are at the bottom of most of our troubles, and what is necessary is not only fair dealing on the part of those who supply the wants of the people, but patience, and some remnant of belief in our fellow-men, on the part of those who feel the pinch and who, perhaps naturally, would like to punish somebody. If dealers have combined to put up prices, let them be punished, but apparently we are complaining because dealers, in buying from producers, did not combine to lower prices or to keep them down. The needs of the war are, however, so great that no combination can control prices either in one way or the other.

The Ruling Motive.

At the present moment the world provides wealth, and also material comfort, on a scale so vast, when compared with conditions a century ago, that surely no one will deny that the energy and the laws which have made this possible have been as a whole of enormous benefit to humanity. Yet this improvement in conditions is created by an appeal to the self-interest which exists in us all. To produce the best that we are able and to sell it for the highest price we can get, is what we are trying to do, whether our product be a day's work, a bushel of wheat, a plough, an intellectual or an administrative service of some kind to society, or a creation in the fine arts. Those who can honestly say that they are not so moved are either the idle rich, who are always a problem, or are too exceptional to affect the world as a whole. What is surely necessary is not to restrict the production of labor or merchandise at a profit, because clearly that is the impetus to industry, but to see that this industry and ability are guided into channels which are beneficial to the community and not hurtful. That the free exercise of industry and ability in accordance with the laws of the country and with the best existing standards of character, will enable one man to become very rich and another to earn only enough to support his family, is a fact for which nature is mainly responsible, and for which the ingenuity of man has not thus far found a remedy. If society by its laws should choose to limit the amount of wealth which any one may accumulate, let us wait until it has done so before passing judgment and when we undertake to express our opinion of the character of those who possess great wealth, let us judge them by the use they are making of it, by the extent to which they regard it as a trust which came to them only because they were in some things abler than their fellows, and as a means through which they may leave the world the better because of their existence. Many rich men do not come up to this standard, and by inheritance taxes we are gradually adjusting matters, but in North America there are so many instances of good service rendered to the state by wealthy citizens that one wonders if we should not be greatly the losers by any new condition which would hamper individuality and, in so doing, perhaps destroy the main factors which separate our twentieth century comfort from the miseries of the middle ages. In contending for a more rational consideration of the relations between the consumer and the producer, we have no intention of claiming that conditions are satisfactory, nor are we expressing an opinion regarding the relations of employers and employed, and certainly we hold no brief for either side. A great bank is vitally concerned with what will conduce to the true interest of the country, and that means the greatest amount of well-being on the part of its citizens.

Conditions After the War.

We have to face new and probably very difficult conditions after the war. If we are filled with animosity and distrust in our attempts to adjust our differences, the result will be a sorry one; if, on the other hand, with the experience we shall gain in many ways by the war, we co-ordinate the forces of industry we possess so as to present a united and efficient front, we may hope to enjoy in the fullest degree the peace and liberty for which our boys are fighting, together with greater prosperity than we have ever known. To accomplish this there are at least three elements which must be present. In our leaders of industry we must have enterprise and skill, and we must have plant and capital on a scale adequate to compete with other nations. Only the profits made and the experience gained during the war can render this possible. We must have technical knowledge of how to solve every difficulty, physical, chemical, or whatever it may be, that confronts the manufacturer, and some steps are being taken towards that end. More, however, than anything else, we must have such relations between the employer and the employed as will cause the employed to do heartily each day a full measure of his best work. The last is the great difficult to be overcome, and the element about which there is unfor tunately the most doubt. This is said with no intentic whatever of apportioning blame. One would suppose there must be faults on both sides. The fact remains if we are to compete successfully with other nations we r recover the older condition when men were proud of the they worked in and of its product. It may only be a mate question, but it may be a psychological one. Have emplo and employed struggled with each other until the only na feeling is antipathy, or can each be made to feel that so necessary to the other that not to work together at best is folly, apart from the economic crime involved?

The Monthly Letter.

In the President's address until a few years ago an a tempt was made to cover in more or less detail the industri position of Canada and of such other areas as, through o branches, we may be connected with. This is now done muc more satisfactorily in the Review of Business Conditio written by leading officers of the bank, and this makes it u necessary for me to deal with the financial and other con tions in Great Britain and the United States arising out the war and in which Canada is so deeply interested. For last two years we have also been publishing a Monthly Lett the importance of which is now widely recognized. In it current statistics of finance and trade are published, and addition to notes on subjects of interest, there were in 19 diagrams covering the mineral production of Canada, earnings of Canadian railways, freight traffic through canals at Sault Ste. Marie, agricultural and industrial prod tion, and wood for pulp exported and manufactured. We h that those among our shareholders and customers who sufficiently interested will read these publications.

Personal Thrift.

We have been told that we should save money, not fo our own benefit so much as because we should not spend unnecessary things the money needed to carry on the war. It is even more necessary that we should eat less, again not so much because we need to save for ourselves but because if we do not eat less others across the sea must go hungry. If we have men, money and food we shall win. If we fail in any of these we may lose. Individual tests, particularly in hotels and restaurants, show that very large savings can be made wherever the effort is directed to that end, but the difficulty is to make advice, or even the regulations of the Food Controller, effective in a country which produces food largely in excess of its own requirements and where economy in the use of food is thought to be evidence of a mean and sordid disposition. It is not, however, enough that we should eat less but that we should as far as possible replace some articles of food, especially white bread and bacon, with others. There is a satisfactory increase in the use of fish but only a small fraction of our people are responding in any degree to the call to economize. England has reduced the supply of sugar per capita per annum from 93 pounds to 26. Our normal supply is 90 pounds and we are not reducing it yet. Working in harmony with the United States, an order-in-council has been passed prohibiting the export, except to places within the empire, of food and relative commodities, unless a license has been obtained. The Food Controller is bringing under license the milling and packing industries, and is controlling the refining and distribution of sugar.

The license system will also be applied to fish, fruit, vegetables, groceries, package cereals, milk, etc. In our London Manager's Review of Business Conditions the following deeply significant words will be found:—

> "Too much importance cannot be attached to the "steps that may be taken in the United States and Can-"ada towards conserving food-stuffs, with a view to in-"creasing the amount available for export to the Allies. "The shortage of food, with which all the belligerents "are confronted, and the difficulty of increasing produc-"tion, owing to the lack of available man power, may "hasten, or even prove the dominating factor, in bring-"ing about a cessation of hostilities."

He means, of course, that such a shortage may prevent us from continuing the war until we can end it on our own terms. Do you wonder therefore that we return so often to this subject? Difficult as the problem may be, we must produce more, and we must eat less, otherwise some of those who are dearest to us across the sea must starve and we may lose our chance of dictating a peace, the nature of which shall be a guarantee that our children shall not have to fight again for those iberties which are now in jeopardy.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond ers, Toronto, report the following exchange rates to *The etary Times*:—

	Buyers.	Sellers.	Counter.
funds	1 1-16 pm	1⅛ pm	....
funds	par	par	⅛ to ¼
ling—			
Demand	$4.80.20	$4.80.50	$4.82½
Cable transfers	$4.81.50	$4.81.80	$4.84

Rates in New York—Sterling, demand, $4.75.20.
Bank of England rate, 5 per cent.

BANK CLEARINGS

The following are the bank clearings for the weeks of January 4th, 1917, and January 5th, 1918, respectively, with changes:—

	Week ended Jan. 5, '18.	Week ended Jan. 4, '17.		Changes.
Montreal	$ 74,896,575	$ 80,175,680	—	$5,279,105
Toronto	58,880,596	60,019,892	—	1,139,296
Winnipeg	43,675,204	38,634,043	+	5,041,161
Vancouver	8,142,373	6,986,810	+	1,155,563
Ottawa	5,334,324	5,307,818	+	26,506
Calgary	6,653,600	5,009,927	+	1,643,682
Hamilton	4,708,430	4,693,055	+	15,375
Quebec	4,117,636	4,033,436	+	84,200
Edmonton	3,182,840	2,542,414	+	640,426
Halifax	3,016,839	3,345,543	—	328,704
London	2,357,053	2,643,301	—	286,248
Regina	3,697,521	3,465,759	+	231,762
St. John	1,988,250	2,272,708	—	284,458
Victoria	1,698,372	1,334,330	+	364,042
Saskatoon	1,698,009	1,629,396	+	68,613
Moose Jaw	1,397,541	1,351,097	+	46,444
Brandon	805,662	681,276	+	124,386
Brantford	976,168	811,142	+	165,026
Fort William	774,259	589,192	+	185,067
Lethbridge	630,785	788,137	—	157,352
Medicine Hat	491,218	495,676	—	4,458
New Westminster ...	358,329	249,901	+	108,428
Peterboro	988,716	590,992	+	397,724
Sherbrooke	678,090	539,398	+	138,692
Kitchener	576,754	547,324	+	29,430
Totals	$231,725,153	$228,738,247	+	$2,986,906

The Toronto bank clearings for the current week are $64,395,261, compared with $63,347,095 for the same week in 1917, and $46,100,863 in 1916.

UNION BANK
OF CANADA

53rd Annual Statement—30th November, 1917

The Fifty-third Annual Meeting of the Shareholders of he Union Bank of Canada, was held at the Head Office of he Bank, in the City of Winnipeg, at twelve noon, on Wed-day, the 9th instant.

The President, MR. JOHN GALT, in the chair.

Report of the Directors.

The Directors have pleasure in presenting their report showing the result of the business of the Bank for the year ending 30th November, 1917.

During the year a branch of the Bank has been opened at Elnora, Alta., and an agency in the city of New York, U.S.A. Five branches of the Bank, which were not giving satisfactory results, under present conditions, have been closed as follows: Grimsby, Ont., Robsart, Sask., Glacier, Vanderhoof, and Vernon, B.C. The number of Branches and Agencies is now 308. The usual inspection of head office and all branches and agencies of the bank has been made.

JOHN GALT, President.

Profit and Loss Account.

Balance at credit of account, 30th November, 1916	$ 93,160.42	
Net profits, for the year, after deducting expenses of management, interest due depositors, reserving for interest and exchange, and making provision for bad and doubtful debts and for rebate on bills under discount, have amounted to	763,463.92	
		$856,624.34

Which has been applied as follows:

Dividend No. 120, 2 per cent., paid 1st March, 1917	$100,000.00	
Dividend No. 121, 2 per cent., paid 1st June, 1917	100,000.00	
Dividend No. 122, 2 per cent., paid 1st September, 1917	100,000.00	
Dividend No. 123. 2 per cent., payable 1st December, 1917	100,000.00	
Bonus of 1 per cent., payable 1st December, 1917	50 000.00	
Transferred to Contingent Account ..	150,000.00	
Written off Bank Premises Account, Real Estate other than Bank Premises, and Alterations	75,000.00	
Contribution to Officers' Pension Fund	10,000.00	
Contribution to French Red Cross Society	5,000.00	
Contribution to French Wounded Emergency Fund	5,000.00	
Contribution to British Red Cross Society	5,000.00	
War Tax on Bank Note Circulation to 30th November, 1917	50,000.00	
Balance of Profits carried forward ..	106,624.34	
		$856,624.34

General Statement of Liabilities and Assets

AS ON 30th NOVEMBER, 1917.

LIABILITIES

Capital Stock		$ 5,000,000.00
Rest Account	$ 3,400,000.00	
Balance of Profit and Loss Account carried forward	106,624.34	
	$ 3,506,624.34	
Unclaimed Dividends	5,492.68	
Dividend No. 123, payable 1st December, 1917	100,000.00	
Bonus of 1 per cent., payable 1st December, 1917	50,000.00	
		3,662,117.02
		$ 8,662,117.02
Notes of the Bank in circulation	$12,779,662.00	
Deposits not bearing interest	44,368,804.40	
Deposits bearing interest	73,508,157.75	
Balances due to other Banks in Canada	372,938.57	
Balances due to Banks and Banking Correspondents elsewhere than in Canada	1,132,882.08	
		132,162,444.80
Acceptances under Letters of Credit		2,586,609.63
Liabilities not included in the foregoing		755.75
		$143,411,927.20

ASSETS

Gold and Silver Coin	$ 954,667.68	
Dominion Government Notes	19,514,069.00	
		$ 20,468,736.68
Deposit with the Minister of Finance for the purposes of the Circulation Fund		260,000.00
Deposit in the Central Gold Reserves		8,200,000.00
Notes of other Banks		770,549.00
Cheques on other Banks		3,912,030.75
Balances due by other Banks in Canada		82,984.17
Balances due by Banks and Banking Correspondents elsewhere than in Canada		5,193,687.14
Dominion and Provincial Government Securities not exceeding market value		9,361,729.52
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian		16,244,470.99
Railway and other Bonds, Debentures and Stocks not exceeding market value		2,933,212.60
Call and Short (not exceeding 30 days) Loans in Canada, on Bonds, Debentures and Stocks		6,634,990.26
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada		2,938,000.00
		$ 77,000,391.11
Other Current Loans and Discounts in Canada (less rebate of interest)		58,791,493.28
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)		3,154,431.66
Liabilities of customers under Letters of Credit, as per contra		2,586,609.63
Real Estate other than Bank Premises		370,603.77
Mortgages on Real Estate sold by the Bank		99,974.93
Overdue Debts, estimated loss provided for		250,204.91
Bank Premises, at not more than cost, less amounts written off		1,106,299.25
Other Assets not included in the foregoing		51,918.66
		$143,411,927.20

JOHN GALT, President. **R. B. SHAW, General Manager.**

Report of the Auditors to the Shareholders of the Union Bank of Canada

In accordance with the provisions of sub-sections 19 and 20 of Section 56 of the Bank Act, we report to the Shareholders as follows:—

We have audited the above Balance Sheet with the books and vouchers at Head Office and with the certified returns from the branches.

We have obtained all the information and explanations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In addition to our verification at the 30th November, we have, during the year, checked the cash and verified the securities representing the investments of the Bank at its chief office and principal branches and found them to be in agreement with the entries in the books of the Bank relating thereto.

In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Bank, according to the best of our information and the explanations given to us, and as shown by the Books of the Bank.

T. HARRY WEBB, E. S. READ, C. R. HEGAN,
Auditors
of the firm of
WEBB, READ, HEGAN, CALLINGHAM & CO.,
Chartered Accountants.

Winnipeg, 18th December, 1917.

THE BANK OF TORONTO

Report of the Sixty-Second Annual General Meeting

The Sixty-second Annual General Meeting of the Stockholders of the Bank of Toronto was held at the Head Office, in Toronto, Wednesday, 9th January, 1918.

The chair was taken by the President, Mr. W. G. Gooderham; the Assistant General Manager, Mr. John R. Lamb, was requested to act as secretary, and Messrs. George R. Hargraft and C. H. Taylor were appointed scrutineers.

The Secretary read the Annual Report as follows:—

The Directors of the Bank of Toronto beg to present their Report for the year ending 30th November, 1917, accompanied by the Statement of the Bank's affairs and the results of the operations for the year.

PROFIT AND LOSS ACCOUNT.

The Balance at credit of Profit and Loss, on November 30th, 1916, was	$ 507,989 87
The Net Profits for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits and rebate on current discounts, amounted to the sum of	802,920 49
	$1,310,910 36

This sum has been appropriated as follows:—

Dividend No. 142, Two and three-quarters per cent.	$137,500 00	
Dividend No. 143, Two and three-quarters per cent.	137,500 00	
Dividend No. 144, Two and three-quarters per cent.	137,500 00	
Dividend No. 145, Two and three-quarters per cent.	137,500 00	
		550,000 00
War Tax on Circulation	$ 49,403 83	
Transferred to Officers' Pension Fund	25,000 00	
Patriotic Fund and other War subscriptions	29,200 00	
Toronto General Hospital	2,000 00	
Written off Bank Premises	100,000 00	
		205,603 83
Carried forward to next year		555,306 53
		$1,310,910 36

The business of the country has continued throughout the year at increasingly high levels. The resources of the Bank have increased and have been steadily employed.

The Head Office and Branches of the Bank have been regularly inspected by the Inspection Staff, and at the Head Office the usual special inspection of cash and securities has been made.

Mr. G. T. Clarkson, C.A., the Auditor of the Bank, has made his examination of the principal offices of the Bank, and his report is appended to the general statement presented herewith. Mr. Clarkson's name will be submitted to the Shareholders at the Annual Meeting for re-appointment as Auditor.

All of which is respectfully submitted.

W. G. GOODERHAM,
President.

General Statement, 30th November, 1917.

LIABILITIES.

Notes in Circulation		$ 7,606,005 00
Deposits bearing interest, including interest accrued to date of statement	$46,872,381 30	
Deposits not bearing interest	17,034,916 41	
		63,907,297 71
Balances due to other Banks in Canada	276,407 47	
Balances due to Banks and banking correspondents in the United Kingdom and Foreign Countries	279,360 38	
		555,767 85
Quarterly Dividend, payable 1st December, 1917	137,500 00	
Dividends unpaid	1,284 25	
		138,784 25
Acceptances under Letters of Credit		530,757 48
		$72,738,612 29
Capital paid up	$ 5,000,000 00	
Rest	6,000,000 00	
Balance of Profit and Loss Account carried forward	555,306 53	
		11,555,306 53
		$84,293,918 82

ASSETS.

Gold and Silver coin current	$ 962,652 34		
Dominion Notes held	9,119,700 00		
Deposit in the Central Gold Reserves	2,500,000 00		
		$12,582,352 34	
Deposit with the Minister for the purposes of the Circulation Fund		262,273 26	
Notes of other Banks		552,055 00	
Cheques on other Banks		2,785,480 37	
Balances due by Banks and banking correspondents elsewhere than in Canada		2,332,775 08	
Dominion and Provincial Government Securities, not exceeding market value		6,170,018 05	
Canadian Municipal Securities and British foreign and colonial public securities other than Canadian		10,198,509 82	
Railway and other Bonds, Debentures and Stocks, not exceeding market value		896,625 03	
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks		2,158,411 63	
			$37,938,500 58
Other Current Loans and Discounts in Canada (less rebate of interest, $157,600.00)		42,196,692 97	
Overdue Debts (estimated loss provided for)		117,083 04	
			42,313,776 01
Liabilities of Customers under Letters of Credit, as per contra			530,757 48
Bank Premises, at not more than cost, less amounts written off			3,510,884 75
			$84,293,918 82

W. G. GOODERHAM, President.
THOS. F. HOW, General Manager.

Toronto, 30th November, 1917.

AUDITOR'S REPORT TO THE SHAREHOLDERS.

To the Shareholders of the Bank of Toronto:

I have compared the above Balance Sheet with the books and accounts at the chief office of the Bank of Toronto, and certified returns received from its branches, and after checking the cash and verifying the securities at the chief office and certain of the principal branches on November 30th, 1917, I certify that, in my opinion, such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs, according to the best of my information, the explanation given to me, and as shown by the books of the Bank.

In addition to the examination mentioned, the cash and securities at the chief office and certain of the principal branches were checked and verified by me during the year, and found to be in accord with the books of the Bank.

All information and explanations required have been given to me, and all transactions of the Bank which have come under my notice have, in my opinion, been within the powers of the Bank.

G. T. CLARKSON,
Chartered Accountant.

Toronto, December 19th, 1917.

After the Report had been read, the President, Vice-President and General Manager addressed the meeting.

It was then moved by the President, seconded by the Vice-President, and resolved that the Report of the Directors and Statement now presented be adopted, and that printed copies thereof be distributed to the Stockholders.

Motions were also passed approving the action of the Directors in subscribing to Patriotic Fund and other War subscriptions, appointing Mr. Geoffrey T. Clarkson as Auditor for the current year, and tendering the thanks of the Stockholders to the President, Vice-President and Directors for their attention to and careful management of the Bank's affairs during the past year.

The following Directors were then elected for the ensuing year: W. G. Gooderham, William Stone, John Macdonald, Lieut.-Col. A. E. Gooderham, Joseph Henderson, Brig.-Gen. F. S. Meighen, J. L. Englehart, William I. Gear, Paul J. Myler and Archibald H. Campbell.

At a subsequent meeting of the new Board, Mr. W. G. Gooderham was unanimously re-elected President and Mr. Joseph Henderson Vice-President.

TO TAKE UP RAILS ON LINES NOT VITAL

Main Arteries of Railway Traffic to be Kept in Condition —Action by War Board

In order to secure the rails required to keep the main arteries of traffic in good condition, it was decided at a meeting of the Canadian Railways War Board at Montreal on Tuesday to petition the government to take up the metal on lines that are not vital. This work will entail the removal of 1,500 to 2,000 miles of rails, and the government will be asked to hold over certain classes of labor continually passing through Canada to Europe to handle it. Some 20,000 laborers will be wanted, and their wages, about $50,000 a day, will be spent in this country.

The Canadian Railways War Board, furthermore, in view of the growing scarcity in food supplies and the imperative necessity that Canada produce every bushel of grain possible, has addressed the food controller, asking that he use his influence with the government to have sufficient of this labor retained here during the next summer in order that the farms may be worked to their limit.

To Send Back Cars.

As a result of representations made by the Canadian Railways War Board to the American railway authorities at Washington, the United States railways have been ordered to send nearly six thousand empty box cars to Canada, and deliveries of these cars will be accomplished as speedily as the lines to the south can move them out of the congested district. With these cars available the Canadian railways will be in a position to move a great deal of the freight which has been delayed in Canada awaiting cars to move it to the United States.

With a view to expediting the movement of traffic between Toronto and Montreal, the Canadian Railways War Board directed the Canadian Northern Railway to accept fifty cars of freight per day from the other lines at Toronto for movement east.

To Help Coal Shortage.

Action taken towards remedying the coal shortage in the Dominion was also reported. The government railways have been ordered to run only one train a day between Halifax and Montreal, it was stated, while it was also announced that the accumulation of traffic, consisting principally of coal coming into Canada at the American frontier, was entirely cleared.

The shortage of flat cars for the movement of munitions and other important materials in Ontario, it was stated, had been met by the rushing of 300 idle cars from the west.

Supplementing the saving in coal consumption which the railways have already accomplished, an order was issued today by the Michigan Central Railway calling for a reduction in the passenger service of that line in Ontario, which at present is in excess of the needs of necessary travel.

In Western Canada, the action taken by the Canadian Railways War Board to increase the movement of coal from the mines to the prairie cities and towns, it was said, has had the effect of greatly diminishing the shortages which were reported a few weeks ago.

NATIONAL LIFE REPORT

The National Life Assurance Company held its nineteenth meeting this week. Mr. Elias Rogers is president of the company, Mr. Albert J. Ralston is first vice-president and managing director, and Mr. F. Sparling is secretary. A good financial statement was presented. It was explained at the meeting that Dominion government, provincial government, city, town, county, village, township and school debentures, are taken in the statement $109,498.70 below the par value. The bank stocks and Toronto Consumers' gas stock are taken in at book value. The head office building is given a market value of $275,000. Under the Insurance Act the company is entitled to use this value, but it has been taken in at the book value of $230,000. Equipment and treasury vault include all supplies, office furniture and treasury vault, costing originally approximately $45,000, is now taken in at $14,902.

The outstanding premiums at the close of business a year ago were approximately $182,000, and this year are reduced to $111,765. This computation is based on the statement of 1916. The increase in actual cash receipts from insurance premiums and interest income for 1917 by way of comparison with the year 1916, as appears in the government blue book, shows an increase of $233,965. A more extended reference to the company's statement will be made in these columns next week.

CONSOLIDATED MINING AND SMELTING COMPANY

The main achievement of the Consolidated Mining and Smelting Company for the year was the production of 10,000 tons of pure zinc of a value of $3,000,000, which event may be said to mark a definite stage in the metallurgical history of the country. The company increased its production of refined lead by 2,000 tons to 22,000 tons, doubled its capacity for the production of sulphuric acid, and made a new record by producing over $13,000,000 worth of metals.

The writing off for depreciation of plant and equipment, and development of properties was $1,028,000, against $876,000 charged against these accounts in the 1916 year, included in the charge for depreciation is $450,000 written off the zinc plant, which for a certain period was in an experimental stage.

The net profit was $1,076,828, against $996,496 in 1916. Depreciation charges were, therefore, about $162,000 more, and the increase in profits was $80,000. This is rather a better showing than the incessant labor troubles, shortage of coal and the curtailment of ore shipments gave the shareholders reason to expect. The company's net after depreciation, however, closely approximates its increased dividend requirement, the surplus after payments of $995,012 to the shareholders being $81,816. The results for the three years compare as follow:—

	1917.	1916.	1915.
Written off for depreciation	$ 648,058	$ 278,368	$ 193,140
Written off for development of properties	380,071	508,745	......
Net profits	1,076,828	996,496	795,411
Dividends	995,012	770,337	464,308
Profit and loss	2,360,274	2,278,458	2,058,200

CANADA LIFE

ASSURANCE COMPANY

Figures From 71st Annual Report

December 31st, 1917.

Total Assets - - - - -	$ 62,580,336.68	Increase	$ 3,341,153.06
Total Assurances in Force - - -	183,016,760.05	Increase	13,051,956.85
Total Income - - - - - -	9,570,991.75	Increase	733,098.11
New Assurances Issued - - -	23,542,464.87	Increase	3,018,420.77
" " Paid For - - -	21,368,943.00	Increase	2,331,797.00
Reserves for Protection of Policyholders	52,562,478.00	Increase	2,466,241.00
Net Surplus - - - - - - -	6,731,192.38	Increase	687,514.61

Above, *in brief, are the Results for 1917 as shown by the Financial Statement.*

Below, *are a few other important accomplishments during the year.*

THE CANADA LIFE IN 1917:—

1. Subscribed practically its entire revenue to the Victory Loan.
2. At the request of the Chancellor of the Exchequer of Great Britain, purchased £100,000. 0. 0. of bonds of the United Kingdom, to help Great Britain's finances.
3. Maintained an interest rate of 5.85% notwithstanding large purchases of 5½% bonds.
4. Extended the sale of Monthly Income and Business Insurance, many applications for very large amounts having been received during the year.
5. Carried out the year's operations with an important decrease in the ratio of expenditure.
6. Placed more additional insurance with existing policyholders than ever before.

CONSTRUCTION OF SHIPS PLANNED

Government Will Build Ships for Canada's Trade—Steel to be Rolled in Canada

"The government's progressive shipbuilding plan," announced the Hon. C. C. Ballantyne, minister of marine and fisheries, at Ottawa recently, "will involve the expenditure of between fifty and sixty million dollars per annum.

"The ships will be built and owned by the government, and the policy inaugurated is a policy of government ownership of ocean transports. They will be partly operated by the government, and perhaps wholly, although some may be chartered to responsible parties. After the war they will likely be used as a government-owned ocean line to co-operate with the Intercolonial and public-owned railways.

Use Yards to Utmost.

"No new shipyards will be established at present, but the present yards will be utilized to the utmost capacity. The main yards are the Vickers, Montreal; George Davies, Levis; Polson Iron Company, Toronto; Collingwood Shipbuilding Company, Port Arthur Dry Dock and Shipbuilding Company, and the yards at the Pacific coast.

"Ships now under contract for the British government will be completed. These were let by the Imperial Munitions Board, and will be completed early in the summer, and after that date Canada will undertake all construction. It is felt that as Canada provides the finances, it should exercise control.

"There will be an equitable distribution of labor between the various plants in order to secure the maximum of efficiency, and Mr. Charles Duguid, naval architect of the government, will be the technical officer in charge of the work. He designed all the more modern steamers and had years of practical experience on the Clyde and at Belfast.

To Roll Steel in Canada.

In conclusion Mr. Ballantyne announced that "steel rolling mills to make plates, will be located in Canada. Lately all steel has come from the United States, but to meet this programme mills will likely be located in connection with existing plants at Sydney, New Glasgow, Hamilton and Sault Ste. Marie.

"The present total capacity of the Canadian mills is 300,000 tons per year, which, considering Canada's population, compares favorably with the one million-ton capacity of the United States. The whole shipbuilding programme is being launched with a view to helping the world's shortage of transportation and should be an important factor in the fight against the Huns."

SHAWINIGAN WATER AND POWER COMPANY

A syndicate of United States investment bankers is offering a block of the Shawinigan Water and Power Company's 2-year 6 per cent. convertible gold notes due December 15th, 1919, at 97½ and interest, yielding 7⅜ per cent.

The following points are taken from a letter of the president of the company. This company owns or controls developed water powers of a capacitly of 330,000 horse power and furnishes electricity to more than 50 communities throughout the province of Quebec. The total population of the territory served is about 1,500,000.

These notes are convertible at 110 into stock, which has paid continuous dividends for ten years, the rate since 1915 being 7 per cent. This stock is quoted to-day at about 107, and the high price in 1916 and during each of the preceding three years, was over 140. This stock has a market value at present quotations of about $16,000,000, indicating a substantial equity above these $4,500,000 notes.

Net earnings for 1917 (two months estimated) are equal to more than 3 times the interest paid, or 2⅓ times interest for 1918, including interest on these notes. As a result of the expenditures represented by these notes, very substantial increases in net earnings for 1918 and thereafter are assured.

Mr. Arthur Worley has been appointed general manager of the North British and Mercantile Insurance Company in London.

NIAGARA FALLS CYANAMID PLANT

No Market in Canada; Products Go to Great Britain and United States

The development of manufactures from atmospheric nitrogen at Niagara Falls was the theme of an interesting address to the board of trade, Niagara Falls, Ontario, last month, by Mr. Horace Freeman, F.C.S., research chemist, American Cyanamid Company. Mr. Freeman stated that "the cyanamid process requires large amounts of cheap electrical energy for its operation and for this reason it has not been developed in England, which has no water powers, although the improvements in steam engineering and gas engine developments might yet allow of its introduction there, especially if some concerted movement should take place for the more direct development of power at the coal pit or even in the mine itself." He continued:—

"The cyanamid process is the best adapted for the conditions and requirements of North America, and was chosen after exhaustive investigation of the different processes in Europe, in 1907, by Mr. Frank S. Washburn, who went abroad with the object of securing the most attractive process in order to make a profitable market for the proposed power development in Alabama. The patent rights were purchased for this purpose in 1907 by the American Cyanamid Company.

First and Only Factory.

"The establishment of the first, and at present only factory for the fixation of atmospheric nitrogen in America or the British Empire at Niagara Falls, Canada, by this company, was due to the failure of negotiations for the development of hydro-electric power in the United States, and to the cheap power offered at that time in Canada. When in 1913 capital was obtained in London for the extension of the industry to Alabama, where it was originally intended to go, similar conditions prevailed and the Canadian plant was extended by the expenditure here of some millions of dollars. There is at present practically no market in Canada for the products of the plant, which find their way to the United States and England, chiefly at present in the form of materials for munitions of war, but its operation has been of inestimable benefit to Canada, and particularly to the community of Niagara Falls. The factory has been enlarged by additions of capital to a possible capacity of 64,000 tons of cyanamid per annum, and it is a matter of regret for ourselves, as well as for the company, that owing to the shortage of power the Hydro Commission has reduced the power available for this important manufacture of fertilizer and explosives materials.

Commenced in 1909.

"Since the commencement of operations in 1909 the American Cyanamid Company has energetically sought the maximum development of the possibilities of cyanamid in many fields and at this plant a great amount of technical work has been carried on under the direction of Dr. W. S. Landis, and the use of cyanamid has been extended into many arts. The plant is up-to-date in every respect. Its employees are better paid than those of any other similar factory, and their welfare is taken care of by a very efficient safety committee, whose endeavors have made conditions of working far better than those in the majority of chemical factories.

"The raw materials used in the manufacture of cyanamid are the atmosphere, lime and coke, and to bring them into the proper combination a plentiful supply of electric power is required.

CANADIAN NORTHERN NOTE PAYMENT

The Canadian Northern Railway paid off yesterday $1,250,000 of its secured gold notes, due on that date. This is the second note issue paid off within six weeks by the Canadian Northern Railway, a loan of $1,750,000 having been paid early in December. This is exclusive of equipment issues of the company with maturities of about $3,250,000 per year, maturing in various months made during the year, and paid out of cash resources.

Mr. Owen D. Jones has been appointed general manager of the North British and Mercantile Insurance Company in Edinburgh.

LIFE INSURANCE HELPS CREDIT

Bankers are Impressed with Its Value to Business Men

"The best thought of the age considers that life insurance is the practical solution for many of our economic ills and business failures," was the remark recently made by former President Neil D. Sills, chairman of the United States committee on the use and extension of life insurance as credit. "The whole plan of life insurance is one of mutual helpfulness conducted on a scientific basis. Credit, properly used, is man's greatest asset in business; and that credit is built on his determination and ability to pay.

"Most progressive men die owing money. A prominent banker told me a few days ago that one of the hardest parts of his work was the collection of notes from men's estates, for those notes often took the all from the widows and children, including their homes.

"Life insurance now constitutes 87 per cent. of what Americans leave at death.

"Practical experiences have in the last few years caused the business world to attach more and more value to life insurance as a basis of credit. This great plan is as yet only in its infancy; but is growing rapidly.

Financial Constructive Force.

Mr. J. Howard Ardrey, vice-president of the National Bank of Commerce, New York City, says: "Men no longer think of life insurance in terms of protection alone, but now regard it as a constructive force in commercial and financial life. It has become the basis of credit at the bank, and is the foundation of many partnership agreements. It is the means by which the profits of a firm in the days of prosperity may be hoarded up for the days of adversity. No man engaged in active business life can afford to be without life insurance, and the time is fast coming when creditors are going to require that the debtor insure his life just as he would his merchandise."

Within the last few years there has been written in America over $600,000,000 of business life insurance.

Last November the Harriman National Bank ran the following display ad. in the metropolitan papers:—

"Life Insurance a Credit Factor.—The honorable man in his will first makes provision for the payments of his just debts, and only thereafter seeks to provide for even those nearest and dearest to him. This is proper, and should be so regarded, particularly by the active business man who would leave to his family not only the material rewards of his endeavors, but that which is greater than riches—a good name. In no better way can this provision be made than by life insurance in favor of his business.

"Instances are numberless where such insurance would possibly not only have saved creditors from loss, but surviving partners from failure and family from distress. Failures in business are due in the least degree to lack of intention to pay, and in the greatest degree to inability to pay from a dozen other causes, one of which is untimely death of the individual upon whose personal activities or invested capital the business is dependent for its success.

"An important feature of business life insurance is the additional credit responsibility which it confers; it is also an asset of growing value from year to year; and, all in all, this type of insurance is so reasonable and so obviously advantageous, that it might readily be made a requirement of all commercial borrowers.

"The Harriman National Bank does not hesitate to recommend, and in many instances to demand, the protection of business insurance for its own interests as well as those of the borrower."

Banks Show Appreciation.

The Union Savings Bank of Pittsburg has opened a new department, known as the "Union Savings Insurance Club," to aid life insurance policyholders in systematically providing for their annual premium payment. This great savings bank states: "There used to be a feeling in certain quarters that life insurance companies and savings banks were direct competitors. That feeling has given place during recent years to a realization that the activities of both institutions can be welded together in a bond of mutual helpfulness, to the very great benefit of policyholders and bank depositors."

The above is only one of the many cases where banks have shown their appreciation of the value of life insurance, and indicated a practical desire to assist policyholders in carrying more. This fine co-operation on the part of banks is appreciated by the members of the National Association of Life Underwriters; and we want to in every possible way show our appreciation to our good friends—the bankers. One of the most effective ways to help is to spread the great gospel of "The Value of Life Insurance as Credit."

Business and Life Insurance.

To meet a future known loss, most bankers or business houses charge off a certain per cent. of that loss each year. Ninety-five per cent. of the element of success in any business originates in the personality of the management. The strong man or men of the business house or bank will at death become a total loss to their concerns. This loss can and should be covered by life insurance. It would cost from 2 to 5 per cent. per year, according to age, thus making a very small per cent. yearly to write off, and the total loss may come in one year.

The work of our committee is mainly educational, and we are beginning to see a general awakening all over the country among financial institutions and business men regarding the great value of life insurance as credit.

The credit forms of most of the federal reserve banks ask the amount of life insurance carried. The National Credit Men's Association recognizes the importance of this information; and now the American Bankers' Association is about to include it in its credit form blanks. All of these help greatly in the service life insurance can render to mankind. The Canadian bankers are also strong in their approval of life insurance as an aid to credit.

BRITAIN'S LOANS TO ALLIES

In Less Than Three Years of War, the Total was £1,038,000,000

Of the $340,000,000 of advances by the United Kingdom to its allies and dominions made in the five weeks to May 5th, 1917, only $20,000,000 was for the dominions, who now are in a position to finance the major part of their own war requirements. In the period to the end of March, 1917, Great Britain had advanced to allies and dominions a sum of $4,590,000,000, to which has to be added $260,000,000 due to Britain for interest, discount, etc. With the further advances made since April 1st, the indebtedness of the allies and dominions to Britain was in May raised to $5,190,000,000, of which $4,460,000,000 was on account of the allies, and $730,000,000 the dominions. As far as it is possible to ascertain, the advances made have been in pounds sterling as follows:—

Loans of United Kingdom to Allies and Dominions since War Began.

	Allies £	Dominions £	Total £
Aug. 4, '14—Mar. 31, '15.	18,000,000	44,000,000	52,000,000
Apr. 1, '15—Mar. 31, '16.	270,000,000	54,000,000	324,000,000
Apr. 1, '16—Mar. 31, '17.	540,000,000	54,000,000	594,000,000
	828,000,000	142,000,000	970,000,000
Apr. 1, '17—May 5, '17 .	64,000,000	4,000,000	68,000,000
	892,000,000	146,000,000	1,038,000,000

For the financial year 1917-1918, British loans to allies and dominions it is estimated will amount to £400,000,000, or about $1,950,000,000.

France had advanced by June to her allies or friendly nations a total of $748,000,000. Permission was then asked of the Chamber of Deputies for authority to loan an additional $412,000,000, which would bring the total advances by France up to $1,160,000,000.

The British advances to Canada are discussed elsewhere in this issue.

Mr. B. B. Cronyn has been elected vice-president and managing director of the W. R. Brock Company, the well-known drygoods house at Toronto.

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LUMBER IN BRITISH COLUMBIA

Log Production was 40 Per Cent. Higher Last Year—Wooden Shipbuilding

(Staff Correspondence.)

Vancouver, Jan. 1st, 1918.

In 1916, the value of the timber products of British Columbia was $35,528,000. In 1917, the output of shingles has been just as great, with prices much in advance of those of 1916; more lumber has been manufactured, and as quality was the particular essential, the price was high; log production for the year will be about 40 per cent. higher than in 1916, with prices 75 per cent. greater—so it may safely be estimated that the total for last year will be greater than for 1916, which was the record. Lumbermen believe that it will overtop mining, which, in 1916, recorded a new high mark at $42,970,555, which last year should be as great, although strikes in coal mines have interfered with continuous operation of smelters.

Wooden Schooners Help Lumber Trade.

The building of wooden auxiliary schooners has done much to give an added activity to lumber manufacturing plants in Vancouver and Victoria. The contracts of the Canada West Navigation Company gave the industry its initial start, and many bottoms are now being built for the Imperial Munitions Board. The aggregate value of all the ships built and building last year was roundly $25,000,000. The material required in these boats is clear timber, with a price in the neighborhood of $40 per thousand feet.

The fact that ships have been built has enabled mills to ship overseas, exports of lumber having been almost stopped for a while owing to the lack of carriers. The Wallace Shipyards has launched six off its ways at North Vancouver and all are in the lumber trade. The Cameron Genoa Mills Shipbuilders, Limited, Victoria, launched the last of five on November 1st; all these being for the Canada West Navigation Company. Most of the lumber going offshore just now is for Australia, with some for South America.

Lumber Mills and Export Trade.

More lumber mills are in the export business now than ever before, and with a volume of trade offering, there does not promise to be any falling off. Worth mentioning is the shipment of lumber overseas again from Alberni Canal (Port Alberni) for the first time since the lumber industry was started in this province. The first sawmill was at Victoria, built by the Hudson's Bay Company, but the first big mill was at Alberni, when Capt. Stamp, with British capital, started to cut the fine timber there in the middle sixties, and shipped lumber foreign. It was not long after, though, before he came across to Burrard Inlet and the Hastings mill was built on the present site. The outlook now is that Port Alberni will continue to export lumber.

When the figures of shingle production for last year are available, an increase should be noted. Not only has the production of the mills been nearly up to capacity, that is about 80 per cent., the usual average, but several new large plants will have been put into operation before the year is out. Raw material has been scarce, bolts being at $9 and $10, and shingle cedar logs at $14 and $15. Shingle prices at the middle of November were: Perfection, $4.25; Eurekas, $3.40; XXXXX, $3.25; XXX, $2.55.

Shingle Exports to United States.

Exports of shingles for the first nine months of 1917 to the United States were: January, 101,702,340; February, 67,589,199; March, 96,699,482; April, 130,655,412; May, 147,178,970; June, 131,123,803; July, 96,612,658; August, 116,865,816; September, 100,587,980; October, 150,740,410.

Despite the great increase of production of the logging camps, the demand for logs is greater than the supply. For the first nine months of last year the cut was 1,072,210,445 feet, as compared with 750,091,000 feet for the corresponding period of 1916. The total cut for 1916 was 1,084,733,000 feet, so that production for the first nine months of 1917 is about the same as the whole of 1916, which was up to that time a record. November log prices were: Fir, $10, $13, $16; spruce, $10, $20, $30; cedar, $14 and $17; hemlock, $10. Camps are operating to as great a capacity as is possible with a scarcity of labor, and new camps are steadily starting up. United States loggers who have held timber for many years, are opening up some of their limits. The output for the last three months of 1917 will be large, for the weather since July 1st has been very favorable, October and November being the best months in years.

Log Production in British Columbia.

Comparative figures of log production are:—

	1916. Feet.	1917. Feet.
January	38,424,000	74,971,000
February	34,860,000	48,864,000
March	45,349,000	80,658,000
April	63,877,000	87,792,000
May	113,488,000	155,798,000
June	120,389,000	144,345,000
July	108,751,000	176,963,000
August	116,144,000	170,994,000
September	108,809,000	131,922,414
October	131,559,000	....
November	91,776,000	....
December	111,307,000	....

From the foregoing it may be noted that production of the camps started large in January, 1917, and the comparative monthly increase over 1916 has been steadily maintained. These figures are, of course, for the whole of the province, indicating that activity in the industry is general. This is also shown by the smaller lumber stocks on hand in the Kootenay and Boundary districts, less than usual, while along the line of the Grand Trunk Pacific more than a dozen new plants have come into operation during 1917. While greater profits may not be in proportion to the increase of activity, owing to the heavier cost of every article needed in production, the wide range of the industry means a large volume of general business in all parts of the province.—R. B. Bennett.

PRESENTATION TO MR. A. HOMER VIPOND

A luncheon was tendered Mr. A. Homer Vipond recently at Montreal on the occasion of his twentieth anniversary with the New York Life Insurance Company, at which a presentation of silver plate was made by the local representatives.

The chair was occupied by Mr. J. G. Pelton, the local manager, who referred in complimentary terms to Mr. Vipond's work during his twenty years' service, giving figures of the large amount of business secured during that period, which sands first amongst the company's agents of Canada. There were also present from the home office Mr. J. E. Briggs and Mr. Robert Dedell, who both spoke of the high esteem in which he was held by the home office.

Letters of congratulations were read from the president and the vice-president of the company, as well as from several officials of Canadian companies. Addresses were also delivered by several of the company's representatives in Montreal and outside points. Mr. Pelton announced that the Montreal branch had written over $4,500,000 of business during the year that has just closed.

CONTINENTAL INSURANCE COMPANY IN CANADA

In November last, the business of the Guardian Casualty Company was reinsured in British Columbia by the Continental Casualty Company, of Chicago. Under the agreement, existing accident, health and liability contracts of the Guardian Casualty and Guaranty Company were reinsured, the bulk of this business consisting of accident and health policies having an aggregate annual premium income of approximately $50,000; the balance of liability premiums amounted, roughly, to $20,000 per year. Much of the liability business was written at non-tariff rates. The Continental, however, has joined the Western Canada Casualty Underwriters' Bureau, and will renew all liability business on a tariff basis. In other words, the Continental in Canada, as in the United States, will operate strictly as a tariff company. Their operations in Canada at present are confined to British Columbia for the purpose of taking care of this reinsured business, and the company will not expand their development to other provinces until some time after February 1st, 1918.

Mr. H. G. B. Alexander is president and general manager of the Continental Guarantee Company; Mr. H. A. Behrens is vice-president; and Mr. W. H. Bettes is secretary.

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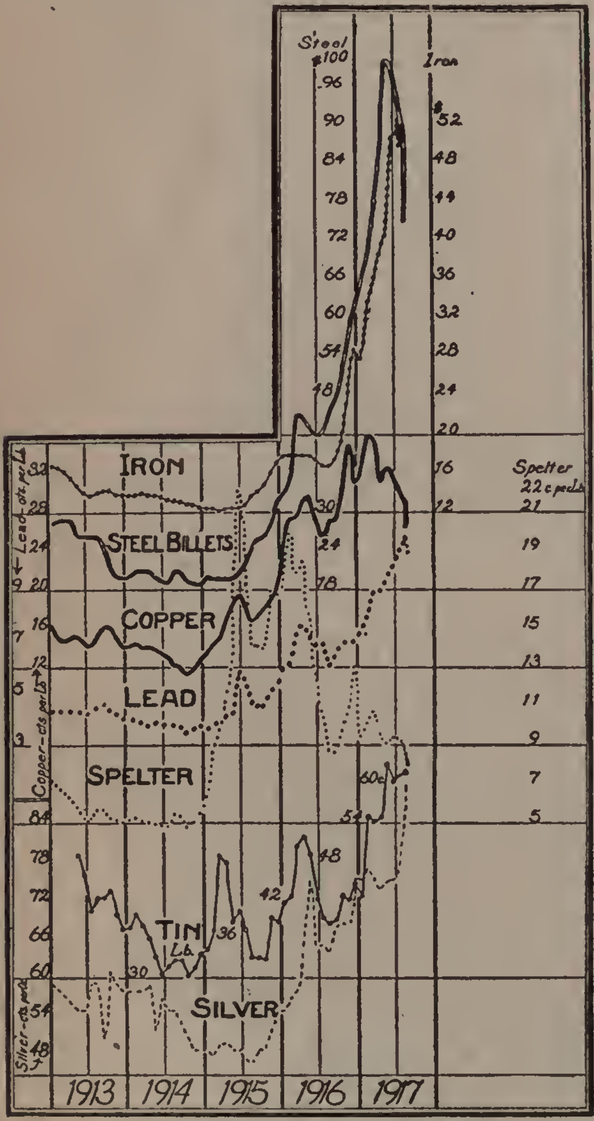
METAL PRICES HERE HIGH

Range of Prices Since 1914 Has Been Wide—Increase in Steel Production

Metal prices continued to increase last year. The accompanying chart, prepared by the Alexander Hamilton Institute, New York, shows the trend of metal prices for several years.

The production of iron in 1917 in the United States amounted to over 40,000,000 tons. A perpendicular rise in the price of coke and the higher wages caused iron producers to advance prices gradually during 1916, but most of the advance from around $13 a ton to over $50 a ton in 1917 came after it was seen that the war order business would continue for some time because the United States had entered the conflict.



How Metal Prices Have Risen.

Increase in Steel Production.

Steel production in 1916 showed an increase of 32 per cent. over 1913. The price of semi-finished steel in June last was about four times that charged three years ago, but now that the car shortage has been relieved and the prices of coal and coke fixed on a reasonable basis, steel billets can be produced at a good profit around $40 to $45 a ton, except where excessive ocean charges must be paid on imported ore.

Copper prices have advanced only about one-third as much as steel, the greater stability of copper being due partly to the fact that the copper in a shrapnel shell is saved when a gun is fired and partly because production during 1916 was fully 57 per cent. greater than in 1913.

Spelter prices increased most noticeably in 1915, but production increased so rapidly that prices have steadily declined for over a year. Indications are that the spelter output will take care of requirements.

Lead is relatively not as important in warfare as in the days of the Civil War "minnie" ball. Prices increased only gradually during 1915, and production in 1916 was nearly 35 per cent. ahead of 1913, but consumption has steadily increased, and the situation has permitted a considerable rise of price in the past year.

The following table shows the approximate extremes of prices (in round numbers) during the past three years:—

Commodity.		Price, 1914.	High war price.
Coke	ton	$2.50	$14.00
Coal, bituminous	"	1.00	6.00
Iron	"	13.50	52.90
Steel, billets	"	20.00	100.00
Copper	lb.	.12	.36
Spelter	cwt.	5.00	21.00
Lead	"	3.75	11.00
Aluminum	"	18.00	66.00

OUTLOOK IN PULP AND PAPER INDUSTRY

"The recent agreement between publishers and manufacturers in the United States, by which the price of newsprint is fixed at 3 cents a pound," say Messrs. Greenshields and Company, in their December monthly review, "is satisfactory to the pulp and paper industry of Canada. Some mills have been securing a slightly higher price for their exports. On the whole, 3 cents represents a fair average, and a concession from the higher price obtained by some mills is offset by the removal of an uncertainty of long standing and of the possibility that the fixed price presently in force in Canada, namely, 2½ cents, would be used as a leverage to force a like price in the United States. The arrangement of a price of 2½ cents in Canada will expire January 20th, and there is a reasonable prospect that an upward revision will be ordered then. The agreement in the United States is to extend until April 1st, and in the interval a new inquiry into mill costs will be made by the federal trade commission.

"The manufacturers have the right, however, to appeal to the United States circuit court against any decision given by the commission—an important point. This is the only industry so far granted this privilege. In view of the admission at the Canadian inquiry that the manufacturers had established a sound case in their argument for a 3-cents-a-pound basis, the present position is not likely to be disturbed by the new investigation. If it is finally established as the price for the duration of the war, it is believed that the Canadian pulp and paper industry will have before it a long period of satisfactory prosperity.

"The many uncertainties of the past year as to what would be the effect of government interference have checked the normal growth of the newsprint industry. A few new paper machines have been installed in existing plants in Canada, and new enterprises have been started, and the actual increase in Canadian production has been nominal. With an unrestricted market, quite another situation might have been created. High prices inevitably having over-production as a natural sequel, made it important, from the manufacturers' standpoint, that, disturbing as has been the policy of government regulation, the danger of over-production has been avoided in the past year and is minimized for the immediate future.

"At 3 cents a pound, established companies will enjoy satisfactory profits; but under existing conditions, with labor and construction costs likely to continue high for a long period, the incentive to new enterprise is lacking. Many months ago, the publishers' policy in invoking government interference with the law of supply and demand was short-sighted. The opinion, it is believed, is justified by the present situation. With an unrestricted market, the price of newsprint would have gone much higher for a short time. That would have stimulated the building of new mills and brought about a condition of over-production which would have been as favorable to the publishers as unfavorable to the mills."

Service for Women

IN the management of property and the investment of money, women often find themselves handicapped by inexperience. Mistrusting their own judgment, they appeal to friends for financial guidance. Such a course is not safe nor businesslike.

Insure your property against mismanagement, and relieve yourself of worry by enlisting the services of this company. You will receive the benefit of experience gained in the management of many estates, both large and small.

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2263

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ESTABLISHED 1859

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THERE is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.

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Ask the Subscription Department about our Special Book Offer

LIFE INSURANCE LEGISLATION

Differences in Provincial Legislation Affecting Life Insurance Contracts in Canada

BY WILLIAM B. TAYLOR, B.A., LL.B.

I.

There is considerable variation in the legislation in the different provinces of Canada affecting life insurance contracts, but while this is the case, looking more closely into the legislation there is great similarity, and we find that the different provinces, with the exception of the province of Quebec, have largely followed the province of Ontario in connection with life insurance legislation, and especially that part referring to insurance for the benefit of wives and children. For the convenience of companies, we have included the colony of Newfoundland.

It is over fifty years since the first legislation on the subject was passed in the province of Ontario, and, after many amendments and changes from time to time, the subject is now very fully covered in the statute book of that province.

Uniformity of law is desirable where a company is operating through a country like Canada, which is sub-divided into many provinces, but the difficulties experienced here are very slight when we compare them with those which are experienced in the United States where there are 46 states, in each of which there is some change or modification affecting the subject which is to be constantly kept in mind in dealing with these contracts.

In the United States.

In the United States the power of the state legislature over property and civil rights is supreme, and the Federal government only has such powers as are specially delegated to it by the constitution. Insurance, not being one of these delegated matters, is therefore under the control entirely of the state governments. Attempt has been made at different times in the United States, by the superintendents of insurance in some of the states, to make the legislation in the different states more uniform, but this has not been very successful except in regard to the regulations affecting the companies in their dealings with the insurance department, and it has not been effective in passing a uniform legislation affecting the contracts and the beneficiaries.

Under Canadian legislation, by the British North America Act, certain subjects are specially placed under the control of the parliament of Canada, and the better opinions seem to treat the subject of insurance as one which comes under the control of the provincial authorities rather than under the parliament of Canada, and especially that portion of the subject which affects the policy contract, the beneficiary, and the assignment or transfer of an interest in the policy. In Canada the provinces are given exclusive power of legislation over property and civil rights within the province, and it is for this reason that insurance contracts appear to fall under the control of provincial legislation. The parliament of Canada has certain legislative power over a company which is incorporated by it, and, under this jurisdiction, the parliament of Canada has passed an insurance act which imposes certain regulations on the companies incorporated thereunder, or by separate act of Dominion incorporation. The subject of insurance is not declared to be exclusively within the jurisdiction of the parliament of Canada, and an insurance company may be incorporated under the insurance act of the parliament of Canada, or, if intending to operate in one province only, it may be incorporated under a provincial charter. It may also apply to another province for license to do business and may be licensed to operate there.

For Ready Reference.

The following summary is intended to show the differences in insurance legislation as now in force in the different provinces of Canada, and in order to render the statement useful for ready reference the subject is placed under the headings which most frequently come up for consideration in practice. Where the provision in one province affecting the matter is exactly similar to that of another province the alphabetical index letter placed at the beginning of the paragraph refers to the provision in the province of Ontario, and the repetition of the letter in other provinces indicates that the same provision applies in that province as in Ontario:—

Relating to Contracts of Insurance Generally.

Ontario.

A. Where the insured is domiciled or resident in Ontario, the contract of insurance if signed, countersigned, issued, delivered, or mailed there or handed to any agent for delivery, is deemed to be an Ontario contract and construed according to the law of Ontario and payable therein. 2 Geo. V. Chap. 33, 1912 (S. 155, 1).

B. All conditions of the contract are required to be set out in the policy or by writing attached thereto when issued in order to be effective. Sec. 156 (1).

C. Erroneous statements in the application shall not void the contract unless material thereto.

D. Copy of the application must be furnished the insured upon request. S. 157 (1).

E. Where the policy is delivered and the premium has not been paid the contract is nevertheless binding on the company. Sec. 159 (1).

F. Where a premium is paid by cheque or promissory note which is not honored at maturity, the contract at the option of the company may be treated as void.

Manitoba.

A. Where the insured resides in the province the moneys payable shall be paid therein. R.S.M. Chap. 98 (1913), Sec. 47.

Saskatchewan.

A. Similar provision as in Ontario respecting the effect of domicile and payment of moneys under contracts.

B. Similar provision under this heading as in Ontario. Chap. 15 (1915), Sec. 193.

C. Provision is similar to Ontario.

D. Same provision as in Ontario.

Alberta.

A. Moneys payable under policies issued or to be issued by insurance corporations now or hereafter licensed in the province shall be payable therein when the insured is or dies domiciled therein.

British Columbia.

A. No statutory provisions.

Quebec.

C. Misrepresentation or concealment either by error or design of a fact or nature that affects the risk is a cause of nullity. C.C., 2487.

New Brunswick.

A. Same as Ontario.
B. Same as Ontario.
C. Same as Ontario.

Nova Scotia.

A. Same as Ontario.
B. Same as Ontario.
C. Same as Ontario.

Prince Edward Island.

A. Similar to Ontario but providing that the status of the beneficiary shall be determined according to the law of P.E.I., Chap 16, Sec. 4 (1), 1906.
B. Same as Ontario.
C. Same as Ontario.

Newfoundland.

A. Same as Ontario.
B. Same as Ontario.
C. Same as Ontario.

(To be Continued.)

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended January 4th:—

Dominion Reduction Company, 88,000; Buffalo Mines, 88,090; O'Brien Mine, 65,617; Penn Canadian Mine, 62,858; Nipissing Mine, 175,077; Coniagas Mines, 264,000. Total, 743,642 pounds, or 371 tons.

Lieutenant-Colonel Henry Brock has been elected president of the W. R. Brock Company, Toronto.

GOLD PRODUCTION WAS LARGE

War Has Had Little Adverse Effect on Output—Canada's Record—Where Gold is Mined

The production of gold in Canada last year was probably the largest for 15 years. Official figures are not yet available, but mining has been active and the output in 1917 will likely be as large, if not larger, than in the previous year. According to the preliminary report issued by Mr. John McLeish, chief of the division of mineral resources and statistics, Dominion department of mines, last fall (the latest official figures available) the gold production for 1916 was the largest since 1902, amounting to 926,923 fine ounces, valued at $19,162,025, an increase of 1 per cent. over 1915. Of this production the Hollinger Consolidated Mines contributed about 48 per cent. and the Dome about 21 per cent.

The report shows that Ontario has been since 1914 the largest gold-producing province of Canada. For 1916 the production was 489,679 fine ounces, valued at $10,122,563, being 52.8 per cent. of the total production for Canada and an increase of 20.4 per cent. over that of 1915 and 82 per cent. over the 1914 production.

Of the total 1916 production $4,957,663 or 26 per cent. were derived from placer and alluvial mining; $10,472,723 or 54 per cent. in bullion and refined gold and $3,731,639 or 20 per cent., contained in matte, blister copper, residues and ores exported.

Production of Other Provinces.

The production in Nova Scotia was about $103,359, a decrease of 24.4 per cent. from that of 1915, and was due to the water shortage which interfered seriously with the operations of the hydro-electric plants.

The production in Quebec is derived from the pyrites ores of the Eastern Townships. The gold content of these ores is very low, and apart from a very small recovery of alluvial gold in Alberta no production is recorded from this province nor from Manitoba, or Saskatchewan.

The production in British Columbia was $4,520,868, as against $5,651,184 in 1915, a decrease of 20 per cent.; this total includes $575,000 estimated by the provincial mineralogist as being the output of placer mining, and $3,945.000 recovered from milling and smelting operations.

The production from the Yukon Territory amounted to $4,391,669, as against $4,750,450 in 1915, a decrease of 7.5 per cent., and was derived from the alluvial deposits with the exception of about $9,000 which was produced from the gold and copper ores of White Horse and the silver-lead ores of the Silver King mine near Mayo.

The exports of gold-bearing dust, nuggets, gold in ore, etc., in 1916, are reported by the customs department as $18,382,903.

World's Gold Production.

The total production of gold in the world in 1916 amounted to $470,442,068, according to the Engineering and Mining Journal of New York. This was less than that of 1915 by $8,110,154, or 1.7 per cent.; but it exceeded that of 1914 by $10,344,640, or 2.2 per cent. The most important gain shown in 1916, as compared with 1915, was of about $6,000,000 in the Transvaal; but this was offset by decreases of $8,720,000 in the United States and $6,980,000 in Australasia. Apparently the war has had little direct effect on gold production, most of the producing countries being out of the direct track of the conflict.

The accompanying table gives the value of the gold won in the world for the three years, 1914-16 inclusive. The figures give the value in dollars of the fine gold reported in each case:—

	1916.	1915.	1914.
Transvaal	$192,138,770	$186,105,890	$173,176,166
Rhodesia	18,957,310	18,892,959	17,745,980
West Africa	7,861,210	8.521,682	8,671,371
Madagascar, etc.	1,905,000	1.865,000	1,980,000
Total Africa	$220,862,290	$215.385,531	$201,573,484
United States	92,315,363	101.035,700	94,531,800
Mexico	14,150,000	14.950,000	18,185.000
Canada	19,162,025	18,977,901	15,925,044
Central America	3,605,000	3,575.000	3,500.000
Total North America	$129,232.388	$138.538,601	$132.141,844
Russia, including Siberia	$ 34,750,000	$ 35,150,000	$ 34,458,088
France	950,000	1,025,000	1,450,000
Other Europe	1,580,000	1,675,000	2,350,000
Total Europe	$ 37,285,000	$ 37,850,000	$ 38,258,088
British India	11,184,062	11,484,169	12,327,980
British and Dutch East Indies	4,960,000	4,825,000	4,690,000
Japan and Chosen	7,980,000	7,850,000	7,476,500
China and others	3,750,000	3,675,000	3,625,000
Total Asia, not including Siberia	$ 27,874,062	$ 27,834,169	$ 28,119,480
South America	13,975,000	13,750,000	13,525,000
Australasia	38,213,328	45,193,921	46,479,532
Total for the world	$470,442,068	$478,552,222	$460,097,428

Twenty Years' Record.

The total gold production of the world for 20 years past is given in the next table. As already noted, the total for 1916 was less than that of 1915; but it was greater than that of any preceding year, except 1912. It was nearly twice that of 1897, or 20 years ago:—

1897	$237,833,984	1907	$411,294,458
1898	287,327,833	1908	443,434,527
1899	311,505,947	1909	459,927,482
1900	258,829,703	1910	454,213,649
1901	210,877,429	1911	459,377,300
1902	298,812,493	1912	474,333,268
1903	329,475,401	1913	462,669,658
1904	349,088,293	1914	460,097,428
1905	378,411,054	1915	478,552,222
1906	405,551,022	1916	470,442,068

NORTHERN MANITOBA

In 1912, the boundaries of Manitoba were extended to the north and northeast, adding an area of 178,000 square miles, which gives the province a total area of 251,832 square miles. The north boundary was extended to the 60th parallel, which is the line of the north boundary of the provinces of Alberta and Saskatchewan. It extends to the eastern shore of Hudson Bay. The eastern boundary of the added section extends from the northeast angle of Old Manitoba, northeast to where it intercepts the southern shore of Hudson Bay in longitude 89 degrees.

The vast added territory commonly known as Northern Manitoba or New Manitoba, with its hundreds of miles of ocean frontage on Hudson Bay, has remained to this day but little known to the white man. In the earliest days it was the exclusive preserve of the fur traders and trappers.

Traders and missionaries and a few government surveyors and other official explorers have hitherto been practically the only source of information regarding the characteristics and possibilities of this enormous country. The Manitoba government has just issued an interesting booklet in regard to the country. Its object is to present in summarized forms as much as possible of the information available.

The building of the Hudson's Bay Railway from The Pas to Port Nelson is nearing completion. The length of the railway will be 424 miles.

Recent discoveries of minerals north of The Pas are attracting a great deal of attention to this new country. Details of these discoveries and of the development work to date are given in this booklet. Those who know the country best are agreed that only the edge of the mineral resources of Northern Manitoba has been touched as yet and predict that if prospecting is continued and means of transportation opened up, the mineral development will become very great.

Other resources also await only the opening up of the country. There is much valuable timber and pulp wood, the lakes and streams are reported to be stocked with many kinds of fish, and there are vast tracts of fertile soil. Generally speaking the climate is not much different from the settled parts of the province. The booklet will well repay a careful perusal.

DIVIDENDS AND NOTICES

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31ST DECEMBER, 1917, payable JANUARY 15TH, 1918, to shareholders of record December 31st.

By order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 20th December, 1917.

THE CANADIAN FAIRBANKS-MORSE COMPANY, LIMITED

PREFERRED DIVIDEND NO. 25

Notice is hereby given that a semi-annual dividend of 3 per cent. (3%) on the preferred stock of this company has been declared due and payable on this fifteenth day of January, 1918, to preference shareholders of record at the close of business, Monday, December 31st, 1917. The transfer books will not be closed.

By order of the Board.

T. M. CULLEN,
Assistant Secretary.

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of Two and one-half per cent. for the current quarter, being at the rate of Ten per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and at its Branches, on and after the 1st day of February next to Shareholders of record at the close of business on the 15th day of January.

By order of the Board.

D. C. MACAROW,
General Manager.

Montreal, 28th December, 1917.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A dividend of two and one-half per cent. of the Ordinary Shares of the Company has been declared payable on January 15th, 1918, to Shareholders of record of December 31st, 1917.

By order of the Directors,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, December 24th, 1917.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A dividend of two per cent. of the Preferred Shares of the Company for the quarter ending December 31st, 1917, has been declared payable on January 15th, 1918, to Shareholders of record of December 31st, 1917.

By order of the Directors,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, December 24th, 1917.

MARCUS LOEW'S THEATRES, LIMITED

Notice is hereby given that a dividend of 1½ per cent. for the quarter ending 31st December, 1917, being at the rate of seven per cent. per annum, on the Preference and Common shares of Marcus Loew's Theatres, Limited, has been declared payable on 15th January, 1918, to shareholders of record on 31st December, 1917.

By order of the Board.

SAMUEL D. FOWLER,
Secretary.

Toronto, 31st December, 1917.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word, Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

THE STORY OF A YOUNG FINANCIAL MAN'S SUCCESS.—A financial man, thirty-three years of age, came to our office four years ago to take up a new line of business—a line against which he had been prejudiced, but which he knew carried great rewards for the successful. His average commissions this year will be over $5,000.00, and he has built up a future income of over $3,000.00 a year on business already written. We are enlarging our organization to prepare for an enormous expansion of business during the next few years. We have positions for two good men with successful records. This offer will be open during the next week. Only applicants of unquestioned integrity and with the highest references will be considered. W. A. Peace, Manager Toronto Branch, Imperial Life Assurance Company, 20 Victoria Street, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

AGENT WANTED for Toronto for strong, Tariff, Fire Insurance Company. Liberal contract and sole Agency to the right party. Apply Box 137, *The Monetary Times*, Toronto.

PUBLIC ACCOUNTANT is desirous of relinquishing practice on own account and joining the staff of a good live concern; chartered secretary of joint-stock companies, capable, experienced manager and systematizer, married, not eligible for military service; can arrange to transfer practice instanta if necessary. Box 139, *The Monetary Times*, Toronto.

CANADIAN GOODS IN TRANSIT VIA UNITED STATES

The War Trade Board at Washington has advised the Department of Trade and Commerce, Ottawa, that commodities passing through the United States in transit and not for consumption in that country do not require an import license.

All United States' collectors of customs have these instructions, and there should be no delay as to any goods coming within that category.

Creation of a war trade board to do for Canada what a commission similar in character is already doing for the United States is being strongly urged upon the government by the Canadian Manufacturers' Association. A deputation of manufacturers will wait upon Sir Robert Borden in connection with the matter as soon as he returns to the capital.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

The following table, compiled by *The Monetary Times*, shows the volume of bank loans to municipalities since January, 1914, to November, 1917:—

	1914.	1915.	1916.	1917.
January	$29,301,620	$35,952,805	$32,015,371	$24,487,272
February	30,372,854	38,437,903	35,149,915	26,121,324
March	31,890,843	41,227,449	38,649,462	29,877,911
April	30,168,812	43,031,360	44,371,050	35,931,996
May	33,689,577	43,948,436	43,924,036	39,790,191
June	37,260,571	46,889,816	46,773,032	42,757,673
July	36,372,334	44,029,446	42,385,096	43,989,207
August	39,664,534	46,020,730	39,882,811	43,940,176
September ..	44,338,873	43,928,331	38,708,745	42,721,563
October	47,316,076	45,682,230	37,613,530	41,204,781
November ...	44,706,055	41,064,550	32,945,963	36,459,598
December ...	38,256,947	30,878,028	24,056,797	....

Gloucester, N.B.—The county reports the assessed value of real estate and personal property as follows:—Real estate, $3,107,963; personal property, $412,332.

St. John, N.B.—D. G. Lingley, chamberlain, reports the city's assessed value of real estate and personal property as follows:—Real estate, $21,346,000; personal property, $11,507,500.

Lethbridge, Alta.—Local improvement 6 per cent. debentures of $70,312 will be sold to install an electrical turbo-generator, electric light equipment, and for engineering and superintendence.

Quebec, Que.—A temporary loan has been arranged with the Bank of Montreal for $79,000 to retire a bond issue falling due in January. As soon as authority is secured from the legislature the loan will be permanently financed.

Fort William, Ont.—An application will be made for a special act validating and confirming a by-law to raise the sum of $225,000 by way of debentures for the purpose of taking care of deficits in connection with the city's electric street railway at the next session of the Ontario legislature.

New Westminster, B.C.—In 1915, in order to finish some local improvement work, the city issued about $750,000 three-year treasury certificates on the security of $330,000 unsold debentures. These certificates mature next August. Recently City Treasurer Gilchrist went to Portland to ascertain whether the present holders, the Lumbermen's Trust Company, would be likely to renew for three years.

Moncton, N.B.—F. A. McCully, secretary board of school trustees, submits the following report for the year 1916:—The total assets are $214,189, consisting of real estate, $188,000; plant and movable property, $12,538; sinking fund, $6,101; cash in banks, $7,550. The liabilities are:—Debentures afloat per list, $187,500; owe banks, $4,789; making a total of $192,289; giving the assets excess over liabilities by $21,900.

St. George, N.B.—John C. O'Brien, town clerk, submits the following report for the year 1916:—The total valuation on property and income, $379,835. Rate per $100, $1.88. The assets are:—School building and grounds, $8,200; school furniture, $500; town hall, $1,600; fire engine, etc., $400; cash on hand and in Bank of Nova Scotia, December 31st, $4,577.45; making a total of $15,277.45. The total liabilities are $3,000.

Maisonneuve, Que.—A proposition was made recently for an extension with the holders of $800,000 of 6 per cent. debentures issued in 1915 and due January 1st. Between now and the first of May the financial necessities of the municipality at the western end of Montreal will aggregate pretty close to five millions. There are some more maturities besides which there are unsold debentures to be taken into the calculation. The proposition made concerning the $800,000 maturity is for an extension of time for two years. The holders of the bonds are asked to exchange them for an issue due on January 1st, 1920, by which time it is hoped the war will be over and financing less difficult. The municipality agrees to pay the bondholders a bonus of 2 per cent. of the par value of the bonds deposited. It is agreed that if the city fails to comply with the conditions on or before March 15th, the rights will lapse and the bonds deposited returned to their owners.

Saskatchewan.—The following is a list of authorizations granted by the local government board, December 17th to 21st, 1917:—

School Districts.—Davidson, $2,000 20-years not ex 8 per cent. annuity. F. S. T. Hutchison, Davidson.

Rural Telephone Companies.—Baljennie, $9,200 15-years not ex. 8 per cent. annuity. J. W. Rayner, Baljennie.

Rural Municipality of Scott, $6,000 15-years not ex 8 per cent. instalment. J. M. Scott, Yellow Grass.

The following is a list of debentures reported sold from December 17th to 21st, 1917:—

School Districts.—Osgoode, $1,200; town of Biggar sinking funds. Six Mile Lake, $1,800, Lamb Hill, $2,000; Goldman & Company, Regina.

Rural Telephone Companies.—South Gravelbourg, $7,300; Western Canada Bond Corporation, Winnipeg. Anglia, $11,500; Wood, Gundy & Company, Saskatoon.

Villages.—Esterhazy, $1,000; Jos. Lomenda, Esterhazy.

UNITED STATES CROPS

The December estimates of the crop reporting board of the United States Bureau of Crop Estimates of the acreage, production, and value (based on prices paid to farmers on December 1) of important farm crops of the United States in 1917, with the average for the five years 1911-1915, based on the reports of the correspondents and agents of the bureau, are as follow:—

Crop.	Acreage.	Production.	Farm value December 1.
Corn	119,755,000	3,159,494,000	$4,053,672,000
Winter wheat	27,430,000	418,070,000	848,372,000
Spring wheat	18,511,000	232,758,000	459,046,000
All wheat	45,941,000	650,828,000	1,307,418,000
Oats	43,572,000	1,587,286,000	1,061,427,000
Barley	8,835,000	208,975,000	237,539,000
Rye	4,102,000	60,145,000	100,025,000
Buckwheat	1,006,000	17,460,000	27,954,000
Flaxseed	1,809,000	8,473,000	25,148,000
Rice	964,000	36,278,000	68,717,000
Potatoes	4,390,000	442,536,000	543,865,000
Sweet potatoes	953,000	87,141,000	96,121,000
Hay, tame	53,516,000	79,528,000	1,359,491,000
Hay, wild	16,472,000	15,402,000	207,834,000
Tobacco	1,446,600	1,196,451,000	297,442,000
Cotton	33,634,000	10,949,000	1,451,819,000
Sugar beets	675,400	6,237,000	45,780,000
Beans (6 States)...	1,832,000	15,701,000	102,426,000
Kafirs (6 States) ..	5,153,000	75,866,000	121,842,000
Onions (13 States).	41,300	13,554,000	22,523,000
Cabbage (9 States).	66,800	502,700	17,080,000
Hops (4 States) ..	29,900	27,788,000	9,363,000
Cranberries	18,190	245,000	....
Apples	......	58,203,000	213,057,000
Peaches	......	45,066,000	61,245,000
Pears	......	13,281,000	15,379,000
Oranges	......	12,832,000	33,398,000

N. B.—Production of tobacco and hops, in pounds; cotton, in pounds (per acre); hay, sugar beets, and cabbage, in tons; apples and cranberries, in barrels; oranges, in boxes; other products, in bushels of weight.

Approximately $2,000,000 were realized by British Columbia trappers last season, according to figures tabulated by Provincial Game Warden Bryan Williams, who based his calculations on the returns made by the 947 of the 1,161 licensed trappers who have filled out and returned the forms demanded by law. These show a total fur value of $300,000, to which must be added $100,000 worth of coyote pelts, which come in under a separate heading in the classification. All licensed trappers are whites, but as there are at least six unlicensed Indian line runners for every white man, Mr. Williams is confident that his estimate of $2,000,000 is well within the mark.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Jan. 9th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi com.	....	....	....	....
Ames-Holden com.	....	....	....	....
" pref.	....	....	....	25
Asbestos Corporation	....	....	....	25
" " pref.	....	....	....	120
Bell Telephone	....	....	....	69
British Columbia Fishing & Packing	....	....	....	....
Brompton	....	....	....	356
Brazilian	....	32½	32	1759
Canada Car. com.	....	....	...	340
" pref.	....	....	....	155
Canadian Converters	....	....	....	....
Canada Cement com.	....	....	....	360
" pref.	....	....	....	197
Canada Cottons	....	....	....	8
" pref.	...	....	....	10
Canadian Con. Rubber com.	....	....	....	....
Canada Foundry and Forgings.	....	....	....	....
Canadian General Electric	....	....	....	10
Canadian Locomotive com.	....	....	....	....
Canada Steamship Lines com.	2½	....	....	2150
" " " pref.	....	....	....	279
" " " deb. stock	...	....	....	....
Civic Investment	....	....	....	2072
Civic Power	...	....	....	....
Cons. Mining and Smelting	....	...	....	1119
Consumers Gas com.	....	....	....	....
C.P.R. com.	....	....	....	...
Dominion Bridge	....	....	....	....
Dominion Iron pref.	....	....	....	15
Dominion Steel Corporation com.	....	55½	55	2136
Dominion Textile	....	....	....	431
" pref.	....	....	....	6
Goodwins Limited pref.	....	....	.	....
Gould Manufacturing	....	....	....	....
Howard Smith Paper Mills com.	...	....	....	....
Illinois Traction pref.	....	....	...	3
" com.	....	....	....	....
Lake of the Woods Milling com.	....	....	....	....
Laurentide Co.	....	....	....	319
Lyall Const. com.	....	....	....	125
Macdonald	....	....	....	265
Mackay Cos. com.	....	....	...	15
" " pref.	...	....	...	....
Maple Leaf Milling com.	....	....	....	15
Montreal Telegraph	....	....	....	....
Montreal Cotton com.	....	....	....	1
" " pref.	....	....	...	....
Nova Scotia Steel	....	....	....	28
" " pref.	....	....	....	....
Ogilvie Flour Mills	....	....	....	100
Ontario Steel com.	....	....	....	....
Ottawa Light, Heat & Power	....	....	....	....
Penmans	....	....	....	273
" pref.	....	....	....	1
Price Bros.	....	....	....	....
Riordan Paper	....	....	....	....
" pref.	....	....	....	....
Quebec Railway, Light, Heat & Power	....	....	....	....
Shawinigan Water & Power	....	....	....	363
Sherwin-Williams com	....	....	....	....
Smart-Woods	....	....	....	....
Spanish River com.	....	....	....	....
Steel Co. of Canada	....	....	....	1267
" pref.	....	....	....	....
Tooke com.	....	....	....	....
" pref.	....	....	....	....
Toronto Railway com.	....	....	....	83
Winnipeg Railway	....	....	....	....
Wayagamack	....	....	....	....
Bank of British North America	....	...	...	....
Bank of Commerce		....	....	....
Bank of Montreal	....	....	....	12
Bank of Ottawa	...	....	....	....
Bank of Toronto	...	....	....	....
Bank d'Hochelaga	...	....	....	....
Banque Nationale	...	....	....	....
Bank of Nova Scotia	...	....	....	12
Dominion Bank	...	....	....	....
Merchants Bank	....	....	....	26
Molsons Bank	....	....	....	....
Quebec Bank	..	....	....	....
Royal Bank	3½	....	....	31
Standard Bank com.	....	....	....	....
Union Bank	....	....	....	....

Montreal Bonds	Last Sale			
Asbestos	72½	....	....	....
Bell Telephone	98½	....	....	....
Canadian Car.	...	....	....	....
Canada Cement	96¾	....	....	500
Canadian Consolidated Rubber	....	....	....	....
Canadian Converters	...	...	....	....
Cedars Rapids	90	....	....	....
Dominion Coal	94½	....	....	12500
Dominion Cotton	90	....	....	....
Dominion Iron and Steel	97	....	....	....
Dominion Textile A	97½	....	....	....
" " B	97	....	....	....
" " C	97	....	...	....
" " D	96½	....	....	....
Lake of Woods Milling	103	....	....	....
Laurentide	101	....	....	..
Lyall Construction Co.	83¾	....	....	....
Montreal Light, Heat & Power	101	....	....	....
Montreal Tramways	91½	....	....	....
National Breweries	90	....	....	....
Nova Scotia Steel	90	....	....	....
Ogilvie A	10	....	....	....
" B	103	....	....	....
" C	103	....	....	....
Penmans	....	....	....	....
Price Bros.	...	....	....	....

Montreal Bonds (*Continued*)	—	Asked	Bid	Sales
Quebec Railway, Light and Power	67	....	....	10000
Sherwin-Williams	....	....	....	..
Steel of Canada	....	....	....	...
First Dominion War Loan	98¾	....	....	17300
Second Dominion War Loan	98½	92¾	92	41100
Third Dominion War Loan	....	92⅞	92½	31720
Winnipeg Street Railway	9	....	....	....
Wayagamack	81	....	....	....

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden pref.	....	....	....	...
American Cynamid	....	26	24	37
" pref.	....	....	52	...
B. & L. (Landed)	....	....	...	..
Barcelona	....	9½	8¾	53
Bell Telephone	...	....	....	3
Brazilian	...	32½	32¼	1584
Canada Bread	....	17½	16½	25
" pref.	....	....	....	...
Canadian Car & Foundry	....	18	....	...
" " " pref.	....	50	....	20
Canadian Canners pref.	....	....	...	...
Canadian General Electric	....	102	100	5
" " " cum div. pref.	....	....	....	...
Canada Landed & National Investment	....	....	....	....
Canadian Locomotive	....	56½	....	..
" pref.	....	82½	...	....
Canadian Pacific Railway	....	139	138	18
Canada Permanent	....	162½	....	96
Canada Steamship	....	40½	39½	218
" " pref.	....	76	71½	96
" " (voting trust)	....	....	....	.
Cement com.	....	57½	57	280
" pref.	....	....	..	
City Dairy	....	80	....	...
" pref.	....	60	....	...
Colonial Loan com.	....	....	....	[illegible]
Confederation Life	....	375	....	...
Consumers Gas	....	118	117	59
Crown Reserve Mines com.	....	....	..	....
Crow's Nest Pass. com.	....	50	....	....
Detroit	....	....	...	.
Dome	...	925	875	950
Dominion Canners	5	....	....	....
Dominion Iron com.	....	....	....	....
" " pref.	....	....	....	....
Dominion Steel Company	....	55⅛	51⅞	765
Duluth Sup.	....	....	....	20
F. N. Burt	....	....	..	....
" pref.	....	....	....	25
Hamilton Provident	....	....	....	...
Huron & Erie com.	....	...	....	....
Lake of the Woods com.	....	....	.. .	....
La Rose com.	.	....	....	50
Mackay Companies	....	76	71½	53
" pref.	....	59¾	59	104
MacKinley Darragh com.	....	...	....	....
Maple Leaf Milling	...	....	.	15
" " " pref.	....	....	....	20
Mexican Light & Power	....	....	....	.
Monarch	....	....	30	...
Nat. S. Car	...	7½	6½	....
" pref.	....	...	18	100
Nipissing	....	825	800	50
Nova Scotia Steel	....	69	....	....
" " " rights	....	....	....	....
Pacific Burt com.	....	....	....	....
" pref.	....	....	....	....
Penmans com.	....	....	....	....
Petroleum	....	1350	1300	450
Riordon	....	....	....	....
" pref.	....	....	....	....
Rogers com.	....	....	....	...
" pref.	....	....	....	....
Russell Motor	.. .	....	50	....
" pref.	....	70	....	....
Sawyer-Massey	. ..	11	....	....
" pref.	....	41	....	15
Shredded Wheat	....	....	....	...
Spanish River	....	14	. ..	....
" pref.	....	50	....	....
Cons. Smelters	....	25½	24½	1133
Standard Chemical	....	....	....	....
" " pref.	....	57	...	..
Steel Company of Canada	....	52½	51¾	165
" " " pref.	....	85	...	156
Toronto General Trust	....	....	....	....
Toronto Paper	....	....	72	...
Toronto Railway	....	60	57	41
Trethewey S. Mines com.	....	18	15	1500
Tucketts	....	19	....	....
" pref.	1¾	....	....	...
Winnipeg Electric	....	....	....	...
Twin City	....	....	65	100
Bank of Commerce	....	185	....	16
Bank of Ottawa	....	..	....	....
Bank of Hamilton	...	184	....	.
Bank of Montreal	....	....	....	....
Bank of Nova Scotia	....	241½	....	..
Bank of Toronto	....	181½	....	4
Dominion Bank	....	199	....	6
Imperial Bank	..	185	...	[illegible]
Merchants Bank	2½	167	....	...
Molsons Bank	....	....	....	....
Royal Bank	....	....	205	3
Standard Bank	....	200	....	5
Union Bank	....	....	137	....

Toronto Bonds	Last Sale			
Canada Bread	92½	90	....	5000
Canada Locomotive	95	94	....	...
Penmans	89	...	80	...
Riordon	....	....	....	...
Sao Paulo, 1929	81	.	....	...
Steel Company of Canada	96½	89¼	....	...
First War Loan	98	95½	95	33500
Second War Loan	98¼	93	92½	44100
Third War Loan	....	93¼	93	13800

UNION BANK OF CANADA

Deposits of the Union Bank of Canada show an increase and the net earnings are the highest on record. Total assets of the bank are $143,411,927, an advance on previous years. Liquid assets exceed $77,000,000; gold coin and Dominion notes amounting to over twenty millions. During the year dividends were paid at the rate of nine per cent., 8 and a bonus of 1, as has been the custom for several years. Mr. Galt, president of the bank, announced at the annual meeting held at Winnipeg this week that in future the shares would be definitely on a nine per cent. basis and that the dividends would be 2¼ per cent. per quarter. A further reference will be made to the statement in these columns next week.

Mr. A. Hitchcock, of Moose Jaw, and Mr. A. H. Malcom, of Vancouver, were chosen as additional directors. Mr. John Galt, president, in the course of his address, intimated that the bank would eventually be represented in each of the provinces, in which it does a substantial business.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental lines for December, 1917:—

Canadian Pacific Railway.

	1916.	1917.	Inc. or dec.
December 7	$3,139,000	$3,280,000	+ $150,000
December 14	3,106,000	2,908,000	— 198,000
December 21	2,979,000	3,051,000	+ 72,000
December 31	3,065,000	3,679,000	+ 614,000

Grand Trunk Railway.

December 7	$1,151,306	$1,218,138	+ $ 66,832
December 14	1,203,868	1,040,349	— 163,519
December 21	1,164,962	1,355,105	+ 190,143
December 31	1,760,109	2,040,966	+ 280,857

Canadian Northern Railway.

December 7	$ 917,900	$ 916,000	— $ 1,900
December 14	892,600	753,800	— 138,800
December 21	805,700	738,300	— 67,400
December 31	869,200	865,100	— 4,100

EAGLE-STAR INSURANCE AMALGAMATION

The Eagle and British Dominions Insurance Company and the Star Assurance Company have been amalgamated, the former concern absorbing the business of the latter.

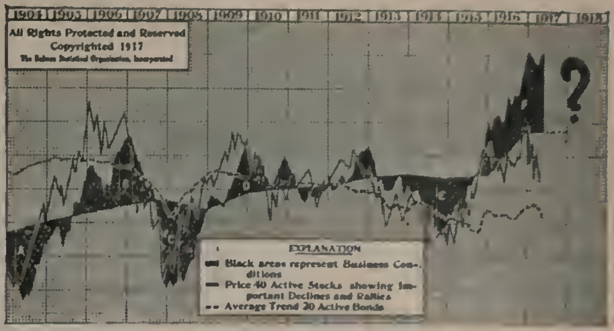
The Star has been transacting life insurance business in Canada since 1868, and at December 31st, 1916, had $224,141.67 business in force in this country. Its assets in Canada totalled $170,452.35, and its liabilities, $120,187.12. Its income in 1916 was $14,272.27, and its expenditure, $21,607.65. It has not been actively prosecuting its business in this country for a number of years.

The British Dominions has been transacting fire insurance business under Dominion license since July 22nd, 1915, prior to which it operated under provincial license for a number of years. Its total assets in Canada at December 31st, 1916, were $218,107.42, and its total liabilities, $94,781.20. Its income in 1916 was $97,375.39, and its expenditure, $101,096.51.

The Eagle and British Dominions has had a Canadian branch, with headquarters at Montreal, in charge of Messrs. Dale and Company, Limited, Canadian managers, a well-known underwriting firm.

Under the amalgamation, the goodwill of the Star was transferred absolutely to the British Dominions; the uncalled capital of the Star was not transferred at all; the other assets were transferred, and were called the Star fund. They were transferred to the British Dominions, as trustees, the trust to satisfy the Star policy liabilities, and any balance after satisfying these liabilities to belong to the British Dominions. The Star policyholders have their fund as security, and, in addition, they got the liability of the British Dominions in the event of that fund being insufficient, the British Dominions having an uncalled liability of nearly £2,000,000.

The new company will be known as the Eagle Star and British Dominions.



What's Coming?

Babson's investment bulletin, just off press, carefully analyses

"The Outlook for 1918"

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WINNIPEG CANADA

CANADA'S STEEL PRODUCTION

It was 42 Per Cent. Greater During First Half of Past Year—Fixed Prices

The total production of steel ingots and direct castings in Canada in the first six months of 1917 amounted to 836,149 short tons, an increase of 246,596 tons, or 42 per cent., over the corresponding period of 1916. Average monthly production was 139,858, against 98,259 in the first half of 1916, and 106,268 tons for the full year, 1916. A new high record in output was reached in May, 155,346 tons, but the June figures showed a decline of about 18,000 tons.

The figures as compiled by the mines branch of the department of mines at Ottawa cover the entire output of the country with the exception of two small plants. Pig iron output, as estimated by the mines department from returns covering all producers, was 586,998 short tons, as against 562,097 in the first six months of 1916. The average monthly production was 97,833 tons, or only slightly higher than the average for the full year, 1916, which was 97,438 tons.

Imports from the United States have been on a considerably larger scale. The total imports of steel ingots and direct castings for the first six months of the year totalled 139,640 short tons, against 47,493 in the same period in 1916; in pig iron the increase was from 29,801 tons last year, to 38,858 tons this year. Production figures in short tons by months last year are as given as follows:—

	Pig iron.	Steel ingots, etc.
January	89,187	130,990
February	83,801	120,629
March	103,789	152,420
April	101,504	139,669
May	108,799	155,346
June	99,858	137,095

President Fixes Steel Prices.

The president of the United States approved in September an agreement between the war industries board and the steel men, fixing the following prices, which became effective immediately, and were subject to revision January 1, 1918:—

Commodity.	Basis.	Price agreed upon.	Recent price.	Reduction. Amount.	%
Iron ore	Lower Lake Ports	*$ 5.05	*$ 5.05	....	....
Coke	Connellsville	†6.00	†16.00	$10.00	62.5
Pig iron		*33.00	*58.00	25.00	43.1
Steel bars	Pittsburgh Chicago	‡2.90	‡5.50	2.60	47.3
Shapes	Pittsburgh Chicago	‡3.00	‡6.00	3.00	50.0
Plates	Pittsburgh Chicago	‡3.25	‡11.00	7.75	70.5

*Gross tons. †Net tons. ‡Hundredweight.

It was stipulated, first, that there should be no reduction in the present rate of wages; second, that the prices above named should be made to the public and to the Allies, as well as to the government; and third, that the steel men pledge themselves to exert every effort necessary to keep up the production to the maximum of the past, so long as the war lasts.

Measures were taken by the war industries board for placing orders and supervising the output of the steel mills in such manner as to facilitate and expedite the requirements of the government and its allies for war purposes, and to supply the needs of the public according to their public importance and in the best interest of all as far as practicable.

Fixed Prices and Averages.

The following table shows a comparison of the fixed prices with average prices from 1901 to 1916 in the United States, the prices being given in gross tons (2,240 pounds):—

Year.	Ship plates.	Steel beams.	Steel bars.
Fixed price	$72.80	$67.20	$64.96
1916	79.18	57.04	59.73
1915	29.34	29.12	29.34
1914	25.53	25.76	25.76
1913	33.60	35.39	34.72
1912	29.79	29.57	28.90
1911	29.25	29.34	28.22
1910	32.60	32.92	32.03
1909	31.70	31.58	29.56
1908	36.84	36.73	33.15
1907	38.08	38.08	35.84
1906	35.84	38.08	35.39
1905	35.61	35.28	35.39
1904	34.52	34.49	29.56
1903	35.84	36.84	34.94
1902	35.84	35.38	37.40
1901	34.87	35.39	32.92

Here is an interesting comparison. Bars, shapes and plates are figured by the hundredweight, coke by the net ton, and ore and pig iron by the gross ton:—

	Fixed price.	Former price.	% of reduction.	High, 1916.	High, 1915.
Iron ore	$ 5.50	$ 5.50	....	$ 5.05	$ 3.55
Pig iron	33.00	50.00	34.0	30.00	17.50
Steel bars	2.90	4.00	27.5	3.00	1.84
Shapes	3.00	4.00	25.0	3.25	1.78
Plates	3.25	8.00	58.7	4.25	2.04
Coke	6.00	12.50	52.0	8.37	2.64

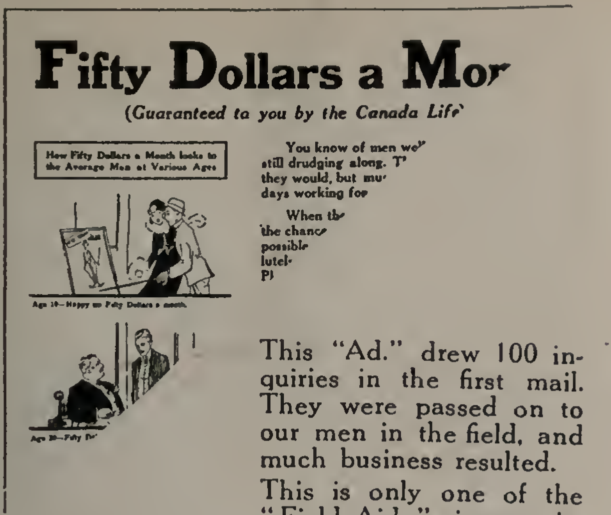
Underwriters were interested in a cable despatch recently regarding the absorption by the London Assurance of the British Law Fire Insurance Company, of London. The latter company, although having a volume of fire business comparatively small, say, $600,000, as compared with the London's $4,000,000, is, nevertheless, a desirable acquisition for the London, because the business of the British Law consists almost altogether of buildings understood to have been secured by their agents, who, as a rule, are the family lawyers representing the estate owning the buildings.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Jan. 9th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......pref.	81	87.50	Cockshutt Plow....pref.	65	75	Lambton Golf Club......	325	375	Rosedale Golf Club......	....	325
" ....com.	40	46.50	Dom. F'dry & St'l 8% pref.	80	91	London Loan & Savings.	100	115	Russ. Gov. 5½% int. roub.	90	100
Amer. Sales Bk.....pref.	....	90	Domin. Glass. ....pref.	75	81	Massey Harris..........	110	130	Sovereign Life..........	12	....
Atlantic Sugar ......pref.	26	30	Dom. Iron & Steel 5's.1939	72	77.50	McDonald..... .....pref.	80	86.50	Std. Rel'ce....(par 50) xd	45	50
" " ....com.	8.25	12.50	Dom. Mfg..........pref.	....	45	Milton Pressed Brick....	25	....	Sterling Coal........com.	8 50	11
Belding Paul.... ...pref.	70	75.50	Dom. Permanent Loan	62	70.50	Monarch Life............	50	80	" " ......bonds	70	73
" " .. ...com.	11	14	D. Po'er & Trans ...pref.	87	95	Morrow Screw........6's	86	92.50	Sterling Bank. .	80	90
Brantford Roofing.......	93	....	" " " ......5's	....	89	Mississauaga Golf.......	....	60	Steel & Radiation..bonds	....	63
Can. Cereal & Flour...6's	....	90	Dom. Savings & Invest..	....	80	Mutual Steamships...6's	94	...	Temple Thea.(Allen).com.	50	...
Can. Furniture.......pref.	....	45	Eastern Car..........6's	90	96	National Drug 7%...pref.	80	90	Toronto Paper........6's	84	90
Canada Machinery..com.	7	12.50	Ford Motor.............	140	165	National Life............	30	...	Trust & Guarantee....xd	86	87
" " ..pref.	44	52.50	Goodyear Tire...........	175	200	National Telephone...5's	48	55	Toronto Y'k Rad. 5's. 1919	....	96
Can Salt..............6's	93	100	Home Bank..............	61	68	North. Crown Bank.....	65	....	West. Assurance........	4	6.25
Can. Westinghouse......	100	118	Imperial Oil.............	290	345	Ont. Pulp Bonds.......	79.50	82.50	West Can. Flour....com.	90	115
Carter Crume. .....pref.	....	72	Imperial Steel......pref.	....	3.75	Ottawa Electric.......5's	.	95	" " 6's (1931)	93	97
Continental Life.........	17	25	Imperial Trust Co........	....	55	Peoples Loan & Savings.	85	93	West Can. Power. ..5's.	....	53.50
Chapman Ball Bearing ..	20	30	Inter Lake Steamship.6's	94	....	......	..	....	....	...	.

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.



Fifty Dollars a Mor

(Guaranteed ta you by the Canada Life

How Fifty Dollars a Month looks to the Average Man at Various Ages

You know of men we
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Age 10—Happy on Fifty Dollars a month.

Age 30—Fifty Do

This "Ad." drew 100 inquiries in the first mail. They were passed on to our men in the field, and much business resulted.

This is only one of the "Field Aids" given to its representatives by the

CANADA LIFE
ASSURANCE CO.

Head Office
Toronto - Canada

CANADA LIFE ASSURANCE COMPANY

New Records

Results secured during the past year re-affirm the position of the Sun Life of Canada as the leading life assurance organization of the Dominion.

It leads all Canadian Companies in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Premium Income, Total Income and Payments to Policyholders.

Fair-dealing and progressive business methods are the foundations for the Company's phenomenal growth.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, President. HENRI E. MORIN, Supervisor

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

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BRITISH AMERICA ASSURANCE COMPANY

FIRE, HAIL, OCEAN MARINE and INLAND MARINE INSURANCE
Incorporated 1833
HEAD OFFICES: TORONTO
W. R. BROCK, President. W. B. MEIKLE, Vice-Pres. and Gen. Mgr.
JOHN SIME, Asst. Gen. Mgr. E. F. GARROW, Secretary.
Assets, Over $2,500,000.00
Losses paid since organization over $41,000,000.00.

(FIRE)
BRITISH CROWN ASSURANCE
Corporation, Limited
OF GLASGOW, SCOTLAND

The Right Hon. J. Parker Smith, Pres. D. W. Maclennan, Gen. Mgr.
Head Office Canadian Branch—TRADERS BANK BLDG., TORONTO
Liberal Contracts to Agents in Unrepresented Districts

CALEDONIAN INSURANCE COMPANY

The Oldest Scottish Fire Office
Head Office for Canada MONTREAL
J. G. BORTHWICK, Manager
MUNTZ & BEATTY, Resident Agents
Temple Bldg., Bay St., TORONTO Telephone Main 66 & 67

L. COFFEE & CO.
GRAIN MERCHANTS

THOMAS FLYNN Established 1845 **Board of Trade Building, Toronto, Ontario**

The Northern Assurance Company, Ltd. of London, Eng.

Accumulated Funds, 1916 .... $39,935,000.00
Including Paid up Capital Amount, $1,460,000.00
Head Office for Canada, 88 Notre Dame Street West, Montreal
G. E. MOBBERLY, Manager

"GREAT AMERICAN" APPOINTS GENERAL AGENTS

The Great American Insurance Company of New York have appointed Messrs. Pemberton and Son, Vancouver, general agents in British Columbia. This company is one of the strong and enterprising companies of the United States.

GOVERNMENT WILL ASSIST PROVINCIAL FINANCING

Sir Thomas White has arranged to assist the provincial governments in their financing this year, according to Ottawa advices. With the United States in the war, and the British and New York financial markets closed to Canada, the Dominion has now to be completely self-supporting from a financial standpoint. A number of the governments have obligations maturing in the United States for which the money must be found in Canada.

In order to relieve this congestion in the Canadian market, which might otherwise happen with large provincial and municipal offerings, Sir Thomas has arranged to assist in meeting the obligations maturing in the United States.

This plan will diminish the amounts of provincial securities to be thrown in the market and will make the situation better for other Canadian securities. When later, market conditions improve and securities are more in demand, provincial issues may be made and the advances by the Dominion repaid.

YIELD ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds is compiled for *The Monetary Times* by Messrs. Morrow and Jellett, members, Toronto Stock Exchange, 103 Bay Street, Toronto:—

	Dividend rate.	Price about.	Yield about.
Preferred:			
Canada Cement	7	90	7.77
Canada Steamships	7	76	9.21
Canadian Locomotive	7	83	8.43
Mackay Companies	4	60	6.66
Maple Leaf Milling	7	91	7.69
Penmans	6	82	7.31
Steel of Canada	7	85	8.23
Common:			
Bell Telephone	8	130	6.15
B.C. Fish and Pack.	4	38	10.52
Canada Cement	6	58	10.34
Canadian Locomotive	6	57	10.52
Canadian General Elec.	8	102	7.84
Consumers' Gas	10	148	6.75
Canadian Pacific Ry.	10	139	7.14
Cons. Min. and Smelt.	2½	25	10.00
Dom. Found. and S.	8	62	12.90
Dominion Steel Corp.	5	56	8.92
Mackay Companies	6	76	7.89
Maple Leaf Milling	10	93	10.74
Penmans	4	66	6.06
Steel Co. of Canada	6	53	11.32
Toronto Railway	8	60	13.33
Twin Cities	6	65	9.23
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	96½	6.22
Canada Steamships	6	80	7.50
Canadian Locomotive	6	88	6.81
Penmans	5	86	5.81
Steel of Canada	6	89	6.74
*First War Loan	5	95	5.26
*Do. Second	5	93	5.37
*Do. Third	5	93	5.37

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*Yield on stock basis.

A proposal for the Dominion government to take over the port of St. John, make it a Dominion property, and place it under a commission similar to the Harbor Commission at Montreal, has been considered by some of the members of the Dominion government. Hon. F. B. Carvell is taking the matter up with the Dominion cabinet.

THESE BONDS ARE LOST

The following certificates of the third Canadian war loan have been lost:—

No. E14023	$1,000
E14024	1,000
E14025	1,000
E14026	1,000
E14027	1,000

CANADA LIFE ASSURANCE COMPANY

An exceptionally strong report was presented by Mr. H. C. Cox, president, at the annual meeting of the Canada Life Assurance Company at Toronto this week. The meeting was attended by a large number of policyholders and branch managers. Mr. Cox reviewed the company's remarkable progress during its 71 years' career and noted the excellent results of the past year. The report showed assurances issued during 1917, including revivals of $367,665, amounting to $23,542,464. This is the largest amount ever issued by the company in one year, and exceeds the business issued in 1916 by $3,018,420. The new policies paid for exclusive of bonus additions, were $21,368,943, which represents an increase of $2,331,797 over the corresponding figures of the previous year. The total assurances in force are $183,016,760, there having been an increase of $13,051,956 during the year, after providing for death claims, maturing endowments and other terminations.

The premium income, new and renewal, after deducting payments made to other companies for reassurances, amounted to $6,016,099, the considerations for annuities to $201,977; the interest income, including profits realized on the sale of securities, $3,329,517, and income from other sources $23,397. The total income was $9,570,991, an increase over that of 1916 of $733,098. The payments during the year to policyholders and their representatives, and to annuitants, in settlement of death claims, matured endowments, dividends, cash values for policies surrendered, and annuities, amounted to $4,340,963. In this sum are included death claims due to the war of $570,238.

In accordance with the conditions of their contracts, loans were made to a number of the policyholders, but these loans, which total $9,222,925, increased in the past three years by only $194,443, while the increase in assurances in force in the same period has been $25,609,589.

The total assets, which amount to $62,580,336, show an increase for the year of $3,341,153. The greater proportion of this increase has been invested in government bonds. A careful revaluation and adjustment has been made of the securities in conformity with the unusually low market prices prevailing at the end of the year and it is felt that, when conditions are again normal, these investments will show a marked appreciation in value. The policy reserves, under the same stringent method of valuation as in past years, on December 31st amounted to $52,562,478, an increase of $2,466,241 over the corresponding reserves of 1916.

The president stated that the mortality amongst the regular body of policyholders had been exceedingly favorable and although the death claims due to the war were included, the total represented only about 75 per cent. of what was expected and provided for.

The dividend to policyholders has been maintained at the present rate, it having been felt that the general progress of the company and the savings in expense and otherwise warranted this. As a measure of additional precaution $100,000 was added to the contingent fund, making this $500,000. This is intended as a special fund for war contingencies, or any abnormal conditions which require to be offset, although up to the present no apparent need has developed requiring the apportionment of any of these funds.

The outstanding features of the report were the increases made in premium income, interest income, assurances paid for, surplus, assets, assurance in force, policyholders' reserves and payments to policyholders. There were decreases in lapses of policies, war claims and expenses. The Canada Life presented the best report in its history.

The company is in a strong position and is a credit to Canadian business and finance.

SHAWINIGAN WATER AND POWER COMPANY

A block of $1,500,000 two-year 6 per cent. convertible gold notes of the Shawinigan Water and Power Company will be offered to the shareholders of the company at a price of 97½. The offering is part of a total issue of $4,500,000, of which $3,000,000 has been sold to a group of American bankers and already placed in the United States.

This offering is the first issue of new securities by a corporation to receive the consent of the minister of finance under the recent order in council restricting new issues in the interests of the general financial situation.

Subscription to the $1,500,000 notes of the Canadian end of the $4,500,000 issue will be offered to Shawinigan shareholders of record January 14th. Shareholders will have until March 1st to signify their intention as to whether they will take up their share which will be pro rata with stock holdings. The issued capital stock of Shawinigan is $15,000,000, so $1,000 notes will be offered to the holder of 100 shares of stock. On March 1st a first instalment of 50 per cent. of the subscription will be due; the balance and accrued interest will fall due on April 1st. The notes are convertible into stock at the rate of $110 in notes for $100 of stock.

MATURING OBLIGATIONS

The New York Times publishes a list of maturing obligations in 1918 amounting to $669,943,772, divided as follows:—Railroads, $259,775,238; public utilities, $214,661,089, and industrial and miscellaneous, $105,507,454.

Many of the maturing obligations have already been arranged for either through refunding issues held in the treasuries of the various companies, or, because of the disturbed conditions in the investment markets, through short-term securities, mainly in the form of note issues. Among the maturing issues in which Canadians are interested are $750,000 Winnipeg Electric Railway notes due this week; $3,500,000 Detroit United 5 per cent. collateral notes, due in May; $3,000,000 on 6 per cent. Canadian Northern gold notes, due in July; $9,733,333 5 per cent. sterling notes of the Canadian Northern Railway; $2,000,000 Grand Trunk Railway of Canada 5 per cent. two-year gold notes, due in August; $10,000,000 Canadian Northern Railway collateral trust 6 per cent. notes, and $1,750,000 one-year notes, due in September; $10,000,000 Grand Trunk Railway of Canada 5 per cent. notes; $2,500,000 5 per cent. notes of the Shawinigan Water & Power Company, due in October; $750,000 Toronto Railway one-year 6 per cent. gold notes; $2,500,000 Canadian Consolidated Rubber Company 5 per cent. debenture notes, due in December.

PUBLICATIONS RECEIVED

Calendar.—Bank of Hamilton, Hamilton, Ont.

Sugar.—The World's Sugar Supply; its Sources and Distribution. Issued by National Bank of Commerce in New York.

Calendar.—Issued by the Government Printing Bureau. Mr. Fred. Cook, Assistant King's Printer and Controller of Stationery, Ottawa.

Railroad Bonds.—Messrs. Spencer Trask and Company, New York, have just issued a circular describing 15 selected railroad bonds which they classify as high grade, conservative investment, and semi-investment. In view of the recent action of the United States government in taking over control of the railroads, this circular is of special interest to investors contemplating the purchase of railroad bonds.

Reference.—Heaton's fourteenth annual edition for 1918, published by Heaton's Agency. It contains a complete interesting list of titled and decorated Canadians which the war has swelled to several pages, and under the heading of "Commerce," an interesting compilation of the pre-war imports from enemy countries into Canada, which will be a useful guide to firms considering the establishment of a new industry in the Dominion. At the end of the book a new section under the heading of "Colonization," gives some very interesting and valuable information, giving for each province land available for farming; fruit farming; cattle and sheep ranching, etc.; Crown land regulations; financial assistance of farmers by provincial and Dominion governments; special provisions for returned soldiers, etc. The first part of the book contains the Official Directory; Postal Information; Shipper's Guide; Commercial Regulations; Railway and Steamship Guide and the Customs Tariff. In the last half is a complete up-to-date summary of the resources of the provinces including Agriculture; Canals and Waterways; Commerce; Education; Finance; Fisheries; Forests; Fur Farming; Mining; Water Powers, etc. This is followed by the Official Boards of Trade Register giving complete descriptions of every commercial town in Canada with its industrial opportunities. References are given throughout the text to a section entitled, "Where to Find It." This contains a guide to the more important Dominion and Provincial Government reports and standard publications from which all available information on any subject can be obtained. Cross references are given to this section throughout the text. Heaton's Annual is found in all the leading business offices.

CANADIANS AND THEIR LOAN SUBSCRIPTIONS

Some interesting facts and figures, regarding our loans, were noted by Mr. W. G. Gooderham, president of the Bank of Toronto, at the annual meeting of the bank this week.

"Although the Dominion has, since the outbreak of war, increased her funded debt to a very large extent," he said, "it is a matter for congratulation that Canadians themselves have become the holders of so large an amount of government securities. On the 30th November, 1917, the amounts of war loans that were outstanding in connection with loans issued in Canada since the beginning of the war were as follows:—

War Loan maturing 1925	$ 93,926,100
War Loan maturing 1931	106,706,300
War Loan maturing 1937	141,903,600

"War savings certificates have been sold amounting to $11,912,300. The people of Canada have, therefore, by purchase of bonds and war savings certificates, provided about $350,000,000. To this must now be added the subscriptions to the Victory Loan, which reached a total of $418,000,000, from about 800,000 subscribers. The amount of these subscriptions which will be allotted has not yet been definitely announced.

"The result of the recent campaign for subscriptions to Victory Loan bonds is a striking evidence of what can be accomplished by intensive cultivation of the financial field. When it is remembered that shortly after the outbreak of war, when Commissioners from France and Great Britain were negotiating with bankers in the United States for an Anglo-French loan, based upon the joint obligations of these two countries, it was with some hesitancy that so large an issue as $500,000,000 was presented to the people of the United States, it is creditable to the people of Canada that after having responded to every previous call by our government they should have again responded to the appeal made to them and sent in subscriptions of $418,000,000. Great credit must be given to the leaders and workers of the canvassing organization who brought about so gratifying a result, and great tribute must also be paid to the people of Canada for their patriotic response.

"In additions to loans thus provided by public subscriptions, the banks of Canada have, from time to time, made advances to the Imperial government, and quite recently opened a credit to that government, through the Wheat Export Company, of $100,000,000 for the purchase of grain, and a further sum of $80,000,000 has been placed at the disposal of their representatives for the purchase of cheese, bacon, and other foodstuffs.

"While the result of the successful campaign for the Victory Loan, with its large number of subscribers, will be to temporarily reduce the amount of the savings deposits that have accumulated in the banks, yet we believe that the distribution of these bonds to such a large number of our people will, in the long run, have a most beneficial effect, and the impetus that has been given to habits of thrift and saving will be of immense advantage to individuals and also to the nation. Another result that will follow from this campaign will be that orders will be placed in this country for supplies in the form of foodstuffs, munitions, clothing, and other necessary war requirements, that will enable manufacturers and others to carry on production on a scale that should ensure a continuance of the prosperity we are now enjoying."

NEW INCORPORATIONS

Several Large Companies Chartered During Past Few Weeks

The largest companies incorporated during the past two weeks were:—

Nickel Lake Mining Company, Limited (no personal liability), Fort Frances, Ont., $1,000,000; Maritime Wrecking and Salvage Company, Limited, Montreal, Que., $1,000,000; Colborne Trading and Transportation Company, Limited, Montreal, Que., $2,000,000; St. Lawrence Shipbuilding and Steel Company, Limited, Sorel, Que., $1,000,000; Three Stars Silver Mines, Limited, Toronto, Ont., $3,000,000; Co-operative Shipping Company, Limited, Montreal, Que., $1,000,000; Canadian Co-operative Marine Corporation Company, Limited, Montreal, Que., $1,000,000; Great West Coal Company, Limited, Brandon, Man., $2,000,000; Union Collieries, Limited, Montreal, Que., $1,000,000; Canadian Kodak Company, Limited, Toronto, Ont., $5,000,000; Utility Securities and Realties, Limited, Montreal, Que., $1,000,000; Realties, Limited, Montreal, Que., $2,000,000.

The following is a partial list of charters granted during the past two weeks in Canada. The head office of the company is situated in the town or city mentioned at the beginning of the paragraph. The amount named is the authorized capital, and the persons named are provisional directors:—

Fernie, B.C.—Northern Club and Cafe Company, Limited, $10,000.

Victoria, B.C.—The Victoria Business Institute, Limited, $25,000.

Kelowna, B.C.—The Ballard Hotel Company, Limited, $10,000.

Courtenay, B.C.—The Gwilt Lumber Company, Limited, $25,000.

Seymour District, B.C.—Hillcrest Lumber Company, Limited, $50,000.

Vulcan, Alta.—The Vulcan Farmers' Oil Company, Limited, $20,000.

Shaunavon, Alta.—The Barr Springate Lumber Company, Limited, $100,000.

Maria, Que.—J. F. Guite, Limited, $49,000; J. E. Guite, J. A. Guite, C. F. X. Guite.

Saskatoon, Sask.—Nat Bell Liquors, Limited, $5,000. N. Bell, W. Sugarman, G. H. Yule.

Kenora, Ont.—Superior Liquor Company, Limited, $45,000. R. C. McPherson, R. W. Killey.

Winnipeg, Man.—Cotter Brothers, Limited, $50,000. T. Cotter, D. H. Chisholm, E. M. Cotter.

Ottawa, Ont.—Producers Dairy, Limited, $200,000; W. F. Argue, F. Finlayson, J. L. Gillespie.

Georgetown, Ont.—Canada Needle Works, Limited, $50,000. F. A. Harley, R. I. Creelman, L. A. Cook.

Edmonton, Alta.—Graham and Reid, Limited, $25,000; City and Farm Lands Company, Limited, $20,000.

Brandon, Man.—Great West Coal Company, Limited, $2,000,000; E. Spice, H. E. Swift, R. W. Campbell.

Pontiac, Que.—The Portage-du-Fort Milling Company, Limited, $30,000; G. Dagg, J. E. Dolan, E. Beaman.

Guelph, Ont.—The Modern Paper Box Company, Limited, $100,000. J. P. Hale, W. L. Clark, W. R. MacKenzie.

Dunham, Que.—Longue Pointe Land Company, Limited, $48,000; C. M. Cotton, F. T. Enright, H. C. Mariotti.

Walkerville, Ont.—Beaver Truck and Tractors, Limited, $500,000; E. P. Brownell, C. J. Stodgell, H. P. Crocker.

Upper Bedford, Que.—The Torrington Company, Limited, $150,000; W. R. L. Shanks, G. Bush, G. R. Drennan.

Hartland, N.B.—Hartland Manufacturing Company, Limited, $24,900; H. H. Hatfield, F. G. Scott, R. W. Cameron.

Sorel, Que.—St. Lawrence Shipbuilding and Steel Company, Limited, $1,000,000. P. Bercovitch, E. Lafontaine, N. Gordon.

Dauphin, Man.—The Dauphin Milling and Creamery Company, Limited, $125,000; S. Code, F. Gostick, D. R. Richardson.

Calgary, Alta.—Archibald and Company, Limited, $10,000; the Mouat-Eoll Company, Limited, $50,000; Apartments, Limited, $25,000.

Fort Frances, Ont.—Nickel Lake Mining Company, Limited (no personal liability), $1,000,000; A. A. Macdonald, E. M. Miller, K. Donahue.

Winnipeg, Man.—Gibson Paterson Company, Limited, $40,000; W. J. Donovan, T. E. Paterson, R. M. Gibson. The Rideau Stock Farm, Limited, $20,000; E. B. Reynolds, W. H. Hammell, J. B. Hugg.

Vancouver, B.C.—Pacific Galvanizing Company, Limited, $10,000; Lead Products, Limited, $100,000; Nimpkish Timber Company, Limited, $500,000; British Columbia Woolen Mills, Limited, $100,000; McAllister Spring Company, Limited, $25,000; Empire Brewing Company, Limited, $10,000; R. G. Bedlington and Company, Limited, $25,000; Merrill-Ring-Moore Company, Limited, $150,000; Richmond Arts, Limited, $10,000; D. E. Brown's Travel Bureau, Limited, $25,000; McTavish Fisheries, Limited, $25,000; Banfield, Gunther and Black, Limited, $10,000.

Toronto, Ont.—Capreol-Hamner Lands, Limited, $50,000; G. Ruel, R. H. Temple, A. J. Reid. Toronto Hardware Manufacturing Company, Limited, $400,000; A. W. Langmuir, W. A. J. Case, W. M. Smith. Canadian Kodak Company, Limited, $5,000,000; J. F. Boland, J. C. German, M. E. Cherrier. Three Stars Silver Mines, Limited, $3,000,000; A. L. Reid, A. M. Borthwick, C. H. Leggott. Dominion Metallurgical Company, Limited, $250,000; H. A. Harrison, W. M. Cox, W. N. Robertson. Thomas McMahon, Limited, $100,000; E. Harris, B. Garrett, A. R. McGrogan. Sutcliffe and Bingham of Canada, Limited, $40,000; A. Sutcliffe, A. Newsholme, A. Molyneaux.

Montreal, Que.—Pyrene Manufacturing Company of Canada, Limited, $100,000; J. A. Miller, A. H. Elder, M. C. Lalonde. Maritime Wrecking and Salvage Company, Limited, $1,000,000; F. S. Isard, F. H. Markey, W. W. Skinner. J. and T. Bell, Limited, $300,000; H. M. Marler, L. Macfarlane, W. B. Scott. J. A. E. Gauvin, Limited, $500,000; A. R. Plimsoll, R. Brodeur, A. Chouinard. Colborne Trading and Transportation Company, Limited, $2,000,000; F. S. Isard, F. H. Markey, W. W. Skinner. Bancroft Mining Company, Limited, $100,000; G. W. MacDougall, L. Macfarlane, W. B. Scott. The Fashion Hat Manufacturing Company, Limited, $20,000; S. G. Tritt, S. Tritt, N. Solomon. Albert Greenberg, Limited, $50,000; S. W. Jacobs, G. C. Couture, L. Fitch. Structural Steel Company, Limited, $5,000; W. R. Lorimer Shanks, F. G. Bush, G. R. Drennan. Le Salon d'Optique Canadien, Limited, $10,000; E. Beauregard, J. E. Labelle, J. A. O'Gleman. Realties, Limited, $2,000,000; W. R. Shanks, F. G. Bush, G. R. Drennan. Canadian Co-operative Marine Corporation, Limited, $1,000,000; W. W. Skinner, W. G. Pugsley, R. C. Grant. Co-operative Shipping Company, Limited, $1,000,000; W. W. Skinner, G. G. Hyde, R. C. Grant. Cross Press and Sign Company, Limited, $30,000; R. C. McMichael, F. G. Bush, G. R. Drennan. Chipman Canada, Limited, $50,000; W. W. Skinner, W. G. Pugsley, G. G. Hyde. Utility Securities and Realties, Limited, $1,000,000; W. K. McKeown, L. C. Herdman, G. E. Chart. Union Collieries, Limited, $1,000,000; E. M. McDougall, S. C. Demers, L. G. Bell. H. Gray and Company, Limited, $150,000; E. E. Howard, J. DeWitt, H. E. Rose.

DIVIDEND FOR FLOUR MILLS COMPANY

The St. Lawrence Flour Mills Company, Limited, which started dividends on the common stock with a declaration of 1¾ per cent. three months ago, has declared the same quarterly payment, with a bonus of 1 per cent. The 2¾ per cent. will be paid on February 1st to shareholders of record January 20th.

PROVINCIAL BANK RESULTS

The annual report of the Provincial Bank of Canada for the 12 months ended December 31, 1917, shows profits of $207,483, compared with $203,983 in 1916. The four dividends aggregated $70,000 and war tax $10,000, both items corresponding to similar amounts paid in 1916. There was written off bank premises $23,500, compared with $16,000 the previous year. There was set aside for provision against contingencies the sum of $40,000. Contributions to the Patriotic Fund totalled $6,500; reserve for pension fund, $5,000, and there was $50,000 transferred to reserve fund.

WESTERN
Assurance Company

Incorporated 1851

FIRE, EXPLOSION, OCEAN MARINE & INLAND MARINE INSURANCE

Assets .... over $5,000,000.00
Losses paid since organization " 66,000,000.00

BOARD OF DIRECTORS:

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Head Office .... WINNIPEG, Can.

Subscribed Capital $594,400 Capital Paid-up $242,000
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THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance Sickness Insurance Plate Glass Insurance
Burglary Insurance Automobile Insurance Guarantee Bonds
The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

Waterloo Mutual Fire Insurance Company

Established in 1863
Head Office, Waterloo, Ont.

Total Assets 31st December, 1915..................$908,244.00
Policies in force in Western Ontario, over 30,000.00

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THE LAW UNION & ROCK INSURANCE CO., Limited

of LONDON Founded in 1806

Assets exceed $48,000,000.00 Over $12,500,000.00 invested in Canada
FIRE and ACCIDENT RISKS Accepted
Canadian Head Office: 57 Beaver Hall, Montreal
Agents wanted in unrepresented towns in Canada.

W. D. Aiken, Superintendent Accident Department
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Economical Mutual Fire Ins. Co.

HEAD OFFICE .... KITCHENER, ONTARIO

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Total Assets, $800,000 Amount of Risk, $28,000,000
Government Deposit, $50,000

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THE FIDELITY PHENIX
FIRE INSURANCE COMPANY OF N.Y.

FIRE — ASSETS EXCEED $19,300,000

TORNADO — FIREPROOF ABSOLUTELY

HEAD OFFICE FOR CANADA
MONTREAL

W. E. BALDWIN, Manager.
J. ROWAT, Asst. Mgr.

ATLAS
Assurance Company Limited
OF LONDON, ENGLAND

The Company commenced business in the **REIGN OF GEORGE III.** and the following figures show its record:—

At the Accession of	Income	Funds
KING GEORGE IV. ...	$ 387,065 ...	$ 800,605
KING WILLIAM IV. ...	657,115 ...	3,038,380
QUEEN VICTORIA ...	789,865 ...	4,575,410
KING EDWARD VII ...	3,500,670 ...	11,185,405
KING GEORGE V. ...	6,846,895 ...	15,186,090
and at 31st DECEMBER, 1916 ...	7,980,685 ...	20,730,010

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which $1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada, 260 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager

UNION
ASSURANCE SOCIETY
LIMITED
(FIRE INSURANCE SINCE A.D. 1714)

Canada Branch .... Montreal
T. L. MORRISEY, Resident Manager

North-West Branch .... Winnipeg
THOS. BRUCE, Branch Manager

MARTIN N. MERRY, General Agent TORONTO
Agencies throughout the Dominion

SUN FIRE FOUNDED A.D. 17

THE OLDEST INSURANCE CO. IN THE WORLD

Canadian Branch ... Toronto
LYMAN ROOT, Manager

The LONDON ASSURANCE

Head Office, Canada Branch, MONTREAL
Total Funds exceed $32,000,000

Established A.D. 1720.
FIRE RISKS accepted at current rates
Toronto Agents .. . S. Bruce Harman, 19 Wellington St. East

COLLECTION BY DRAFT

Most Common and Advantageous for Home Use as Well as Foreign

In the November issue of the Foreign Trade Bulletin, issued by the Foreign Trade Information Bureau of the American Express Company, 65 Broadway, New York, the subject of collecting foreign drafts is covered as follows:—

"Undoubtedly the most commonly used process for making collections against shipments of United States products going abroad is an arrangement whereby the exporter draws a draft upon the purchaser. By this means neither the exporter nor the purchaser need tie up their capital, but, by combining their signatures, can jointly obtain the credit facilities which are advantageous to both parties.

"In a great many cases, however, shippers prefer not to offer these drafts for sale to the banks which handle them, but, after having made them out for an amount sufficient to cover exchange, interest and all other charges, turn them over to their banker for collection. Under these circumstances, payment is not made by the United States banker until the proceeds have been received from his foreign correspondent.

"This does not necessarily mean that the standing of the shipper makes it inadvisable for the bank to purchase his bills of exchange. On the contrary, it may be that the discount rates are unfavorable, and the exporter, having ample funds, prefers to wait for the returns after collection abroad. Or, again, it frequently happens that the consignee is unknown and the shipper does not wish to discount his draft with his bank, when he feels uncertain that it will be taken care of at the other end, thereby possibly incurring expensive protest fees and other charges.

"In other instances, shippers arrange with consignees to allow them to take delivery of the underlying merchandise in part lots, making pro-rata payments, and, therefore, it is preferable not to sell the draft, but to have returns made for each part lot as delivered.

Adoption of Method.

"Once having decided to adopt this 'collection' method, it is important that instructions given with the drafts sent for collection should be full and complete. For example, in India and other eastern countries, and occasionally in Europe, documents accompanying the draft are always delivered 'against payment,' if definite instructions are lacking. On the other hand, in some countries of South America shipping documents are not held by the bank, once a time draft has been accepted. Therefore, it is advisable for the exporter to include in his letter to the banker a statement as to whether documents are to be given up 'against acceptance' or 'against payment.'

"Furthermore, the instructions should outline whether the draft is to be protested in case of non-acceptance or non-payment, and whether advices of non-payment are to be made by mail or cable.

"If such advices are received, the exporter will find that his banker usually is in a position to look after his interests in numerous ways. For example, new instructions often are given to clear and store the goods, pending their re-sale to someone else in the same foreign city. This is of great importance in many South American countries, where clearance must be effected within a limited time after the arrival of the shipment, or else heavy penalties are incurred. Or, if non-payment is due to temporary financial difficulties of the purchaser, the collecting bank, upon receipt of new authority, is in position to obtain full satisfaction by using the instalment plan. Allowing payment of one-third of the draft in thirty, sixty or ninety days has been successfully applied in cases which have appeared to be hopeless at first. Or again, if the shipment is valuable, instructions may be given to reforward it to another nearby market, or even to return it to the United States.

Return of Funds by Cable.

"In many cases, shippers request that return of their funds should be made by cable. It should be noted that when this procedure is adopted for obtaining funds from drafts drawn in United States dollars, interest has to be deducted from the face amount of the draft for the approximate time for mail advices to reach this country. This is due to the fact that payment at the cable transfer rate cannot be enforced abroad, and the drawee, if he insists, may legally pay at the cheque rate on New York.

"Next comes the question as to who is to pay the collection charges, these being nominal sums levied upon a graduated scale and based upon the face amount of the draft. The answer depends entirely upon the conditions previously agreed upon between the seller and the buyer. If such charges are to be assumed by the purchaser of the goods, the clause 'payable with all collection charges' should be added to the draft.

"In the absence of any previous agreement as to the payment of such charges, exporters should remember that the laws of many foreign countries, particularly in South America, make it impossible for the banker to collect more than the amount for which the bill is drawn.

"Quite frequently, the above clause is used without the consent of the purchaser, and the collecting bank has the alternative of declining to receive payment altogether or of waiving all claim to the charges. If they are waived, the banker does so because he believes it to be against the exporter's interest to refuse the face amount of the draft, and naturally will look to the exporter to refund him for his services to the extent that he was entitled to collect from the drawee."

IMPERIAL LIFE ASSURANCE COMPANY

The annual meeting of the Imperial Life Assurance Company has become one of the notable financial gatherings of the year. The meeting was held at Toronto this week, and in addition to the company's directors, head office executives, branch managers and field men, the presidents and general managers of several other Canadian life insurance companies were present. The addresses at the meeting gave an excellent idea of the strength of the company and of the esprit de corps permeating the institution, and which in no small measure is responsible for the rapid progress made by the Imperial Life during the past few years especially. Mr. G. A. Morrow, the president, presented a splendid review of business conditions, a document which should be widely circulated.

The directors' report showed the new assurances issued and assurances revived in the year amounted to $13,087,584, establishing a new high record and exceeding the best previous record—that of the preceding year—by $2,580,264. The gain made is assurance in force was also the greatest in the history of the company, being $8,278,209, and bringing the total assurances up to $63,362,339. The cash income from premiums was $2,272,278.87, from interest $862,674.07, and from other sources $92.37, making the total cash income $3,135,046.21—an increase of $462,866.95 over the corresponding income of 1916. The benefits paid to policyholders, comprising death losses, matured endowments, profits, etc., amounted to $1,030,392.09, exceeding by $380,282.46 the payments made to policyholders in the previous year. The ordinary death losses of the year were 47 per cent. of the normal table mortality. Claims due to the war brought the death losses up to 78 per cent. of the normal table mortality. The total death rate, therefore, notwithstanding losses due to the war, was still well within the ordinary provision contained in the premiums and reserves.

The total assets of the company were increased during the year by $1,309,428.87 and at the end of the year amounted to $14,283,845.89. The sum of $1,330,739.83, constituting nearly the whole of the funds available for new investments in the year, was placed in Dominion government loans. Our bonds and debentures are carried out in the statement at an amount well within the valuation as at the 31st December, 1917, authorized by the government for life companies' investments. The average rate of interest earned on all invested funds was 6.72 per cent., showing, therefore, that a substantial margin for security and surplus exists above the policy valuation rate of 3 per cent.

After providing for all policy liabilities on the strong basis just stated, and for payments of surplus due in the year to policyholders amounting to $107,601.00, the policyholders' net surplus fund was increased by $143,366.25 and now amounts to $2,001,820.23. The company's directors, shareholders, staff and policyholders have every reason to be satisfied with the year's results, the company's standing, and the outlook for business.

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Established 1867 — Old as Confederation

JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

National Inventory of Industrial Organization

NECESSITY *for Inquiring Into a Range of Important Subjects is Suggested—Relation of Monopolies to High Prices—Canadian Combines Act Said to Be of Doubtful Utility—The Advantages of Combination—How to Foster Foreign Trade—The Antagonism Between Labor and Capital; the Dangerous Tendency Towards Socialism.*

By **W. T. JACKMAN, M.A.**

IT has become the custom in business, a custom which has been recognized as a virtual necessity, for each establishment to take, at least once a year, an inventory of stock on hand and to make up statements showing the condition of the business and the profits or losses which have accrued during that period. In this way, and in no other, is it possible for the management to know what lines of activity have been most successful, what changes need to be made in the character of the service undertaken or the personnel of departments, and, generally, to adjust its methods of operation toward securing the largest measure of success. There are some concerns which never take such an inventory, nor make out any periodical financial statements; but those establishments which have attained to any importance in the commercial or industrial world find it impossible to continue their work without regularly taking stock of their affairs.

As a condition of securing credit at the bank, a business house is normally required to show its latest balance sheet or statement of affairs, when requested by the bank, as a guarantee that the business is being conducted upon a safe and economical basis. If such an establishment wishes the services of the banks and desires to stand well in the business world, it must eliminate all objectionable or shady practices and do its business in the open; it must keep as far removed as possible from doubtful methods and not "tread the borderland dim 'twixt vice and virtue"

What we have said concerning an individual business, is true likewise of the collective industries of the nation; and the government which is entrusted with the conduct of the nation's affairs should regularly take a national inventory of its stock-in-trade and the methods of doing business which are sanctioned by it. Business men are compelled to carry on their work under the circumstances which are largely made *for* them, not *by* them; and it is the duty of the government so to direct and control the fundamentals of business life that the mercantile and industrial classes may have the most favorable environment for the conduct of their work. To direct trade and industry that there may be the greatest degree of freedom and initiative consistent with the largest amount of public benefit, should be the aim of the government in all its departments; and until both these aspects of advantage are secured there is room for amelioration.

The work of the Conservation Commission of the Dominion shows us great resources which are to be developed and utilized. We have, as a result of the services of that body, a fairly complete and adequate knowledge of such resources as they have investigated; and the activities of certain other governmental bureaus have shown us that our mineral wealth and water power facilities are of paramount importance. Of nickel alone, 80 per cent. of the world's needs comes from the Sudbury district, and the supplies of gold, silver, coal, iron ore, etc., are attracting attention by their richness and profusion. During 1917 we have been noting our progress in these and other lines in the fifty years since Confederation, and this half century shows a period of great natural expansion and development, a time of increasing strength and prodigious increase of wealth.

With such a heritage in nature's bounty and the development of capitalism upon a great scale, it would be strange indeed if there were not in this development some excrescences which indicate unhealthy growth in some directions. In the utilization of such abundant natural assets, the tendency is to enhance private interests to the greatest degree; and sometimes public welfare has been subjugated to private emolument. It must be acknowledged that individual enterprise and ability have met with many barriers and it was appropriate that they should have correspondingly ample remuneration when the results attained have been given constructive effect. But the recent disclosures in a few instances have attested the fact that the public welfare has suffered in the enrichment of certain individuals. Has the balance of advantages from the unfolding of our industrial and commercial structure accrued to the promotion of the general well-being in the most substantial manner possible, or have private interests secured the largest share of these advantages? The answer cannot be given until we have made a critical examination of the methods and results under the present régime. As already noted, we have ample information of the natural resources of the country, but we have little information, and most of it unorganized, as to the methods pursued by those whose business activities, in employing these resources and forwarding them from one stage to another, bring them into vital relation to the consuming population

As a consequence, there is the necessity for inquiring into a range of subjects upon which there is scant knowledge but much conjecture. Even those who are elected to positions in our legislative halls are woefully deficient in their knowledge concerning the businesses affected by their legislative measures. One has but to read the discussions in the House at Ottawa or at any of the provincial deliberative assemblies to see how erroneous and defective are many of the so-called statements of fact. Such assertions, made, perhaps, in good faith but upon insufficient evidence, cannot be contradicted by others, because the latter are equally in the dark. Observation in a particular locality is made to furnish "facts," for which there is no substantiation as general statements; and in other instances, the suppositions of one of the people's representatives in parliament are given on the floor of the House and are made to have the appearance of truth, when in reality the facts are unknown.

The same lack of definite knowledge and the prevalence of surmisings is manifested by assertions in the daily press and on the public platforms of the country, until people are fed upon the "knowledge" that is too often nothing but chance guesses, or at least, mere possibilities. Some of our most carefully edited technical journals, like *The Monetary Times*, are doing their utmost to provide information that is authentic, but they are seriously handicapped by the fact that the detached information given out by private concerns gives nothing but a brief financial note as to the assets and liabilities of the company or a reference to some forthcoming or outstanding issue of bonds or stock. It is evident, therefore, that we have profound need of a full investigation of our trade methods and of the financial practices and relations of the corporations doing business in this country.

Encouragement of Enterprise.

We need this, in the first place, to give us accurate knowledge of what the commercial and industrial conditions are in Canada, as a basis of forming correct judgments. Industry has become organized into larger and larger units, and these units have found it advisable, from their own financial point of view, to ally themselves in a great variety of ways with other units, thus building up great consolidations of enterprise or community of interests. These have proved to be very advantageous to the concerns thus linked together, but has the public derived its share, or indeed any share, from the economies of these increasingly large-scale enterprises? If private interests alone have been served and the community has not profited from these advances, it behoves us diligently to inquire into a state of things under which the great mass of the people are exploited for the profit of a few. On the other hand, if the consuming public has derived advantages commensurate with those of the business entrepreneurs, the more encouragement that is given to these advances the better.

At present, we have but insufficient data upon which to base a sound conclusion; and it depends chiefly upon mental attitude, not upon supported and buttressed evidence, whether one assails or accepts the present régime of business life. The development of our water powers, mines and other natural endowments may be carried out by private individuals or corporations for private gain, or, while giving reasonable returns to those who bring out this wealth, these forces of nature may also be used for the general advancement of the public welfare. For which purpose are they now used? An answer cannot be given until a faithful survey has been made of the entire situation.

The man who gains a million dollars and adds ten millions to the country's wealth is much more desirable than the man who gains a million dollars at the expense of the country's or his fellow citizens' welfare. In the one case, we have a productive worker whose activities contribute to the welfare of all others in equal or greater proportion than to his own wealth. For the services of such a man or group of men the community can afford to give ample remuneration. In the other instance, the profiteering business concern may leave the community the poorer for its presence there; it may accumulate vast wealth, but the advantage to the community may be insignificant or even negative. The payment for such services can be ill afforded.

Conduct of Business.

A business may be so conducted that the managers of it are continually bringing forward new goods which enrich the social life of the country or giving old goods at lower cost on account of improvements in the processes of manufacture or economies of sale. Or, on the other hand, a business may build itself up and become strong financially by merely taking the ideas of others and interposing barriers to their advancement while confirming its own position by the attempted ruin of others in the same line. How much of the present-day business is of the former class and how much of the latter we have no means of knowing, until more adequate information is given us of the commercial practice. The words of an eminent economist and a keen and thoughtful observer of public affairs are to the effect that "a large part of what is ordinarily called 'business' must be placed under the ban," as being unprofitable for the public good. Of course, we do not mean that much of the business is carried on illegally, but that much of the activity of certain classes is predatory or parasitic and does not conduce to the common good.

It is not intended by such a proposed investigation to reveal to the public or to competitors the foundations upon which a particular business has been established, such as the formulæ of drug concerns, the composition of special articles of manufacture, or, generally, the inside information necessary to the continuance of the business. No government would authorize the publication of such things unless for the protection of its citizens. But this protection should be accorded to the populace with reference to those things which are detrimental to the physical or moral life.

We hear also a great deal said, especially under the existing conditions of the high cost of living, as to the evils of monopoly in enhancing the prices of certain commodities; and not a few are found, especally those with socialistic tendencies or those who foment trouble among the laboring classes, railing at the industrial system as the builder of monopolies, through which certain persons have become very wealthy by the extortionate prices charged for their products. It must be acknowledged that monopolies have the power of oppressing the people unless they are restrained in the exercise of their possibilities. But we have no precise knowledge in regard to Canadian industry as to how far monopolistic conditions prevail in any line.

It is true that since the beginning of the century, and especially in the years 1909-1912, there was a vast movement of consolidation by which large-scale enterprise became prominent throughout the Dominion; but there is a great difference between large-scale enterprise and monopoly, although the former invariably tends toward the latter. What proportion of these concerns are still under the regulative influence of competition and what proportion has emerged into the class of virtual monopolies, we have no means of knowing at present. In certain industries it seems as if competition has ceased, since the prices charged by one establishment are the same as those charged by others in the same line; but we have no information as to whether this is simply a temporary price determination as the result of the organization of a pool or whether it is permanent as the outcome of the merging of formerly competing interests.

Intolerable Competition.

Another reason why there should be such a survey of industrial and trade conditions is to bring to light those practices which are regarded as unfair in the competitive struggle. So great have these become in the United States that one of the most renowed merchants in that country has recently declared that the competition which prevails in large-scale business has become almost intolerable. The practices of which he and many others complain may not be so rampant in Canada, but we are safe in saying that much the same conditions exist in the two countries.

In its latest annual report, the Federal Trade Commission has listed twenty-two unfair methods of competition, among which are included such things as false labelling and advertising, use of coupons, simulation of slogans, use of leaders, cutting off competitors' supplies and credit, bribery and enticement of employees, use of bogus independents, increasing prices of raw materials, inducing breach of contract, institution of malicious and vexatious suits, use of same or similar trade name or trade marks, conspiracy to injure competitors, espionage, exclusive dealing contracts, defamation of name and goods, refusal to accept advertising, intimidation, threats, boycotts, etc. Such practices tend to drive competitors out of the field and to build up into strong concerns those which are able to dominate and impose their will upon others.

Inquiry among business men who are thoroughly responsible and endeavoring to be honest with themselves and others shows that practically the same methods are in use here, as are found in the neighboring republic. Much litigation has been necessary there in the last twelve years in order to correct abuses which were tolerated until they became a public menace, and there has been much waste of funds in carrying on protracted lawsuits in the higher courts, which might have been avoided had the results of such unfair methods been foreseen. A carefully conducted investigation of such things in Canada at the present time would show us the hidden dangers and pitfalls that lurk in the pathway of progress and would enable us to profit by the mistakes and experience of other countries. Prevention, rather than correction, should be our aim.

Relations of Corporations.

The financial relations or inter-relations of the large corporations should also be a subject of careful inquiry. Is the practice of intercorporate holdings of stock carried to such an extent that corporations are thereby compelled to work together in harmony of policy? Are the banks large holders of stock in industrial or railway enterprises, so that, while furnishing great advances of capital or credit, they are enabled to control the policy and command the business of these enterprises? Are our manufacturing establishments, in some cases, able, through ownership of blocks of stock, to secure from those concerns which furnish them their raw material, prices which are lower than those charged to other manufacturing companies which have no such stock control or influence? Or, have we a number of groups of companies, each of which has its member companies united into a compact and harmonious organization through the system of interlocking directorates, so that if one is threatened with restriction or obstructive measures all the others of that group rally to its aid?

Are any of our banks so closely affiliated with some concerns in this way that the latter are able to secure better terms in borrowing than others which are not thus associated? Do the financial institutions of the country use their great power for building up the strength and expanding the power of a coterie of their favorite companies, while directly or indirectly refusing to grant similar aid to other companies, simply because the latter do not belong to their organization of related companies? Or, again, how far are the great industrial establishments integrated with others above or below them in the scale of forwarding the process of manufacture from raw material to finished product?

How great is the control exercised by manufacturers over the distributive agencies for their products? Are the selling organizations part of the manufacturing concerns, or are they entirely separate from them? If separate, does the manufacturer in any case exercise such a dominating influence over the seller that he can fix the resale price which the seller must charge the consumer? Another aspect of the financial problem is as to the prevalence of holding companies—how many of these are there and have they been the means of securing private advantages at the expense of the public? A few years ago, as the result of an investigation into such matters in the United States, the people awoke as from a bad dream to find a vast amount of concentration of control of industrial and financial businesses in relatively few hands, and Congress was required to legislate against such concentration of capital and money power. Should we have the same experience in Canada as the outcome of a similarly searching inquiry?

Canadian Combines Act.

Such an examination of the industrial and commercial fabric of the nation would also show whether public interests are being safeguarded, and whether existing laws are effective for the purposes intended. If not, it would show what further legislation, or abrogation of existing legislation, is necessary at the present stage of expansion, to curb injustice and to foster the greater advance of industry which is so earnestly desired. We have upon the statute book the Canadian Combines Act, enacted by Parliament in 1910; but although the effectiveness of that act when invoked has been attested, there are many ways in which combinations of interests may be effected to secure unduly high prices from the consuming public and yet the Combines Act remain a dead letter.

The fact that this Act has provided the machinery for setting the law in action against a concern which exercises any unreasonable restraint of trade or performs other acts which render it liable under the criminal code, does not of itself insure the public against such criminal conduct. That the Act has not been made the basis of an appeal for a board of inquiry does not indicate that there is no reason for its use, but rather that the method to be employed in its execution is faulty and unsatisfactory. Like its antecedent legislation, the Industrial Disputes Investigation Act, it is recognized as being of doubtful utility; and although it may have some restraining influence in preventing a corporation from doing what is illegal, the information which has come to light in recent times shows that this law is practically useless, at least in some important instances.

Advantages of Combination.

As we have seen in the past few years, and particularly within the last year, enormous increases have taken place in the prices of commodities, which were evidently not justified by the increased expenses of production. Publicity should be given to the facts before it can be relied upon to effect a remedy, but until these facts are know it is idle to speak of the corrective influence of publicity. In the last session of the Dominion parliament one of the people's representatives gave some facts regarding one of our most oppressive corporations, but his information failed just before he reached the crucial point as to the company's organization and methods. So, when we speak of turning the light of publicity upon the affairs of these corporations to see whether the public may not be protected more effectively, we are but emphasizing what is already patent that we are wholly in the dark in regard to their inner and outer workings.

We would not want to see the advantages of combination of capital lost through disrupting industrial and mercantile concerns; but we would like to see a larger share of its benefits divided among those who make such combinations possible. In the case of our railways we have a vast amount of publicity through the regulative work of the Board of Railway Commissioners, and no serious-minded student of railway affairs, not even the railway officials themselves, would want to go back to the former days of unregulated competition, when each company considered its own financial advantage without the consideration for the public interests which is manifested to-day. So must we move forward in these other fields of enterprise, illuminating the pathway of public welfare by the light of investigation. Not wealth accumulation but service rendered should be the test of the success of the individual or the corporation.

Encouragement to Industries.

Not only should corrective measures be devised for eliminating the business practices which are reprehensible, but encouragement should be given to those industries which have been but newly established, or which are getting a new lease of life; and to an investigating commission the managers of such industries could give invaluable information. Take shipbuilding, for example. Those who are actually engaged in the construction of ships could tell of the difficulties they meet and the barriers to be overcome in their special branch of the industrial realm, and for an industry of such national and international importance the experience of those already embarked in the work would furnish the government with facts which would form the basis of favorable action. Canada has the facilities and her great navigation possibilities provide the appropriate occasion for developing her shipbuilding. The past results in this enterprise and the present circumstances attending it might make it clear to the government that this could become one of the most valuable assets of the country; and with complete knowledge as to the best ways in which aid should be extended, the government would be in a position to promote most effectively this phase of the national welfare.

Fostering Foreign Trade.

Such a survey of industrial and trade methods would naturally include within its scope not only domestic trade, but also the means necessary to building up and encouraging foreign trade. We have already had a report from a governmental body dealing with trade opportunities in Great Britain, France and Italy after the war, showing what products this country could supply that would be aceptable to and find a market in those allied countries. Some of the difficulties in the way of entering such markets have also been pointed out. If our manufacturers are to be successful in opening and developing a fair measure of this foreign business, we must have concerted action. The expense incurred in going after such business is almost prohibitive for any one concern.

Manufacturers must work together under the greatest possible encouragement, and the combined judgment of all is essential to the devising of plans by which to capture these markets. Under the stimulus of such an investigationg board as is here proposed, and with the assurance of the utmost govermental support, manufacturers could gather together under favorable auspices and elaborate their plans for the furtherance of their interests in the new countries that are ready to accept our goods. In the pursuit of foreign trade, entirely different methods must be employed from those used in domestic trade. It takes many years to create the facilities of a market in the foreign field, and a great amount of care and tact is required in the cultivation of this foreign demand. Only by carefully considered methods, carried out with ample backing and over a protracted period, can our products find a permanent place in other countries on a selling basis that will be acceptable to them and profitable to us.

Capital and Labour.

We have shown only a few of the advantages which would result from the work of an industrial commission such as that contemplated. But one more fact needs to be brought to our attention before leaving this part of our subject: We refer to the increasing or apparently increasing antagonism between labor and capital and the dangerous tendency toward socialism that is becoming manifest. Many people have the idea that private corporations are only evil and that continually; that they are oppressing the community in order to make large profits for individuals, and that, therefore, the sooner all such enterprises are taken over by the government and run for the universal good the better it will be for all concerned.

We are willing to admit that in some cases very large profits are obtained, but it would seem from evidence at hand that some smaller businesses are making larger profits than many of the larger businesses. An analysis was made recently in the United States in regard to the financial success of the thirty largest industrial combinations, as a result of which it was ascertained that eight of them had been highly successful, seven of them had been fairly successful, ten of them had been unsuccessful and five of them had been disastrous failures; in other words, half of them had utterly failed to measure up to what was naturally expected of them. What would be the outcome of inquiry as to the conditions in Canada? We should probably find much the same result as in the case of the United States. It is greatly to be deplored that too often the daily press lends its columns to the spread of malicious statements, absolutely without foundation, as to the way in which private corporations prey upon an unsuspecting public. Let there be light upon this question, and let us know the certainties regarding it. Only in this way can an intelligent opinion be formed. Without that, unconfirmed rumors and ill-considered predilections have a chance of ripening into what are reported as actual conditions, and the semblance of truth that is given to the half-truth or falsehood may be dangerous to any sane conclusion. Yet such unfortunate conclusion may soon be crystallized into popular prejudice.

Work for the Government.

How should such a survey be effected? Clearly not by private investigation, for corporations would refuse, in not a few instances, to allow access to documents that would give the desired information. Only an investigation by a government body can get to the fundamentals, for in this way witnesses could be put upon their oath and required to tell the truth, and, if necessary, books and accounts could be opened for examination or verification. With the evidence adduced, accompanied, of course, by a report upon each aspect of the investigation, the public would be put in possession of the facts upon which to base a sound judgment. Such a body could be appointed by a party government, but there would be difficulties in the way of securing the best results on account of the pressure of political interests. But the Union government could secure the appointment of a non-partisan investigating commission composed of experts, which would be under no obligation except to fulfil its work most acceptably and obtain the most far-reaching results for the development of the country.

There are still too many in Canada, although their numbers are rapidly decreasing, who are saying: "This business and the way I manage it is my own affair." In reality, the time is here, and progressive employers are sympathetic with it, when the business man can no longer say truthfully that his conduct of business is his own affair; for he is truly a public servant, doing work for the public, kept in business by the public, and he should show the new conscience in business, recognizing himself as the steward of a public trust. We have noted lately a movement on the part of the fraternal organizations to put their business relations of insurance, etc., with their members upon a strictly actuarial basis, and to be responsible for the trust reposed in them. In the organization of corporations the promoters are legally bound to consider themselves responsible for the strictest accountability of all the funds they handle; they must not injure the owners (stockholders) of the corporation. So, in business generally, those who fail to appreciate the fact that in the conduct of their business they have responsibilities to the public, are rapidly dwindling in number. The increasing obligation of business men to the public shows their recognition of the public interests as pre-eminent, and it is to clarify this great issue that a complete and careful inquiry should be made by the government. A very small amount of the government's funds employed in this way would bring great rewards.

[Comment upon this article appears in our editorial columns on page 10.]

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 9-32 pm	1 11-32 pm	......
Mont. funds	par	par	⅛ to ¼
Sterling—			
Demand	$4.8150	$4.8175	$4.84
Cable transfers ..	$4.8275	$4.83	$4.85

Rate in New York for sterling demand, $4.75¼.

Bank of England rate, 5 per cent.

ACTIVITY IN BOND MARKET

Several Large Issues Offered—Ontario Hydro-Electric Commission's Financing

For the first time since October last the bond market has had important business outside of war loans. During the past ten days several large blocks of bonds have been marketed or offered. The first issue apparently to receive the sanction of the Dominion finance department under the new order-in-council was apparently a block of $4,500,000 Shawinigan Water and Power Company's 2-year 6 per cent. convertible gold notes. These were issued at 97½ and interest, yielding 7⅜ per cent The notes were taken by a syndicate of United States investment bankers and offered by them to investors in that country.

The most notable sale was that of $630,000 5 per cent. 15-year gold bonds of Saskatchewan province. Authority was obtained at Ottawa to make this issue, and a syndicate of Canadian bond houses sold the issue within a few fours. The yield to the investor was 6½ per cent.

Another large offering is $2,000,000 of Manitoba province bonds. There are two blocks, $1,000,000 5 per cent. bonds, due October 1st, 1920, and $1,000,000 6 per cent. bonds, due February 1st, 1928. The former are being issued at 96.97 and the latter at 98.16, with interest in both cases. The yield is 6¼ per cent. This issue has also been approved by the priority board of the department of finance, Ottawa, and is put out at the most attractive figure at which Manitoba bonds have ever been offered to the investor. This is the first instance of any Canadian province issuing a bond bearing 6 per cent. coupons in the past twenty or thirty years.

Ontario Hydro Financing.

Another important announcement this week was made by Sir Adam Beck, chairman of the Ontario Hydro-Electric Commission, at a conference of municipal representatives in Toronto on Tuesday. He stated that arrangements will probably be made through the federal government to finance the commission's Chippewa Creek development without it being necessary to adopt the suggested plan of issuing a Hydro loan through the municipalities within the Hydro system. In the meantime, backed by the guarantee of the Ontario government, the Hydro-Electric Commission has been able to secure a loan of $1,250,000 from the Bank of Montreal to construct the extension to the Ontario Power Company plant that will within the year add 50,000 horse-power to the Hydro supply.

For some time past it has been known that the Hydro-Electric Commission was having difficulty in getting money to carry on the Chippewa Creek development. This difficulty resulted in suggestions that the commission should float a loan of $10,000,000 or $15,000,000 at 5½ or 6 per cent. A little over a week ago Sir Adam Beck held a lengthy conference with the government, following which Hon. T. W. McGarry, provincial treasurer, visited Ottawa. The announced reason for this trip was to make arrangements for financing the extension to the Ontario Power plant, but while in the capital the provincial treasurer had a long talk with the finance minister in regard to the larger Hydro plans, and brought back from Ottawa assurances that the Dominion government would endeavor to take care of urgent financial needs in connection with the project.

Sir Adam intimated that interests in the United States who were anxious to get power offered to co-operate with the commission in the financing and construction of the Chippewa Creek development work.

Municipal Activities.

Among the municipalities there is also activity. Montreal wants a loan of $3,000,000, but the latest report is that it will try to raise the amount by extra taxation. Ottawa will make application for permission to borrow $250,000 for the erection of a civic fuel plant and for the purchase of fuel. Windsor, Ontario, has a block of $250,000 bonds for sale. Hamilton will ask the finance minister's authority to issue debentures to cover the cost of new pumps ordered for the waterworks. The local board of control, however, was informed on Tuesday that Mr. T. J. Stewart and the local senators would oppose any such application. Mr. Stewart has opposed this scheme, and recently announced that an auxiliary electric supply could be obtained to operate electric units. It was decided by the board of control to send a deputation to Ottawa to interview the finance minister, and ask him to permit the city to issue the debentures.

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OUR COAL PROBLEM

The world coal situation, including that on this continent, has reached a point at which we must expect adequate action from the government with a view to providing future supplies. The coal resources of the United States, while greater than those of Canada, are sorely taxed to meet even the pressing demands. In the matter of coal supplies, the Dominion must not expect to retain any preferential treatment over other countries, which it may be temporarily receiving, due to war conditions, from the United States. In any event, Canada must expect to feel the effect of such export regulations as the United States from time to time may deem it necessary to impose. Commodities in increasing number are being subjected to embargoes, and those already in force are being stiffened. It was pointed out in *The Monetary Times* of January 4th, in the notable article by Mr. Arthur V. White, a student of this subject, that Canadians need never expect to have electrical energy replace coal and other fuel for heating purposes, except to a relatively limited extent. While Canada is rich in electrical potentialities, yet the physical equipment to develop it speedily cannot now be obtained, factories being fully occupied on other work. Electrical energy is most serviceably employed for strictly power purposes. Fuel, such as coal, oil, etc., is more profitably employed for heating.

In Mr. White's article, it was strongly emphasized that no matter how generous are the sentiments of the United States towards Canada, no country can be expected to send out of its confines that which is essential to the very existence of its own people. No matter what is the goodwill or desire for exchange of commodities, the United States may not be able to cope with the prevailing need. Canadians must be prepared to help themselves by the development of their own fuel resources in a way that they have never done before.

Since the latest article on this subject was published in *The Monetary Times* a few weeks ago, the United States has found it necessary to declare a policy providing that no coal may be exported from that country during 1918 except for purposes contributing materially to the conduct of the war. As pointed out by Mr. White, there is no need to start again learning the A B C of this fuel problem. Officials of the government of Canada, such as those in the Geological Survey, Department of Mines, the Commission of Conservation and other organizations, have knowledge of existing conditions and of practical means by which much of the stress may be relieved. Mr. White said: "To carry out these measures of relief and to place Canada in a reasonably independent position with respect to fuel will take time; but there is no doubt that if matters are dealt with in a broad, statesmanlike manner, and the necessary encouragement of financial and other assistance is given to those who are competent to handle same, Canada will, at a minimum of effort and expense, be relieved of a menace with respect to her coal supply which threatens not only her economic life, but the physical life and well-being of a large proportion of her citizens."

If our outside supply of coal is cut off, we must look to our peat, lignites, and coal areas in East and West. Under the circumstances, the public naturally want to know what is being done to obtain this coal in East and West and what is being done for its distribution to the central portions of the Dominion. There is a proper and rapidly strengthening desire on the part of the public to know what action the Dominion government is taking in these matters; what conferences are being held; whether expert knowledge is being applied; and what time and funds are necessary to obtain lignite and peat in order satisfactorily to relieve the situation, not only for the present but for the future also. As Mr. White has stated, "absolutely no time is to be lost."

VICTORY BONDS IN TRADE

A number of merchants are offering to take Victory Bonds at par, in exchange for merchandise. These merchants are actuated by patriotic motives but they have failed to consider the effect which the acceptance of their offers would have upon the situation. The strongest effort was made to have these war bonds purchased for permanent investment by the people at large, to be paid for out of the past or future savings of those who bought them. Purchases thus made not only result in providing funds for the uses of the government, but they also effect a conservation of labor and material. When the bonds are exchanged for merchandise, it defeats the primary object of their sale, it discourages thrift, and increases expenditures, thus depriving the government of labor and material needed for war purposes.

In addition to this, such bonds when taken in exchange for merchandise must in most cases be immediately sold in the open market, and that is not desirable.

ORGANIZATION FOR WAR

Referring to the subject of taxation by the Dominion government, Sir Herbert Holt, president of the Royal Bank of Canada, at the annual meeting of that institution last week, stated that while he approved the principle of the income tax, he thought the business profits tax was unduly onerous and repressive, and that it had had the effect of antagonizing capital and restricting production.

This is a point which should have the serious consideration of the government. We must recognize that very large sums of money must be raised by special taxation to carry on our share of the war, but this should be done in a way that will not discourage the investment of capital in existing and new enterprises, increasing production in certain directions necessary for the prosecution of the war. A reasonable proportion of excess profits, having in view the exceptional conditions of war, should be taken but at the same time the efforts of capital and labor should be encouraged by the fairest possible legislation.

Sir Herbert Holt, commenting further on the government's action in such matters, said: "While we believe the government's assumption of the powers mentioned is essential to the prosecution of the war, and are in duty bound to give our full support, the extent to which the domestic life and liberties of the people are thus affected is a serious matter. Dictatorial powers once assumed are usually reluctantly relinquished, and if we could not trust the government to annul them when the present purpose has been served, great evil would result..

This point is well made, but as the war proceeds we believe it will be found that only by thorough organization and the free exercise of State regulation in all the Allied countries, will a definite and favorable decision be obtained in the war area. The course of the struggle during the past 3½ years has shown the necessity for assumption of powers by the State which, in times of peace, might be objectionable. State regulation, nation-wide organization, co-operation with capital and labor, and the obtention for national service, of the best business and financial brains, are four of the factors necessary to finish the war quickly and successfully. The vast war machine must be backed by businesslike organization, in which governments and business men should be partners in harmony. During the present year, this tendency is likely to be sharply defined, and if the war runs into future years, the same tendency will be the dominating factor.

CHEMICAL RESEARCH

If the cabled report of the discovery, by United Kingdom interests, of German dye secrets, is correct, a strong weapon against enemy trade after the war will be available. The Imperial, Canadian and United States governments are all devoting considerable attention to the development of the dye and chemical industries. The British government has a substantial interest in an important dye manufacturing corporation and has appropriated a large sum for experiments. The United States government is actively engaged in furthering the dye and chemical industry in that country. Canada has appointed a special commission to investigate these and similar matters. Inquiry is also being made into the production of potash. Germany is said to hold the world's monopoly in this commodity. All the valuable deposits are under German control, the principal source of potash being at Stassfurt. Attempts are now being made in Canada and the United States to produce potash from feldspar and from other resources. A Toronto company is already engaged in experimental work with that object in view and a large Montreal concern has announced its intention to enter this new sphere as a side line. While we must depend upon individual initiative to a great extent for the development of new industries, it is reasonable to expect enterprising governments to encourage experiments of this nature with practical support. The United States, it is understood, has offered as an inducement in research, a large sum to the citizen who can produce potash from one or more of the natural resources of that country, and in quantities which will give an adequate supply.

A NATIONAL INVENTORY

Mr. W. T. Jackman, M.A., of the University of Toronto, in an interesting article in *The Monetary Times* this week (page 5) suggests a national inventory of Canada's industrial organization. He thinks that such an examination would give the necessary information to satisfy public enquiry on many topics and to improve legislation where found necessary. One impression gathered from his exhaustive paper, however, is that a general national stocktaking is a very large order. Such a work, we think, could be best performed by various existing government departments and commissions, with other assistance as might be required. For instance, the Commission of Conservation has already taken an inventory of many of our natural resources. The Dominion statistician, Mr. R. H. Coats, is doing excellent work in gathering statistics from which much of the information suggested by Mr. Jackman will be obtainable.

Mr. Jackman mentions the ship-building industry as an example, proposing that ship-builders tell an investigating commission of the difficulties they meet and the barriers to be overcome in their special branch of the industrial world; but ship-builders have already conferred with the government and the difficulties met in the establishment of the industry are, we understand, being solved satisfactorily.

While we cannot see eye to eye with Mr. Jackman's proposal, there is admittedly a necessity not only for more information and statistical data, but also for their proper application when gathered. This, however, we think, is a matter for government departments, with proper qualified assistance, and for the cabinet council.

In his references to foreign trade, Mr. Jackman makes some important points. He says that to obtain a fair

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measure of foreign business we must have concerted action and that the expense incurred in going after such business is almost prohibitive for any one concerned. The antagonism between labor and capital is another matter referred to by the author and one which we think can best be dealt with by conferences of labor and capital, with the friendly co-operation of our governments.

MARKETING CANADIAN WOOL

There are 3,916 Co-operative Associations Here—Ontario's Results Last Year

During the past three or four years considerable encouragement has been given to sheep breeding in Canada by the more scientific grading of wool for the purpose of securing higher prices. In 1914 seven associations were organized for the co-operative sale of wool under the system of grading organized by the department of agriculture, and 206,129 lbs. of wool were graded for societies organized in four provinces —namely, Quebec, Ontario, Manitoba and Alberta. In 1915 the number of organizations formed for this purpose was increased to 19 when approximately 427,000 lbs. were classified and offered for co-operative sale. In 1916 this amount had reached the total of 1,721,598 lbs. with a value of $570,678.69, and every province was represented.

The following table shows the total weight, average price and total value of graded wool by provinces in 1916:—

Province.	Total weight. lb.	Average price. Cents per lb.	Total value.
Eastern Domestic Grades—			
Prince Edward Island ..	28,176¾	38.63	$ 10,876.74
Nova Scotia	18,441½	40.98	7,568.53
New Brunswick	5,130	38.10	1,954.60
Quebec	168,701	42.14	71,205.85
Ontario	17,989	34.95	6,287.43
Total	238,438¼	40.15	$ 97,893.15
Western Domestic Grades—			
Manitoba	150,939	32.25	48,681.40
Saskatchewan	172,570	32.00	55,244.97
Alberta	413,687	31.80	131,565.94
British Columbia	15,751	32.25	5,079.69
Total	752,947	31.95	$240,572.00
Western Range Grades—			
Alberta	744,959	30.94	230,557.62
Saskatchewan	5,430	30.49	1,655.92
Total	750,389	30.93	$232,213.54
Grand total	1,741,774¼	34.96	$570,678.69

There were 3,916 co-operative wool associations in Canada at the end of 1916, divided as follows: Prince Edward Island, 382; Nova Scotia, 224; New Brunswick, 39; Quebec, 1,616; Ontario, 69; Manitoba, 440; Saskatchewan, 475; Albert, 609; and British Columbia, 62.

Results in Ontario Last Year.

At the annual meeting of the Ontario Sheep Breeders' Association last year, it was decided to undertake the co-operative selling of wool, the wool to be collected at a central storehouse in the city of Guelph. Application forms were sent to the sheep raisers in the province of Ontario up to the number of about 10,000. The application gave the rules under which the wool would be received and sold.

During the latter part of May and the first half of June the greater part of the wool was received in the warehouse at Guelph. On June 1st, when sufficient wool had accumulated, grading commenced. As soon as graded the wool was placed in large open bins. By the 23rd of June the greater part of the wool had been graded and buyers had been given an opportunity to see the graded wool as it lay in the warehouse.

. The wool was sold by tender on June 23rd and the buyer agreed to take any ungraded wool that might be in the warehouse. The wool was packed in large sacks and stencilled with the grade and number of pounds. Each grade was also stencilled in numerical order.

Below is given a table showing the number of pounds in each grade, the total number of fleeces and pounds, and the total price paid to the producers:—

Grade.	Pounds.
Fine medium comb	3,461
Medium comb	82,241
Medium clothing	7,184½
Low medium comb	64,636
Coarse comb	93,444
Lustre comb	4,480
Rejects	8,835
G.N.B.	1,351
Total number fleeces	31,641
Total number pounds	271,122

The prices paid to the producers for the above totalled $166,656.

Mr. Geoffrey J. Malcolm, who was formerly chief clerk of the Toronto branch of the General Accident Fire and Life Assurance Corporation, Limited, has been appointed branch secretary of this company. He was previously in the company's head office.

Mr. J. W. McWhinney, who has always taken an active interest in the development of trust companies, and is a member of the executive committee of the Dominion Loan and Trust Company's Association, in addition to a number of other bodies, has resigned the general managership of the Union Trust Company with a view to taking a complete rest.

CANADA'S SHARE OF THE EMPIRE'S WHEAT PRODUCTION

In view of the importance of the wheat industry to the Dominion, we give the following comparative table showing the development of wheat production in Canada during the five years preceding the war:—

Year.	Acreage under wheat in Canada. Acres.	Total yield of wheat in Canada. Bushels.	Production of wheat in the British Empire. Bushels.	Canadian proportion of empire production of wheat. Per cent.
1910	8,863,000	132,049,000	670,800,000	19.69
1911	11,101,000	230,924,000	722,300,000	31.97
1912	10,997,000	224,159,000	725,000,000	30.92
1913	11,015,000	231,717,000	699,500,000	33.12
1914	10,294,000	161,280,000	640,750,000	25.17

Commenting on these figures the Dominions Royal Commission said in their report:—"The immense possibilities of wheat production in Canada are foreshadowed when it is remembered that the acreage under crop is but a small fraction of that available, but as yet untouched by the plough."

The yield in 1914 was abnormally low. On the other hand, the total yield of wheat in the Dominion in the record year of 1915 was approximately 426,000,000 bushels, being an increase of more than 164 per cent. on that for the previous year. The yield last year was estimated in September at about 250,000,000 bushels. The average yield in 1913 and 1914 was 21.04 and 15.67 bushels per acre. These figures by themselves bear witness to the exceptional fertility of the prairie soil.

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- Lucknow
- Meaford
- Merlin
- Morrisburg
- Norwich
- Ottawa
- Owen Sound
- Port Arthur
- Ridgetown
- Simcoe
- Smith's Falls
- St. Mary's
- St. Thomas
  - " East End
- Teeswater
- Toronto
  - " Queen St. W.
  - " West Toronto
- Trenton
- Wales | Waterloo
- Williamsburg
- Woodstock
- Zurich

QUEBEC
- Arthabaska
- Bedford
- Chicoutimi
- Cowansville
- Drummondville
- Foster
- Fraserville and Riviere du Loup Station
- Knowlton
- Lachine
- Lachute | Matane
- Mont Joli
- Montreal
  - " St. James St.
  - " St. Catherine St.
- Montreal—Cont.
  - " Market & Harbor
  - " St. Henri
  - " Maisonneuve
  - " Cote des Neiges
  - " St. Lawrence Boulevard
  - " Cote St. Paul
  - " Park & Bernard
  - " Montreal, West
  - " Tetreaultville
- Pierreville
- Quebec
  - " Upper Town
- Richmond
- Roberval
- Sorel
- Sutton | St. Cesaire
- St. Ours
- St. Thérèse de Blainville
- Trois Pistoles
- Three Rivers
- Victoriaville
- Ville St. Pierre
- Waterloo

AGENTS IN GREAT BRITAIN AND COLONIES—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

FOREIGN AGENTS — France — Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

BANK OF NOVA SCOTIA ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital paid-up	-	$ 6,500,000
Reserve Fund	-	12,000,000
Total Assets	-	110,000,000

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS

JOHN Y. PAYZANT, President
CHARLES ARCHIBALD, Vice-President
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HECTOR McINNES HON N. CURRY
JAMES MANCHESTER W. W. WHITE, M.D.
S. J. MOORE W. D. ROSS
HON. M. C. GRANT

General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

BRANCHES IN CANADA

30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
10 in Quebec
14 in Western Provinces

IN NEWFOUNDLAND

Bay Roberts
Bell Island
Bonavista
Bonne Bay
Brigus
Burgeo
Burin
Carbonear
Catalina
Channel
Fogo
Grand Bank
Harbor Grace
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

EUROPEAN SECURITIES FOR THE YEAR

Swing of Values Last Year on London Stock Exchange—Government Bonds Nearly All Lower

The following table, compiled by The New York Evening Post, gives the course of prices for the principal groups of securities on the London Stock Exchange during the past year. In addition to the highest, lowest, and final prices for 1917, comparison is made both with the official figures of July 30th (just before the war) and the closing quotations of 1916:—

Government and Corporation Securities.

	Highest, 1917.	Lowest, 1917.	Closing, 1917.	July 30, 1914.	Closing, 1916.
British 2½% consols.....	56½	51	54¼	69¼	55
War loan, 5%	95 11/16	93	93⅝	....	..
War loan, 4½%	100⅞	89½	99¾	....	96⅛
War loan, 3½%	88	84	84¾	....	85⅛
Argentine rescission	84¾	73	81	79	74
Bulgarian, 4½%	48½	46½	48½	78	47
Brazil, 4%, 1889	60½	49	56	67	47
Canada, 3½%	77½	76	76	85	83
Chilian, 4½%, 1886	95½	78¼	95	89	88
Chinese, 5%, 1896	96	86	93	96¼	89¼
Cuba, 5%	102¾	96½	96	100	102
German, 3%	51½	44	48½	71¾	46
Greek, 5%, 1881	61½	49	56	56	52
Irish Land, 2¾%, guaranteed	56	51	53	69	52⅛
India, 3%	70	62¾	63	84	65⅜
Italian rentes	61	39¾	56	93	64
Japanese, 5%, 1907	94¾	86	90	95	90
Russian, 5%, 1906	84½	50	52	93½	80½
Spanish, 4%	107	88	106½	84¾	90
Servian	Nom	Nom	Nom	79	Nom
Swedish, 3½%	130	92½	106	93	94¾
Transvaal, 3%	68¾	63¼	67	91	64
Turkish unified	57	50	56	77	50
Uruguay, 3½%	74	59	74	66½	64½

English Railways.

	Highest, 1917.	Lowest, 1917.	Closing, 1917.	July 30, 1914.	Closing, 1916.
Great Central preferred ..	15½	12¾	13	19½	14
Great Eastern ordinary ..	37½	33	35½	41	37
Great Northern deferred..	39	35	36	44½	37½
Great Western ordinary ..	91½	82½	84	108½	90½
London, Brighton & South Coast deferred	67½	56	58½	72	66
London & North Western.	99	89½	91	120	98
London & South Western deferred	25¾	21½	24	28	24½
Metropolitan District ...	18	14¾	15½	19	16
Metropolitan	25¾	22	22½	31½	25
North Eastern	105¾	95½	97	116	102
South Eastern deferred...	31½	25½	28½	31	27½
Underground Electric Railways of London income bonds	94½	78	81	82	92½
Underground Electric Railways of London ordinary	2¼	1½	1¾	1⅞	2⅛

Colonial and Foreign Railways.

	Highest, 1917.	Lowest, 1917.	Closing, 1917.	July 30, 1914.	Closing, 1916.
Antofagasta deferred	136	120	131	144	123
Buenos Ayres Great Southern	81	71	73	102	79
Brazil Railway	6	4	5	15	4
Canadian Pacific	182	159	159	161	175
Central Argentine	68	56	59	92	66
Grand Trunk ordinary ..	11¾	8⅛	9¼	11½	10½
Mexican ordinary	22¾	15	16½	28	14½
Mexican second preferred.	36	26	27	61½	28
San Paulo (Brazil)	192	164	184	215	174

Bank Shares.

	Highest, 1917.	Lowest, 1917.	Closing, 1917.	July 30, 1914.	Closing, 1916.
Imperial Ottoman	Nom	Nom	Nom	13½	Nom
London County & Westminster	15½	13⅜	15	20	15¼
Lloyds	25½	21½	25	27½	25¼
London City & Midland ..	41	38	38½	42	39

Industrial Securities.

	Highest, 1917.	Lowest, 1917.	Closing, 1917.	July 30, 1914.	Closing, 1916.
Associated & Portland Cement ordinary	4⅛	3⅜	3½	4⅞	3¼
Coats (J. & P.) ordinary.	6⅝	6	6¼	7⅛	6¼
Eastmans Meat	12s	5s	10s	10s 6d	7s
English Sewing Cotton ordinary	56s 6d	42s	56s 6d	37s 6d	45s
Guiness Brewery ordinary	615	222	600	358	460
Guest Keen Nettlefolds ordinary	90s	62s	83s	65s	70s
Hotel Cecil preferred (£5)	40s	27s	37s 6d	58s 6d	34s
Mexico Trams	41	14	32	55	22
Marconi Wireless	3½	2 3/16	3 1/16	1⅜	2⅞
Mexican Light & Power..	31½	7	18	43	9
P. & O. Steamship deferred	343	295	330	260	310
Pease & Partners ordinary	17½	13¼	16¾	12¼	14¾
Royal Mail Steam Packet.	125	109	121	78	116
Savoy Hotel preferred (£10)	4 13/16	3½	4¼	9¼	5
Whitebread Brewery ordinary	55½	47½	56	60¾	52

Rubber Shares.

	Highest, 1917.	Lowest, 1917.	Closing, 1917.	July 30, 1914.	Closing, 1916.
Bukit Rajah (£1)	11	8¾	9¼	4¾	8⅞
Highlands & Lowlands (£1)	3¼	2¾	3 1/16	35s 6d	2 15/16
Kuala Lumpur (£1)	5⅝	4⅜	4¾	2⅛	2½
Linggi Plantations	31s 6d	21s 6d	29s	11s 6d	23s 6d
Malacca ordinary	6	4¾	5¼	2½	4¼

Oil Shares.

	Highest, 1917.	Lowest, 1917.	Closing, 1917.	July 30, 1914.	Closing, 1916.
Lobitos	48s	39s 6d	43s	25s 6d	43s
Shell transport	6½	4 13/16	5½	3⅝	5½
Spies	75s	8s 6d	7s	13s 6d	13s 6d

Mining Shares.

	Highest, 1917.	Lowest, 1917.	Closing, 1917.	July 30, 1914.	Closing, 1916.
British South Africa Company	17s	11s	14s	12s 6d	12s
De Beers deferred	14½	12¾	13	13⅜	13⅛
East Rand	13s	4s 6d	5s 5d	1⅝	½
Gold Fields	1⅞	1 3/16	1½	1⅞	1½
Giant Mines	½	⅛	7/16	7/16	3/16
Modderfontein	24⅛	18¼	22⅝	11 13/16	18½
Mexico of El Oro	6 7/16	3 3/16	5¾	4	3½
Rand Mines	3 13/16	2⅞	2⅞	5 1/16	3¾
Rio Tinto	68½	61	63½	60	62½

CENTRAL CANADA LOAN COMPANY

In the annual statement of the company, just issued, a decrease of $19,751 from the profits of the previous year to $201,760 is shown. As there was carried forward from previous accounts $57,053, there was a total available for dividends of $258,814. The usual dividends took $175,000, and there was donated to the Patriotic, Red Cross and other funds $9,951, compared with $12,700 last year. This left a balance at the credit of profit and loss of $73,863, against $57,053 last year.

The balance sheet gives total assets of $9,137,300, compared with $9,472,824 of a year ago. Loans secured by first mortgages amount to $1,513,513, against $1,551,961 a year ago; loans secured by collateral, $1,706,952, against $1,939,647. Bonds and stocks owned which stand on the books at prices well within their present market value, $5,158,029, against $5,182,531 a year ago. Real estate is unchanged at $179,455. Cash on hand amounts to $579,349, against $619,229. Deposits total $1,729,986, against $1,776,783. Debentures show a reduction of $305,537.

An increase of 20 per cent. in the steel production of Canada over that of last year is promised as the result of conferences held between the war committee of the cabinet and the Canadian steel manufacturers. The announcement is one which will be welcome alike to the munitions board and the Canadian railways.

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler, President
W. D. Matthews, Vice-President

C. A. BOGERT, General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Quarterly Dividend Notice No. 109

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending January 31st, 1918, and that the same will be payable at the Head Office in this City and at its Branches on and after Friday, the 1st day of February, 1918, to Shareholders of record of the 23rd of January, 1918.

The Annual General Meeting of the Shareholders will be held in the Head Office of the Bank in Toronto on Wednesday, the 27th of February next, at 12 o'clock noon.

By order of the Board,
C. H. EASSON,
General Manager

Toronto, December 21st, 1917.

THE

Royal Bank of Canada

INCORPORATED 1869

Capital Authorized	$ 25,000,000
Capital Paid-up	12,911,700
Reserve and Undivided Profits	14,564,000
Total Assets	335,000,000

HEAD OFFICE, MONTREAL

Sir H. S. Holt, Pres. E. L. Pease, V. Pres. and Man. Dir.
C. E. Neill, General Manager.

365 Branches in Canada and Newfoundland.
Thirty-eight Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela.

BRITISH WEST INDIES

ANTIGUA—St. John's; BAHAMAS—Nassau;
BARBADOS—Bridgetown and Speightstown;
DOMINICA—Roseau; GRENADA—St. George's;
JAMAICA—Kingston; MONTSERRAT—Plymouth;
NEVIS—Charlestown;
ST. KITTS—Basseterre; TOBAGO—Scarborough;
TRINIDAD—Port of Spain and San Fernando;
BRITISH HONDURAS—Belize;
BRITISH GUIANA—Georgetown, New Amsterdam, and Rose Hall (Corentyne).

LONDON, ENGLAND
Bank Bldgs.,
Princes Street, E.C.

NEW YORK CITY
Cor. William and
Cedar Streets.

Business Accounts carried upon favorable terms.
Savings Department at all Branches.

AUSTRALIA and NEW ZEALAND

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)

AUSTRALIA

PAID UP CAPITAL	$ 18,526,600.00
RESERVE FUND	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916	$277,488,871.00

J. RUSSELL FRENCH, General Manager

338 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C.

Agents: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

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Manual of Canadian Banking

By H. M. P. ECKARDT

Price - $2.50 Postpaid

Published by
THE MONETARY TIMES, 62 Church St., TORONTO

The Northern Trusts Co.

Executor, Administrator, Trustee

No moneys on deposit; No Bonds or Debentures issued

The clause in the Company's Charter enabling it to include in its activities the acceptance of moneys on deposit and the issue of Bonds and Debentures was, at the special request of the original Directorate, struck out.

Sole liability to the public represented by Guaranteed Mortgage Investments to an amount not exceeding the paid up Capital of the Company, and secured in each instance by improved Farm and City Property to the value of more than double the amount of the mortgage investment.

Head Office .. Winnipeg

CANADIAN HOLDINGS OF UNITED STATES STEEL

Foreign holdings of United States Steel Corporation common stock at the end of the quarter closed December 31st, 1917, amounted to 484,190 shares, a gain over the total on September 30th of 7,681 shares. This was the first increase in the ownership of Steel shares outside the United States since the great liquidating movement began after the outbreak of war in 1914. In the September quarter the corporation's stock books showed a slight decline from the June quarter's holdings, but previously the quarterly shrinkage had been extensive, particularly in 1915. At the end of June, 1914, fully 1,274,247 shares of common stock were owned abroad.

The largest gain for any outside country was shown by Canada in the December, 1917, quarter, the 41,639 shares then being 7,659 shares more than the aggregate net gain by all the nations combined being reduced in the final result through a decline of the holdings of other countries. England's block of stock, amounting to 173,074 shares at the end of 1917, was [illegible] res fewer than on September 30th. French owners increased their holdings by about 200 shares, while Holland's remained unchanged. Germany reduced her holdings of both common and preferred somewhat, and Austria reduced her preferred stock ownership substantially, the reports of these changes coming presumably through neutral countries where the shares were sold.

UNITED STATES COAL EXPORTS

Reduction in exportation of coal from the United States suggested by Fuel Administrator Garfield will probably not affect the rank of the United States as a coal exporting country, says a New York despatch. A compilation by the National City Bank, of New York, shows that the United States, prior to the war, held third rank as a coal exporting nation, but, with Germany now cut off from the rest of the world, it has taken second place.

Great Britain, Germany and the United States have for many years supplied the bulk of the coal used in international trade. In 1913 the total amount of coal exported from coal producing countries was, in round figures, about 200,000,000 tons, of which approximately 40,000,000 tons was bunker coal, while a considerable portion of that classed as exported went to the world's coaling stations to be supplied to vessels. The value of the bunker coal used in normal times aggregates $250,000,000 out of a total of $700,000,000 worth passing out of the coal producing countries. In 1913, the year preceding the war, Great Britain exported coal of all kinds amounting to 93,000,000 tons; Germany, 40,000,000 tons; the United States, 29,000,000 tons, while Austria-Hungary was fourth with about 9,000,000 tons.

Much of the 200,000,000 tons exported before the war went to adjacent territories and a much smaller amount than is generally supposed went overseas. In 1917 the United States exported about 32,000,000 tons, of which more than 17,000,000 tons went to Canada, and about 8,000,000 passed into the bunkers of ocean vessels. Exports of coal to Canada for the past year were the largest in the history of the country, and the value is placed at $58,000,000, about one-fourth of the quantity being anthracite. The total value of all the coal exported and passed into bunkers for the year amounted to $113,000,000.

WANTED

MONETARY TIMES—Vol. 41, 1907-08

An old subscriber to The Monetary Times desires to complete his files, and in order to do so would like to secure a copy of Volume 41—1907-08.

Anyone possessing such a volume and caring to dispose of it is asked to address "Bound Volume"

MONETARY TIMES - 62 Church St., Toronto

PERSONAL NOTES

Mr. K. J. Dunstan has been elected vice-president of the Toronto board of trade. He is manager at Toronto of the Bell Telephone Company of Canada.

Mr. C. Marriott has been elected vice-president of the Toronto board of trade. For many years he has acted as treasurer of the board. He is a partner in the wholesale milling house of G. Goulding & Sons.

Mr. G. A. Morrow, president of the Imperial Life Assurance Company of Canada, has just received an honor from the King under the new Order of the British Empire. Mr. Morrow is vice-president of the Dominion Securities Corporation and one of Canada's leading financiers. He was born in 1877, at Millbrook, Ont. He is a son of J. M. and Mary (Laisley) Morrow, both born in Canada of Scotch and Irish descent. He received his early education at the Peterboro Collegiate Institute. For three years after leaving college his first position was in the wholesale commercial business. Then he entered the financial field, in which he has shown great activity. He is interested in many corporations. Besides being vice-president and assistant manager of the above companies, he is a director of the Imperial Guarantee and Accident Company, the Western Assurance Company, the British-America Assurance Company, the Central Canada Loan and Savings Company, and the Mississippi River Power Company. His interesting remarks on the life insurance business last week are printed on another page.

(British and Colonial Press Photo.)

G. A. MORROW, TORONTO,

President, Imperial Life Assurance Company of Canada, recently honored by the King under the new Order of the British Empire.

Mr. Joseph Burr Tyrrell, B.M.A., B.Sc., F.G.S., one of Canada's foremost geologists, explorers and mining engineers, has been awarded the Murcheson medal by the Geological Society of London, England. Mr. Tyrrell has spent many years in exploration work in Alaska and Hudson Bay. The Murcheson medal was founded in memory of Sir Robert Impey Murcheson, a famous British geologist, who died in 1871.

Mr. Samuel Trees, a well-known business man, and formerly a member of the Toronto city council, died at the Wellesley Hospital on January 14th. At the time of the Crimean War he was appointed by the British government as an inspector of saddlery supplies to the army, having been in the saddlery business since he left high school. He was an Englishman, a staunch Conservative, and a leading member of All Saints' Anglican Church.

THE BANK OF OTTAWA

Capital Paid up	$4,000,000
Rest	4,750,000

94 Branches in Canada

START THE NEW YEAR RIGHT

By opening a Savings Account in the Bank of Ottawa

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Wilton Ave.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

ESTABLISHED 1865

Union Bank of Canada

Head Office - WINNIPEG

Paid-up Capital	$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	143,000,000

BOARD OF DIRECTORS

Hon. Pres., SIR WILLIAM PRICE President, JOHN GALT, Esq.
Vice-Presidents, R. T. RILEY, Esq.; G. H. THOMSON, Esq.

W. R. Allan, Esq.
G. H. Balfour, Esq.
Hume Blake, Esq.
M. Bull, Esq.
Major-General Sir John W. Carson.
B. B. Cronyn, Esq.
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S. Haas, Esq.
J. S. Hough, Esq., K.C.
F. E. Kenaston, Esq.
R. O. McCulloch, Esq.
Wm. Shaw, Esq.

H. B. SHAW, Gen. Manager
J. W. HAMILTON, Assistant General Manager

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches.

London, Eng., Branches, 6 Princes Street, E.C., and
West End Branch, Haymarket, S.W.
New York Agency, 49 Wall Street, New York City.
GEO. WILSON, Agent.

The Bank, having over 305 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies.

Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world.

192

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C. 4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

THE STERLING BANK OF CANADA

To co-operate with our clients in the solution of their business problems is part of Sterling Bank service.

Head Office
King and Bay Streets, Toronto

54

BANK OF HAMILTON

HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

DIRECTORS

SIR JOHN HENDRIE, K.C.M.G., President.
CYRUS A. BIRGE, Vice-President.

C. C. Dalton
Robert Hobson
W. E. Phin
I. Pitblado
W. A. Wood
J. Turnbull

J. P. BELL, General Manager.

BRANCHES

ONTARIO

Ancaster
Atwood
Beamsville
Blyth
Brantford
" East End
Burlington
Chesley
Delhi
Dundalk
Dundas
Dunnville
Fordwich
Ft William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St.
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
Lucknow
Midland
Milton
Milverton
Mitchell
Moorfield
Neustadt
New Hamburg
Niagara Falls
Niagara Falls, S.
Oakville
Orangeville
Owen Sound
Palmerston
Paris
Port Arthur
Port Elgin
Port Rowan
Princeton
Selkirk
Simcoe
Southampton
Teeswater
Toronto
" Queen & Spadina
" College & Ossington
" Yonge & Gould
West Toronto
Wingham
Wroxeter

MANITOBA

Bradwardine
Brandon
Carberry
Carman
Dunrea
Elm Creek
Foxwarren
Gladstone
Hamiota
Kenton
Killarney
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Treherne
Winkler
Winnipeg
" Norwood
" Princess St.

SASKATCHEWAN

Aberdeen
Abernethy
Battleford
Brownlee
Carievale
Caron
Dundurn
Estevan
Francis
Loreburn
Mawer
Melfort
Meota
Moose Jaw
Mortlach
Redvers | Regina
Rouleau
Saskatoon
Stoney Beach
Tuxford

ALBERTA

Brant
Calgary
Cayley
Champion
Granum
Nanton
Oyen
Stavely
Taber
Vulcan

BRITISH COLUMBIA

Armstrong
Kamloops
Port Hammond
Salmon Arm
Vancouver
Vancouver E.
N. Vancouver
S. Vancouver (Cedar Cottage P.O.)

LIFE INSURANCE LEGISLATION

Differences in Provincial Legislation Affecting Life Insurance Contracts in Canada

BY WILLIAM B. TAYLOR, B.A., LL.B.

(Second Article.)

Ontario.

Beneficiaries:

A. Beneficiary must be the parent, bona fide donee, grantee or assignee, or entitled under the will of the insured or by operation of law, otherwise the beneficiary must have a pecuniary interest in the life.

Beneficiaries are divided into 1. Ordinary beneficiary.
2. Preferred beneficiary.
3. Beneficiary for value.

The insured may revoke the interest of an ordinary beneficiary at any time by suitable writing or by his last will and declare the policy payable to another beneficiary or to himself or his estate.

Preferred Beneficiaries:

B. Preferred beneficiaries include husband, wife, children, grandchildren and mother of insured.

The nomination of a preferred beneficiary constitutes a trust in favor of such beneficiary and the money payable under the contract is withdrawn from the control of the insured.

In case of the death of a designated preferred beneficiary, the insured in Ontario has power to declare the share of such preferred beneficiary so dying shall be for the benefit of the insured or his estate, and in default of making such declaration, the share of the preferred beneficiary so dying shall be for the benefit of the surviving nominated preferred beneficiaries, except where the person so dying is a child of the insured and leaves issue, in which case such issue shall be entitled to the share, and in default of there being a surviving preferred beneficiary and no issue entitled to take the share, the insurance shall be for the benefit in equal shares of the wife and children of the insured living at his death, the child of a deceased child taking the share the parent would have taken if living, and in case there is no surviving wife, child or grandchild entitled, the insurance becomes part of the estate of the insured.

Among the class of preferred beneficiaries, the insured may revoke an interest and make new appointments within that class only.

Manitoba.

Beneficiaries:

A. A husband may insure for the benefit of his wife and their children, or for the benefit of his wife, his, her and their children, or for the benefit of his wife or his and her children generally, and a father or mother may insure his or her life for the benefit of his or her children or any of them.

Whatever a man may lawfully do in respect of effecting insurance, may also be done under like conditions by a woman.

Beneficiaries are divided into 1. Ordinary beneficiary.
2. Preferred beneficiary.
3. Beneficiary for value.

Preferred Beneficiaries:

B. Preference is given in Manitoba to the wife, husband and children, and the nomination of any of this class by an insured constitutes a trust in favor of such member of the class and such moneys are not subject to the claims of the insured creditors. The insured has power, however, to revoke the interest of any beneficiary at any time and declare the policy payable to himself or his estate, so that in Manitoba the word "preferred" cannot be applied to any of the beneficiaries under an insurance contract to the same extent as it is effective in some of the other provinces.

Where a child entitled predeceases the insured the descendants of such predeceased child take his share by representation.

Saskatchewan.

Beneficiaries:

A. The insured may bona fide at his own cost place insurance on his life and may appoint any one beneficiary, whether the latter has or has not an insurable interest in the life of the insured.

Beneficiaries are divided into 1. Ordinary beneficiary.
2. Preferred beneficiary.
3 Beneficiary for value.

Preferred Beneficiaries:

B. Preferred beneficiaries include husband, wife, children, grandchildren and mother of the insured.

The appointment of a preferred beneficiary creates a trust in favor of such beneficiary and withdraws the money from the control of the insured, except as to apportionment in that class or an appointment of another member within that class.

In the case of the death of one or more or all of the designated preferred beneficiaries, the insured has the same power over the share of such preferred beneficiary as exists in Ontario.

Among the class of preferred beneficiaries, the insured may revoke an interest and make new appointments within that class only.

Alberta.

Beneficiaries:

A. Any person of the full age of 21 years may effect bona fide at his own charge insurance on his own life for the benefit of himself or for his estate or for the benefit of any other person.

The insured may designate the beneficiary by any mode or declaration as defined by the insurance act and may appoint, apportion the same, alter or revoke the beneficiary, add to or substitute new beneficiaries or divert the insurance money wholly or in part to himself or his estate, except as against a beneficiary for value (expressly stated) and subject to the provisions of the act referring to preferred beneficiaries.

Beneficiaries are divided into 3 classes 1. Ordinary beneficiary.
2. Preferred beneficiary.
3. Beneficiary for value.

On the death of an ordinary beneficiary and no further disposition is made by the insured, the benefit of the insurance reverts to the insured or his estate.

Preferred Beneficiaries:

B. Preferred beneficiaries include the husband, wife, child, grandchildren and mother of the insured.

The interest given to a preferred beneficiary creates a trust in favor of such beneficiary and the insured has power only to alter the appointment to the extent of making an appointment within the class known as preferred beneficiaries.

If one or more or all of the designated preferred beneficiaries predecease the insured, he has the same power as in Ontario as to making a new provision as to the lapsed share or benefit.

British Columbia.

Beneficiaries:

A. There is no special provision in the insurance acts of this province referring to insurance placed by the insured on his life for the benefit of an ordinary beneficiary and the general powers of contract would indicate that he has this privilege where the premium is paid by the insured.

The insured may insure his life for the benefit of his wife or his wife and children or wife and some of his children, and may apportion the amount of insurance among them, may vary a previous declaration or apportionment, extending, transferring and limiting the benefits of the policy to any within the class

Beneficiaries are divided into 1. Ordinary beneficiary.
2 Preferred beneficiary.
3. Beneficiary for value.

Preferred Beneficiaries:

B. Preferred beneficiaries consist of the husband, wife and children of the insured. In case of the death of a preferred beneficiary the insured may nominate another of that class to take the share of the deceased, and in case no new appointment is made the share goes to the surviving beneficiary or beneficiaries in equal shares and in case there are no such surviving beneficiary or beneficiaries, the share becomes the property of the insured.

Quebec.

Beneficiaries:

A. The insured may insure his life for the benefit of his wife and his, or her children or any of them.

Such insurance may be for life or a definite term and payable upon surviving a specified period, but not less than 10 years.

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A married woman may effect insurance and appropriate it without the authorization of her husband.

Insurance may be placed bona fide by the insured on his own life and made payable to an ordinary beneficiary which would consist of those outside of the class above referred to.

Beneficiaries are divided into 1. Ordinary beneficiary.
2. Preferred beneficiary.
3. Beneficiary for value.

Preferred Beneficiaries:

B. Preferred beneficiaries consist of the wife, children and stepchildren.

Where the insurance is for the benefit of wife and children if no apportionment, the insurance is divided among them as specified in the act, the wife taking one half and the children the other half, subdividing equally.

If the insurance is for the benefit of the wife, child or children without apportionment and the wife predeceased the insured, the children take her share and if the child or children predecease, the wife takes their share.

Where a child specified by name predeceases the insured, the issue of such child take by representation.

Where the policy is in favor of wife, children or grandchildren or any of that class, the insured has power to revoke the interest of any member of that class in favor of any other member.

Where the wife predeceases the husband and is the sole beneficiary, her interest reverts to him whether she leave issue or not.

Reversion in favor of the husband takes place where the child who was sole beneficiary dies without issue.

Except in the case where wife, children or grandchildren are the beneficiaries, the insured cannot change the beneficiary where notice of such appointment has been made and accepted by a beneficiary, or the beneficiary has signified his consent to the benefit. If such has not taken place, however, it appears the insured in Quebec may revoke the interest of an ordinary beneficiary.

(To be Continued.)

[The articles of Mr. Taylor, of which the above is the second, will be reprinted by *The Monetary Times* in pamphlet form and will constitute a valuable reference. Orders are being received now.]

WAR MORTALITY OF CANADIAN LIFE COMPANIES

Mr. J. B. McKechnie, F.I.A., general manager and actuary of the Manfacturers Life Assurance Company, Toronto, in a review in the Toronto Globe of the Canadian life insurance situation during 1917, calls attention to the important question of the effect of war mortality upon the Canadian life companies. Prior to and including the year 1914, the death rate among insured lives in Canada, he points out, remained fairly stationary at between seven to eight per 1,000. In 1915 this increased slightly, and in 1916 a further increase was shown. For 1917, Mr. McKechnie suggests that, while some companies have been more fortunate than others, the death rate will average about 11 per 1,000.

The question that will arise in the minds of all those interested in life insurance, and particularly of the hundreds of thousands of policyholders who are looking to the life insurance companies for the protection of their families in case of their death, says Mr. McKechnie, is whether the strain of the war is impairing the efficiency of the life insurance companies. To this question a very decided reply in the negative can be made. The life insurance business in Canada has been built upon scientific principles, and these principles have been carried out in a most conservative manner.

The financial strength of the life insurance companies is such, Mr. McKechnie proceeds, that a mortality of 100 per cent. could be experienced for many years, and still very fair dividends be paid to policyholders. An increased death rate may possibly have the effect of lowering the dividends to policyholders, but the reserve necessary to mature the policy is left unimpaired. Policyholders, therefore, may rest assured that the life insurance companies will continue to serve them as in the past, and that they will be able to carry out their obligations to the fullest extent.

ORGANIZING FOR TRADE

New Department Has Been Inaugurated by the Imperial Government

Further information comes to hand in the latest English mails regarding the important reorganization of the British trade intelligence service. A new department has been inaugurated and will be housed in a building to be erected next to the foreign office, but for the present its headquarters are at the offices of the Commercial Intelligence Department of the Board of Trade in Basinghall Street, London. At a recent conference with representatives of the leading daily and trade newspapers Sir Arthur Steel-Maitland, M.P., explained that the origin of the new department arose from the differences of opinion which existed between the foreign office and the board of trade as to which should control the consular service and the commercial attachés of the various British embassies and legations, and also the superintendence of a good deal of the overseas trade of Great Britain. The formation of a joint department was in a sense a compromise, as it was obvious that the commercial relations with a foreign country might involve political considerations.

Trade and Diplomacy.

He hoped to prevent overlapping of the two departments —the foreign office and the board of trade—in future by carefully delimiting the spheres of action of each. As a general rule, when the matter to be dealt with concerned special business interests such as commercial treaties, it would be handled by the appropriate department of the board of trade; but when the business became predominantly political and not commercial the foreign office would deal with it. Sir Arthur gave as an obvious instance the Baghdad Railway as a commercial matter involving highly important political considerations.

The new department, therefore, will absorb several subdepartments of the board of trade and the foreign office, including: (1) The commercial intelligence department of the board of trade; (2) the war trade intelligence department of the foreign office; (3) the foreign trade department of the foreign office.

War Trade Problems.

The direction of the commercial and consular department of the foreign office will also be placed under the personal supervision of Sir Arthur Steel-Maitland until it is possible to combine the four groups in the new building. The war trade intelligence department of the foreign office, created to deal with problems of trade connected with the war and the blockade, will be "worked in" as soon as its war work is completed. The foreign trade department of the foreign office, which deals with questions of enemy traders with a view to putting them on the statutory list, and, constructively, in replacing friendly for inimical firms, will also be assimilated.

A scheme has also been devised for grouping the United Kingdom according to trade and industry, and the overseas countries in subsections geographically, so as to bring the two readily and easily in touch. The new department will not only collect information, but it will have the power to take action in matters relating to trade, and will deal with all questions affecting the welfare and promotion of the trade of the country, subject to the political and commercial reservations above mentioned.

Practical Advisory Committee.

It is intended to form an influential and practical advisory committee of representatives of finance, commerce, manufacturing interests, and labour to tackle new problems and formulate proposals. Important alterations are to be made to the "Board of Trade Journal" as soon as existing contracts expire. The status of trade commissioners of the board of trade dealing with the trade of the British Empire, and of consuls and attachés of the foreign office concerned with trade in foreign countries, is to be improved, and the salaries of these gentlemen increased, plus allowances according to local circumstances.

A recent investigation conducted in London, England, resulted in the conclusion that an all-round increase of 10 per cent. in wages and in the cost of commodities on the home market involves an increase in national expenditure of about $650,000,000.

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CANADA'S FLAX PRODUCTION

Irish Linen Problem To-day Affords Opportunity to Dominion

(From a Belfast Correspondent.)

In Belfast at present the wages paid by the big linen mills, and also by the collateral shipbuilding industry, are so enormous that the trade in fur coats has never known such a boom. Nevertheless, though presently in the height of prosperity from the aspect of the worker, it is doubtful if ever the Irish linen business was so involved in a more tangled skein of doubts and troubles than just now. The Irish harvest is so far above the average as to give 26,000 tons of flax possibly as the production. But when you reckon that this is marketed at something approaching $1,100 per ton it makes the raw, rough and undressed fiber value for 25 cents per pound, and in its further stage as flax yarn worth four times that figure. But the big linen trade of the world is not by any means entirely dependent on Irish-grown flax even if it is very largely based on Irish manufactured linens. The foreign supply of flax to hand is up to that of last year so far, both in quality and quantity, but with Russia's disastrous defection from the ranks of the allies no more can be expected from this quarter now, nor when the ice breaks in spring again.

Severe Restrictions Imposed.

Nor can any seed for sowing be anticipated either, from Russia. To supply the average trade demands for linen this total supply of flax at present accumulated in Ireland would be altogether insufficient for the world. So the situation is made even worse now that the government as an extra special customer insists that its order—and only the initial order to boot—for fifty millions of fine aeroplane linen must be first fulfilled. It may be deduced then that Canada, the United States, South America and Australia must perforce go without linen, or accept cotton instead.

Already the British government has put severe restrictions on the supply of Irish flax to spinners. They are now allowed only one-half of their usual consumption, and in some cases have to struggle through without any. Export of linen yarns had been forbidden entirely, and it may be only a matter of weeks before the production of linen not intended for government purposes is entirely interdicted.

Even Unions Uncertain.

The introduction of substitutes is at all times hazardous to the right development of any industry. To-day margarine has largely replaced butter, and when peace times return it is probable that millions, who some years ago were insistent on butter, will not display so persistent a preference. Yet the Belfast linen manufacturers had hopes that by offering their customers unions—flax and cotton mixture cloths—with all the finish and smartness that made the Irish turned out linens world famous, they could retain their patronage. It now would seem, however, that with the rigorous control of flax such may be debarred from being so used to constitute the wefts so necessary for these union fabrics. As a matter of fact, this impending fear has already sent up the prices of unions 15 per cent. within a few weeks.

Many of the linen looms are unsuitable for cotton weaving, and in this branch of the textile producing Belfast manufacturers willingly admit that neither in their looms, their workers' adaptability, their own financial finesse, nor in their methods of marketing, could they hope to compete in any degree of profitable success with Lancashire producers. Yet withal no avenue is open to their energies save in fancy cottons, voiles and other goods suitable for blouses, cotton damasks, etc.

Outlook Is Threatening.

No prospect of any change for the better is apparent. Indeed, there is full probability that the situation will grow much worse before it dawns better. Already hanging over the linen industry, like a black cloud, is the impending fear that such supply of flax seed as will be forthcoming for next spring's sowing will be not alone insufficient but of too poor and unpromising quality as to lend any great hopes of any successful home grown crop.

Moreover, even should the 1918 Irish crop be at all equal to last season's, the greater supply from Russia—on which the Irish linen manufacture was altogether dependent for four-sixths of its raw material—will be subverted to Germany. And this would give our Hun enemy an advantage which years could not overtake in the world's markets. The Russian debacle came too late in the year to have procured Russian seed and to have arranged for flax supplies to be forthcoming elsewhere during next year. It is the verification once again of what disastrous consequences may follow the fallacy of keeping one's eggs in one basket only.

Can Canada Help?

Withal the situation is accepted philosophically by the half-million of people who are associated with the great linen industry which that little corner of north-east Ireland has for a couple of generations past made the hub of the world's supply. The same policy is not to give way to despair, but to find the best way out. The silver lining in the black cloud is that linen may soon provide Canada's opportunity to supply not alone a goodly portion of the flax fibre for next autumn's linen manufacture, but also to provide much of the seed. If this should prove to be so Canada and Ireland will have forged a bond of commerce and intimacy which is certain to be indissoluble.

NATIONAL LIFE INSURANCE COMPANY

A good statement was presented by the directors of the National Life Insurance Company, Toronto, at the annual meeting last week. The volume of business in force at the end of the year was $22,686,816. This compares with a total of over $23,000,000 a year ago. The decrease in the amount is accounted for, the company explains, by writing lapsed policies off the books, thus giving the company a volume of business in force which, it is thought, will be comparatively little affected by lapsation. The premium income last year was $777,854. The cash interest income amounts to $181,393, showing an increase over 1916 of $20,254. This is more than sufficient to meet the death claims occurring in 1917, which were $166,596 net, the gross being $193,286. This difference was made by payment of policies reinsured with other companies.

The company has included in the liabilities all war claims of which notice has been received, notwithstanding the fact that the war claims are not a claim until receipt of official certificate from the military department at Ottawa. Apart from the proper reserve, the company has provided for and charged as a liability the sum of $86,844 as extra reserves. Heretofore the National Life did not charge as a liability commissions in process of adjustment with agents. This year there has been included as a liability under this heading the sum of $7,538.

There was also charged as a liability all taxes payable in 1918, amounting to $8,781, also interest on policy loans paid in advance, amounting to $10,944. After all of these deductions the surplus to policyholders was $350,014. The increase in assets for the year was $435,477.

According to the government blue book for 1916, the total cash income of the company, including reinsurance premiums of $40,188, was $703,723. For the year 1917 it was $942,427, which is an increase in income of $238,703. The average rate of interest on investments is 5.44 per cent. No interest or principal is overdue or in arrears on any of the invested funds of the company. This record has been maintained for over eighteen years—a very satisfactory record. The amount of new assurance received for 1917 was $5,000,000, and the amount for which policies were issued was $4,336,237. The gain in assurance in force for the year was $1,448,669. The total amount paid out for war claims since the beginning of the war is $93,726.

Mr. Albert J. Ralston is first vice-president and managing director of the company, and Mr. F. Sparling is secretary. Mr. Elias Rogers heads an active directorate. The company has also an excellent field force.

Two orders were issued by the board of grain supervisors at Winnipeg on January 11th, one fixing the price of No. 3 Ontario winter wheat at $2.19 per bushel, basis in store Montreal, to be effective as from January 10th until August 31st, and the other that the Canadian Northern Railway unload all cars of wheat shipped east from points on designated subdivisions into the government elevators at Saskatoon for account of the Wheat Export Company.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,091,062.50
Total Assets	4,662,881.00

Debentures of this Society are a legal investment for Trust Funds and carry highest current rate of interest.

Savings Department. Interest allowed on daily balance. Withdrawable by cheque.

MONEY TO LOAN. CORRESPONDENCE INVITED

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE, President D. M. CAMERON, Treasurer

THE CANADA TRUST COMPANY

has had over sixteen years of successful experience in handling Estates. It is closely affiliated with the Half-Century-Old Huron and Erie Mortgage Corporation.

Head Office - - London, Canada

T. G. MEREDITH, K.C., President
HUME CRONYN, General Manager

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company

WINNIPEG, Man.

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

THE TORONTO MORTGAGE COMPANY

Office, No. 18 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $560,000.00

Total Assets, $3,244,596.44

President, SIR WM. MORTIMER CLARK, LL.D., W.S., K.C.
Vice-Pres., WELLINGTON FRANCIS, K.C.

Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on improved Real Estate on favorable terms.

WALTER GILLESPIE, Manager

"INVESTMENTS"

A MUCH MISUSED TERM

Many who should be, and think they are laying up money for their old age, are misled into so-called "investments," where their hard-earned money is jeopardized, and frequently lost, though it is of the utmost importance to them and to those who may be dependent upon them that its absolute safety should be beyond peradventure.

To those who should invest safely and with caution, not speculate, the bonds of the Canada Permanent Mortgage Corporation can be confidently recommended. This Corporation is most conservative in the investment of the funds entrusted to it. For more than sixty years it has held a leading position among Canada's financial institutions, and its bonds are a LEGAL INVESTMENT FOR TRUST FUNDS. They are issued for one hundred dollars and upwards. Write for full particulars.

Canada Permanent Mortgage Corporation

Toronto Street - - Toronto

Paid-up Capital and Reserve Fund $11,000,000.00

ESTABLISHED 1855

Be sure your WILL is made, naming a Strong TRUST COMPANY as your

EXECUTOR

Ask for Booklet: "The Corporate Executor."

CAPITAL, ISSUED AND SUBSCRIBED ...$1,171,700.00
PAID-UP CAPITAL AND RESERVE 860,225.00

The Imperial Canadian Trust Co.

Executor, Administrator, Assignee, Trustee, Etc.

HEAD OFFICE: WINNIPEG, CAN.

BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY VANCOUVER AND VICTORIA 2

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 **Canada**

CAPITAL AND UNDIVIDED PROFITS .. $3,550,000

5% SHORT TERM (5 YEARS) DEBENTURES YIELD INVESTORS 5%

ASSETS OVER $8,000,000

JOHN McCLARY, President A. M. SMART, Manager

A TWOFOLD DUTY

1. Make a will.
2. Appoint a suitable executor.

—Otherwise you do less than you owe to those dependent upon you.

Write to us for the reasons why trust companies have come to be recognized as the best executors.

National Trust Company Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000

18-22 KING STREET EAST, TORONTO

WORK OF RAILWAY WAR BOARD

It Has Been of Marked Service to Country, Says General Secretary Seal

"The railway situation in Canada," said Mr. W. M. Seal, general secretary of the Canadian Railway War Board, in an interview in New York, "differs from the situation in the United States in three respects. First, the Canadian roads have been dealing with war conditions since August, 1914; the American for only a few months. Second, Canada's chief railways, unlike the American roads, are nation-wide in organization and operation. In dealing with nation-wide conditions each Canadian transcontinental has unity of control over its coast-to-coast traffic. But in the United States strategic manipulation of traffic has been most difficult owing to the fact that there is no American railway, singly controlled, running from Atlantic to Pacific. Control of American coast-to-coast movement can only be had by joining up many different roads, each with a different management and different usages.

Results of War Board's Differ.

"Third, the fact that there are in the United States 700 railways, whereas in Canada there are only three large systems (and less than sixty roads, counting small and large as well), made the work of the American Railroads' War Board difficult of success, while the work of the Canadian Railway War Board has already been of marked service to the country. A war board that can co-ordinate the activities of three or four big lines faces a very different proposition when the number of roads is raised by hundreds. In Canada to-day shortages on road are taken care of at once, out of the surpluses of sister roads. Congestion on one is handled by all the roads working in concert through the Canadian Railway War Board.

Shortage of Cars Owing to America's Condition.

"Although, owing to American conditions, Canada is still short many thousands of her own cars detained in the United States, in the meantime shortages in such things as potato cars, apple cars, coal cars or engines, trackage, or terminal facilities, are constantly and almost instantly met through the Canadian Railway War Board. Needless to say, the roundabout routing of freight, which was one of the features of American railway competition does not exist in Canada."

The Dominion government has appointed a special committee of six members of the Dominion cabinet to make a study of the Canadian railway situation. The proposed increase in freight rates is not to go into effect until this committee hands down its report. The committee is headed by the Hon. Mr. Reid, minister of railways.

TROUBLES OF RUSSIAN BONDS

The cabled statement of a London daily last week to the effect that the Bolsheviki planned to repudiate all Russian bonds in the hands of foreigners, and almost all of the bonds held by Russian subjects, caused a drop of 7 to 9 points in the external bonds in this market; the 5½s dropped to 43 and the 6½s to 48. Eighteen months ago, when the bonds were brought out, 5½s sold at 94⅝ and the 6½s at 102¼.

The full text of Chancellor Bonar Law's remark to the Imperial parliament on the rumors of Russia's repudiation of her foreign debt has been received in Canada. In the committee of ways and means he said:—

"I do not think the committee ought to exaggerate the meaning of what had happened in Russia. It is not too much to say that no great state has ever entirely repudiated its national debt, and even in a country like Turkey, although there has been modification, there has never been complete repudiation. Russia is a country with probably as great natural resources as any other country in the world, and it is almost certain that, sooner or later, there will be a stable government there.

"But there is something more. If there was ever a stable government there, Russia, perhaps more than most countries, knows that the development of its resources and its prosperity would be impossible without financial assistance from other countries, and she also knows that that financial assistance would be impossible unless its previous debts were accepted by her government. I, for one, do not believe that the money will not be recovered sooner or later by this country."

WORLD TRADE LARGEST IN HISTORY

United States Leads With Nine Billions, Great Britain Second With Seven Billions

International trade of 1917 will show a larger total than in any earlier year, according to an estimate of the National Bank of New York. It includes eleven months' actual figures for the United States and United Kingdom, ten months for Canada and somewhat shorter periods for the other principal countries, covering, however, a sufficient proportion of the year to justify an estimate that the total international trade of the year will be the largest in history.

In the case of the United States the total trade of the year is estimated at approximately $9,000,000,000, against less than $4,000,000,000 in 1913. In Great Britain the total for the eleven months is over $7,000,000,000, against $5,750,000,000 in 1913. Canada's total for ten months ending with October is over $2,000,000,000, against $88,000,000 in the same months of 1913, and Japan for the nine months ending with September $914,000,000, against $507,000,000 in the corresponding months of 1913. For France no official figures are available for 1917, though the imports estimated by an examination of figures from other countries to France are apparently about 50 per cent. more than in 1913.

In the Central Powers no official figures are available, though it is known that their over-sea trade is, of course, cut off; they have imported very largely from adjacent neutral countries and the exchanges between the countries forming the group now known as the "Central Powers," have also been very great. In the Allied countries a part of their trade, that conducted by or on behalf of the government, has been omitted from the official figures.

Trade of the Allies.

The largest change is that of the Allies. The total trade of Great Britain, France, Italy, Russia, United States, Canada and Japan in 1913 was a little more than $18,000,000,000, while the figures thus far reported for the current year suggest that their total for 1917 may approximate $25,000,000,000.

The neutral sections of the world show little change in their grand total of trade in 1917 as compared with 1913, though there are marked changes in its characteristics. In South America the imports of 1917 are far below those of 1913, in which year the imports of that continent were the highest in its history. The imports of all South America in 1913 exceeded $1,000,000,000, and the 1917 official reports from that continent up to this time indicate that the total imports of 1917 will be little more than half those of 1913, though the 1917 exports will apparently exceed those of 1913 by about 25 per cent.

Oriental Trade.

Oriental trade of 1917 will somewhat exceed that of 1913. In Japan exports are double those of 1913, and imports show an increase of about 50 per cent. In China the imports show a decline, and while there is a good demand for her silk at high prices, the best markets for her tea have been difficult of access. India shows a decline in imports and a slight reduction of exports, due chiefly to lack of transportation. The great rubber plantations of Ceylon, the Malayan Peninsula and the Dutch East Indies, however, show large increases in their production and sales, and the sugar output of Java was larger and at higher prices than formerly.

The neutral countries of Europe show material increases in the value of their exports, but slight decreases in the value of their imports.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended January 11th, 1918:—

La Rose Mines, 106,370; Right-of-Way Mines, 103,085; Beaver Mines, 79,971; Tretheway Mines, 40,000; McKinley-Darragh-Savage Mines, 84,211; Temiskaming Mining Company, 74,008; Dominion Reducing Company, 257,300; Buffalo Mines, 190,935; O'Brien Mine, 128,010. Total, 1,063,890 pounds, or 531 tons.

The total shipments since January 1st, 1918, now amount to 1,807,532 pounds, or 903 tons.

FORTY-NINTH ANNUAL MEETING OF

The Royal Bank of Canada

SIR HERBERT HOLT, PRESIDENT, DEALS WITH PRINCIPAL FACTORS THAT HAVE CONTRIBUTED TO PROSPERITY OF COUNTRY, ADVISING CAUTION IN GOVERNMENT ASSUMING TOO GREAT POWERS.

Mr. Edson L. Pease, Managing Director, Recommends Establishment of a Bank of Re-discount, Patterned After the Federal Reserve Bank in the United States.

Mr. C. E. Neill, General Manager, Deals with Progress Made by the Bank During the Year, and Pays Highest Tribute to Over One Thousand Members of Staff Who Have Served Overseas.

The Forty-Ninth Annual General Meeting of the Shareholders was held at the Head Office of the Bank in Montreal, on Thursday, January 10th, at 11 o'clock a.m., Sir Herbert S. Holt in the chair.

Mr. S. D. Boak acted as secretary of the meeting, and Messrs. A. Haig Sims and Alex. Paterson as scrutineers.

The Directors' Report was read by the General Manager, Mr. C. E. Neill.

DIRECTORS' REPORT.

The Directors have pleasure in submitting to the Shareholders the Forty-Eighth Annual Report, for the year ending November 30th, 1917, accompanied by the Statement of Assets and Liabilities.

PROFIT AND LOSS ACCOUNT.

Balance of Profit and Loss Account, November 30th, 1916	$ 852,346.28	
Profits for the Year, after Deducting Charges of Management and all other Expenses, Accrued Interest on Deposits, full Provision for all Bad and Doubtful Debts and Rebate of Interest on Unmatured Bills	2,327,979.51	
		$3,180,325.79
Appropriated as follows:—		
Dividends Nos. 118, 119, 120 and 121, at 12 per cent. per annum	$1,549,404.00	
Transferred to Officers' Pension Fund	100,000.00	
Written Off Bank Premises Account	250,000.00	
War Tax on Bank Note Circulation	128,357.26	
Contribution to Patriotic Fund ..	60,000.00	
Transferred to Reserve Fund	528,300.00	
Balance of Profit and Loss Carried Forward	564,264.53	
		$3,180,325.79

The Assets of the Bank have recently been subjected to the usual careful revaluation.

Branches have been opened during the year as follows: In **Quebec**—Montreal, Bonaventure; Montreal, Sherbrooke and Draper; in **Saskatchewan**—Chamberlain, Dodsland, Swanson, Unity; in **Nova Scotia**—Clarke's Harbour, La Have, Middle Musquodoboit, New Germany; in **Newfoundland**—Marystown; in **Cuba**—Moron, Florida; in Venezuela—Ciudad Bolivar, Maracaibo, Puerto Cabello; in the **Dominican Republic**—Puerto Plata; in the **British West Indies**—Charlestown, Nevis; Plymouth, Montserrat; Scarborough, Tobago; Speighstown, Barbados.

The following branches were closed:—in **Quebec**—Montreal, St. Viateur Street, St. Jean Chrysostome; in **British Columbia**—Vancouver, Broadway East; also the sub-branch at Bulyea, Sask.

The sub-branches at Alyesbury and Dysart, Sask., were made regular branches.

The Head Office and all the branches of the bank have been inspected as usual, during the year.

Your Directors desire to express their appreciation of the efficient manner in which the officers of the bank continue to perform their respective duties, and their regret at the retirement of Mr. W. B. Torrance, the late Superintendent of Branches and Chief Inspector, after thirty years of service in this bank.

All of which is respectfully submitted.

H. S. HOLT, President.
E. L. PEASE, Vice-President.

THE GENERAL MANAGER.

The General Manager, Mr. C. E. Neill, then referred to the Annual Statement as follows:—

The Balance Sheet submitted to-day, evinces a year of remarkable growth. The total assets of the bank are over $335,000,000, nearly double their amount at the beginning of the war. The increase during the past year was no less than $82,000,000. Of this increase, the Quebec Bank, which was absorbed on January 2nd, 1917, contributed approximately $22.000,000.

Total deposits amount to $252,987,382.81, the increase for the year being $52,759,787.23. As I pointed out last year a very satisfactory feature is the absence of large or unusual deposits of a temporary nature.

A remarkable expansion has taken place in our circulation, as in that of other banks. Outstanding notes now exceed our paid-up capital by $15,247,651.49. To cover this excess, $16,000,000 has been deposited in the Central Gold Reserve.

Current loans show a substantial increase, due to the active trade conditions and increased prices of all commodities.

The liquid position of the bank is satisfactory, our liquid assets being 53.9 per cent. of liabilities to the public.

The assistance rendered to the Government in financing the war is indicated by an increase of $28,867,279.29 in Government securities.

Net profits for the year were 18.03 per cent. on capital, as compared with 17.87 per cent. last year—or 8.82 per cent. on combined capital and reserve, as compared with 8.66 per cent. last year.

The Reserve Fund has been increased to $14,000,000 by the addition of $911,700 premium on new stock allotted to Quebec Bank shareholders, and $528,300 from Profit and Loss Account.

It is satisfactory to report that all the bank's securities have been written down to the present market value.

In this time of great expansion, it is manifestly our first duty to keep the bank in a strong and liquid position, especially as regards cash, in order to be fully prepared for any contingency which may arise. The uncertainty as to conditions which will obtain after the war is very great, and we must be fully prepared for any eventuality.

I desire particularly to direct your attention to the splendid work of the staff of the bank during the past year. When we speak of "the staff" nowadays, we mean a very different aggregation from that of the days before the war, and when we ask ourselves what actually constitutes the staff to-day, we find ample scope for reflection. Unconsciously, we think first of those who are away fighting our battles, and those who have lost their lives in the defence of liberty and of our country, and to whom we pay our highest tribute. There is between us a bond of such strength that we feel it can never be dissolved. Over 1,000 of our men have enlisted voluntarily since the beginning of the war. Of these 89 have been killed or have died of wounds, and 30 have been discharged as unfit for further military service. 19 of the latter have again taken up their duties in the bank.

To those, who, through unavoidable causes, have not been privileged to take an active part in the great struggle, and who are carrying on at home, in the face of many difficulties, we also desire to pay tribute. The large number of enlistments has rendered the satisfactory operation of the bank's business increasingly difficult, as the places of enlisted men have been filled by more or less inexperienced clerks. We are doing the best we can under the circumstances, and it is our intention not to apply for a greater number of exemptions from military service, than we feel to be absolutely necessary.

PRESIDENT'S ADDRESS.

In moving the adoption of the Directors' Report, Sir Herbert S. Holt, President, said:—

Last year I drew your attention to the large increase in the assets of the bank during the year 1916, namely, $55,000,000, which constituted an unprecedented record. This year I am pleased to say the increase is $82,000,000. It should be explained, however, that $20,000,000 of this was due to the acquisition of the Quebec Bank, and a further portion is of a temporary character.

The experience of the past year has fully demonstrated the correctness of the value which was placed on the assets of the Quebec Bank.

The year brought no cessation of the remarkable prosperity enjoyed by Canada since the beginning of the war. While munition orders fell off perceptibly, manufacturing activity was largely directed to shipbuilding. The demand for foodstuffs and war commodities continued to the extent of the country's ability to finance payments for same. Labor is now scarce and, in some cases, inefficient, and wages steadily ascending.

Following the action of the United States Government, the Canadian Government fixed the price of the 1917 wheat crop at $2.21 per bushel for No. 1 Northern at Fort William. This was the equivalent of the price fixed in the United States. At this price Great Britain purchased 150,000,000 bushels of wheat and also 20,000,000 of oats, approximating $350,000,000, and to assist in paying for same, $100,000,000 was borrowed for two years from the Canadian banks. The estimated wheat remaining in the country of 50,000,000 to 60,000,000 bushels will be required for domestic milling and seeding purposes. The sale of this large amount of cereals at phenomenal prices means riches to the farmers and a very substantial increase in bank deposits.

Last year I submitted a statement showing the prices of many commodities at the close of 1916. Much higher prices were recorded during the past year, but some of these relapsed with the United States Government's introduction of their fixed price policy. As Canada imports largely from the United States, we are directly affected by this policy, which should be more favorably received by trading interests, because of its tendency to stabilize the markets and reduce the cost of doing business, were it not for the embargo placed on the exportation of all raw materials without a license except for the production of munitions and war supplies. Widespread injury will result in this country if the prohibition be strictly enforced, especially in regard to coal. While we cannot complain, as we have similarly prohibited exports, it is hoped our Government will be able to arrange to secure outside such commodities for our general requirements as are inadequately produced in this country.

The Canadian Government have so far fixed the price of wheat and newsprint only. In fixing maximum prices, consideration must be given to the necessity of stimulating production.

With a view to the successful prosecution of the war, the Government of the United States are making another important departure in taking steps to bring about a gradual curtailment in the production of articles regarded as non-essential, and diverting the activities of factories, wherever possible, to the manufacture of war commodities. This may appear to be a drastic proceeding, but heavy sacrifices are necessary in order to win the war. The manufacture and importation of non-essential products into this country should be prohibited by the Government. So long as the war lasts, essential products will be in continued demand by the Allied Governments. We know that the end of the war does not seem to be near, and manufacturers should take advantage of this opportunity to speed up their plants to full capacity.

The recent Order-in-Council prohibiting the sale of new issues without a permit from the Minister of Finance, is a wise measure. The Government should go further and prohibit the investment of Canadian money in foreign countries, as it is highly important that the resources of the country should be conserved to produce the maximum of war time efficiency.

TAXATION PROBLEMS.

The income tax imposed last year, which becomes effective on the first of June this year, is a fair and proper tax under the circumstances, and it should not be objected to in its application. It will reach everyone who can afford to contribute. The business profits tax, however, is unduly onerous and repressive. It has had the effect of antagonizing capital and restricting production.

While we believe the Government's assumption of the powers mentioned is essential to the prosecution of the war and are in duty bound to give our full support, the extent to which the domestic life and liberties of the people are thus affected is a serious matter. Dictatorial powers once assumed are usually reluctantly relinquished, and if we could not trust the Government to annul them when the present purpose has been served, great evil would result.

We were greatly shocked at the recent frightful disaster in Halifax, and sympathize deeply with those who are afflicted by the loss of life, and with the maimed and suffering. This bank will never waver in its attachment to the city of Halifax, where it was founded in 1869, and in which city the Head Office was located for thirty-one years. About one-third of our shareholders reside in Nova Scotia, and the foundation of the bank's success was laid by my eminent predecessor, the late T. E. Kenny, and his associates in the direction of its affairs.

The entry of the United States into the war was the most momentous event of the past year. Her adhesion to the cause of the Allies spells ultimate victory, although some time will elapse before she can be prepared to strike with full force.

The war drags on, and the general feeling is that it will be considerably prolonged, but our stern task must be pursued to a successful end at whatever cost. We may depend upon it that still greater sacrifices will be necessary and that very heavy taxation must be entailed.

THE VICE-PRESIDENT.

In seconding the motion for the adoption of the Directors' Report, Mr. E. L. Pease, Vice-President and Managing Director, said:—

The excellent Statement which we have the pleasure of submitting to-day reflects the prosperity of the country, which has been in evidence since the war began. The subjoined Statement* shows that this has become even more marked during the past year.

While it is our opportunity and privilege to profit by this prosperity, it cannot but detract from our satisfaction to realize that it is due to the abnormal circumstance of the war, and that we are prospering at the expense of the Mother Country, which is the chief purchaser of our products. To the extent that our Government is assessing excess profits and assisting in the prosecution of the war, we are affording relief to Great Britain, but we should aim to prevent the making of large profits out of the war and to protect her from profiteering.

It is unfortunate that our prosperity lacks uniformity, as evidenced by a severe decline in the prices of securities, which has resulted in the establishment of minimum values on the Stock Exchanges, while the prices of commodities are the highest ever experienced. This anomalous situation is due to the absorption of liquid capital by the Government in order to carry on the war. As the standard industrials are very

---

	1916.	1917.	Increase.
*Value of Field Crops (December 31) ......$	886,495,000	$1,089,687,000	$ 203,192,000
Bank Clearings (December 31).	10,557,188,000	12,552,822,000	1,995,634,000
Note Circulation (November 30).	148,198,000	196,136,000	47,938,000
Chartered Banks—Deposits (November 30)	1,521,349,000	1,813,643,000	292,294,000
Chartered Banks—Current Loans (November 30).	927,399,000	1,010,028,000	82,629,000
Exports — Merchandise (November 30) 12 months	1,073,506,000	1,575,233,000	501,727,000
Imports — Merchandise (November 30) 12 months	744,292,000	1,011,400,000	267,108,000
Customs Receipts.	136,159,000	168,266,000	32,107,000

prosperous, however, the recovery of values is only a question of time.

The growing appreciation of the people for Government war bonds as an investment is the most gratifying feature of the year. The recent campaign advocating economy and investment in Government bonds, will be productive of the greatest possible benefit to the country as a whole, and the habit of saving and investment, once formed, will persist and reward the individual.

During the past year the Dominion Government floated two domestic loans—one in March for $150,000,000, which was $100,000,000 over-subscribed, and another in December last for $150,000,000, which was $260,000,000 over-subscribed. In the first instance the Government allotted only the amount offered—$150,000,000, but in the last case they have accepted applications for $390,000,000. This sum is expected to provide for the Government's necessities until next autumn.

In addition, the Government floated in the United States in August last a loan of $100,000,000 payable in two years.

The Canadian banks made temporary advances to the Government during the year in anticipation of the emission of these loans, and also a loan of $75,000,000 in November last, having two years to run. They also granted to Great Britain in November a credit of $100,000,000 payable in two years, to assist her in the purchase of our cereals. When this latter credit is fully availed of, the obligations of Great Britain will amount to $200,000,000, of which $100,000,000 matures during the current year. These advances were made by the banks on a basis pro rata to paid-up capital.

BANKS IN STRONG POSITION.

While the Canadian banks have played a prominent part in financing the war, it is gratifying to find that the extent to which Canada and Great Britain are publicly indebted to them at the moment represents only 20 per cent. of their deposits, and will shortly be reduced to 15 per cent.; also that despite the outstanding direct loans to these Governments aggregating $325,000,000, and the domestic loans floated by the Dominion Government since the beginning of the war, which aggregate $350,000,000 (not including the last loan of $390,000,000), practically all of which came out of the banks, the Canadian deposits of these banks on the 30th of November last were $654,000,000 greater than in July, 1914.

The total deposits of the banks on the 30th of November last were $1,813,000,000, the increase for the year being $292,000,000, of which $172,000,000 represented savings deposits. The total current loans amounted to $1,010,000,000, being an increase of $82,000,000. Circulation increased $48,000,000.

The liquidity of the banks has been kept unimpaired in spite of the huge Government loans effected. This is due to the expenditure of the proceeds within the country.

Speaking for the Royal Bank, there never was a time when we were freer from doubtful debts than at present. Recoveries have been made to a remarkable extent in connection with advances of which ultimate repayment was regarded as doubtful three years ago. This is probably the experience not only of all the banks, but of merchants and manufacturers generally.

Liquidation has been very thorough, except in connection with advances depending upon the security of real estate; but with the improved financial condition of the farmers, and the engagement of Provincial Governments in Western Canada in the loaning business, interest and principal payments under farm mortgages all over the West have been well taken care of, and in a great many cases maturing loans have been paid in full. Generally speaking, the country districts are prosperous, and farm lands are in good demand. The situation in the cities has improved, as evidenced by the greater demand for and increased rentals of residences. City vacant lots show no improvement.

The British Government recently appointed a committee, with the following terms of reference:—

> "To consider, and report whether the normal arrangements for the provision of the financial facilities of trade, by means of existing banking and other financial institutions will be adequate to meet the needs of British industry, during the period immediately following the termination of the war, and, if not, by what emergency arrangement they should be supplemented, regard being had in particular to the special assistance which may be necessary:—
>
> "(a) To facilitate the conversion of works and factories, now engaged upon war work to normal production.
>
> "(b) To meet the exceptional demands for raw materials, arising from the depletion of stocks."

As conditions in Canada are somewhat parallel, and serious difficulties will confront us at the close of the war, it is our duty to endeavor to devise safeguards against them. The conversion of factories will involve increased capital outlay, and a period of unproductiveness must intervene. Present values of raw material will probably not decrease, in view of the world demand, and the necessity for re-stocking, will add to the financial strain. Many men will be thrown out of employment, and discharged soldiers will be returning. In addition, there will probably be a large immigration to this country.

We cannot foresee all the difficulties of finance that are likely to beset us. In my opinion, the question of providing supplementary banking facilities in this country is very important, and should receive the consideration of the Government and the banks. If we had a bank of rediscount patterned somewhat after the Federal Reserve Bank in the United States, it would render legitimately available millions of assets in the form of high grade commercial paper, now lying dormant in the portfolios of the banks, and thereby greatly increase our financial resources. I think the Government should appoint a committee of experts to investigate the suggestion.

I cannot close without a tribute of praise to Sir Thomas White, the Minister of Finance. The prosperity we are enjoying is due in great measure to his discovery and exploitation of the latent resources of the country, as exemplified by his repeated and increasingly successful offers of Government securities, culminating in the last huge domestic loan, and the profitable employment of these resources in the prosecution of the war.

I have pleasure in seconding the motion for the adoption of the Directors' Report.

OFFICERS' PENSION FUND.

A Resolution was adopted, authorizing the Directors to contribute to the Pension Fund, out of the profits of the bank, a sum not exceeding $100,000 per annum, for a period of five years.

AUDITORS.

Mr. J. Marwick, Mr. S. R. Mitchell and Mr. John W. Ross, were appointed Auditors for the ensuing year.

THE STAFF.

A vote of thanks was passed to the President, Vice-President and Directors, also to the General Manager and staff. In replying to the latter, Mr. C. E. Neill, General Manager, said:—

On behalf of the officials of the bank, and the staff in general, I thank you for this expression of confidence. While it is customary to extend the courtesy of such a vote each year, it never comes to us as a mere formality, since there seem to be new circumstances on every occasion to impart special significance to the familiar idea. In this instance, our thoughts have been much occupied of late with the retiring Superintendent of Branches, Mr. W. B. Torrance. There is no need for me to recall to you the main facts of his long banking career, which are widely known, or the very high esteem in which he is generally held, but I wish to take this opportunity of expressing our appreciation of his sterling qualities, and our regret that he is no longer one of us.

The success of the bank is dependent upon the rank and file of the staff to a much greater extent than the shareholders probably realize. We have a particularly loyal and efficient staff, and I can assure you that the thanks of the shareholders are deeply appreciated.

BOARD OF DIRECTORS

The following were elected Directors for the ensuing year:—

Sir Herbert S. Holt, K.B., E. L. Pease, E. F. B. Johnston, K.C., Jas Redmond, G. R. Crowe, D. K. Elliott, Hon. W. H. Thorne, Hugh Paton, Wm. Robertson, A. J. Brown, K.C., W. J. Sheppard, C. S. Wilcox, A. E. Dyment, C. E. Neill, Sir Mortimer B. Davis, K.B., G. H. Duggan, C. C. Blackadar, J. T. Ross, R. MacD. Paterson, G. G. Stuart, K.C.

At a subsequent meeting of the Directors, Sir Herbert S. Holt was unanimously re-elected President, Mr. E. L. Pease, Vice-President and Managing Director, and Mr. E. F. B. Johnston, K.C., second vice-president.

Some Interesting Statistics

Bank Call Loans in Canada.

October.	Amount.
1906	$56,878,521
1907	46,843,488
1908	42,102,565
1909	56,996,065
1910	64,561,641
1911	69,088,467
1912	76,959,866
1913	71,118,255
1914	70,201,939
1915	74,574,270
1916	90,412,023
1917	71,653,719

Bank Call Loans Abroad.

October.	Amount.
1906	$ 60,536,737
1907	47,446,488
1908	70,239,118
1909	129,964,353
1910	103,279,774
1911	88,722,640
1912	101,186,983
1913	93,346,810
1914	81,201,671
1915	120,681,624
1916	189,346,216
1917	151,018,747

Bank Current Loans in Canada.

(Including Loans to Municipalities.)

October.	Amount.
1906	$531,019,479
1907	579,860,498
1908	519,263,607
1909	579,837,956
1910	679,820,039
1911	768,492,008
1912	879,676,655
1913	862,313,367
1914	863,939,928
1915	826,467,984
1916	812,541,752
1917	925,191,241

*Canadian Commercial Failures.

Year.	No.	Assets.	Liabilities.
1906	1,184	$ 6,499,052	$ 9,085,773
1907	1,278	9,443,227	13,221,250
1908	1,640	12,008,113	14,931,790
1909	1,442	10,318,511	12,982,800
1910	1,262	11,013,396	14,514,650
1911	1,332	9,964,604	13,491,196
1912	1,357	8,783,409	12,316,936
1913	1,719	12,658,979	16,979,406
1914	2,898	30,909,653	35,045,095
1915	2,661	39,526,358	41,162,321
1916	1,685	19,670,542	25,069,534
†1917	1,005	11,835,857	16,209,015

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*Figures of R. G. Dun and Company, Toronto.
†Eleven months, January to November, 1917.

Canadian Fire Losses.

Year.	Amount.
1909	$ 18,905,538
1910	23,593,315
1911	21,459,575
1912	22,900,712
1913	26,346,618
1914	24,300,000
1915	13,670,527
1916	20,487,509
1917	19,390,708

*Railroad Earnings.

Calendar Year.	Amount.
1906	$103,051,000
1907	117,648,000
1908	113,405,000
1909	122,642,000
1910	156,340,000
1911	174,239,000
1912	203,921,000
1913	218,723,000
1914	178,702,000
1915	183,321,980
1916	233,039,926
†1917	256,119,049

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*Canadian Pacific, Canadian Northern, and Grand Trunk systems. †December return's estimated.

Building Permits (25 towns and cities).

Year.	Value.
*1906	$ 58,140,294
*1907	58,587,987
*1908	51,223,398
1909	66,112,729
1910	96,761,784
1911	127,378,469
1912	186,580,431
1913	149,144,475
*1914	85,298,443
*1915	27,877,779
1916	36,049,970
*1917	29,591,676

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*Figures for 1914 are for 23 towns and cities: for 1906, 41; 1907, 51; 1908, 73; 1915, 1916, and 1917, 32.

Immigration to Canada.

Fiscal Year.	Number.
*1906-7	124,667
1907-8	262,469
1908-9	146,908
1909-10	208,794
1910-11	311,084
1911-12	354,237
1912-13	402,432
1913-14	384,878
1914-15	144,789
†1915	32,514
†1916	46,156
†1917	57,685

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*Nine months. †Immigration season only, April to October inclusive.

Canadian National Debt (net).

Fiscal Year.	Amount.
1906	$267,042,977
*1907	263,671,860
1908	277,960,860
1909	323,930,279
1910	336,268,546
1911	340,042,052
1912	339,919,461
1913	314,301,625
1914	335,996,850
1915	408,122,214
1916	555,027,542
1917	804,621,852

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*Nine months.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental lines for the first week in January:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
January 7	$2,238,000	$2,343,000	+ $105,000

Grand Trunk Railway.

January 7	$1,012,906	$1.076,606	+ $ 63,700

Canadian Northern Railway.

January 7	$ 598,700	$ 565,000	— $ 32,900

The National Life
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ALBERT J. RALSTON,
First Vice-President and Managing Director
GEORGE W. BEARDMORE,
Second Vice-President
F. SPARLING,
Secretary

Nineteenth Annual Report

A Record of Achievement

Total Cash Income	$ 942,427.59
(Increase over 1916 of $233,965.71)	
Total Payments to Policyholders	245,212.26
Applications for new Assurances	5,001,612.00
Policies issued and placed	4,336,237.00
Total Business in Force	22,686,816.00
Annual Premiums thereon	777,854.97
Interest Earning, plus profits from Sale of Securities	181,393.96
(Increase over 1916 of $20,254.32)	
Paid Up Capital, Reserves and Surplus	3,781,263.15
Net Surplus	350,014.37

Points of Interest

1. The increase in actual Cash Receipts from Insurance Premiums and Interest Income for the year 1917 by way of comparison with the year 1916, as appears in the Government Blue Book, shows an increase of $233,965.71.
2. The Cash Interest Income for the year 1917 amounts to $181,393.96, an increase over 1916 of $20,254.32.
3. The Cash Interest Income was more than sufficient to meet all death claims occurring in 1917.
4. Increase in Assets for the year was $435,477.87.
5. No interest or principal is overdue or in arrears on any of the invested funds of the Company. This record has now been maintained for over 18 years.
6. Dominion Government, Provincial Government, City, Town, County, Village, Township and School Debentures, on which there are no arrears of interest or principal, are taken in the statement $109,498.70 below the par value.

LOANS ON LIFE POLICIES

They Often Lead to Surrender—Conservation of Business is Important

Referring to the decreased demand for policy loans last year, Mr. G. A. Morrow, president of the Imperial Life Assurance Company, at the company's annual meeting last week, said "that while on the one hand the policy loans are, from the company's standpoint, most desirable as an investment, since they combine a good interest yield with unquestioned security, yet on the other hand the mortgaging by the policyholder of the assurance taken out by him for his dependants seems a retrogression on his part, particularly when as is often the case, the facility with which these loans can be obtained leads him to have recourse to them where no real or adequate necessity exists." Mr. Morrow continued:—

"The legitimate purpose of these loans is to secure the continuation of the assurance by tiding the policyholder over a period of financial stress when other avenues of credit are closed. The abuse of the policy loan privilege consists in the policyholder drawing upon his policy for trivial purposes, lessening thereby the protection it affords, while at the same time adding the burden of loan interest to the premium payment—a combined result which all too frequently leads to the ultimate surrender of the policy."

Appreciation of Life Insurance.

While admitting that the present prosperity is due principally to the production of war supplies in Canada and is, therefore, likely to be in large measure transitory, Mr. Morrow said that "coincident with this prosperity, and like it a result of the war, has grown up throughout Canada a better knowledge of life assurance—a truer appreciation of its value—and this knowledge and appreciation will endure. For the war has made clear as never before," he added, "the economic value both to the homes and to the state of the productive lives in this country of great production; has made clear how large a part life assurance can play in protecting the value of these lives; and has made clear how seriously uninsured our people are."

Mr. Morrow expressed the opinion that conservation of old business is even more important than the production of new business. "For the only business any life company wants," he said, "is the business that builds up the company by remaining on its books, thereby furnishing proof that the growth of the company is resting on the solid foundation of satisfied policyholders. The gain made in total assurances in force is, therefore, one of the true measures of a company's progress."

Hopes for the Future.

Speaking of the general outlook, Mr. Morrow said:—

"Under present abnormal conditions it is impossible to predict with any degree of accuracy the outlook for the future. We must be prepared for some setback upon the termination of the war. A very heavy increase in our National Debt is inevitable, with consequent increased taxation. There will necessarily be an industrial readjustment when the manufacture of war material ceases.

"A greater agricultural production, the development of our vast national resources, the practical certainty of increased immigration after the war, and the practise of economy, will form the basis of our hope and confidence in the future."

EXPORT OF DAIRY PRODUCTS LAST YEAR

The annual report of the department of labor, recently issued, shows that during the last fiscal year the quantity of butter exported was 1,228,753 pounds, valued at $309,046. During the previous year the quantity exported was 7,990,453 pounds, valued at $2,491,922. Cheese was exported to the amount of 180,733,426 pounds, valued at $36,721,136. The aggregate value of butter, cheese, condensed milk and fresh cream exported from Canada during the year amounts, says the report, "to the fine total of $41,367,705, a sum which is $10,000,000 in excess of any previous year. If to this is added the value of milk, butter and cheese consumed at home, a reasonable estimate of which would be $140,000,000, the total production is $181,367,705." A convincing illustration of the argument that the best spur to increased production is found in high prices, says the report.

MONTREAL CLEARING HOUSE

In presenting his report at the annual meeting of the Montreal Clearing House last week, Mr. H. B. Walker, chairman, stated that a further great expansion had occurred in the volume of bank clearings, the total figures for 1917, which greatly exceed all previous records, being 12.5 per cent. over the high mark reached in 1916. The records for the day, week, month and year were all broken during 1917. From August, 1915, until October, 1917, each month's total clearings showed a large gain over the figures for the corresponding month of the previous year, but a decline was shown in November and December, doubtless due to the inactive conditions of the stock exchange which followed the adoption on October 30th of minimum trading prices for securities. The past year has been marked by great industrial activity and expanding foreign trade, with unprecedentedly high prices for all commodities. At the end of November the deposits of the chartered banks showed an increase of $225,000,000 as compared with November, 1916. Bank note circulation has reached a point which represents slightly over $26 per capita of population as against about $20 a year ago. All these evidences of prosperity are reflected in the increased volume of clearings.

At the suggestion of the manager, a second session, held each day at 1 p.m., for the purpose of clearing returned and miscleared items, was instituted in October last by the Montreal Clearing House. The plan has worked very satisfactorily, and has resulted in a considerable saving in time to the clearing banks.

ROYAL BANK OF CANADA

The Monetary Times has previously referred to the splendid balance sheet presented by the directors of the Royal Bank of Canada. This institution, which has made such rapid progress during the past few years, held its forty-ninth annual meeting at Montreal last week. Mr. C. E. Neill, the progressive general manager, pointed out at the meeting the many evidences of growth reflected in the balance sheet. The total assets of the bank are over $335,000,000 nearly double the amount at the beginning of the war. The increase during the past year was $82,000,000, a substantial gain. Of this increase, the Quebec Bank, which was absorbed on January 2nd, 1917, contributed approximately $22,000,000.

Total deposits amount to $252,987,382.81, the increase for the year being $52,759,787.23. A satisfactory feature is the absence of large or unusual deposits of a temporary nature.

A great expansion took place in circulation. Outstanding notes now exceed the paid-up capital by $15,247,651.49. To cover this excess $16,000,000 has been deposited in the central gold reserves. All the bank's securities have been written down to the present market value. A close analysis of the bank's balance sheet shows it to be in excellent financial condition, substantial progress having been made during the past year.

Mr. Neill added a timely warning to those of the other bankers, stating that in this time of great expansion "it is manifestly our first duty to keep the bank in a strong and liquid position, especially as regards cash, in order to be fully prepared for any contingency which may arise. The uncertainty as to conditions which will obtain after the war is very great, and we must be fully prepared for any eventuality."

Regarding post-bellum problems, Mr. E. L. Pease, managing director of the bank, expressed the interesting opinion that the question of providing supplementary banking facilities in the country was very important, and should receive the important consideration of the government and banks. Mr. Pease thought if Canada had a bank of re-discount, patterned somewhat after the Federal Reserve Bank in the United States, it would render legitimately available millions of assets in the form of high-grade commercial paper now lying dormant in the portfolios of the banks, and thereby greatly increase our financial resources.

The first and only claim thus far reported to the Equitable Assurance Society, of New York, as a result of the Halifax explosion is under a $1,000 policy on the life of William T. Broderick, who was killed by the steamship "Mont Blanc" explosion in Halifax harbor. The claim was received on December 18th, and a cheque payable to the insured's mother, the beneficiary, was mailed the same day.

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DOUBLE INSURANCE WITHOUT NOTICE

Interesting Fire Insurance Trial Reviewed by Ontario Marshal

The following comment on a recent case of double insurance without notice, is made by Mr. E. P. Heaton, fire marshall for Ontario:—

Several other cases have been drawn to our attention of late. It seems beyond doubt that adjusters and other persons who take declarations from people generally are very careless in regard to the manner in which questions are put and answered by the declarant as well as being negligent in the language which they use when administering the Declaration. In many cases their whole mode of procedure in a solemn matter such as they are called upon to perform lacks seriousness and dignity and does not reflect any great credit upon the administration of justice in matters of that nature.

To avoid the miscarriage of justice, greater care must be exercised and proper instructions given where losses are placed in the hands of agents or those who are inexperienced and not qualified to properly adjust fire losses.

Judge's Charge to Jury.

The case of Rex vs. Dawson may be cited as an illustration. The trial was before His Honor, George E. Deroche, at Belleville, on December 11th. We quote the following excerpts from the judge's charge to the jury:—

"I will not go over the evidence very much with you because counsel for the Crown and counsel for the defence have covered it pretty thoroughly and I don't think I can add very much to it.

"There are four charges against this prisoner, two of them being in connection with the Caledonian Insurance Company, and two in connection with the Northern.

"The two in connection with the Caledonian are, he committed perjury by making a solemn declaration which was not true, that is, that there was no other insurance, no concurrent insurance, and the other charge in connection with the Caledonian is that he attempted to defraud the Caledonian Insurance Company by falsely representing that there was no other insurance.

"The only difference in the two is the oath part. That is, you might find that under the circumstances you didn't think he had taken this solemn declaration wilfully and corruptly deposing to what was not true, and yet you might be satisfied in your minds that he did sign that document in which he said he had no other insurance and on that signature hoped to get his insurance, and that would be the Crown's idea of attempting to defraud. . .

"In connection with the Northern Insurance there are two charges likewise of exactly a similar nature. . . .

"You may find him guilty of perjury in the Caledonian and not guilty of perjury in the Northern, and you may find him guilty of perjury in the Northern and not in the Caledonian, and you may find him not guilty of perjury in either one; or you might find him guilty of attempt to defraud in the Caledonian and not guilty in the Northern, or you might find him guilty of attempt to defraud in the Northern and not guilty in the Caledonian; or you might find him not guilty in either one; there are the four charges all hanging around two different acts, they are in pairs.

Did Contain Statement.

". . . . I think I can say to you safely in order to succeed in connection with the Caledonian insurance—that is, the Blair insurance—the one which was adjusted or signed by him or declared to by him, did contain that statement that there was no other insurance. Now the question is, did he know that was there when he signed it, or when he made his declaration, and if he knew it, did he wilfully and with intention to defraud the company, sign it; or did he wilfully and corruptly make his declaration to it; all those things you have to consider. It is not enough that he merely signed it when he made his declaration;

"Whether he knew that statement was there or not, depends on his evidence, the evidence of Mr. O'Rourke and the evidence of Mr. Blair. Mr. Blair says in Mr. O'Rourke's office that whole statement was read over to him and therefore he must have heard that one clause that was in it. The prisoner himself, Dawson, says it was not read over to him, and Mr. O'Rourke in his evidence says it was not read over in his presence; so there you have the evidence. . . .

"In regard to the other, the Northern, that was adjusted by Mr. Hurley, the same question arises there. There is no doubt about the statement being signed; there is no doubt he signed it and Mr. Hurley says he made his declaration to it; that it contained a clause that there was no other insurance. Again you have to ask yourselves the same question, when the man signed it or made his declaration to it, did he know that clause was there, and if so when he signed that false statement, did he do it wilfully and corruptly intending to defraud.

Did Not Know Company.

"On that, so far as the evidence is concerned, Mr. Hurley says it was read over to him—I think he said it was done by way of reading the questions to him and then when the insured gave him his answer, Mr. Hurley wrote the answers in. Dawson himself says it was not read over to him, it was bent over a book and he signed his name. He did not even know what insurance company it was. It is a question of which you believe.

". . . . Whittier says although he was not present when this was adjusted or signed, he does say that Dawson came to him for the insurance; he asked him if he had any other insurance and he said he hadn't. Whether that is true or not and whether Dawson was honest in it—I suppose Dawson's answer would be that he intended to cancel the other and that is why he said there was no other insurance. Then there is another feature too that ought perhaps to be pointed out from the prisoner's standpoint. He evidently wishes the court and jury to infer that he didn't know Mr. Hurley was representing a second insurance company, but thought it was the same insurance company, and so if he did know that statement was there that he was still signing the same statement he had signed in O'Rourke's office, and perhaps this ought to be pointed out, too, that the prisoner hadn't any policy at this time in the Northern and whether that might have been in his mind, even though he signed the statement for Blair before O'Rourke that there was no other insurance, whether he might in his mind have considered he hadn't his policy and therefore he hadn't any other insurance, and of course that would still obtain in his favor, if he believed Hurley was still acting in the interest of the same company.

Intended to Cancel.

"There are a good many things you will have to take into consideration; there are some little things, too; for instance, he paid his premium to each of these men, and although he says he intended to cancel the one insurance after he took the Whittier insurance—I suppose one has to apply their common sense to it whether it looks to be a reasonable transaction that he should effect an insurance on the 23rd of August with Mr. Blair and have his policy, and then go to Mr. Whittier on the 7th to effect another one intending to cancel this one which had been taken such a few days apart, particularly so when he had been to Mr. Whittier before and hadn't found him in and went to Mr. Blair and got his insurance and got his policy and then went to Mr. Whittier to get the other insurance. . . It seems clear he has never gone to either of these insurance companies to say—I don't expect my money from the other; he paid his premium to both, it still remains there; he has never gone to either of these companies; perhaps he overlooked it, didn't think it was necessary. . . .

"I don't know that I can add anything further. I will let you take these four charges in so you can bring in your verdict on each of them, guilty or not guilty, so there will be no confusion."

Result of Trial.

The result of the trial was, that the accused was found not guilty upon all four charges.

A mass of evidence was taken before Deputy Fire Marshal George F. Lewis at the investigation held in Trenton on October 1st, 1917. It appears from the evidence adduced that Dawson insured a house that he had just built in Trenton with W. H. Blair, local agent for the Caledonian, on August 23rd, 1917, for $800. Dawson came to Blair's house and asked to have the insurance placed on the dwelling. On August 10th, Dawson went to Whittier, agent for the Northern, but Mr. Whittier was out of town and didn't insure the property at that time.

Late in the afternoon of September 7th, 1917, Dawson went to H. F. Whittier, insurance agent, and placed $800 in-

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surance on the dwelling house he had recently built, telling Whittier that there was no other insurance on the building. Whittier did not solicit the business. Dawson paid the premium and Whittier gave him a receipt, but not a regular interim receipt. Whittier's stenographer having gone home, he didn't make out the policy till next morning and then didn't deliver the policy.

The following morning (September 8th) Dawson came to Whittier's office and told him that the dwelling that he paid the insurance premium on was burnt up and made a demand for the insurance money in the ordinary way. Whittier said he would look after it and advised the insurance company who would arrange for adjustment of the loss. They had further conversations regarding the loss before the adjuster for the company arrived.

"No Other Insurance."

On the morning of the fire Dawson also went to Blair's house to inform him that the dwelling was burnt. On September 13th, Messrs. G. F. Turney and Blair acting for the Caledonian adjusted the loss on the building for $700, and Dawson swore that he had no other insurance.

On September 14th, Mr. T. J. Hurley, representing the Northern Assurance Company, arrived in Trenton and Dawson gave him a list of material, etc., that went into the building and claimed a total loss of about $1,100. Mr. Hurley never saw the building and had to rely on Dawson's statements. He adjusted the loss for $800 and Dawson swore that he had no other insurance. Dawson made out the statement of claim for loss between the time he adjusted with the Caledonian and the next afternoon when Mr. Hurley called.

In his evidence at the investigation Mr. Hurley stated that Dawson claimed the $800 insurance from the Northern; that Dawson couldn't help but see that he was adjusting for the Northern Insurance Company; that he was familiar with everything and that there was nothing to lead him to believe that he was adjusting on a basis of $800 a loss that was adjusted the day previous for $700.

As a result of the verdict it would appear that no liability in connection with the loss is attached to the Northern. An interesting question arises as to what is the liability of the Caledonian. Can the company claim that there was other insurance effected without notice and that it is only liable for sixty per cent. of the loss? asks Fire Marshal Heaton.

DOMINION STEEL CORPORATION'S OPERATIONS

Mr. Mark Workman, president of the Dominion Steel Corporation, stated in Montreal on Tuesday that the production figures for the past year were well up to the 1916 figures. As to coal production, Mr. Workman is not nearly so optimistic. He pointed out that since the outbreak of the war 4,500 have enlisted from the mines of the Dominion Coal Company, and while it is true that 1,000 of these men have been replaced, they have been replaced by less efficient labor.

The result of this demand upon labor has resulted in a marked falling off in the coal output from the mines, and the output for the year just closed was the smallest in many years, falling below the 4,000,000-ton mark Mr. Workman states that the 1917 output will fall half a million short of 1916, and 1,250,000 tons below normal. In 1914, which was considered a poor year, the coal output of the Dominion Coal Company was 5,200,000 tons.

The decline in the Cape Breton coal output has been felt at Montreal for some time, and just what this means to that coal market is evidenced from the statement of Mr. Workman that in ordinary times 2,000,000 tons of coal are shipped up the St. Lawrence annually. This year St. Lawrence shipments were practically nil.

The labor situation at Sydney is still in an unsettled condition, and Mr. Workman was informed recently that Senator G. D. Robinson had been sent to Cape Breton as a representative of the Dominion government to enquire into the question of wages and the possibility of providing more men with a view to increasing the output.

It is understood that strong action will be taken by the government with a view to increasing the output from the Cape Breton mines.

The Merchants Fire Assurance Corporation, of New York, has received a Dominion license to transact fire insurance in British Columbia. Mr. C. G. Hobson, of Vancouver, is chief agent.

ONTARIO'S VITAL STATISTICS

Population was 2,776,885 in 1916—Deaths from Organic Diseases

According to the annual report of vital statistics for Ontario, which will be issued shortly, the estimated population of the province for 1916 is 2,776,885 divided as follows: Cities, 36.72 per cent; towns, 5.76 per cent., and rural municipalities, 57.62 per cent. This is an estimated increase in the population for the year of 9,535, or .34 of 1 per cent. The increase in the population during the year 1914 was 2.62 per cent.; this fell to 0.63 per cent. in 1915 and again to .34 per cent. in 1916, and may be ascribed to the disturbed conditions of the country, owing to the great conflict in Europe.

The following table shows the number of birth registrations for 1916 and allows of a comparison between those of 1915 and 1916:—

	1916.	Ratio.	1915.	Ratio.
Entire province	65,264	23.5	67,032	24.2
Cities	26,938	26.4	27,283	24.8
Towns	4,687	29.7	33,862	30.0
Rural municipalities ...	33,639	21.0	35,887	22.1

The natural increase—i.e., births over deaths, was 19,684. The number of births decreased by 1,768 and the ratio per 1,000 of population by .7. The relation of male births to female births was as follows:—

	Male.	Female		M.	to	F.
Entire province	33,663	31,601	or	106	to	100
Cities	13,928	13,010	"	107	"	100
Towns	2,438	2,249	"	108	"	100
Rural municipalities ..	17,297	16,642	"	103	"	100

Deaths During Year.

The following table shows the number of deaths registered during the year and allows of a comparison with the registrations of the preceding year:—

	1916.	Ratio.	1915.	Ratio.
Entire province	35,580	12.8	33,294	12.0
Cities	14,287	14.0	13,080	12.8
Towns	2,609	16.5	2,053	15.9
Rural municipalities ...	18,684	11.7	18,161	11.2

It will be noted that the number of deaths has increased by 2,286, or 6.8 per cent. The ratio has increased by 0.8 per 1,000 of population. The ten causes of death from organic diseases giving the highest mortality in the province are shown, together with the death rate per 100,000 of population:—

		Ratio.
Organic heart diseases	3,335	120
Pneumonia	2,962	104
Tuberculosis	2,559	92
Cancer	2,012	72
Apoplexy	1,485	53
Infantile diarrhœa	1,218	44
Diseases of the arteries	1,204	43
Bright's disease	1,017	37
Bronchopneumonia	887	31
Paralysis without specified cause	598	21

Small Increase in Tuberculosis.

The rate of deaths from this disease in this year (1916) was 92 per 100,000 of population, being an increase of .03. The increase in the number was 93. The same ratio appeared in 1911, from which date there was a decrease till the lowest point was reached in 1913 and 1914 (85); there has been a slight increase in 1915 and 1916. The following is an analysis of rates in city, town and rural municipalities:—

	Deaths.	% of deaths from tuberculosis.	Ratio per 100 M of population.
Entire province	2,559	100	92
Cities	934	35.5	91
Towns	174	6.8	110
Rural municipalities ...	1,451	56.7	93

The Alliance Nationale has received a Dominion license to transact life, disability and sickness insurance to the extent authorized by its charter.

Consider the Cost

A FACT not generally understood by those drawing up a will, is that the highly specialized and competent service rendered by a Trusts Corporation costs no more than the uncertain service of an individual trustee.

When you consider that your estate will receive the benefit of experience gained in the management of many estates, your heirs will be assured the utmost protection.

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ESTABLISHED 1859

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Surplus to Policyholders $380,895.44

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SALE OF WOOL PRODUCED IN MANITOBA

The Manitoba department of agriculture and immigration estimates that about 60 per cent. of all the wool grown in the province was sold last year under its co-operative wool marketing scheme. The amount so marketed was over 170,000 pounds, of which 168,048 pounds was officially graded. The wool was sold at an average price of 58 cents per pound. The highest priced grade was fine medium comoing, which sold for the excellent price of 65 cents. The following is a statement showing the quantity of each grade sold:—

	Pounds.
Fine combing	8,860
Fine clothing	4,074
Fine medium combing	12,330
Medium combing	50,086
Medium clothing	9,629
Mohair	193
Coarse	69,198
Rejects	6,796
Gray and black	2,351
Tags	4,531
	168,048

UNION BANK OF CANADA

Considerable progress has been made by the Union Bank of Canada during the past few years. The bank has capable and experienced officers in Mr. H. B. Shaw, general manager, and Mr. J. W. Hamilton, assistant general manager, a strong directorate and an influential advisory committee in connection with its New York agency, including such well-known American financiers as Messrs. Stuyvesant Fish, Cornelius Vanderbilt and Gilbert G. Thorne.

The results of the past year's operations were particularly gratifying to the directors, shareholders and clients of the bank. The increase in assets during 1917 was more than 13 per cent., bringing the total volume of its funds up to approximately $144,000,000. In the three years since the beginning of the war the volume of this bank's business has risen from $81,600,000 to $143,400,000. Deposits show a large increase. Liquid assets are over $77,000,000, or nearly 60 per cent. of public liabilities. Gold coin and Dominion notes amount to over $20,000,000. Profits for the year, while well in advance of 1916 and the years immediately previous, are moderate in proportion to the volume of business. They amounted to about $763,463 92, and are subject to a deduction of $225,000 for taxes, donations, pension fund and contingent account. After paying the regular dividend and bonus of 1 per cent. (which has been kept up throughout the war, together with all necessary appropriations for contingencies and depreciation, without going beyond the current profits), there remained a sufficient sum to write off $75,000 from bank premises and real estate and still make a small addition to the profit balance carried forward. This is an unusually satisfactory record, and the bank is to be congratulated upon the distinct improvement in its position.

Mr. John Galt, president of the bank, in the course of his address at the annual meeting, intimated that the bank would eventually be represented in each of the provinces in which it does a substantial business. Mr. Galt also made the announcement that in future the shares of the bank would be definitely on a 9 per cent. basis, and that the dividends would be 2¼ per cent. quarterly.

The number of directors was increased from sixteen to twenty. Messrs. A. Hitchcock, of Moose Jaw, and W. H. Malkin, of Vancouver, were chosen as directors. At a meeting of the directors, held subsequently to the annual meeting, the officers of the bank were re-elected as follows: Messrs. John Galt, Winnipeg, president, and G. H. Thompson, Quebec, and R. T. Riley, Winnipeg, vice-presidents.

The net surplus of the province of Quebec for the past year was $138,440. Hon. Walter Mitchell, provincial treasurer, announced this in the budget speech yesterday. The ordinary revenue of the province was $10,441,113, while the ordinary expenditure was $9,907,678, leaving a surplus of $533,440. The affairs of the province of Quebec being in such a prosperous state, Mr. Mitchell deducted from his revenue account, $375,000, a part of the million dollar grant to the Canadian Patriotic Fund, which the province of Quebec voted at the previous session.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the month ended December 31st, 1917:—

Penn Canadian Mines, 55,761; Tretheway Silver Mines, 41,521; Aladdin Cobalt Mines, 87,000; National Mines, 67,179; Dominion Reducing Company, 655,500; Kerr Lake Mining Company, 120,394; McKinley-Darragh-Savage Mining Company, 338,204; La Rose Mines, 167,317; Buffalo Mines, 329,958; Coniagas Mines, 330,295; Nipissing Mining Company, 175,077. Total, 2,368,206 pounds, or 1,184 tons.

NOTE CIRCULATION OF THE BANKS

The note circulation of the banks as a whole has broken all previous records, said Mr. T. F. How, general manager of the Bank of Toronto, at the annual meeting of that bank this week. The total on November 30th last was $196,135,810. If to this is added the Dominion notes in the hands of the public, which probably amount to $26,000,000, the note circulation of the country will amount to over $242,000,000. If our population be estimated at 7,500,000, it represents a per capita circulation of about $32, as compared with $23 last year. It is not easy to fully account for this large increase, but some reasons may be found in the higher level of prices, making it necessary for everyone to carry more money to meet daily requirements. The larger volume of trade, as represented in money, also requires additional circulation. Two $5 bills are now required to pay the producer for five bushels of wheat, whereas previous to the war one $5 did the same work, and so all along the line.

FINANCES OF QUEBEC PROVINCE

According to figures given by Hon. Walter Mitchell, provincial treasurer, in the Quebec House last week, the funded debt on October 31st, 1916, was $38,846,128, less $1,507,842, of sinking fund. During 1916 loans issued were for $4,000,000 10-years at 99.20, interest 5 per cent., payable half-yearly, and one of $740,000 for 30 years at par, interest 4½ per cent., payable half-yearly. This latter loan is for the St. Maurice River water storage.

The provincial treasurer said that the available assets of the province were $11,702,800; direct liabilities, $42,021,779, making the excess of liabilities over the assets $30,318,978.

Mr. Mitchell also stated that of the $1,000,000 subscribed to the Victory Loan, $567,500 had come out of revenue fund and $432,500 out of sinking fund. During the past year the city of Montreal paid the province $39,602, and the balance of the municipalities in the province paid $202,624. These amounts are for the municipalities' share of the care of asylums and other such matters.

WAR INDUSTRIES BOARD SUGGESTED

The creation of a War Industries Board was urged upon the government on Tuesday by a delegation representing the Canadian Manufacturers' Association. Such a board, the government was informed, had become necessary in view of the greater difficulties encountered by Canadian manufacturers in securing raw materials from the United States since the entry of the United States into the war. It was suggested that the board should consist of, say, five members, whose duty it would be to collate and co-ordinate the needs of Canadian industries. The board would be assisted by sub-committees representative of the various industries involved and composed of expert men.

Mr. S. R. Parsons, Toronto, president of the Canadian Manufacturers' Association, said it was felt that difficulties now encountered would be increased as the United States continued its war work unless some steps were taken to meet the situation. Mr. W. W. Butler, of Montreal, argued that one of the first things the government should do was not merely to conserve, but to develop resources in the manufacture of raw material.

Hon. A. K. MacLean asked whether the whole question was one of acquisition of raw material, which can only be secured from the United States. "Very largely," Mr. Parsons replied. In reply to a question by Sir Thomas White, Mr. Parsons said that the question of prices had also sorely entered into the difficulties.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Trethewey Mining Company.—The shareholders have decided to purchase a controlling interest in the Castle Mining Company. The interest in this property was offered to the company as a means of prolonging its lease of life. It was pointed out that the production of the Trethewey for the next two years would provide the funds necessary to carry on this work.

Brompton Pulp and Paper Company.—At the annual meeting of shareholders held on January 15th, it was announced that the company had acquired on a very reasonable basis two American concerns, the Claremont Paper Company, of Claremont, New Hampshire, and Wyman, Flint and Sons Company, of Bellows Falls, Vermont. No new financing will be necessary to complete the transactions.

West Kootenay Power and Light Company.—The company, which is controlled by Consolidated Mining and Smelting, paid the parent company $150,000 in dividends last year. This compares with $83,333 in the preceding fiscal year. A contract has been made with the Northport Smelting and Refining Company to supply a maximum of 1,500 horse-power for a term of years and with the Canada Copper Corporation to supply a maximum of 5,000 horse-power for ten years.

The net profits for the year ending August 31, amounted to $30,930, as compared with $70,827 for 1916. This was, however, after writing off $99,736 for plant depreciation and providing for dividend on preferred shares and dividend on common shares of $182 666. The profit and loss account, compared with 1916, is as follows:—

	1917.	1916.
By balance brought forward	$402,467	$331,640
Net profits	30,930	70,827

Shawinigan Water and Power Company.—Shareholders have received notice as to exercising their rights to subscribe to the new issue of two-year 6 per cent., convertible notes. It is announced that a subsidiary plant engaged in the manufacture of certain chemicals for the British government has had its contracts extended for the entire year 1918. The extent of this chemical enterprise, which was taken up in the summer of 1916, is indicated by the fact that the plant involved the expenditure of about $1,800,000 by the company. Two existing plants had to be enlarged to provide certain necessary facilities for the new one. The construction of the storage dam at the head of the St. Maurice, which will increase the existing water power at the low stage of the river fully 50 per cent., involved an expenditure of $2,000,000. The company's subsidiary, which carried out the contract, is being paid by bonds of the Quebec government.

The private bills committee of the Quebec legislature has approved the application of the company for an increase in its capital issuing power by $5,000,000 from $15,000,000 to $20,000,000. This step was approved by the shareholders several weeks ago, and it was announced that no fresh capital issue is intended at this time.

Consolidated Mining and Smelting Company.—The main achievement of the year was the production of 10.000 tons of pure zinc of a value of $3,000,000, which marks a definite stage in the metallurgical history of the country. The company increased its production of refined lead by 2,000 tons to 22,000 tons, doubled its capacity for the production of sulphuric acid, and made a new record by producing over $13,000,000 worth of metals. After writing off $1,028,000 for depreciation of plant and equipment and development of properties, against $876,000 charged against these accounts in the 1916 year—included in the charge for depreciation is $450,000 written off the zinc plant, which for a certain time was in an experimental stage—the net profit was $1,076 828, against $996,496 in 1916. Depreciation charges were, therefore, about $162,000 more, and the increase in profits was $80,000. The company's net after depreciation, however, closely approximates its increased dividend requirement, the surplus after payments of $995,012 to the shareholders being $81,816.

The results for the three years in amounts written off for depreciation and development, net profits, dividends and profit and loss surplus compare as follows:—

	1917.	1916.	1915.
Depreciation ..	$ 648,058	$ 278,368	$ 193,149
Development ..	380,071	598,745	......
Net profits	1,076,828	996,496	795,411
Dividends	995,012	776,337	464,398
Profit and loss ..	2,360,274	2,278,458	2,050,209

The balance sheet as of September 30 shows a small reduction in bank loans and overdrafts from $2,288,000 to $2,081,000. The overdraft was due to an unusual accumulation of ores in anticipation of the needs of the Imperial Munitions Board, for advances towards the cost of additions to the zinc plant, which advances are repayable out of zinc produced, increased by $100,000 during the period to $769,000. Accounts payable were reduced, but the company's dividend requirements, occasioned by the increase in capital of $2,000,000 in 1916, increased by $219,000. Ores and metals on hand on September 30 were almost the same as at the end of the previous period being $2,615,000, against $2,682,000.

Mr. James J. Warren, managing director of the company, is in Montreal this week, consulting with officials of the Canadian Pacific Railway Company, who control the company. In an interview, he stated that the previous fiscal year of the company was a trying one, not only as regards labor, coal and other difficulties, but also in getting the various new enterprises that had been undertaken into working shape; this has now been accomplished, and the labor question has now been fought out through a strike which was settled on the company's own terms. He is looking forward to the current year with confidence. The company has been conserving its Rossland gold ores, and have been also acquiring other properties of a similar nature with a view of preparing for the future during peace times. Mr. Warren stated that the control of the West Kootenay Power and Light Company's plant enables them to work on an economical basis properties which were heretofore abandoned, particularly in the McKim and Fairview camps. The company had constantly in view the acquiring of other properties, so that it would establish a permanent enterprise in British Columbia.

BANK CLEARINGS

The following are the bank clearings for the weeks of January 11th, 1917, and January 12th, 1918, respectively, with changes:—

	Jan. 12, '18.	Jan. 11, '17.		Changes.
Montreal	$ 81,126,216	$ 77,295,725	+	$ 3,830,491
Toronto	64,395,261	63,347,095	+	1,048,166
Winnipeg	46,670,378	39,296,273	+	7,374,105
Vancouver	9,521,322	6,676,371	+	2,844,951
Ottawa	6,008,899	4,735,868	+	1,273,031
Calgary	7,981,649	4.654,226	+	3,327,423
Hamilton	5,325,504	4,907,180	+	418,324
Quebec	4,139,220	3,646,027	+	493,193
Edmonton	4,619,571	3,044,018	+	1,575,553
Halifax	3,918,930	3,354,896	+	564,034
London	3,203,418	2,428,671	+	774,747
Regina	4,317,261	3,040,875	+	1,276,386
St. John	2,517,818	2,002,859	+	514,959
Victoria	1,877,407	1,532,701	+	344,706
Saskatoon	2,018,841	1,701,090	+	317,751
Moose Jaw	1,456,046	1,458,938	—	2,892
Brandon	698,564	529.456	+	169,108
Brantford	922,675	747,352	+	175,323
Fort William	789,975	631,323	+	158,652
Lethbridge	812,548	761.906	+	50,642
Medicine Hat	543,658	511,947	+	31,711
New Westminster...	390,930	259.448	+	131,482
Peterboro'	746,586	548.866	+	197.720
Sherbrooke	722,032	570,872	+	151,160
Kitchener	621,417	604,423	+	16,994
Totals	$255,346,126	$228,288,406	+	$27,057,126

The Toronto bank clearings for the current week are $57,197,375. compared with $56,064,523 for the same week in 1917, and $44,525,524 in 1916.

The Northern Crown Bank

Report of the Proceedings of the Twelfth Annual General Meeting of Shareholders

Held at the Banking House, Winnipeg, on Wednesday, 9th January, 1918.

The Twelfth Annual General Meeting of the Shareholders of the Northern Crown Bank was held at the Banking House, Winnipeg, on Wednesday, January 9th, 1918, at 12 o'clock noon.

There were present: Capt. Wm. Robinson, John Stovel, R. J. Macpherson, J. S. Douglas, E. F. Hutchings, Geo. Fisher, John Body (Sanford, Man.), S. S. Cummins (New York, N.Y.), H. Keech (Stony Mountain, Man.), J. N. Hutchinson, M.D., W. A. Cockshott, Jas. Leslie, H. W. Dearman, L. O. Barr, Sir Daniel H. McMillan, K.C.M.G., F. W. Sprado, O. Montgomery, D. A. McArthur, J. A. Thompson and others.

Upon motion by Mr. John Stovel, seconded by Mr. Geo. Fisher, the president, Capt. Wm. Robinson, took the chair.

It was then moved by Mr. E. F. Hutchings, seconded by Mr. Geo. Fisher, that Mr. R. Campbell, the general manager, act as secretary for the meeting, and that Messrs. R. J. Macpherson and Dr. J. N. Hutchinson act as Scrutineers.

The President called upon the Secretary to read the Annual Report as follows:—

THE REPORT.

The Directors of the Northern Crown Bank beg to submit to the Shareholders the Twelfth Annual Report showing the result of the Bank's business for the year ended November 30th, 1917, together with the usual Statement of Assets and Liabilities as at that date.

ANNUAL STATEMENT TO SHAREHOLDERS AS AT THE CLOSE OF BUSINESS ON 30th NOVEMBER, 1917.

LIABILITIES.

Capital Stock paid in		$ 1,429,447.10
Rest		715,600.00
Profit and Loss Account		204,612.93
Dividends Declared and Unpaid		36,707.38
		$ 2,386,367.41
Notes of the Bank in Circulation	$ 3,854,322.55	
Deposits not Bearing Interest	11,016,605.09	
Deposits Bearing Interest, including interest accrued to date of statement	14,286,666.24	
Balances Due to other Banks in Canada	1,092.03	
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	7,219.01	
Acceptances Under Letters of Credit	46,949.76	
Liabilities not included in the foregoing	4,002.05	
		29,216,856.73
		$31,603,224.14

ASSETS.

Current Coin held by the Bank		$ 182,552.86
Dominion Notes held		1,567,304.75
Notes of other Banks		262,586.95
		$ 2,012,444.56
Cheques on other Banks	$ 2,645,116.17	
Balances Due by other Banks in Canada	1,494,891.56	
Balances Due by Banks and Banking Correspondents elsewhere than in Canada	695,914.82	
Dominion and Provincial Government Securities, not exceeding market value (Dominion Government War Issues, $8,787,000)	8,841,215.00	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities, other than Canadian (Imperial Government Short-Term Loans, $2,800,000)	3,014,499.40	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	174,750.85	
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks	281,695.00	
Deposits with the Minister for the purpose of the Circulation Fund	75,500.00	
Deposit in the Central Gold Reserves	2,600,000.00	
		$19,823,582.80
		$21,836,027.36
Other Current Loans and Discounts in Canada (less Rebate of Interest)	$ 7,720,416.77	
Capital Stock and Bonds in Subsidiary Company holding Bank Premises	1,250,000.00	
Liabilities of Customers under Letters of Credit as per contra	46,949.76	
Real Estate other than Bank Premises	24,250.63	
Mortgages on Real Estate sold by the Bank	87,831.69	
Overdue Debts, estimated loss provided for	184,666.49	
Bank Premises (fittings, furniture and fixtures) at not more than cost, less amounts written off	353,814.98	
Other Assets not included in the foregoing	99,266.46	
		9,767,196.78
		$31,603,224.14

WM. ROBINSON, president.
R. CAMPBELL, General Manager.

REPORT OF THE AUDITOR TO THE SHAREHOLDERS OF THE NORTHERN CROWN BANK.

In accordance with the provisions of sub-sections 19 and 20 of section 56 of the Bank Act, I report as follows:—

I have audited the Balance Sheet with the Books at the Head Office and the certified returns from the Branches.

I have obtained all the information and explanations that I have required and am of the opinion that the transactions of the Bank, which have come under my notice, have been within the powers of the Bank.

I have checked the cash and verified the securities representing the investments of the Bank at its offices in Winnipeg, at November 30th, in addition to another date at Winnipeg, Vancouver, and Toronto, and find that they are in agreement with the entries in regard thereto in the books of the Bank.

The Balance Sheet is properly drawn up so as to exhibit a correct view of the state of the Bank's affairs, according to the best of my information and the explanations given to me, and as shown by the books of the Bank.

A. A. BENTON,
(Of the firm of Marwick, Mitchell, Peat & Company,
Chartered Accountants),
Auditor.

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDED 30th NOVEMBER, 1917.

The Balance at Credit of Profit and Loss Account on 30th November, 1916, was		$132,954.86
Net Profits for the year ended 30th November, 1917, after deducting expenses of Management, and making full provision for all bad and doubtful debts		208,608.08
		$341,562.94
Appropriated as follows:—		
Dividend No. 17, payable 2nd July, 1917, at 5 per cent. per annum	$35,729.54	
Dividend No. 18, payable 2nd January, 1918, at 5 per cent. per annum	35,736.82	
War Tax on Bank Note Circulation to 30th November, 1917	14,291.89	
Written off Bank Premises	25,000.00	
Reserved for Depreciation of Stocks and Bonds	26,191.76	
		$136,950.01
Balance carried forward at credit of Profit and Loss Account		$204,612.93

WM. ROBINSON, President.
R. CAMPBELL, General Manager.

Since the last annual meeting of the following branches of the Bank have been opened:—Steinbach, Manitoba; Dunblane, Portreeve, Scotsguard and Kenaston in Saskatchewan. No branches have been closed.

Mr. A. A. Benton, of Messrs. Marwick, Mitchell, Peat & Company, and Mr. Douglas Dewar, of the same firm, have again been nominated for re-election as joint auditors of the Bank.

The Directors regret to announce the resignations of Sir D. H. McMillan, K.C.M.G., and Mr. J. H. Ashdown; the former on account of his inability to give, as President, the necessary attention to the affairs of the Bank owing to his intended absence from Winnipeg for prolonged periods, the latter on account of having been elected a director of the Bank of Montreal. The vacancies caused by their resignations have been filled by Mr. Geo. Fisher and Mr. H. J. Symington.

In moving the adoption of the report, the President, Capt. Wm. Robinson, said:—

PRESIDENT'S ADDRESS.

The figures of the statement that has just been read to you by the General Manager speak eloquently for themselves, and make my duty to-day a pleasant one.

The general financial situation has been so widely discussed that it is familiar to all, and comment by me at this time would be superfluous. I shall, therefore, confine my remarks to matters that directly affect ourselves.

The progress of the bank for the past two years has exceeded our most sanguine expectations. Two years ago I could not have conceived it possible that the bank could make such a rapid recovery. Good crops and high prices have contributed largely to this result, and there is every reason to hope that these conditions will continue.

The action of the United States government in fixing a minimum price of $2 for wheat for 1918, and the scarcity of hogs, cattle, and food stuffs of all kinds, would indicate that high prices will be maintained at least until the end of the war, and probably for some time afterwards.

You will observe that the assets of the Bank have now reached the considerable sum of $31,603,224, showing an increase of $11,304,377 since 30th November, 1915, and an increase of $7,573,958 since 30th November last year. This is, of course, due to the increase in deposits, which now stand at $25,303,271, as against $10,378,172 in August, 1915, and $18,385,000 at 30th November, 1916. An increase of approximately $15,000,000 in a little over two years, and $7,000,000 during the past year.

The Bank is in a much stronger position than ever before, immediately available assets being $21,836,027, which includes $2,600,000 in the Central Gold Reserves. This is 74.85 per cent. of the Bank's liabilities to the public and 86.21 per cent. of its total deposits. The rest and undivided profits now amount to $920,312.

It will be noted that we have contributed largely to war issues of the Dominion and Imperial governments, and that we are now carrying $11,587,000 of these securities. I may add that all but $2,211,000 of these investments are on short terms, maturing in 1918 and 1919.

Our Current Loans are slightly lower than we should like to see them, but I would point out that owing to the nature of our business a large proportion of our loans are paid off in full in the fall of the year from proceeds of crop. Now loans will be made during the year to replace those paid off in this way, and we expect our funds to be fully employed.

Profits for the year were $208,608, as compared with $128,761 last year, an increase of $79,846, the percentage being 9.72 of our combined capital and reserve. I hope these results will appeal to you as satisfactory. We expect that profits will continue to improve.

Early in the year Sir Daniel McMillan found it necessary to resign from the presidency and directorate of the Bank, owing to his inability, on account of prolonged absences from Winnipeg from time to time, to give the necessary attention to its affairs, and later on Mr. J. H. Ashdown resigned from the Board owing to his having accepted a position on the directorate of the Bank of Montreal. During their term of office both these gentlemen rendered most valuable services to the Bank. Their experienced counsel and mature judgment will be greatly missed. They will, however, continue to take a deep interest in the Bank's affairs, and to use their influence in its behalf.

The vacancies caused by these resignations have been filled by Mr. Geo. Fisher and Mr. H. J. Symington, who are well known to you, and whose services we have been fortunate to secure.

Reviewing the operations of the Bank generally for the past two years, we may congratulate ourselves upon what has been accomplished, and the position we now find ourselves in. Increased resources have enabled us to take up our full allotment of loans made to the government by the banks for the purpose of financing the war, and on more than one occasion to take considerably more than was expected of us. We have at the same time always been in a position to amply supply the needs of our clients.

Our funds are now safely and profitably invested, and owing to the liquid nature of a large proportion of our loans, we are in an excellent position to take up any new business of a desirable character that may be offered to us.

During the past year we have secured some valuable accounts and more will no doubt follow.

The Victory Loan and future war loans may to a certain extent retard the growth of our deposits, but on the other hand there is a considerably increased acreage ready for seeding throughout the country which should, with even an average crop, yield sufficient returns for all requirements.

We begin the year with bright prospects, and look forward confidently to continued prosperity. It is to be hoped that our shareholders, both east and west, will assist us by using their influence to turn business in our direction. The Bank is their Bank, and there should be a great future for it.

I regret that Messrs. A. McT. Campbell and W. R. Bawlf were unable to be present this year. Mr. Campbell is attending the annual meeting of the Canada Life Assurance Company in Toronto on the 10th inst., and Mr. Bawlf was called to Ottawa to attend a meeting of the Board of Grain Supervisors to-day.

Before closing my remarks I wish to pay a tribute to those of our staff who are serving their country in the various war theatres. Many of them have been wounded, and some have, unhappily, been killed in action. We owe a debt of gratitude to these brave men.

I move that the report be adopted.

The adoption of the report was seconded by the vice-president, and after a few remarks by Sir Daniel McMillan, and the passing of the usual resolutions, the following directors were elected for the year:—

Capt. Wm. Robinson, A. McT. Campbell, E. F. Hutchings, John Stovel, Geo. Fisher, Sir. D. C. Cameron, W. R. Bawlf and H. J. Symington.

At a subsequent meeting of the board of directors Capt. Wm. Robinson was re-elected president and Mr. John Stovel vice-president.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Jan. 16th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations " and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi.......com.	....	....	....	....
Ames-Holden.......com.	....	....	....	....
" ....pref.	....	....	....	....
Asbestos Corporation.......	....	....	....	25
" " ....pref.	....	....	....	5
Bell Telephone.......	....	130	....	67
British Columbia Fishing & Packing.......	....	....	....	....
Brompton.......	....	43	42½	615
Brazilian.......	....	32¾	....	1118
Canada Car.......com.	....	....	19½	120
" ....pref.	....	49½	....	50
Canadian Converters.......	....	....	....	....
Canada Cement.......com.	....	....	....	360
" ....pref.	....	90	....	30
Canada Cottons.......	....	48½	....	10
" ....pref.	...	....	....	....
Canadian Con. Rubber.......com.	....	....	....	....
Canada Foundry and Forgings.......	....	....	....	....
Canadian General Electric.......	....	....	....	15
Canadian Locomotive.......com.	....	....	....	....
Canada Steamship Lines.......com.	2¼	....	41	545
" " " ....pref.	....	76	....	25
" " " ....deb. stock	...	....	....	....
Civic Investment.......	....	73	72⅝	1231
Civic Power.......	...	....	....	....
Cons. Mining and Smelting.......	....	25	....	270
Consumers Gas.......com.	....	....	....	....
Dominion Bridge.......	....	....	....	1
Dominion Coal.......pref.	....	....	....	15
Dominion Iron.......pref.	....	....	88	10
Dominion Steel Corporation.......com.	....	56	55½	1196
Dominion Textile.......	....	84	82½	102
" ....pref.	....	....	....	10
Goodwins Limited.......pref.	....	....	....	....
Gould Manufacturing.......	....	....	....	....
Howard Smith Paper Mills.......com.	....	....	....	....
Illinois Traction.......pref.	....	....	....	5
" ....com.	....	....	....	....
Lake of the Woods Milling.......com.	....	120½	....	....
Laurentide Co.......	....	154½	153	40
Lyall Const.......com.	....	....	....	25
Macdonald.......	....	....	14½	275
Mackay Cos.......com.	....	....	....	35
" " ....pref.	....	....	...	....
Maple Leaf Milling.......com.	....	....	....	....
Montreal Tramway.......deb.	....	72½	....	100
Montreal Cotton.......com.	....	....	....	1
" " ....pref.	....	....	....	....
Nova Scotia Steel.......	....	....	....	....
" " ....pref.	....	....	....	....
Ogilvie Flour Mills.......	....	149	146	10
Ontario Steel.......com.	....	....	....	....
Ottawa Light, Heat & Power.......	....	69	....	1
Penmans.......	....	....	....	31
" ....pref.	....	....	....	1
Price Bros.......	....	....	....	....
Riordan Paper.......	....	117½	....	....
" ....pref.	....	....	....	....
Quebec Railway, Light, Heat & Power.......	....	15	....	12
Shawinigan Water & Power.......	....	107	....	43
Sherwin-Williams.......com	....	....	....	....
Smart-Woods.......	....	....	....	....
Spanish River.......com.	....	13	....	....
Steel Co. of Canada.......	....	51	50½	532
" ....pref.	....	....	....	33
Tooke.......com.	....	....	....	....
" ....pref.	....	....	....	....
Toronto Railway.......com.	....	60	....	39
Winnipeg Railway.......	....	....	....	....
Wayagamack.......	....	50	....	....
Bank of British North America.......	....	....	...	....
Bank of Commerce.......	....	185	....	....
Bank of Montreal.......	....	....	....	18
Bank of Ottawa.......	....	201	....	....
Bank of Toronto.......	....	....	....	....
Bank d'Hochelaga.......	....	140	....	....
Banque Nationale.......	....	148	....	....
Bank of Nova Scotia.......	....	253	....	....
Dominion Bank.......	....	....	....	....
Merchants Bank.......	....	....	167	74
Molsons Bank.......	....	179½	....	....
Quebec Bank.......	....	....	....	....
Royal Bank.......	3½	208	....	53
Standard Bank.......com.	....	....	....	....
Union Bank.......	....	140	....	....
Montreal Bonds	Last Sale			
Asbestos.......	72½	....	72	2500
Bell Telephone.......	98½	....	....	....
Canadian Car.......	....	....	....	....
Canada Cement.......	96½	....	....	....
Canadian Consolidated Rubber.......	....	....	....	....
Canadian Converters.......	....	82	....	...
Cedars Rapids.......	90	....	....	....
Dominion Coal.......	94½	....	....	....
Dominion Cotton.......	90	99½	....	....
Dominion Iron and Steel.......	97	....	....	....
Dominion Textile.......A	97½	....	....	....
" " ....B	97	....	....	....
" " C	97	....	....	....
" " ....D	96½	....	....	....
Lake of Woods Milling.......	103	....	....	....
Laurentide.......	101	....	....	....
Lyall Construction Co.......	83½	....	....	....
Montreal Light, Heat & Power.......	101	....	....	....
Montreal Tramways.......	91½	....	....	....
National Breweries.......	90	....	....	....
Nova Scotia Steel.......	90	....	....	500
Ogilvie.......A	10	....	....	....
" ....B	103	....	....	....
" C	103	....	....	....
Penmans.......	....	86	....	....
Price Bros.......	....	....	....	....

Montreal Bonds (*Continued*)	—	Asked	Bid	Sales
Quebec Railway, Light and Power.......	67	60	....	500
Sherwin-Williams.......	....	98½	....	....
Steel of Canada.......	....	....	....	....
First Dominion War Loan.......	98½	....	....	6100
Second Dominion War Loan.......	98½	....	....	9 100
Third Dominion War Loan.......	....	93½	92½	48700
Winnipeg Street Railway.......	9	....	....	3000
Wayagamack.......	81	....	....	....

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden.......pref.	....	50	....	...
American Cynamid.......	....	21	....	10
" ....pref.	....	....	52	...
B. & L. (Landed).......	....	....	...	....
Barcelona.......	....	9½	8½	....
Bell Telephone.......	. ..	....	....	....
Brazilian.......	...	32½	32	475
Canada Bread.......	....	17½	16	....
" ....pref.	....	....	....	....
Canadian Car & Foundry.......	....	18	....	....
" " " ....pref.	....	50	....	....
Canadian Canners.......pref.	....	....	...	....
Canadian General Electric.......	....	102	100	10
" " " ....cum div. pref.	....	....	....	....
Canada Landed & National Investment.......	....	....	....	6
Canadian Locomotive.......	....	56½	....	....
" ....pref.	....	....	82½	....
Canadian Pacific Railway.......	....	138	137	3
Canada Permanent.......	....	162½	....	40
Canada Steamship.......	....	41	40½	250
" " ....pref.	....	74	72½	160
" " ....(voting trust)	....	....	....	....
Cement.......com.	....	....	....	15
" ....pref.	....	....	....	....
City Dairy.......	....	30	....	....
" ....pref.	....	60	....	....
Colonial Loan.......com.	....	....	....	73
Coniagas.......com.	....	....	....	200
Confederation Life.......	....	375	....	....
Consumers Gas.......	....	150	147	4
Crow's Nest Pass.......com.	....	50	....	....
Detroit.......	....	....	....	....
Dome.......	...	875	800	50
Dominion Canners.......	5	....	....	....
Dominion Iron.......com.	....	....	....	....
" " ....pref.	....	....	....	....
Dominion Steel Company.......	....	55½	54½	390
Duluth Sup.......	....	....	....	....
F. N. Burt.......	....	....	....	....
" ....pref.	....	....	....	4
Hamilton Provident.......	....	....	....	....
Huron & Erie.......com.	....	....	....	....
Lake of the Woods.......com.	....	....	....	....
La Rose.......com.	....	....	....	....
Mackay Companies.......	....	75	74½	111
" ....pref.	....	59½	58	12
MacKinley Darragh.......com.	....	....	....	....
Maple Leaf Milling.......	....	....	....	15
" " " ....pref.	....	....	....	....
Monarch.......	....	....	30	....
" ....pref.	....	....	....	10
Nat. S. Car.......	....	7½	6½	....
" ....pref.	....	....	15	....
Nipissing.......	....	825	800	....
Nova Scotia Steel.......	....	69	....	....
" " " ....rights	....	....	....	....
Pacific Burt.......com.	....	....	....	....
" ....pref.	....	....	....	....
Penmans.......com.	....	....	....	....
Petroleum.......	....	1350	1312	....
Riordon.......	....	....	....	....
" ....pref.	....	....	....	....
Rogers.......com.	....	....	....	....
" ....pref.	....	...	....	....
Russell Motor.......	.. .	....	....	....
" ....pref.	....	....	50	....
Sawyer-Massey.......	....	11	....	....
" ....pref.	....	41	....	....
Shredded Wheat.......	....	....	....	....
Spanish River.......	....	14	....	....
" ....pref.	....	50	....	....
Cons. Smelters.......	....	25	....	125
Standard Chemical.......	....	....	....	....
" " ....pref.	....	57	...	....
Steel Company of Canada.......	....	50	49½	135
" " " ....pref.	....	83½	82½	....
Toronto General Trust.......	....	....	....	....
Toronto Paper.......	....	....	72	...
Toronto Railway.......	....	60	59	15
Trethewey S. Mines.......com.	....	18	15	....
Tucketts.......	...	19	....	....
" ....pref.	1½	....	....	....
Winnipeg Electric.......	....	....	....	....
Twin City.......	....	....	65	....
Bank of Commerce.......	....	185	....	16
Bank of Ottawa.......	....	201	....	....
Bank of Hamilton.......	...	184	....	....
Bank of Montreal.......	....	210	....	....
Bank of Nova Scotia.......	....	248	....	....
Bank of Toronto.......	....	184½	....	...
Dominion Bank.......	....	202	....	3
Imperial Bank.......	....	....	....	33
Merchants Bank.......	2½	165	....	....
Molsons Bank.......	....	179½	....	....
Royal Bank.......	....	208	....	13
Standard Bank.......	....	....	....	12
Union Bank.......	....	....	138	16
Toronto Bonds	Last Sale			
Canada Bread.......	92½	....	....	...
Canada Locomotive.......	95	94	....	....
Penmans.......	89	....	80	....
Riordon.......	....	....	....	....
Sao Paulo, 1929.......	84	. .	....	....
Steel Company of Canada.......	96½	89	88	1000
First War Loan.......	98	95	94½	130 0
Second War Loan.......	98½	93½	92½	7000
Third War Loan.......	....	93½	93	48200

CONTINENTAL INSURANCE CO. OF NEW YORK

One of the oldest and strongest fire underwriting corporations on this continent, the Continental Insurance Company of New York commenced business in Canada in 1910, having obtained its Dominion license in November of that year. The company was incorporated in January, 1853, and has its head office in New York. Its authorized, subscribed and fully paid-up capital is $10,000,000. At the beginning of last year, its total gross assets exceeded $34,000,000, which included an excess deposit of $29,923 in Canada. The company then had reserves of over $10,135,305 for unearned premiums, $975,732 for losses and all claims; $100,000 for contingencies; and $600,000 for dividend. The policyholders' surplus was $22,303,334. At the end of 1916, it had $40,493,303 of business in force in Canada. Its head office for Canada and Newfoundland is at Montreal where Mr. W. E. Baldwin, a careful and capable underwriter, is manager. This company writes only fire insurance in Canada and should not be confused with the Continental Casualty Company of Chicago which is operating in British Columbia

NORTHERN CROWN BANK

In keeping with the experience of Canadian banks generally, the Northern Crown Bank, which has its headquarters at Winnipeg, experienced a good year. The deposits of this Western institution have doubled since the war commenced. They total $25,303,271 as compared with $10,378,172 in August, 1915. During the past year, total deposits increased approximately $7,000,000, and during the past two years the increase was $15,000,000. Another strong feature of the financial statement for the year ended November 30th last, presented to the shareholders at the twelfth annual meeting last week, is the position in regard to assets. The immediately available assets are $21,836,027, which includes $2,600,000 in the central gold reserves. This is 74.85 per cent. of the bank's liabilities to the public and 86.21 per cent. of its total deposits. The rest and undivided profits now amount to $920,312.

The total assets now reach the substantial sum of $31,603,224, showing an increase of $11,304,377 since November 30th, 1915, and an increase of $7,573,958 since November 30th last year. This is due to the increase in deposits noted above. The Northern Crown Bank has contributed largely to war issues of the Dominion and Imperial governments, and is now carrying $11,587,000 of these securities. All but $2,211,000 of these investments are for short terms, maturing in 1918 and 1919.

The bank's current loans are comparatively low, but, owing to the nature of its business, a large proportion of the bank's loans are paid off in full in the fall of the year from proceeds of crop. New loans will be made during the year to replace those paid off in this way, and the officials of the bank expect their funds to be fully employed.

Profits for the year were $208,608, as compared with $128,761 last year, an increase of $79,846, the percentage being 9.72 of the combined capital and reserve. This is a gratifying record. Captain Robinson, president of the bank, in reviewing the operations of the past year, stated that the funds of the institution are now safely and profitably invested, but owing to the liquid nature of a large proportion of the loans it is in an excellent position to take up any new business of a desirable character that may be offered. During the past year the bank has secured some valuable accounts.

A comparison of the annual statements of the Northern Crown Bank for the past three years shows a substantial improvement in its position. Captain Robinson admitted at the recent meeting that the progress of the institution during 1916 and 1917 had exceeded the directors' most sanguine expectations. Two years ago he could not have conceived it possible, he said, that the bank could make such a rapid recovery. Good crops and high prices have contributed largely to this result. The Northern Crown Bank is now benefiting from the combination of courage and caution displayed at the reorganization of its affairs a few years ago. Mr. R. Campbell is the general manager of the institution, and has worked zealously to help bring about these results. He is supported by a strong and influential directorate.

The forestry branch will be equipped with sufficient hose for all vessels employed on waters in the forestered areas, said Mr. Zavitz, Ontario provincial forester, in his address before the Toronto Insurance Institute on Thursday. Last season's progressive operations led to the erection of 62 lookout towers which, with the field telephone service, will revolutionize the old patrol system.

DEBENTURES FOR SALE

WALKERVILLE, ONT.

DEBENTURES FOR SALE

SEALED TENDERS, addressed to the undersigned, and marked on the outside, "TENDERS FOR DEBENTURES," will be received up to noon of FRIDAY, the 25th day of January, 1918, for the purchase of the following debentures and accrued interest:—

$25,000.00 Canadian Patriotic Fund. Payable in 9 instalments with interest at the rate of 6% per annum. First payment collected.

$38,000.00 Walkerville Hydro-Electric System. Payable in 25 instalments with interest at the rate of 6% per annum.

$18,312.42 Local Improvements 9 instalments 6%. First payment collected.

$10,332.95 Local Improvements 10 instalments 6%.

All debentures bear interest from December 14th, 1917, and have interest coupons attached. The principal and interest payable at the Canadian Bank of Commerce, Walkerville, on the 14th day of December in each year

The highest or any tender not necessarily accepted.

ALFRED MIERS,
Town Clerk.

Walkerville, Ont., January 18th, 1918.

DIVIDENDS AND NOTICES

THE MONTREAL CITY AND DISTRICT SAVINGS BANK

The Annual General Meeting of the Shareholders of this Bank will be held at its Head Office, St. James Street, on Monday, the Eleventh day of February next, at 12 o'clock noon, for the reception of the Annual Reports and Statements, and the Election of Directors.

By order of the Board.
A. P. LESPERANCE,
Manager.

Montreal, January 9th, 1918.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

THE STORY OF A YOUNG FINANCIAL MAN'S SUCCESS.—A financial man, thirty-three years of age, came to our office four years ago to take up a new line of business—a line against which he had been prejudiced, but which he knew carried great rewards for the successful. His average commissions this year will be over $5,000.00, and he has built up a future income of over $3,000.00 a year on business already written. We are enlarging our organization to prepare for an enormous expansion of business during the next few years. We have positions for two good men with successful records. This offer will be open during the next week. Only applicants of unquestioned integrity and with the highest references will be considered. W. A. Peace, Manager Toronto Branch, Imperial Life Assurance Company, 20 Victoria Street, Toronto.

PUBLIC ACCOUNTANT is desirous of relinquishing practice on own account and joining the staff of a good live concern; chartered secretary of joint-stock companies, capable, experienced manager and systematizer, married, not eligible for military service; can arrange to transfer practice instanta if necessary. Box 139, *The Monetary Times*, Toronto.

WANTED.—Position as Inspector with Tariff Fire Company. Nine years' experience; age 30, married. Well known in Western Provinces. Apply Box 109, *Monetary Times* office, 1208 McArthur Building, Winnipeg.

QUEBEC AND SECURITIES REGULATION

Provincial Treasurer Says Order is Encroachment of Provincial Rights—Montreal Attorney's Views

While the Dominion government's restriction on provincial borrowings brought an official protest from the government of Quebec, a reply made by Hon. Walter Mitchell, provincial treasurer, in the legislative assembly, which resumed its deliberations on January 8th, indicates that the order-in-council will not have any practical effect on the province's financial dealings. Replying to Mr Sauve, leader of the Opposition, as to whether it was the intention of the government to make any loans this year, the provincial treasurer answered "No."

In his budget speech Mr. Mitchell maintained that the federal order was an encroachment of provincial rights. "What we want is unity of effort and co-operation," he said. "We are willing to help to the full measure of our resources, conducted with full knowledge of all the facts and circumstances, but all within our respective rights and constitutional authority.

"There is no controversy between the Canadian government and ourselves as to the advisability of the control of borrowing. Credit should be saved as much as anything else. Conservation of credit is all essential. We have not only advised this since the beginning of the war, but, what is more, have practised it."

City Attorney's Views.

City Attorney Laurendeau, who was formerly a judge of the Superior Court, in a written opinion, informed the Montreal city council this week that he regarded the recent Federal order-in-council by which provinces and municipalities would require to have the consent of the minister of finance before raising loans, as unconstitutional and contrary to the British North America Act. Finally, added the city attorney, when the time came for the city to enter the money market, it would be opportune to resolve whether or not the Federal order should be ignored.

The city attorney stated that he had been asked by the council whether the Federal government could intervene in the administration of the affairs of the municipalities. By a decree of December 22, the Federal government declared it would be illegal for the Provincial government or corporations to sell, offer for sale, bonds, obligations, or other values attesting the obligation to reimburse a loan of money unless this offer of sale should be previously authorized by the minister of finance.

The city attorney declared that the Quebec provincial government had, by a decree of January 5, announced the opinion that the Federal government had not the power to pass the order-in-council of December 22, that the order-in-council is illegal and unconstitutional, and was not binding in any fashion on the province.

Says Does Not Bind City.

In conclusion the city attorney says: "If the Federal order-in-council is illegal and unconstitutional and does not bind the province, neither does it bind the city of Montreal. We are also of the opinion the order-in-council of the Federal government of December 22, encroaches on the rights of the province, that the parliament of Canada had not the power to adopt it, nor to delegate to the government of Canada the power to adopt it, that the power exercised by the Federal government by its order-in-council of December 22, belongs exclusively to the provinces, by virtue of the British North America Act of 1867. If the city of Montreal is under the necessity to raise loans referred to by the order-in-council of December 22, it will be for the city authorities to decide if this order-in-council should be ignored."

United States Follows our Example.

Advices from Washington State that legislation is being drafted under the direction of the United States administration which would authorize the treasury department to license each issue of securities considered essential for the conduct of the war and to refuse approval to enterprises regarded as not essential. In addition, it was reported, plans were being made for the formation of a government corporation, with a possible capitalization of $500,000,000, which would form a reservoir of capital from which to draw for the development of needed industries. While the contemplated legislation could not prohibit the issue of any new capital, it could, and, according to the Washington report, would bar such unapproved issues from interstate sale. The government, it was pointed out, also could probably rely upon the people to reject any issue of which it did not approve, and if necessary, could bring to bear pressure that would doom to failure any attempt to market stocks and bonds without its sanction.

GOVERNMENT FINANCE

PUBLIC DEBT	1917		1917
LIABILITIES—	$ cts.	ASSETS—	$ cts.
Payable in Canada	519,349,551 05	Investments—Sinking Fds.	16,0?5,991 88
Payable in London	362,703,312 40	Other Investments	245 622,908 14
Payable in New York	75,873,000 00	Province Accounts	2,296,327 90
Temporary Loans	556,700 461 07	Miscel and Bkg. Accounts	658,182,302 15
Bank Circul'n Redemp. Fd.	5,799,609 27		
Dominion Notes	274,063,856 54	Total Assets	922,197,530 07
Savings Banks	53,707,440 55		
Trust Funds	10,763,609 29	Total Net Debt 31st Dec.	976,428,504 18
Province Accounts	11,920,481 20	Total Net Debt 30th Nov.	958,000,700 61
Miscel. and Bkg. Accounts	27 744,709 88		
Debt	1898 626 034 25	Increase of Debt	18,427,803 57

REVENUE AND EXPENDITURE ON ACCOUNT OF CONSOLIDATED FD.	Total 31st Dec. 1917
REVENUE—	$ cts.
Customs	112,759,758 76
Excise	19,668,365 76
Post Office	14,850,000 00
Pbc. Works, R'lways & Canals	22,921,312 19
Miscellaneous	20,459,933 81
Total	190,659 370 52
EXPENDITURE	96,982,537 12

EXPENDITURE ON CAPITAL ACCOUNT, ETC.	Total 31st Dec. 1917.
	$ cts.
War	171,748,839 17
Public Works, Railways and Canals	16,302,213 74
Railway Subsidies	713,204 75
Total	188,764 257 66

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Jan. 16th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.........6's	....	89.50	Dom. Iron & Steel 5's.1939	73	78	Maritime Coal & Ry.com.	16	21	Rosedale Golf Club......	285	....
" ..... .pref.	80	87	Dom. Linseed Oil...	65	....	" " " 5's	67	72	South Can. Power..com.	14	20
Amer. Sales Bk........6's	....	96	Dom. Permanent Loan	60	70	Massey Harris..........	110	129	Sovereign Life...........	14	....
Atlantic Sugar ......pref.	26	29.50	D. Po'er & Trans ...pref.	89	96	McDonald ....pref.	80	85	Stan. Reliance (par 50) xd	45	49
Arena (Toronto) Bonds..	....	90	" " " " ... 5's	....	89	Mexican Mahogany.com.	....	11	Sterling Coal.......Com.	9	11
Belding Paul.... ...pref.	70	75.50	Dom. Power........com.	50	56	Matthew-Lang.. 6's	93	98	" " . .....bonds	69	73
Brand-Henderson.....6.s	95	....	Eastern Car..........6's	90	95	Morrow Screw........6's	86	92.50	Sterling Bank. .	80	90
Can. Marconi	1.75	2.75	Frost & Wood.......pref	....	92	Mutual Steamships...6's	94	....	St. Lawrence Sugar ..6's	93.50	96.50
Can. Cereal & Flour.com.	....	.85	Goodyear Tire...........	175	195	National Drug 7%...pref.	75	90	Temple(Allen)Thea..com.	50	...
Can. Mortgage ......,....	75	85	Home Bank...............	61	68	National Life............	30	...	Toronto Paper........6's	85	90
Canada Machinery..com.	7	12.50	Imperial Oil...............	290	320	National Telephone...5's	48	54	Trust & Guarantee....xd	80	87
" " ..pref.	44	53	Imperial Trust Co.........	....	55	North. Crown Bank	67	....	Toronto Y'k Rad. 5's. 1919	....	96
" " ....6's	70	77	Inter Lake Steamship.6's	94	....	Nova Scotia Steel 6% deb.	80	90	West. Assurance	4	6
Continental Life..........	18	25	Inter. Mill ....pref.	84	90	Ont. Pulp Bonds.......	80	83	West Can. Flour....com.	90	115
Chapman Ball Bearing ..	20	30	Lambton Golf Club.. ...	325	370	Ottawa Electric.......5's	....	95	" " 6's (1931)	93	98
Cockshutt Plow ....pref.	65	75	London Loan & Savings.	100	115	Peoples Loan............	82	92	West Can. Power. ..5's.	48	55
Domin. Glass . ....pref.	75	82	....	....	....	....	....	....	....	....	....

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE,
PROSPECT BUREAU,
BULLETIN SERVICE,
ADVERTISING and
ALL ROUND SUPPORT

YOU { Travel without expense,
Are better equipped for the journey,
Sure of getting there, with the

CANADA LIFE ASSURANCE CO.
Home Office - Toronto

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine
ARTHUR L. BATES, PRESIDENT. HENRI E. MORIN, SUPERVISOR
For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.
For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

J. A. THOMPSON
Government and Municipal Securities
Western Municipal, School and Saskatchewan Rural Telephone Co. debentures specialized in.
CORRESPONDENCE INVITED
Union Bank Building - WINNIPEG

L. COFFEE & CO.
GRAIN MERCHANTS
THOMAS FLYNN Established 1845 Board of Trade Building, Toronto, Ontario

New Records

Results secured during the past year re-affirm the position of the Sun Life of Canada as the leading life assurance organization of the Dominion.

It leads all Canadian Companies in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Premium Income, Total Income and Payments to Policyholders.

Fair-dealing and progressive business methods are the foundations for the Company's phenomenal growth.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

BRITISH AMERICA ASSURANCE COMPANY
FIRE, HAIL, OCEAN MARINE and INLAND MARINE INSURANCE
INCORPORATED 1833
HEAD OFFICES: TORONTO
W. R. BROCK, President. W. B. MEIKLE, Vice-Pres. and Gen. Mgr.
JOHN SIME, Asst. Gen. Mgr. E. F. GARROW, Secretary.
Assets, Over $2,500,000.00
Losses paid since organization over $41,000,000.00.

(FIRE)
BRITISH CROWN ASSURANCE
Corporation, Limited
OF GLASGOW, SCOTLAND
The Right Hon. J. Parker Smith, Pres. D. W. Maclennan, Gen. Mgr.
Head Office Canadian Branch—TRADERS BANK BLDG., TORONTO
Liberal Contracts to Agents in Unrepresented Districts

CALEDONIAN INSURANCE COMPANY
The Oldest Scottish Fire Office
Head Office for Canada MONTREAL
J. G. BORTHWICK, Manager
MUNTZ & BEATTY, Resident Agents
Temple Bldg., Bay St., TORONTO Telephone Main 66 & 67

The Northern Assurance Company, Ltd. of London, Eng.
ACCUMULATED FUNDS, 1916 .... $39,935,000.00
Including Paid up Capital Amount, $1,460,000.00
Head Office for Canada, 88 Notre Dame Street West, Montreal
G. E. MOBERLY, Manager

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Baden, Ont.—January 9—Woolen mills of Elias A. Brudacher destroyed.

Blenheim, Ont.—January 7—Farmhouse of Orlando Hartford was destroyed. Caused by overheated stovepipe.

Brantford, Ont.—January 8—Watson Manufacturing Company's plant damaged.

Chatham, Ont.—January 14—House of Joseph Delenen destroyed.

Edmonton, Alta.—January 7—Paul Viellard's clothes pressing establishment was destroyed. Estimated loss, $1,500.

January 7—John A. Gauthier's chicken-house and one hundred fowls were destroyed. Estimated loss, $200.

Galt, Ont.—January 9—Barn, cattle, horses, pigs and poultry of Mr. Andrew were destroyed. Estimated loss, $5,000.

Gananoque, Ont.—January 14—Plant of the Ontario Steel Products Company, Limited, damaged.

Halleybury, Ont.—January 10—Hudson Bay store was destroyed.

January 11—Fort Temiskamingue was destroyed.

Hamilton, Ont.—January 15—Jewish synagogue, Anshe Shalam, was damaged. Caused by thawing out frozen pipes. Estimated loss, $1,200.

Listowel, Ont.—January 13—Large business block was destroyed. Estimated loss of $200,000 was divided among the following companies: Koch and Spencer's shoe store, Bell Telephone office, McDonald's barber shop, Miss Gibb's millinery store, McAllister's poolroom, Von Zueben's tailor shop and Johnstone's jewelry store. The offices destroyed, with all their contents, are: H. B. Morphy's, K.C., barrister; J. C. Hamilton's, B. A. Parker's, J. J. Foster's, Dr. E. G. Spence's and Dr. J. A. Campbell's.

Montreal, Que.—January 11—Fairview Dairy, owned by W. H. Bradley, was destroyed. Estimated damage, $1,500.

Norwich, Ont.—January 14—The wood flour mills were destroyed. Caused by crossed electric wire.

Ottawa, Ont.—January 10—East wing of Water Street General Hospital damaged.

Peterboro', Ont.—January 10—Boston Cafe destroyed. Estimated loss, $20,000. Three oil tanks and fifty barrels of oil on Secord farm were destroyed. Caused by the igniting of the gas arising from the tanks.

Port Coquitlam, B.C.—January 4—Residence and outhouses of Mr. E. D. Tolwell were destroyed. Estimated loss, $7,000.

St. Anne de Pocature, Que.—January 14—Provincial agricultural schools damaged. Estimated loss, $3,000.

Toronto, Ont.—January 10—House of Mrs. Rathney damaged. Caused by cat upsetting a lighted oil stove. Estimated loss, $500. Residence of C. A. Simmons was destroyed. Estimated loss, $400.

January 12—Store of Thomas Hobbins, shoemaker, was destroyed. Estimated loss, $1,600.

January 14—Manufacturing building at 111 Adelaide Street West was damaged. Caused by thawing out frozen water pipes. Estimated loss of $5,000 is divided among the following tenants: The Henry Ottens Company, Levine Manufacturing Company, Sam Peltmaker Company and the Wilkinson-Kompass Hardware Company.

January 15—Housey's boathouse, at the foot of Bathurst Street, was damaged. Estimated damage to boats, $2,500; to building, $500.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Peterboro', Ont.—January 6—The Peterboro' Canoe Company, who had their premises destroyed, carry a total insurance of $59,750, which is divided among the companies as follows: National-Ben Franklin, $2,500; Union, $4,000; Mercantile, $2,500; Nationale, $2,500; Liverpool and London and Globe, $2,500; Commercial Union, $3,500; General, $5,000; Quebec, $1,250; Norwich Union, $6,000; Queen, $3,500; Caledonian, $5,000; Wellington Mutual, $2,500; Perth Mutual, $2,500; Economical Mutual, $2,500; Yorkshire, $2,500; Hartford, $2,500; Sun, $2,000; other companies, $7,000. Loss, 60 per cent.

Port Arthur, Ont.—November 7—Pile of soft coal on Canadian Northern Railway docks was destroyed. The estimated loss of $350,000 is covered by a total insurance of $366,000, which is divided among the following companies: London Lloyds, $40,500; Globe and Rutgers, $30,000; Employers' Liability, United States and Ohio Millers, $20,000 each; St. Paul and North River, $15,000 each; General, Scottish Union and National, Ætna, Richmond, London Guarantee, London and Lancashire, $10,000 each; Stuyvesant, National Merchants and Manufacturers, and Royal Exchange, $7,500 each. Sun, Mount Royal, Commercial Union, British Colonial, Occidental, Firemen's Insurance, Excess, Western, Pacific Coast, Century, Merchants (Toronto), Strathcona, Ohio R. G. Mutual, Central States, Firemen's Underwriters, Liverpool and London and Globe, Pref. Reciprocal, British and Canadian, and British Empire Underwriters, $5,000 each. Caledonian and National Fire Insurance Underwriters, $3,000 each; Alliance, Imperial Underwriters, Industrial, National Fire and Marine, British Crown, London Mutual, Buckeye National, $2.500 each; Union of Paris, $2,000; Nationale of Paris, $1,500; Monarch, $1,000.

Port Arthur, Ont.—December 26—Dry kiln of Port Arthur Shipbuilding Company, containing joined work for steamers, destroyed. Estimated loss on stock, $11,000; on building, $750. Insurance on stock, $1,534; on building, $500. Carried in Mercantile Fire Insurance Company.

Toronto, Ont.—January 6—A total loss of $36,500 was involved when the Toronto Ferry Company's dock was destroyed. The total insurance of $837,400 is divided among the companies as follows: Ætna, $8,500; Alliance, $28.500; Commercial Union, $23,500; Employers' Liability, $23.500; Equitable, $14.500; Firemen's Fund, $16,500; General, $21,900; Globe and Rutgers, $68,500; Globe Indemnity, $10,000; Home, $14,500; Hudson Bay, $38,500; Imperial Underwriters, $10,000; Liverpool and London and Globe, $18,500; Liverpool-Manitoba, $18,500; London Assurance, $18,500; London Mutual, $28,500; London and Lancashire, $58,500; Mercantile, $24,000; National, $4,500; New York Underwriters, $47,500; Northern, $20,000; Norwich Union, $18,500; Nova Scotia, $10,000; Palatine, $23,500; Phenix, $18,500; Phœnix of Hartford, $23,500; Phœnix of London, $25,000; Rochester Underwriters, $4,500; Royal, $77,000; Royal Exchange, $18,500; St. Lawrence Underwriters, $30.000; Scottish Union and Nationad, $18,500; Sun, $14.500; Union, $38,500.

Vancouver, B.C.—Fire Chief Carlisle reports the fires for December to *The Monetary Times* as follows: The fire department responded to 57 alarms during the month of December as follows: Fires where damage occurred 16, fires where no loss resulted 1, false alarms 14, smoke scares 2, chimney fires (no loss) 12, out of city limits 1, and services not required 11. The estimated total damage resulting from fires for the month amounts to $539, of which $399 was covered by insurance, leaving the property loss above insurance as $140. The total value of the property involved was $273,275. The following shows the cause of fires and alarms during the month: Backfire (carburetter) 2, children playing with matches 2, chimney fires 17, out of city limits 1, defective fireplace, grate, etc., 2, defective flues 3, defective chimney 1, electrical origin 2, false alarms 14, firewood left in ovens and on furnaces to dry 2, flying sparks 2, hot ashes placed in wooden receptacles 1, oil lantern upset 1, overheated furnace pipe 1, pot of rosin on stove catching fire 1, smoke scares 2, spontaneous combustion 1, and unknown 1. Christmas tree decorations catching fire was the cause of 1 alarm during this period.

MONTREAL OFFICE OF MARTENS & COMPANY

A branch office of Messrs. A. H. Martens and Company has been opened at Montreal, in connection with the company's stock department, and is in charge of Mr. R. H. Pringle. This financial house now has offices at Toronto, Montreal, New York and Chicago.

WALKERVILLE HAS BONDS TO SELL

Walkerville, Ontario, is calling for tenders for $91,645 6 per cent. bonds of varying maturities. The issue will be made for patriotic fund, hydro-electric, and local improvement purposes. Tenders will be received up to Friday next, January 25th. Walkerville is an enterprising and well-managed town.

SOME OF THIS WEEK'S FIRES

North Toronto, Ont.—January 17—The Belmont Garage at stop seven was destroyed. Estimated damage to machines, $10,000; to building, $2,000.

Toronto, Ont.—January 17—Gladstone Hotel was damaged. Estimated damage to building, $500; to contents, $100.

Welland, Ont.—January 16—Premises of the Chinese Y.M.C.A. and two adjoining houses were destroyed. Taylor Block on West Main Street was destroyed. An estimated loss of $50,000 is divided among the following:—Bradford's harness emporium, Ford & Britten's grocery store, and Tompkin's bakery.

IMPERIAL OIL COMPANY'S ORGANIZATION

Contrary to previous reports concerning the incorporation of the Imperial Oil, Limited, with a capital stock of $50,000,000, it is stated officially that the company will be an operating subsidiary of the Imperial Oil Company, Limited, and not the holding company. It will be the holding company for the entire Imperial and International Petroleum organizations. The new Imperial Oil, Limited, will take over the producing, manufacturing and marketing ends of the company, the reason for the incorporation being the provision of wider charter privileges than the Imperial Oil Company, Limited's. The charter of the new company, in addition to the powers mentioned, also gives it the right to operate live stock ranches and to deal in agricultural products. There will be no distribution of stock in connection with Imperial Oil, Limited, the step being an inside matter of operation. All the stock of the company is held by the Imperial Oil Company, Limited. Provisional directors of the Imperial Oil, Limited, are Walter C. Teagle, C. O. Stillman, G. W. Mayer, G. H. Smith, and W. J. Hanna.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

	Jan. 17th, 1918.		
	Div. Rate	Price about	Yield about
Preferred:			
Canada Cement	7	90	7.77
Canada Steamships	7	74	9.45
Canadian Locomotive	7	83	8.43
Mackay Companies	4	60	6.66
Maple Leaf Milling	7	91	7.69
Penmans	6	82	7.31
Steel of Canada	7	83	8.43
Common:			
Bell Telephone	8	130	6.15
B. C. Fishing and Packing	4	38	10.52
Canada Cement	6	58	10.34
Canadian Locomotive	6	57	10.52
Canadian General Electric	8	102	7.84
Consumers' Gas	10	150	6.66
Canadian Pacific Railway	10	139	7.14
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundry & Steel	8	62	12.90
Dominion Steel Corporation	5	55	9.09
Mackay Companies	6	75	8.00
Maple Leaf Milling	10	91	11.10
Penmans	4	66	6.06
Steel Co. of Canada	6	51	11.76
Toronto Railway	8	60	13.33
Twin City	6	65	9.23
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	96¼	6.22
Canada Steamships	6	80	7.50
Canadian Locomotive	6	88	6.81
Penmans	5	86	5.81
Steel of Canada	6	89	6.74
*First War Loan	5	95	5.26
*Second War Loan	5	93½	5.34
*Third War Loan	5	93½	5.34

*Yield on stock basis.

NEW INCORPORATIONS

Toronto, Montreal, North Bay and St. Catharines are the Headquarters for Large Companies

The largest companies incorporated during the past week were: R. Laidlaw Lumber Company, Limited, Toronto, Ont., $2,000,000; National Grocers, Limited, North Bay, Ont., $1,500,000; Wolvins, Limited, Montreal, Que., $2,000,000; McKinnon-Columbus Chain, Limited, St. Catharines, Ont., $1,000,000.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of the paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

North Bay, Ont.—National Grocers, Limited, $1,500,000; D. I. Grant, A. Dods, M. Macdonald.

Walkerville, Ont.—Tanlac Company, Limited, $40,000; L. T. Cooper, J. A. Cooper, S. Cooper.

Ottawa, Ont.—St. Germain and Fraas, Limited, $40,000; T. St. Germain, J. E. Fraas, W. J. Warwick

Victoria, B.C.—Maquinna Packing Company, Limited, $500,000; the Dahl and Falk, Limited, $25,000.

St. Rose du Lac, Man.—Farmers St. Rose Elevator, Limited, $10,000; A. Hurst, J. Allard, J. Robinson.

Windsor, Ont.—Ripley Peck Hardware Company, Limited, $60,000; C. A. Ripley, A. W. Peck, W. Griesinger.

Hartland, N.B.—Hatfield and Scott Company, Limited, $49,500; H. H. Hatfield, A. W. Kyle, B. L. Hatfield.

Village of Roland, Man.—The Roland Hardware Company, Limited, $25,000; G. Ross, M. J. Horn, W. Watson.

Hamilton, Ont.—Boston Insulated Wire and Cable Company, Limited, $200,000; B. T. Burley, H. B. Burley, L. W. Burley.

St. Catharines, Ont.—McKinnon-Columbus Chain, Limited, $1,000,000; L. E. McKinnon, D. S. Brisbin, W. A. MacKinnon.

Fort William, Ont.—The Duck Lake Mining Company, Limited (no personal liability), $250,000; W. T. Young, T. E. Dean, L. O'Brien.

Vancouver, B.C.—Standard Engineering Company, Limited, $10,000; B. Boe, Limited, $10,000; Ladyware, Limited, $50,000; Masset Timber Company, Limited, $200,000.

Winnipeg, Man.—Mutual Brokers, Winnipeg, Limited, $10,000; H. B. Finch, T. P. Griffin, W. E. Deitz. Auto Accessories, Limited, $40,000; L. S. Baxter, H. Rennie, W. F. Yeo.

Montreal, Que.—Birks, Corner and Company, Limited, $100,000; A. Birks, A. J. Corner, H. Havelock. Canadian Die Casting Company, Limited, $300,000; H. A. Bertram, F. H. Markey, W. W. Skinner. The Sterling Imports, Limited, $30,000; A. G. Ross, M. E. Wherry, C. M. Cotton. Wolvins, Limited, $2,000,000; F. S. Isard, F. H. Markey, W. W. Skinner. J. A. E. Gauvin Drug Store, Limited (J. A. E. Gauvin Pharmacie, Limited), $200,000; A. R. Plimsoll, R. Brodeur, A. Chouinard.

Toronto, Ont.—Canadian General Lumber Company, Limited, $200,000; G. H. Sedgewick, J. Aitchison, M. A. Boyd. Canada Pulpwood Exporters, Limited, $40,000; A. C. Brown, W. G. Kelly, D. Smith. Acme Laboratories, Limited, $50,000: H. J. Macdonald, C. W. Moorhead, A. Mayne. Canadian Northern Realties, Limited, $40,000; D. B. Hanna, G. Ruel. R. H. Montague Temple. R. Laidlaw Lumber Company, Limited, $2,000,000; R. Laidlaw, W. C. Laidlaw, R. A. Laidlaw. Hull Construction, Limited, $40,000; D. B Coleman, F. A. Addison Campbell, E. R. Lynch. Ontario Market Gardens, Limited, $40,000; A. W. Hunter, G. R. Sproat, J. C. Thomson. L. White and Sons, Limited, $40,000; L. White, A. White, H. White.

Winnipeg grain supervisors were notified on Tuesday by Food Controller Hanna that, beginning January 28th, all mills in Canada will manufacture standard war flour, to consist of one barrel from each 265 pounds of wheat. The old standard called for 300 pounds of wheat to the barrel. The result of the new standard is a saving of 35 pounds to the barrel. The old standard disappears for the period of the war.

LIFE INSURANCE AND BANK CREDITS

Notwithstanding War Conditions, Companies Have Sold More New Assurances Than Before

"It is a parodox that all the material prosperity should come with the widespread sorrow and loss which our casualties have entailed," said Mr. H. C. Cox, president of the Canada Life Assurance Company, referring to the progress of the life assurance business in his address at the company's annual meeting, held last week at Toronto.

"It may be this enforced realization of the great law of life and death," he continued, "or it may be the growing financial ability of the community at large, or perhaps a combination of the two, but whatever the cause, it is clear that in the general progress the life assurance companies have had a share, and have, perhaps without exception, sold more new assurances than ever before. It is a matter for congratulation that while almost every other necessity of luxury has for reasons, apparent or obscured, advanced in price, life assurance protection continues to be obtainable at rates which have been in vogue for many years. This feature has earned the appreciation of the public. The utilitarian value of life assurance to the state at large in an ordeal such as we are now undergoing is indicated by its record, for, as nearly as we can estimate, all companies doing business in Canada have during the war paid death losses arising out of it of $12,000,000, or an average of 20 per cent. of the total claims incurred during the war.

"These important sums have not been met without a strain more or less severe upon some of the companies, but I am glad to be able to say that not one so far has been unable to meet its full obligation, and there is ample ground for the belief that they will continue to do so. It is, however, well to bear in mind the difficulty of sustaining without disturbance a long succession of losses never anticipated, and the possibility of all companies having to fall back upon their contingent reserves, or even having to temporarily reduce the scale of their dividend allotments to the assured."

"Several of the best British and Australian companies have already found it necessary to reduce their bonuses, while others have passed them altogether. An interesting fact in this connection is the practice of one of the prominent German companies, whose policy contains a clause enabling the company to retain a portion of the profit accruing to each policy for the purpose of forming a special reserve against excessive death losses resulting from war. The company appears to have been taking advantage of this provision for some years, and has actually been appropriating the earnings of its members in countries now at war with Germany to assist in the payment of losses upon the soldiers of its own country. Incidentally, we are given one more indication of the long and exhaustive preparation of the German for war."

Life Insurance and Bank Credits.

In referring to the relationship of life insurance and bank credits, Mr. Cox said that banking and insurance corporations were coming in closer touch, although the significance of this relationship was only beginning to be understood by the commercial life of the nation. He continued:—

"To-day, not only do many of our banks include in their 'application for credit' forms a specific question as to the amount of life insurance carried, but frequently require the customer to bring that life insurance up to a certain figure, be he firm or individual, as a condition precedent to granting a line of credit. Further than that, we find the customer's answer to this question actually affecting the bank's consideration of the moral side of the claim for accommodation. Of this one prominent banker says:—

" 'When a man comes to us to borrow, we want to know how much life insurance he carries; not so much because of its bearing on his financial power, but as an indication of his type of mind, for the type of mind that induces a man to insure his life is the type of mind which makes for success in business.' "

Co-operation and Unification.

Mr. Cox, referring to the securing of uniform provincial insurance laws, said:—

"The tendency to co-operation and unification, which now makes its appearance between provinces, has already made considerable progress as between the companies which have their associations of presidents and officers, of actuaries and medical directors, through which the combined experience and knowledge of all are placed at the disposal of each. This interchange is immensely valuable to all who participate in it, and there is gradually evolving from it a uniformity of viewpoint and method which is maikng for greater efficiency in the conduct of what is necessarily an intricate and scientific business. The elements of respect and consideration are steadily strengthening between salesmen, who are naturally and unavoidably in active and daily competition, the result being a fairer and clearer presentation of the general merits of life assurance to the prospective purchaser.

"The widespread condition which is responsible for the rapid extension of the influence of women in financial and manufacturing activities has also brought them into more intimate relation to life assurance, and they are giving very material and valuable aid not only in office positions, but also in the selling department. Their larger entry into business affairs has brought with it an enhanced earning power, and in many instances an added responsibility, with an awakening to the possibility of providing, through life assurance, while they are still in receipt of good incomes, some measure of competency for their own future or for those with whose support they may be charged. The result is an important increment in the number and amount of policies being sold to women, with a more receptive attitude on the part of the companies, who have hitherto been unduly severe in their limitations regarding female risks."

War and Mortality Experience.

"For many years," said Mr. Cox, "most companies have had an exceptionally favorable mortality experience, but we must all, I think, look for a modification of this as a result of the great upheaval, not only through the actual deaths in battle, but through the impaired health and shortened lives of many assured, who have returned or will return to civil life, and through the abnormal and mental strain placed upon those who have been left at home."

PUBLICATIONS RECEIVED

Insurance.—Annual report of insurance companies for 1916. Issued by the Insurance Branch, Treasury Department, of Quebec province.

Agriculture.—An interesting report, issued by the Department of Agriculture of Manitoba, dealing with the situation of the crops, live stock and all other produce has been issued by the department.

Northern Manitoba.—An interesting booklet, published and issued by J. A. Campbell, commissioner, by authority of the province. It contains information regarding the development of mining, agriculture and waters, and the production of timber, pulpwood, fish and furs of this territory.

French Canada.—"Meeting the French-Canadian Half-Way." A talk given before the Montreal Publicity Association, October 12th, 1917, and before the Toronto Ad-Club, November 27th, 1917, by C. E. A. Holmes, B.A., editor of "Publicity." Third edition. Price, 10 cents. Canadian Advertising Agency, Limited, publishers, Unity Building, Montreal.

Mining.—The eleventh annual summary of Mining Statistics has just been issued by Messrs. Heron and Company, members of the Toronto Stock Exchange. The useful data in connection with all mining companies, the shares of which were traded in on the Toronto market during 1917 have been prepared with great care and accuracy. This summary is a valuable compilation.

London, Ont.—A resume of the past two or three years' work of the London (Ont.) board of trade is contained in an excellent little booklet just issued. No report has been published by the board during this period, and by including the activities of a few years, a better perspective is given by which to judge their value to the community. For obvious reasons the report has been condensed as much as possible. It is published for the information and criticism of all members, and also to be placed in the hands of prospective members, thus assisting the membership committee in its work. Mr. Gordon Philip, the capable secretary of the board, says in the introduction: "The board of trade can show no annual statement of increased sales, profits or dividends. Its standard of efficiency is the service it renders to its members, to the city of London, to the surrounding district, the Dominion and the Empire. Members and non-members are urged to peruse the following pages and to consider the advisability of giving personal thought and diligent effort to help the work of the board of trade in the future. Constructive criticism and personal co-operation are asked."

Issued by the London (Ont.) Board of Trade. Gordon Philip, secretary.

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Assurance Company

INCORPORATED 1851
FIRE, EXPLOSION, OCEAN MARINE & INLAND MARINE INSURANCE

Assets .... over $5,000,000.00
Losses paid since organization " 66,000,000.00

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TOTAL ASSETS, $800,000 AMOUNT OF RISK, $28,000,000
GOVERNMENT DEPOSIT, $50,000
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CONTINENTAL INSURANCE CO.
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QUEEN VICTORIA	...	789,865	...	4,575,410
KING EDWARD VII	...	3,500,670	...	11,185,405
KING GEORGE V.	...	6,846,895	...	15,186,090
and at 31st DECEMBER, 1916	...	7,980,685	...	20,730,010

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which $1,320,000 is paid up).
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MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

St. John, N.B.—The city council will probably issue bonds for the purpose of financing the paving work on Main Street.

Winnipeg, Man.—The Greater Winnipeg Water District will be permitted by the minister of finance to float bonds to complete its construction scheme.

Shediac, N.B.—A. W. McQueen, clerk, reports the town's assessed value of real estate and personal property for 1916 as follows: Real estate, $274,200; personal property, $86,400.

Sackville, N.B.—Thomas Murray, treasurer, reports the town's assessed value of real estate and personal property for 1916 as follows: Real estate, $574,850; personal property, $320,300.

Sussex, N.B.—J. William Freeze, treasurer, reports the town's assessed value of real estate and personal property for 1916 as follows: Real estate, $731,000; personal property, $354,300.

Restigouche, N.B.—Alex. J. Le Blang, secretary-treasurer, reports the county's assessed value of real estate and personal property for 1916, as follows: Real estate, $3,059,680; personal property, $679,370.

Windsor, Ont.—Messrs. Macneill and Young, Toronto, agreed to purchase a block of unsold securities at a price to net 6¼ per cent. This excellent offer was rejected, and bids for $250,000 bonds are being invited.

Northumberland, N.B.—Mr. E. P. Williston, secretary-treasurer, reports the county's assessed value of real estate and personal property for 1916 as follows: Real estate, $2,243,965; personal property, $497,990.

Montreal, Que.—It has practically been decided by the board of control not to ask the Quebec legislature for permission to float a loan to make good the $3,000,000 deficit. Instead, it will try to levy various taxes to secure the sum needed.

Victoria, N.B.—James Tibbits, county secretary-treasurer, submits the statement for 1916 as follows: Assets, county buildings, $18,000; assessors' valuation of real and personal property in county, $2,561,448, making a total of $2,579,448. The total liabilities of $13,000 are as follow: Four debentures $500 each at 5 per cent., due September 1, 1920, $2,000; 12 debentures $500 each at 5 per cent., due September 1, 1931, $6,000; 10 debentures $500 each at 5 per cent., due June 1, 1933, $5,000.

Montreal, Que.—The Quebec legislature has been asked by the Central Catholic School Commission for power to borrow $3,000,000 to meet the heavy obligations incurred when the newly formed central body took over the debts of the various independent commissions of former days. Approximately, the commission's debt is $2,000,000, which does not include the amounts required for administration during this year. The budgets of the four district commissions, plus interest, sinking fund and other fixed charges, reach a total of $2,568,391, and the probable revenue is $1,771,788, leaving a deficit of $769,503. The commission wishes to apply two-thirds of the loan for which power is sought, to consolidating its debt, and the rest to meeting the deficit. It also asks that the school tax be increased, to do away with the deficit in administration. It is thought the increased tax rate would give a surplus instead of an annual deficit.

Quebec, Que.—According to the report of municipal statistics for 1916, the number of municipalities increased from 1,241 to 1,256, while the new mills and factories erected in the province reached a total value of $6,327,180, as compared with $974,784 erected in 1915. The value of taxable property in the province increased by $10,000,000, but justice was not done in the province in the municipal statistics furnished. It was pointed out that the February issue of the Monthly Statistics published by the Federal government treated the province much better, putting the value per acre at $52, whereas the figures supplied according to the municipal valuation is only $16 per acre. The value of municipal water and sewer plants dropped in the year from $52,482,337 to $48,122,253, while the value of gas plants decreased from $345,032 to $57,111, of telephone systems from $307,230 to $75,105, while the municipalities increased their holdings of electric light plants from $2,867,081 to $4,105,001, and of miscellaneous municipal works from $185,432 to $4,926,092.

Vancouver, B.C.—The following statement has been made to the city council: On April 15 debentures were sold as per tenders received as follows: $73,000 general debentures at 78.20, netting $57,086; $47,440 local improvement at 95.14, netting $45,134.42, which, with accrued interest, made a total of $102,402.92. Out of this the following amounts were paid to redeem treasury notes: $75,000 plus six months' interest, $2,250; deposit to road construction savings account, $7,895.86; deposit being amount set aside for purchase of bridge shares, $7,278.72. In April, as per tenders received for treasury notes, $17,000 were sold to Messrs. Terry, Briggs and Company, at $97.18, plus accrued interest from May 10; security for these notes being unpaid taxes for the year 1916. The amount realized was $165,404.30. After deducting bank charges of $196.71 was received $165,207.59. Out of this amount there was deposited the 1916 sinking funds—general $14,759.02, local improvement, $77,746.18 and $30,000 which was paid to the Royal Bank on account of loan.

The amounts of outstanding treasury notes owned by the city at the present time are $145,000 out of the $225,000 issue, and $138,000 out of the $170,000 issue. In April the council purchased $155,000 of war bonds, paying by withdrawing from the general sinking fund $47,866.85, and from local improvement sinking fund $80,520.48. On December 31 the purchase of $74,000 bonds was completed. The balance of taxes due for 1917 amounted to $167,462.36; 1916 arrears, $151,635.55; 1915 arrears, $131,176.30; 1914 arrears, $63,709.58; and 1913 arrears, $950.19, making total of arrears without interest, $515,183.96.

Toronto, Ont.—In the annual report issued by Assessment Commissioner Forman recently, the city's assessment value is shown as $602,777,559, and its official population 473,820. The figures differ somewhat from the returns made by the assessors when they completed the revision of the assessment. Their valuation of the assessable property of all kinds was $605,107,430, but the court of revision and the county judge made reductions aggregating $2,329,871, but, after allowing for this the gross assessment shows an increase of $14,357,246 over the previous year. In the matter of population, the assessor's figures are always lower than those of the police and the compilers of the city directory, which assume that the population exceeds 500,000. Deductions made by the court of revision deals with the original figures only. Thus an increase is shown in the assessment of 2.83 per cent., as compared with the previous year, and an increase of 2.88 per cent. in the population. The report makes no mention of the total amount of exemptions, which now are approximately $90,000,000, or 6.74 per cent. of the total.

The gross assessment of the city has increased $478,426,118, or 377 per cent. in the past twenty years, but the most phenomenal increase was in the past ten years, when the increase was $399,722,177, the respective figures being as follows: 1898, $126,681,312; in 1908 $206,385,253; in 1918, $605,107,430. During the same period the population increased as follows: In 1897 it was 183,172; in 1907, 272,600; in 1917, 473,829. This shows an increase in population of 290,657 in the 20-year period and of 201,229 within the past ten years. It will thus be seen that the assessment values have soared at a far higher ratio than the population.

Mr. W. H. Alderson has been elected treasurer of the Toronto board of trade.

Mr. F. G. Donaldson, assistant general manager, has been appointed general manager of the Montreal Trust Company, in succession to Mr. Vincent J. Hughes.

Mr. C. H. Bogert, general manager of the Dominion Bank, has been elected president of the Toronto board of trade. Mr. Bogert is one of the best known bankers, and has been active in the good work of the Toronto board of trade.

Mr. Alex. Mackenzie, for some time the company's superintendent for Ontario, prior to which he was for many years with the Federal Life Insurance Company of Hamilton, has been appointed assistant manager of agencies by the Manufacturers' Life Insurance Company.

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Established 1867 —— Old as Confederation

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Editor

A. E. JENNINGS
Assistant General Manager

Our Land Settlement Problem

PROPER *Expansion of Agriculture Will Help Solve Post-Bellum Problems—There Will Be Two Principal Types of Settlement, Experienced Farmers, With Capital, From the United States and Perhaps Eastern Canada, and Ex-soldiers of the Canadian and British Forces.*

By GEORGE W. AUSTEN

No one, I think, will challenge the assertion that Canada's chief task in reconstruction after the war will be the building up of our agricultural production. Our manufacturing industries will face much dislocation. In 1913 our exports of manufactures amounted to $43,000,000. In the twelve months to August, 1917, they were $614,000,000. We have manufactured $1,000,000,000 worth of munitions alone. After the war, economically exhausted Europe will buy, not manufactures, but foodstuffs and raw materials. If, therefore, there is industrial reaction—so far as exports are concerned—to pre-war conditions, we shall have to rely on the expansion of agriculture and on utilization of our natural resources. Fortunately, demands for foodstuffs and basic materials will be strong, and prices good, and well maintained.

There are two ways to build up agricultural production: (1) by increasing the output from farms now occupied; (2) by encouraging new settlement. Though the 1917 area under crops was about 10 per cent. less than in 1916, the harvest was fortunately much better. The labor shortage held down, but did not diminish production. About 60,000 farm workers have donned khaki, and drafts under the Military Service Act may bring the number up to 80,000 or more. The return of most of these farmer-soldiers, the industrial reaction, and immigration promise considerable relief from the labor shortage, and production on present cultivated areas ought to show much increase, especially if government policy is directed toward making farming costs lower. Much can be said on improving the economic position of the present farmers, but this article must deal with new settlement. After all, it is from new settlement that our chief hopes of an enormous expansion in production, and of the creation of a new general prosperity, must come. Our vast areas of vacant farm lands—the last good cheap lands on the continent—await settlers by the hundred thousand. Where are they to come from, and how can they be advantageously located, and helped to build up themselves and the nation?

There will be two principal types of settlement. One will be experienced farmers, with capital, from the United States, and perhaps some eastern Canada farmers. This is the type with which the west is familiar. This summer the influx of such settlers, some 35,000 in number, with a capital of about $45,000,000, was the largest in years. After the war, the movement will undoubtedly become most extensive. The other type will be the ex-soldiers of the Canadian and British forces who, though mostly inexperienced, will settle under government auspices, and receive the special financial aid to be provided by the Dominion Treasury. Now the American and eastern settlers with capital can be safely trusted to look out for themselves. Good farm land in the States of the Middle West is $100 an acre. In the Canadian West it is from $15 to $30 an acre. On the same capital, a farmer can have three times as much acreage in Canada as in the good farming areas of the United States. Millions of acres await such settlers—at certain prices. Even if there is considerable speculative profit, the prices still are comparatively cheap. The railway lands are reasonably-priced, because settlement, not land profit, is the object. It is in respect of government-subsidized settlement that real difficulties exist, and strong, wise handling is required if proper benefits are to accrue from it.

What are the obstructions? They consist chiefly in the economic curse of land speculation that gets Crown land of real productive utility, holds it idle, and forces bona fide settlers to scatter far and wide to get land at low prices. Sir James Aikins, lieutenant-governor of Manitoba, declared there were 30,000,000 acres of land, close to the railways, held out of production in Manitoba, Saskatchewan and Alberta. A large part of this is held by absentee speculators. In Saskatchewan in 1916, the provincial surtax of $10 per section applied to more than ten million acres—that is, to lands fairly well described as "speculatively held idle." In Alberta, the wild lands tax, applied to similar lands, was imposed on more than eight million acres. These are mostly good agricultural lands that ought to be producing, feeding the railways, creating wealth for the home districts and the nation in general. They are holding the west back, and preventing the proper solution of our immense railway problem.

It is true that department of the interior reports show there are perhaps 15,000,000 acres of Crown land "suitable for agriculture" within 20 miles of railways. Hon. Dr. Roche told the House of Commons there were 4,000,000 acres within 10 miles. But western men describe the Dominion lands within reasonable distance of the railways as either forest reservations, school endowments, heavily timbered land or marsh. There is little Crown land suitable for settlement within reasonable distance of the railways. The Dominion government's land settlement scheme contemplates the placing of many, many thousand ex-soldiers or ex-sailors on the land. Is the settlement board, or whatever authority selects the land, going to try to reclaim the well-located idle lands, or is it going for the needed areas far away from the railways? That is an important question. Land under patent is, of course, subject to the provinces, and perhaps the remedy may lie in provincial hands. The problem is there, and co-operation can solve it.

Perhaps by using the small colony settlement system, working it out gradually as the need arises, the land settlement board may contrive to fill in vacant Crown lands of suitable quality. If it does not, the need of more branch lines will be created—and few new branch lines recently built pay interest on the cost. What is to be done, in selecting areas, had not, at the time of writing, been decided, but the formation of a reconstruction and development committee of the union government created machinery for taking up such tasks. It is worth noting that the Dominions Royal Commission, investigating Canadian resources, recommended "closer settlement and added cultivation . . . for the areas now well provided with railway facilities." Any competent railway man will tell you that the problem is not, at present, to scatter our population, to compel vast new capital outlays in opening up and organizing unsettled territory, but to get present served areas properly settled. This is the crux of our problem, and no false expansionist ideas can hide it.

Land in Private Hands.

Canada has, roughly speaking, about 100,000,000 acres of farm lands in private hands, and only about 38,000,000 acres under cultivation. We had, in 1911, about 933,000 agricultural workers of both sexes. Because of rural depopulation in the east, we probably have no more now. Is it necessary to open up vast new areas, to accommodate new settlement, when so little is cultivated of areas now privately owned? Rather would it not be economical policy for the reconstruction committee to seek to eliminate the farm-land "parasite," and bring into production millions of acres of idle land in the well-settled areas?

We shall be told that expansion is good business. The railways have to spend capital on branches. They buy rails, ties, poles, wire, rolling stock; roads are built; schools, stores are opened; new stocks of implements required. But has not the lesson of the "construction" era—that of transcontinental railway building up to 1913—been duly impressed on us? What has been the financial result, to the Dominion treasury, of that era? We see now that the vast borrowings of that period to build transportation plant twenty years ahead of our needs created an immense liability. The Canadian Northern Railway legislation in the last session of parliament explains part of what we face. The nation has large liabilities on railway account, if it would prevent grave financial occurrences. This railway problem will be solved only in one way—and that is by settlement and production to create paying traffic. We have definite warnings, therefore, to set our faces against another "expansion" period until we have caught up with settlement in the areas now served. No capital expenditures that can be avoided ought to be made until production will accrue therefrom in sufficient quantity to give proper returns.

For Land and Loan.

The Dominion Land Settlement Act provides for a quarter section of land free to any ex-soldier or ex-sailor of the forces of the Empire. A loan of $2,500 to each man, to provide for buildings, improvements, etc., is authorized. Doubtless this financial assistance will be given to ex-service men settling on Ontario, Quebec or other provincial Crown lands. The east will expect new settlement as well as the west. None of the provinces, outside of Ontario and British Columbia, has made definite plans to aid returned soldiers to settle on the land, but the matter is now being generally considered. The wastage of man-power in Europe has been so great that perhaps emigration of good agricultural workers will be prohibited. Certainly the British government, faced with the problem of making Britain self-sustaining, as far as possible, in the matter of food, will be very unwilling to let good settlers go. But out of the half-million Canadian ex-soldiers, and five million British ex-soldiers, are we not likely to get at least 100,000 applications for free land, and the Dominion loan? At a quarter section each, that would settle 16,000,000 acres, and the amount of loans would be $250,000,000. The magnitude of such expenditures would assure plenty of industrial activity. The putting of such capital into permanent improvements on the land would create much new business, and add heavily, within a short time, to railway traffic. We should not require, therefore, to indulge in "plant expansion" except insofar as it directly creates production.

Settler and Successful Farmer.

The Canadian Pacific Railway land department has found that a settler and a successful farmer are by no means synonymous. No doubt soldier-settlement will be accompanied by a certain percentage of failure, but if the Dominion loans are spent on permanent improvements, there ought to be no real loss, since a strong rush for land would eventually provide substitutes. It will be important that the national policy be directed toward making farm production more profitable. Apart from the present high-price period, perhaps, manufacturing and transportation has yielded relatively much bigger profits than agriculture, as a whole. It will be necessary, of course, to conduct a vast educational campaign to give ex-soldiers taking up land sufficient instruction to help them make good. The Ontario government is doing practical spadework along this line, already, and Ontario's immense agricultural opportunities will benefit from such direct help to raw settlers. The settlement problems in the east have not, however, the same ramifications, the same national scale, so to speak, as those in the west. The Dominion government is creating a special department of colonization and immigration—a wise step, in view of the new importance in the world to which Canada is rising, and to which our natural resources, our riches in land, and newly revealed capacities naturally lead. Canada now bulks large in the eyes of Europe, and we shall receive, after the war, economic rewards and prizes from the efforts of our soldiers in France and Belgium.

PUBLICATIONS RECEIVED

Navigation.—Eleventh annual report of the Inner Harbor Association of Victoria, B.C., for 1917.

Navigation.—A report of the Department of Naval Service for the fiscal year ended March 31, 1917. Issued by the Minister of the Naval Service.

Conservation.—"Conservation in 1917" by Sir Clifford Sifton, reprinted from the ninth annual report of the Commission of Conservation, Ottawa.

Insurance.—A report of the proceedings of the eleventh annual meeting of the Association of Life Insurance Presidents, published by the Association, in New York.

Mining.—Report regarding the possibilities of establishing a carbonizing and briquetting plant for the treatment of lignites. Published by the Commission of Conservation, Ottawa.

War.—January, 1918, issue of "Letters from the Front," published by the Canadian Bank of Commerce. The booklet constitutes a thrilling record of war events, in which the Bank's men have taken part. It is a splendid tribute to the part which Canadian bank men are playing in the great struggle.

Reference.—Canada Year Book, 1916. Edited by Mr. Ernest H. Godfrey, F.S.S., and issued by the Dominion Statistician and Controller of Census. The tables have been compiled as usual by Mr. James Skead and Mr. Joseph Wilkins and the diagrams have been drawn by Mr. E. R. Watts. A valuable reference volume.

Reference.—The Canadian Almanac for 1918, which is published by the Copp, Clark Company, Limited, has just been issued. It has been published continuously since 1848, and is an indispensable reference volume. It contains among other things: Astronomical calculations; eclipses, star tables, latitude tables; complete customs tariff; banks with branches and names of managers; the new Income War Tax Act; patents and copyrights in Canada; Canadian Militia list; the new military service law; postal information; complete list of post offices, with railway on which located, or nearest railway station, carefully revised to date; list of newspapers published in Canada, with their circulation and politics; titled Canadians; Dominion and provincal governments, and names of officals, with their salaries; foreign consuls in Canada; complete clergy list; legal and judicial information; county and township officers; barristers and solicitors; educational institutions; miscellaneous societies; chronology of the Great War; chartered accountants; life assurance, with rates of various companies; bank and other stocks, showing dividend and highest and lowest prices at which sold; 568 pages; handsomely bound in rexine, gilt title; price, $1.50.

Contending that it is unconstitutional and, further, might have been satisfactorily settled by conference and arrangement, the government of Alberta has written Premier Borden protesting against the order-in-council regarding the issue and sale of provincial securities.

A $4 poll tax on every male person in the city over 21 years of age and under 60 years has been decided upon by the Toronto board of control in connection with the revenue survey which it is now making. In addition, it is proposed to levy special taxes on ice-cream stands, on wagons, electricians, local improvement taxes on cemeteries, fees for the use of the parks for sports, license fee on contractors with places of business outside the city and doing work within the city limits, and other taxes.

SHIPBUILDING ON VANCOUVER ISLAND

Many Vessels Launched During Past Few Months—Work Pushed With All Speed

These and other interesting facts are recited in the annual report of the Inner Harbor Association, Victoria, B.C., just published:—

When the great need for ships became apparent the Cameron Lumber Company, Limited, operating a saw mill on the Upper Harbor of Victoria, and the Genoa Bay Lumber Company, operating a mill on Cowichan Bay, Vancouver Island, organized a shipbuilding company under the title of Cameron-Genoa Mills Shipbuilders, Limited, and established a shipyard on the western shore of the Inner Harbor of the city of Victoria. Work was started thereon about the first of June, 1916. After the necessary buildings had been erected and the machinery installed, the keels for three ships were laid down in rapid succession, and work thereon pushed with all possible speed. The first ship was launched about February 1st, 1917. So far there have been launched by that company six five-masted wooden schooners. These ships are 256 feet long over all, 43 feet breadth of beam and 21 feet depth of hold, with a carrying capacity of from 1,500,000 to 1,750,000 feet of lumber, or 2,500 tons dead weight, equipped with auxiliary power of the Bolinder type of engine, developing 350 horse-power, with a normal speed of 7 knots when engine-driven, using oil fuel, and carrying a crew of 15 men.

They have proved themselves to be excellent lumber carriers, loaded with lumber for overseas markets as they have been completed and ready to be put into commission. These ships are classed A1 at Lloyds for 12 years. This shipyard has now on the ways and under construction four steam schooners, which are being built for the Imperial Munitions Board of the British government.

Work With all Speed.

The Foundation Company's yards were established during the summer of 1917, and five wooden steamers are now on order at these yards by the Imperial Munitions Board, four of which are in various states of progress, and one will probably be launched in a short time, the others following at short intervals.

These steamers are 250 feet long, 42 feet 6 inches molded breadth and 25 feet molded depth, with a dead weight carrying capacity of about 2,800 tons. The steamers are of the well-decked type; have four extra large hatchways with five winches for rapid loading and discharging cargo. They have ample accommodation for officers and crew, and equipped with two class A lifeboats to British Board of Trade requirements, each capable of taking the whole crew. The engines are triple expansion, developing 1,000 indicated horse-power, two marine boilers of the Howden water tube type, three furnaces with forced draught for either coal or oil complete. All parts of the vessel's hull and machinery and fittings are standardized, designed with the idea of providing a good commercial, fairly speedy type of cargo carrier capable of being built in the shortest possible time (in this case less than six months) at a minimum cost. These two shipyards employ about 1,300 men and have a monthly pay roll of about $100,000.

Altogether the shipbuilding programme of the province comprises 41 wooden ships distributed amongst the various shipyards along the coast. Twelve of these are auxiliary schooners and constitute the fleet of the Canada West Coast Navigation Company. Two are for the Dominion government and 27 are for the Imperial Munitions Board. The Canada West Navigation Company's ships and the two schooners for the Dominion government are of the same type and require about 1,100,000 feet of lumber apiece. The average price of lumber has been about $36.50 a thousand feet. In British Columbia there is an inexhaustible supply of the finest timber, admirably adapted for shipbuilding purposes, with a constant demand in the foreign market.

Quality of Wood Excellent.

The Douglas fir is one of the best woods for spars frequently squaring 45 inches for a length of 90 feet. It is exceptionally strong for its weight, a fact more important in the shipbuilding industry than almost any other business requires. It is important that the material be as light as the desired strength will permit, since all surplus weight increases the cost of transportation. It is one of the few woods whose strength is above the value set by the well established law of weight vs. strength.

In addition to the large timbers and planks obtainable from Douglas fir trees, the stumps yield the finest and largest ship knees in the world. The knees used in the construction of the local vessels were obtained at Cobble Hill and experts who have seen them declare they are the very best known. Cedar, spruce and hemlock abound of great size. The best timber areas are as yet, however, untouched as the mills have hitherto limited their operations to coast districts with direct water carriage. The area further inland will be reached later by railroads as the country is more developed.

Facilities for Ship Repairing.

As having a direct bearing upon port interests, attention may be called to facilities for shipbuilding and general repairing directly connected with the harbor.

In the Upper Harbor or Basin, are situated the works of the Victoria Machinery Depot, having a frontage of about 360 feet, the marine ways are fitted with a cradle 280 feet long by 60 feet beam, providing dry dockage for repairing, cleaning, etc., for vessels up to 3,000 tons displacement. Larger vessels are docked by the firm at the Esquimalt drydock. At the plant are situated up-to-date machine shops, boiler shops, blacksmith shop, foundry and pattern shops, and a large wharf for receiving and storage of goods.

Supplies and Equipment Ready.

Contracts have been obtained for the manufacture of the Howden marine boilers for the Imperial Munitions Board for installation in wooden steamers under construction on this coast. Hutcheson Brothers and Company, Limited, Bay Street, electrical and mechanical engineers, iron and brass founders, manufacturers of marine and stationary engines, anchor and cargo winches. This firm has a contract for the supply of winches and other deck machinery for the Imperial Munitions Board.

The Robertson Iron Works, Store Street, supply most of the heavy forgings for the steering engines and other machinery, for which they are fully equipped with steam hammers and complete appliances. The Ramsay Machine Shop, machinists and engineers, Store Street, are supplying winches for use on these steamers for the Imperial Munitions Board, together with the under-water and other special fittings and steering engines, and the Lemon Gonnason Company, Limited, capital planing mills, Orchard Street, have supplied a large proportion of the finished framing, doors, windows and house finishings for the vessels recently launched and are completing similar work for the steamers building for the Imperial Munitions Board.

Messrs. Moore and Whittington, of Pleasant Street, have supplied to both the shipyards a considerable amount of the heavy timbering for the ribs and ceilings, as well as the decking and house framing used in the various ships under construction. Messrs. Jas. Leigh and Sons are supplying to the shipyards of the Foundation Company and the Cameron-Genoa Company a proportion of the heavy timbering and decking and house work used in the various ships that have been and are now under construction.

Obtain Work of Noted Company.

The firm of Yarrows, Limited (associated with the firm of Yarrows and Company, Limited, of Glasgow), builders of shallow draft vessels, have extensive shipyards at Lang Cove, Esquimalt Harbor, contiguous to the present government drydock. Their marine railway is capable of accommodating vessels up to 300 feet in length by 55 foot beam, and has a hauling capacity of 2,500 tons deadweight. Larger vessels are docked by the firm at the adjacent government drydock. Their wharf is over 600 feet in length and has shearlegs with a lifting capacity of 60 tons. Also a floating crane with a 95 feet boom capable of liting 10 tons.

The firm is at present working on a contract for propellers for the Imperial Munitions Board, for the wooden steamers under construction, and also for five sternwheelers for river service in India, 185 feet long and 30 foot beam; two have been finished and put into service, while the other two (and a third 185 feet by 35 feet by 7 feet) are under construction. After being fully assembled at the Esquimalt Yards and placed in readiness for the water, the vessels, which are of extremely light draught (about 3 feet) and practically flat bottomed, are "knocked-down" and the parts shipped to the Orient, where they are re-assembled and put in running order. They carry both passengers and freight and make about 10 knots a hour. Contiguous to the above is the government graving dock, 480 feet in length by 90 feet in width at coping level and 65 feet wide at the entrance, with a depth of water of 26¼ feet. This dock is available for general ship repairing when not required by the government.

PRUDENTIAL LIFE LIQUIDATION

Report of Liquidators on Winnipeg Company's Affairs—How Payments Have Been Made by Shareholders

A financial statement of the position of the liquidation of the Prudential Life Insurance Company, Winnipeg, with some details as to how payments have been made by shareholders, have been issued by the liquidators, the Northern Trusts Company. The liquidators propose immediately to ask or an appointment with Mr. Justice Prendergast to consider:—

(1) The claims under life insurance policies, and to decide whether the liquidator shall admit them all or compel such as are open to dispute to be enforced by judgment.

(2) To decide whether, in view of the difficulty and delay in making collections on the judgments and executions we have obtained, it is expedient to make a further call on the shareholders of the company.

"Our own conviction," says the liquidators' report, "is that sufficient money can be secured from these judgments and other assets of the company to liquidate its entire indebtedness in time, but the collections for the past few months have been so unsatisfactory and so far below our anticipations that we recognize that it will be a year or more before we can expect to collect sufficient to pay the debts in full. For the past six months the collections have averaged $2,316 per month, and the average for the next six months is likely to be less.

Suit Instituted by Mr. Miner.

"The suit for $25,000 instituted by Mr. Miner, the managing director, against the company for wrongful dismissal, etc., has not been very vigorously prosecuted by Mr. Miner during the last six months, and, whilst we have come to no arrangement to that effect, we think there is every probability that this suit will no be proceeded wih, and if proceeded with, we are advised that Mr. Miner's chances of winning the same are very remote.

"Up to date, out of 125 cases that we have of shareholders disputing liability, 45 defences have been withdrawn, while in two instances, involving 15 shares, the evidence produced was such as to warrant the court in striking the allotments off the list without the matter being carried to suit. The number of cases that have been compromised has been insignificant, and in every instance there has been good and satisfactory reason for such compromise."

The items, amounting to $53,350, appearing in the liquidators' statement of receipts under the head, Insurance Transactions, are the totals of the receipts and disbursements from the conduct of the insurance business of the company for the period from the appointment of the provisional liquidator to the date of the ratification of the re-assurance agreement with the Sun Life Assurance Company, which was fully concluded in March, 1916. The receipts include the collections from premiums, renewals, etc., and the disbursements, such items as are incidental to the carrying on of the business.

As to Mortgages.

The mortgage assets which came into the hands of the liquidator amounted to, including interest in arrears and accrued, $70,598, and consisted of 42 first mortgages, covering properties located throughout the western provinces, also one second mortgage. This latter, amounting to $1,153, was taken by the company as collateral for arrears of insurance premiums, and the security has since been foreclosed by the holder of the first mortgage, there being insufficient equity to protect the claim under the second mortgage.

Twenty-six mortgages have been fully liquidated as to principal and interest, and the residue, amounting to $37,347, as appears in the statement of present assets, represents "current mortgages" $11,953 and "foreclosures" $25,394. The former, with the exception of one mortgage, amounting to $2,580, which it is anticipated will be paid immediately, have been brought to a point where it is impossible, owing to moratorium, to proceed further to enforce collection, and they could not be disposed of without entailing a considerable sacrifice to the estate, while, in the opinion of the liquidator, they will ultimately realize the full value. Of the foreclosures, nine in number, title to the property has been acquired in the case of six, while three are still in process of suit.

These properties are located in Moose Jaw, Medicine Hat, Cranbrook and Vancouver and one-acreage property in the vicinity of New Westminster, and with the exception of the latter are all "improved," although under existing conditions it is impossible to make any disposition of them, and the revenue derived is only nominal. The valuation placed upon these properties ($25,600) is practically the amount of the claims.

The Garry Street property is a centrally located Winnipeg property, upon which is situated a garage, and was purchased by the company for $100,000, subject to a mortgage of $50,000, bearing interest at 7 per cent. At the date of liquidation it was under lease for a term of five years, but already the lessee had defaulted under the terms of the lease and was in arrangement with the company to pay $300 a month. Subsequently he was unable to carry out this agreement, and a new tenant was secured at an annual rental of $4,500 for a term of three years to July, 1920. This places the property on a basis where it will show an annual deficit of approximately $600, but it is thought expedient to carry this deficit rather than allow the property to be foreclosed, as it should eventually find a sale that will leave some surplus for the estate.

The company's asset in debentures was fully realized as to principal and interest, amounting to $13,824.

Call on Shareholders.

The list of contributories contained the names of 1,052 shareholders, representing 9,977 shares, and in respect of which there was owing by certain contributories $121,502 on account of original indebtedness for the purchase of stock. Of the number, 951 contributories, representing 8,843 shares and a liability for original indebtedness of $107,577, have been settled on the "fixed list," and there still remains 99 contributories holding 1,116 shares with a liability for original indebtedness of $13,135,72, together with an amount of $33,480 as under the call of $30 per share, who, by reason of enlistment for active service, or having filed defence, are not as yet settled on the list.

In respect to the call of $30 per share, which on the basis of the fixed list amounted to $265,290, there has been collected $116,341, and an amount of $431 has been written off in connection with compromises which have been effected, leaving a balance uncollected of $148,517.

Of the original indebtedness, $8,084 has been paid, $499 written off re compromises, and, after taking into consideration various adjustments in respect to the balances owing, there still remains $98,488 outstanding, the greater portion of which is "bad," being very greatly overdue and uncollectible.

Of the total outstanding indebtedness in this connection, $247,005, the following classification will afford some idea as to the prospect of further collections:—

289	Contributories have paid the call of $30 per share in full, amounting to $92,640, together with $5,560.14 on original indebtedness, there still remaining balances owing by certain of these amounting to	$ 3,108.55
6	Contributories have furnished security covering	3,363.74
46	Contributories paying under arrangement "unsecured" have paid $7,926.22 re call per share and $38.45 on original still owing...........	10,075.49
268	Contributories against whom executions have been issued paid on account prior to execution $2,717.61 and $13,258.01 subsequent. The total of executions issued was $97,881.67, in respect of which there still remains outstanding $84,623.66, and in addition there is owing by these contributories $7,517.99, which amount is not included in the executions	92,141.65
74	Contributories have enlisted since the settling of the list	28,602.21
253	Contributories whom the liquidator is unable to locate, or who are situated outside the jurisdiction of the court, or who are not considered sufficiently responsible financially to warrant incurring expense in legal process, represent	108,229.25
7	Contributories have entered defence since the settling of the list and proceedings are stayed	1,484.91
8	Claims, representing $2,865.63, were compromised for $1,935.	
951		$247,005.80
99	Contributories not settled on list............	$ 46,615.72

Under the liquidators' statement of assets and liabilities, the following entry appears: "Not considered: Disputed claim filed by G. H. Miner, $72,600; disputed claim, filed by J. T. Huggard, $21,000."

Monetary Times

Trade Review and Insurance Chronicle

of Canada

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BUYING FOREIGN SECURITIES

The finance minister last week conferred with Canadian bankers respecting the financial problems of the coming year. No information has been given as to the proceedings but it is generally understood that the minister is still seriously considering the prohibition of the purchase of United States securities for investment accounts by Canadian individuals and corporations. There has been considerable buying of certain classes of securities in the United States for Canadian account, among them being Anglo-French bonds and the United States Steel Corporation issues.

Opinions here differ as to whether or not the time has arrived for such a ruling. It seems reasonably certain, however, that as soon as the finance minister is convinced that investment in United States securities is resulting in a considerable outflow of Canadian funds, he will invoke the War Measures Act to put an end to trading in foreign securities.

AFTER THE WAR

In the principal belligerent countries, are active signs of preparation for the period to follow the war. This does not indicate that peace is any nearer, save for the fact that the war is nearly four years old. The activity is based on the assumption that the struggle must cease one day and that then will come the problems of reconstruction, of land settlement, transportation, trade and business generally. This will prove a critical period in many ways but it will also be an era replete with interest for the student, financier, trader, and business man.

In Germany, some attention has been given to post-bellum problems but so far as we can gather, the postponement of defeat and disaster is almost fully exercising the ingenuity and activities of that nation. In Japan, where war participation is not so clearly defined, there is a marked advance in the gathering of commercial information, with a view to capturing trade formerly done by other countries. This has resulted already in a considerable increase in Japanese exports to a number of important markets. While the United States has immense work in the organization, equipment and transportation of its expeditionary forces, and in the maintenance of its war industries, attention is being given there to preparations for the post-bellum period. In Canada we, too, find the war task dominating but work is being done in many directions to prepare for the time to follow the final truce.

The United Kingdom, upon which has fallen such a heavy financial and general burden for more than three and a half years of war, has excited the admiration of its Allies by the practical steps it is taking with a view to future trade. Its war load is tremendous but that it will remain a very powerful commercial nation after the war, despite the drain of the struggle, the heavy national debt, and the loss of manpower, is quite certain. Every week almost we hear of the appointment of important committees to deal with post-bellum matters. It is now stated that the minister of reconstruction has established, in conjunction with the treasury, a committee on financial facilities after the war, the object of which is to anticipate and provide methods to overcome the financial difficulties that will arise in connection with commerce and industry. The vast number of factories which have been diverted from their normal trade to war work will face a critical period between the time when hostilities cease and the time when it is possible for them to return to their pre-war activities, for an interval more or less lengthy must occur during which it will not be possible to revert to former productiveness, while the question of cost in restoring factories to conditions formerly prevailing will require careful consideration and the preparation of plans to provide the necessary money and capital.

Apart from that aspect there is the certainty that largely increased costs of raw materials, higher wages, and a much greater value on stock in hand or on credit will have to be met, requiring fresh capital, while longer credit may be necessary.

Some of the most important matters with which the committee will be empowered to deal will be the extent of the aid that banks and financial houses will be able to render; if such help should appear likely to prove insufficient, what other sources of credit can be sought; and by what method can the required capital be most efficiently distributed, in the event of a shortage, among essential trades and commerce.

BONDS WITH PRIZES

The British Parliamentary Committee appointed to consider the question of issuing premium bonds has reported against such a step "at the present time or until further efforts have been made to make the present issues more attractive to investors." The committee expressed the opinion that the opportunities of investment for the general public were sufficient to obtain their free support, and that there was a considerable untapped source of investment which might be obtained for war needs by the means of an issue of bonds which would, by its speculative element, attract small investors. The committee, however, doubted whether the amount so obtained would justify a change of such a contentious character in the financial methods of the country, while the legislation necessary for the issue of premium bonds would be difficult to obtain. The committee arrived at the conclusion that from £80,000,000 to £100,000,000 yearly might be expected from sources at present untouched.

This report seems to indicate that as long as revenue can be obtained through the traditional channels, premium bonds will not be accepted by the authorities of the United Kingdom. Some of those opposed to the plan thought that the losers in premium bond lotteries would become tired of participating. Such a failure, after a departure from the old financial methods, might adversely affect future operations.

Prior to the report of the committee, two of the large departmental stores in London opened bureaus for the sale of national war bonds, offering a number of prizes for those who held certain lucky numbers. The prizes were arranged in series to embrace bonds of both large and small denomination, and each purchaser of a bond of whatever amount received a numbered voucher carrying a chance in the lucky bag. The scheme was a great success. While the sale of bonds was in progress, the stores were besieged from morning till night, and a large number of applications also came through the mail. Hundreds of employees were engaged in dealing with the subscriptions, and at Selfridge's alone bonds to the value of £3,378,000 were sold. As most of them were for small amounts, perhaps £5 up to £50, the number of allotments was large. The total proved to be in excess of 300,000. The prizes offered amounted to £5,000 by this firm and £1,500 by Harrod's, whose figures have not yet been announced. These experiments, however, and the parliamentary committee's report, witness the end of premium bonds in the Old Country for the present.

INSURANCE IN MANITOBA

Returns for the Past Year Just Issued by Provincial Insurance Superintendent Ham

The following statements of premiums and losses during 1916 has been issued by Mr. A. E. Ham, superintendent of insurance and fire commissioner of Manitoba:—

Fire and marine	$2,816,505.82	$1,461,802.81
Hail	328,005.15	294,802.81
Life	3,901,059.94	1,102,571.99
Life—matured endowments ..	....	176,166.52
Accident	129,076.70	46,257.55
Live stock	19,685.11	15,629.62
Automobile	75,736.17	32,513.86
Sickness	99,056.02	34,845.14
Employers' liability	133,962.92	44,845.14
Guarantee	158,442.75	48,263.85
Plate glass	23,540.07	11,071.29
Burglary	10,156.31	560.10
Tornado	5,969.34	1,248.07
Other classes	14,336.13	3,040.02
	$7,715,532.43	$3,273,663.31

At November 30th, 1917, there were fifty licensed insurance companies doing business under the Manitoba Insurance Act, classified as follows:—

Fire insurance companies	4
Life insurance companies	6
Hail insurance companies	3
Plate glass insurance companies	1
Accident insurance companies	1
Mutual fire insurance companies	6
Fraternal societies	26
Employers' liability insurance companies	2
Marine and automobile insurance companies....	1
Total	50

Deposit Withdrawals Made.

The following new companies were admitted by provincial license in 1917:—

Employers' liability and workmen's compensation—Security Mutual Casualty Company of Chicago, U.S.A.

Automobile—Merchants Casualty Company of Winnipeg.

The following deposit withdrawals were made:—British Crown Assurance Corporation, Limited, $20,000; Columbia Insurance Company, $20,031.45; Manitoba Farmers' Mutual Hail Insurance Company, $10,000; State Farmers' Mutual Hail Insurance Company, $20,000; Stuyvesant Insurance Company, $20,000, Merchants' Casualty Company, $10,000; total, $100,031.45.

The following companies holding provincial licenses ceased doing business during 1917:—State Farmers' Mutual Hail Insurance Company, Merchants Casualty Company (discontinued automobile business).

The following companies transferred from provincial to Dominion license:—Columbia Insurance Company, British Crown Assurance Corporation, Limited, Century Insurance Company, Limited.

At November 30th, 1917, there were 154 registered companies doing business under the Manitoba Insurance Act, classified as follows:—Fire insurance companies, 42; fire and hail insurance companies, 8; fire and miscellaneous insurance companies, 34; fire and life insurance companies, 5; life insurance companies, 31; guarantee, accident, and plate glass insurance companies, 15; registered mail insurance companies, 1; live stock insurance companies, 1; fraternal societies, 8; steam boiler insurance companies, 1; inland marine insurance companies, 3; plate glass insurance companies, 4; hail insurance companies, 1; total, 154.

Admitted by Dominion License.

The following new companies were admitted by Dominion license in 1917:—Fire—Hamilton Fire Insurance Company, Hamilton, Ontario; Alliance Insurance Company of Philadelphia, Philadelphia, U.S.A. Guarantee—American Surety Company of New York, New York, U.S.A.

The following companies holding Dominion license ceased doing business in Manitoba during 1917:—Canada Weather Insurance Company, Factories Insurance Company, La Sauvegard Life Insurance Company, Capital Life Assurance Company, Hamilton Fire Insurance Company.

At November 30th, 1917, there were seventeen underwriters' agencies doing business under the Manitoba Insurance Act, as follows:—American Underwriters' Agency, The; British and Canadian Underwriters of Norwich, England; British Empire Underwriters' Agency; Calumet Underwriters; Delaware Underwriters; Exchange Underwriters' Agency; Federal Underwriters, Limited; Fidelity (Fire) Underwriters; Mercantile Fire and Marine Underwriters' Agency; Minnesota Underwriters' Agency; New York Underwriters' Agency; Northwestern Underwriters' Agency, of Milwaukee, Wisconsin; Nova Scotia Underwriters' Agency; Protector Underwriters; Rochester Underwriters' Agency; St. Lawrence Underwriters' Agency; Winnipeg Fire Underwriters' Agency.

Special Brokers Licensed.

The following underwriters' agencies ceased doing business in Manitoba during 1917:—Factories Underwriters' Agency; Security National Underwriters' Agency.

The following special brokers licensed in Manitoba during 1917:—Hawkins, W. E., of Messrs. Hawkins & Watson; Hines, J. H., of the Hanbury Hardware Company, Brandon; Menlove, J. F. C.; Miller, H. M., 205 Kensington Block, Winnipeg; Nanton, A. M., of Messrs. Osler, Hammond & Nanton; Pace, F. W., of Messrs. Pace, Harrison, Limited; Reid, J. Y., of Messrs. Robinson & Company, Limited; Ryan, E. C., of Messrs. Ryan Agency, Limited; Winnipeg Insurance & Vessel Agency, G. I. Roberts.

Up to November 30th, 1917, the Manitoba Insurance Department issued 3,196 agents' licenses, made up as follows:—Fire, 1,026; life, 1,226; all other classes, 944; total, 3,196.

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JUDGE SOUGHT INSURANCE AGENT

Man Who Has Bought Life Insurance Appreciates It Most

"The duty of the life insurance agent, as of every agent, is to work for the benefit of his principal," said Hon. H. Harvey, chief justice of Alberta, in an address to the Edmonton Life Underwriters' Association recently. "Whatever other agents may lose sight of that fact," he continued, "the life insurance agent is not likely to stray from the path of duty in this respect, because it is only when duty and self-interest conflict that the ordinary individual tends to go astray.

Pointers for Agents.

"There is not one of you," he added, "who does not sincerely believe that when endeavoring to bring about a contract of life insurance he is honestly serving the interest of the person whom he tries to insure and those dependent on him, quite as much as the interest of his company, and this opinion is shared by most thoughtful persons who take any interest in life insurance. The agent, however, is not always entirely an altruist, but, as his commission comes from an effected contract, his personal interest is entirely in harmony with that of the parties to the contract. But while the agent is quite convinced that his proposal is in the best interest of the intended policyholder, it, unfortunately, often happens that the latter, especially if he has never been approached before, is not so sure of it, and upon the ability of the agent to convince him depends his success in the business. If he has not the persuasive qualities, he might better confine his attentions to persons who have already taken insurance. From similar experience from the other side I feel little doubt that a person who has once taken insurance is a much easier mark than one who has not. Indeed, for my last two policies I sought out the agent instead of waiting for him.

"The capable men employed by the companies in working out different plans of insurance have made the work of the agent much more simple than it formerly was. Now, there is a plan that will suit almost every condition, and all the agent requires is to press the right plan.

Most Protection for Smallest Premium.

"Every right-thinking man desires to provide for his wife and children or others who may be dependent on him, so long as they remain dependent, and, because life is uncertain, any such man at once sees the advantage of life insurance. If his income is small, naturally he cannot spare much of it for insurance, and the plan which gives him the most protection for the smallest premium will have the greatest appeal to him.

"Another man may have ample means, but such men are the greatest believers in life insurance, for they have the present ability to pay the premiums, and they know that whatever vicissitudes may come, life insurance is a certain provision at a time when the assured can himself give no aid. To such men the investment feature is the most important, and this side of the business the companies appear to have been developing somewhat extensively of late years.

"The plan which provides for the payment of the policy in monthly instalments extending over a period of years and during the lifetime of the beneficiary will, no doubt, meet with great favor. It is an extension of the plan which was pushed considerably a few years ago, viz., of paying in annual instalments. In the way that plan was presented there was a certain amount of misleading, though perhaps not intentional, for a policy which provides for the payment of twenty annual instalments of $1,000 by no means represents the same value as a policy for $20,000, payable immediately, and the difference is so much greater than the ordinary person who does not stop, or has not the knowledge, to calculate, would think, that its tendency seemed likely to deceive.

No Need for Deception.

"There is no need to deceive in life insurance to make people believe in its value, because the value exists, and in it, as in everything else, the old adage that honesty is the best policy, ought always to be kept in mind, and dishonesty will react against the person or agent resorting to it.

"Some thirty years ago I was persuaded to take a small policy in one of the largest companies. It was on a semi-tontine endowment plan, payable in twenty years, and the estimates given me by the agent indicated most attractive and substantial profits if it was carried through to maturity. A few years before its maturity I asked the company for estimates again. They were furnished, but with a large difference. Now, I would have been disposed to think that, perhaps, investments had not made as good returns or expenses had been greater than had been expected had I not been shown by a man who had just recently taken out a policy of the same kind in the same company, the estimates which had been furnished him by the agent as suitable to his policy, which were similar to the ones received when I took my policy, and very different from those furnished later and the actual results. It may be that the agents obtaining the policies were innocent, but it is hard to think that the estimates given to obtain the policies were honest. When my policy matured I selected the option that at once put an end to any further relations with the company. Such methods as that are, in the long run, injurious rather than beneficial, and I am glad to say that I do not believe there are many companies or agents that would stoop to them. In all my years as a judge in Alberta and the North-West Territories, before the province was formed, no case of a company coming into court and attempting to stand behind any questionable methods, and only one case in which a company resisted payment of a policy, can be recalled. In that case the company succeeded on meritorious grounds. The agent's aim, then, being to convince the prospective insured that it is to his interest to take out a policy, anything that will aid to that end will be useful, and it is in this connection that the law to which I purpose referring has application."

BANK CLEARINGS

The following are the bank clearings for the weeks of January 18th, 1917, and January 19th, 1918, respectively, with changes:—

	Week ended Jan. 19, '18.	Week ended Jan. 18, '17.		Changes.
Montreal	$ 80,606,655	$ 69,197,988	+	$11,408,667
Toronto	57,197,375	56,064,523	+	1,132,852
Winnipeg	38,516,660	32,587.679	+	5,928,981
Vancouver	8,266,609	6,485,867	+	1,780,742
Ottawa	5,627,552	4,655,177	+	972,375
Calgary	6,420,145	4,749,814	+	1,670,331
Hamilton	4,669,124	4,078,692	+	590,432
Quebec	3,853,340	3,681,227	+	172,113
Edmonton	2,939,361	2,232,958	+	706,403
Halifax	3,570,824	3,362,983	+	207,841
London	2,293,413	2,029,772	+	263,641
Regina	2,723,871	2,551,785	+	172,086
St. John	2,019,807	1,865,671	+	154,136
Victoria	1,665,703	1,439,952	+	225,751
Saskatoon	1,471,337	1,401.275	+	70,062
Moose Jaw	1,024,810	1,080,713	—	55,903
Brandon	539,100	433,098	+	106,002
Brantford	779,226	750.714	+	28,512
Fort William	669,181	563,697	+	105,484
Lethbridge	648,483	644,217	+	4,266
Medicine Hat	510,312	458,604	+	51,708
New Westminster ..	337,262	293,783	+	43,479
Peterboro	525,795	523,993	+	1,802
Sherbrooke	725,739	599,329	+	126,410
Kitchener	440,514	497,127	—	56,613
Totals	$228,042,198	$202,230,638	+	$25,811,560

The Toronto bank clearings for the current week are $62,630,493, compared with $40,745,872 for the same week in 1917, and $49,763,770 in 1916.

Mr. George W. Blaikie, of G. W. Blaikie & Company, will act as attorney for Messrs. Duncanson, How & Company, Toronto, while the partners of the latter firm are in khaki. Mr. Dickson D. How, who is a son of Mr. Thomas F. How, general manager of the Bank of Toronto, yesterday received a commission in the Royal Flying Corps, and Major A. E. Duncanson, who as Capt. Duncanson went overseas with the 36th battalion, is still at the front.

Established in 1836. Incorporated by Royal Charter in 1840.

The Bank of British North America

Paid-up Capital -	$4,866,666
Reserve Fund - -	$3,017,333

Statement to the Dominion Government (Condensed) 31st December, 1917

LIABILITIES TO THE PUBLIC

Notes in Circulation - - - - - -	$ 5,509,654
Deposits - - - - - - - -	57,922,717
Due to Other Banks - - - - - -	605,259
Bills Payable (Acceptances by London Office) - - - - - -	1,891,874
Acceptances under Letters of Credit (as per Contra) - - - - - - -	1,042,347
	$66,971,851

ASSETS

Cash on Hand and in Banks - - -	$12,881,613
Deposit with Government o/a Note Circulation - - - - - - -	245,822
Deposits in Central Gold Reserve - -	2,420,000
Government, Municipal and other Securities	15,045,380
Call and Short Loans - - - - -	7,240,348
Current Loans and Discounts and other Assets - - - - - - -	36,029,367
Liabilities of Customers under Letters of Credit (as per contra) - - - -	1,042,347
Bank Premises - - - - - -	2,399,523
	$77,304,400

THE MOLSONS BANK

Capital Paid-Up, $4,000,000 Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

HEAD OFFICE ... ... MONTREAL

BOARD OF DIRECTORS

Wm. Molson Macpherson, President. S. H. Ewing, Vice-President
Geo. B. Drummond Wm. M. Birks F. W. Molson
W. A. Black E. J. Chamberlin
Edward C. Pratt, General Manager

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Camrose
Edmonton
Lethbridge
BRITISH COLUMBIA
Revelstoke
Vancouver
" East End
MANITOBA
Winnipeg
" Portage Av.
ONTARIO
Alvinston
Amherstburg
Aylmer
Belleville
Brockville
Brucefield
Chesterville
Clinton | Delhi
Dutton | Drumbo
Exeter | Forest
Formosa
Frankford
Hamilton
" Market
" James & Barton
Hensall
Highgate
Iroquois
Kingsville
Kirkton
Kitchener
Lambton Mills
London
Lucknow
Meaford
Merlin
Morrisburg
Norwich
Ottawa
Owen Sound
Port Arthur
Ridgetown
Simcoe
Smith's Falls
St. Mary's
St. Thomas
" East End
Teeswater
Toronto
" Queen St. W.
" West Toronto
Trenton
Wales | Waterloo
Williamsburg
Woodstock
Zurich
QUEBEC
Arthabaska
Bedford
Chicoutimi
Cowansville
Drummondville
Foster
Fraserville and Riviere du Loup Station
Knowlton
Lachine
Lachute | Matane
Mont Joli
Montreal
" St. James St.
" St. Catherine St.
Montreal—Cont.
" Market & Harbor
" St. Henri
" Maisonneuve
" Cote des Neiges
" St. Lawrence Boulevard
" Cote St. Paul
" Park & Bernard
" Montreal, West
" Tetreaultville
Pierreville
Quebec
" Upper Town
Richmond
Roberval
Sorel
Sutton | St. Cesaire
St. Ours
St. Thérèse de Blainville
Trois Pistoles
Three Rivers
Victoriaville
Ville St. Pierre
Waterloo

Agents in Great Britain and Colonies—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

Foreign Agents — France — Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

THE BANK OF NOVA SCOTIA

Capital paid-up -	**$ 6,500,000**
Reserve Fund -	**12,000,000**
Total Assets -	**110,000,000**

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS

JOHN Y. PAYZANT, President
CHARLES ARCHIBALD, Vice-President
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HECTOR McINNES
JAMES MANCHESTER
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HON N. CURRY
W. W. WHITE, M.D.
W. D. ROSS
HON. M. C. GRANT

General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

BRANCHES IN CANADA

30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
10 in Quebec
14 in Western Provinces

IN NEWFOUNDLAND

Bay Roberts
Bell Island
Bonavista
Bonne Bay
Brigus
Burgeo
Burin
Carbonear
Catalina
Channel
Fogo
Grand Bank
Harbor Grace
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

25|1|18

CANADIAN SECURITIES IN LONDON

Their Record Last Year—Review of the Market

The accompanying table, compiled by the well-known London journal "Canada," sets out the price movements of representative Canadian securities in London during 1917, and the changes as compared with 1916. "On the whole," says our contemporary, commenting on the figures, "although faced with strong competition from the new loans created to carry on the war, Canadian government, provincial and municipal issues have held their ground very well, investors being favorably impressed by the remarkable prosperity of the country and the strenuous efforts it has made in its prosecution. Monthly market movements have, of course, reflected the varying phases of the struggle, but at the close the changes are relatively unimportant in comparison with those recorded at the end of the three previous years. It is of interest to note that the average quotation of a group of Canadian provincial and municipal bond issues is now 82.7 per cent., which compares with 100.2 per cent. at the end of 1913, and affords striking evidence of the drastic adjustments in values resulting from the new interest standard created by the war.

Important Railway Developments.

The past year has been an eventful one so far as the railways are concerned. The incident which stands out with sharpest relief is the report of the Railway Commission appointed to enquire into the railway situation in the Dominion. This body's recommendations aroused much criticism in this country, and was followed later by the announcement of the government's policy in connection with the Canadian Northern and the Grand Trunk Pacific Railway. Whilst increasing traffics have reflected the prosperity of the country, the alarming rise in working expenses has caused much alarm and strengthened the agitation for an advance in rates. The uncertainty of the attitude of the government has deepened the depression, which has latterly characterized this section. Canadian Pacific Railway are about 15 points down for the year, the quotation having recently weakened in sympathy with the American market, the re-imposition of minimim prices in Canada, and the cessation of treasury purchases. The fall in Grand Trunks has been very heavy, the passing of the interim dividends on the guaranteed and preference issues and the obscure outlook accentuating the weakness of the market. At the close prices rallied a little on the success of the new note issue. The government proposals with regard to the Canadian Northern Railway were signalized by sensational movements in the various bond issues, but the income bonds, after rallying at one time, gave way again on the continued absence of dividend.

Events in the Canadian Industrial Section.

"Canadian industrials have been moderately prominent, but final quotations are usually down on the year, reflecting general conditions at the close. The Iron and Steel group has reacted sharply, following its pronounced advance of the preceding year, and there has been less activity in pulp and paper issues. A favorable feature was the substantial recovery in Cockshutt Plow preferred, but the 1 per cent. dividend recently declared had a dampening effect on the hopes recently indulged by holders, and Canadian Car and Foundry preferred, after at one time advancing to 100, fell back heavily on the absence of realization of the dividend anticipations entertained with regard to this company. An unpleasant event was the further heavy fall in British Columbia Electric Railway issues on the hostile attitude manifested towards this company by the city of Vancouver. The deferred stock is now down no less than 80 points from its July, 1914, level, a movement which is not without its significance to those whose action has brought about this serious decline. Montreal Street Railway 4½ per cent. debentures are rather lower; Toronto Power Consolidated 4½ per cent. bonds, which at one time were in the region of 90, have lost a large part of their earlier improvement; and Montreal Light, Heat & Power are also rather lower. Flour milling companies' issues have attracted some attention, but Dominion Textile have reacted sharply. Canadian General Electric, after an early decline, recovered on the dividend being placed on an 8 per cent. basis, and one of the events of the year was the support accorded Canadian Marconis. Hudson's Bays have been a good feature on the improvement in the land sales, and are well up on the year. An incident of passing interest was the consummation of the amalgamation of the Southern Alberta and Canadian Wheat Lands Companies with the Alberta Land Company, which attracted some attention to the shares of the two former concerns at the rubbish prices to which they had descended prior to the merger—a development for which, it will be remembered, we had prepared readers of 'Canada.' Another outstanding feature was the revival in Cobalt mining companies' shares on the remarkable rise in the price of silver, a movement which has been one of the most prominent incidents of the past year, and should still further stimulate silver mining in the Dominion."

PRICE MOVEMENTS IN 1917 IN REPRESENTATIVE CANADIAN SECURITIES.

	PRICES AT END OF MONTH.													Rise	Fall	Mean quotation July 27, 1914
	Jan.	Feb.	Mar.	Apl.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. 1917	Dec. 1916			
Canada 4%, 1940-60	80	78	77½	78	80½	80½	81½	81½	81	81	81½	81	83	—	2	98
" 4½%, 1920-25	94	94	94	94½	94½	93	93½	93½	93⅜	93½	92½	93	94	—	1	—
British Columbia, 4½% 1941	83½	83½	81	81	81	82½	83	83	82	82½	83	83	85½	—	2½	99
Ontario 4½% Reg., 1945-65	85	85½	85	85½	86	84	84	84½	84½	84½	84½	82	85	—	3	—
Manitoba, 4½%, Reg. 1953	86	85	83	83	83	83	83	83	82	82	82	82	87	—	5	101½
Nova Scotia 4½% Consold., 1934-64	86	86	86	84	84	84	84	84	84	82½	82½	82	87	—	5	99
Quebec (Prov.) 4½%, 1954	85	85½	85½	85½	85½	84½	84½	84½	84½	84½	84½	63	85	—	2	100
Montreal 4½% Reg., 1951-53	88	85½	66	84	84	84	84	84	84	82	82	82	86	—	4	101
Toronto 4½%, 1948	85½	85	85	85	85	85	83	83	84	84	84	84	86½	—	2½	98
Winnipeg 4½%, 1943-63	84	83	83½	84	85	85	83	83	83	83	83	83	86	—	3	97
Edmonton 5%, 1953	82½	81½	81½	83½	83½	81½	81½	81½	81½	81½	81½	79½	83½	—	4	98
Vancouver 4½% Consol., 1953	78½	78½	78½	80	80	80	79	79	79	79	79	79	80½	—	1½	98
Canadian Pacific Railway	171½	167½	172	174	174½	178	180	180	171	162	159	159	174	—	15	179
" 4% Perpetual Debentures	80	80	80	81	82	81	81	81½	82	82	79	79	79	—	—	97
Grand Trunk Railway Ordinary	10¼	10¼	10⅞	11	9⅞	9⅞	9¾	10	9½	9	8⅞	9	10¾	—	1¾	13½
" Guaranteed	58	58	61	61	57	56	57	59	58	51	49	48	59	—	11	80
" 1st Preference	68½	66½	71	71½	65½	65½	64	65½	63	50	51	48½	66	—	17½	91
" 2nd Preference	56	55½	61	50	52½	53½	52	55	52½	42	41	39½	53	—	13½	72
" 3rd Preference	26	25½	27¾	28	24¾	25	24	25	23	20½	19½	19½	26	—	6½	30½
Grand Trunk Pacific Railway, 4% Debentures	59½	57½	62½	64	64½	62½	61½	61½	61½	59½	57½	56½	60	—	3½	81
Canadian Northern Railway, 5% Income Bonds	38½	37½	38½	38½	38½	39½	39½	45½	42½	35½	35½	37½	37½	—	—	80½
Canadian Bank of Commerce ($100)	40½	38½	39	39½	39½	39½	40½	39½	39½	39	38	38	41	—	3	42*
Hudson's Bay	6⅞	6¾	6 13/16	6⅞	6 13/16	7½	7¼	7 1/16	6⅞	7 1/16	7½	7⅛	6⅜	¾	—	7½
Trust and Loan of Canada, £5 paid	5⅜	5¼	5½	5½	5½	5⅜	5⅝	5⅝	5½	5¾	5½	5½	5¼	¼	—	6½
British Columbia Electric Rly. Defd.	38½	38½	39½	39½	32½	27½	27½	29	27½	27½	27	28	35½	—	7½	107
Montreal St. Railway 4½% Debs.	94	92	92	92	92	92	91	91	91	91	91	91	94	—	3	100
Canadian Car & Foundry 7% Pref.	75	75	75	78	72½	76½	79½	100	90	80	80	75	89½	—	14½	97½
Canadian General Electric	116	111½	114	114½	115½	113½	114½	117½	115	115	114	114	117½	—	3½	99½
Dominion Steel Corporation	67	63½	66	61	66	63½	61	69	69	57½	60	59	69	—	10	22½
Steel Company of Canada	67	62	67	64	63	61	61	61	61	60	60	60	68	—	8	75½
Lake Superior Corporation	19	21½	22	20	22	20	20	21	21	21	16½	14½	22	—	7½	15
Montreal Light, Heat and Power	233	233	233	231	231	231	229	229	229	227½	227½	227½	235	—	7½	235½
Shawinigan Water and Power	132	130	128	128	130½	129	129½	129½	129½	127½	125½	120½	139	—	18½	135
Toronto Power Consold. 4½% Debs.	73	71	73	76	74	78	83	87	83½	79½	76½	76½	76½	—	—	92
Dominion Textile	83	80½	83½	84	83	83	83	83	83	83	83	83	88½	—	5½	65

* Adjusted to present denomination—$100.

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler, President
W. D. Matthews, Vice-President

C. A. BOGERT, General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Quarterly Dividend Notice No. 109

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending January 31st, 1918, and that the same will be payable at the Head Office in this City and at its Branches on and after Friday, the 1st day of February, 1918, to Shareholders of record of the 23rd of January, 1918.

The Annual General Meeting of the Shareholders will be held in the Head Office of the Bank in Toronto on Wednesday, the 27th of February next, at 12 o'clock noon.

By order of the Board,
C. H. EASSON,
General Manager

Toronto, December 21st, 1917.

THE

Royal Bank of Canada

INCORPORATED 1869

Capital Authorized	$ 25,000,000
Capital Paid-up	12,911,700
Reserve and Undivided Profits	14,564,000
Total Assets	335,000,000

HEAD OFFICE, MONTREAL

Sir H. S. Holt, Pres. E. L. Pease, V. Pres. and Man. Dir.
C. E. Neill, General Manager.
365 Branches in Canada and Newfoundland.
Thirty-eight Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela.

BRITISH WEST INDIES

ANTIGUA—St. John's; BAHAMAS—Nassau;
BARBADOS—Bridgetown and Speightstown;
DOMINICA—Roseau; GRENADA—St. George's;
JAMAICA—Kingston; MONTSERRAT—Plymouth;
NEVIS—Charlestown;
ST. KITTS—Basseterre; TOBAGO—Scarborough;
TRINIDAD—Port of Spain and San Fernando;
BRITISH HONDURAS—Belize;
BRITISH GUIANA—Georgetown, New Amsterdam, and Rose Hall (Corentyne).

LONDON, ENGLAND
Bank Bldgs.,
Princes Street, E.C.

NEW YORK CITY
Cor. William and
Cedar Streets.

**Business Accounts carried upon favorable terms.
Savings Department at all Branches.**

AUSTRALIA and NEW ZEALAND

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL	$ 18,526,600.00
RESERVE FUND	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916	$277,488,871.00

J. RUSSELL FRENCH, General Manager

338 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C.

Agents: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

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Manual of Canadian Banking

By H. M. P. ECKARDT

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TORONTO
Royal Bank Bldg.

MONTREAL
17 St. John St.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

The extension of the term of various bonds issued by the four cities of Alberta has been the subject of joint discussion by the mayors of the municipalities concerned. The chief question considered was whether or not the legislature had the authority to lengthen the life of the securities without consulting the bondholders.

Commissioner Samis stated at the meeting that he did not think the maturity of all the bonds should be increased to 50 years without regard to the improvements for which they had been issued. He thought that in no case should the maturity be extended for a longer period than the life of the improvement. The officials in attendance admitted the force of this argument.

As to whether the legislature had the power to validate the cities' action the meeting decided that it had. The following is the form in which the recommendation to the Alberta legislature will be made:—

"Notwithstanding anything contained in the charter or any city or any town, village, rural municipality, local improvement or school act, beginning from January 1st, 1918, and notwithstanding anything in any by-law or bond, debenture or other security. the sinking fund for the service of any debt may be reduced to the annual levy which would have been required had the bond, debenture, etc., had an original maturity of fifty years from date of issue, or such lesser final maturity as the council may determine.

"This provision shall not be retroactive so far as to affect any levy which has been or should have been made up to December 31st, 1917, and shall not apply to the property owners' share of local improvement.

"Not less than six months prior to the maturity of the various bonds, debentures, etc., the city, town, village, etc., shall issue, and the provincial government shall guarantee both as to principal and interest, bonds, debentures, etc., for the amount by which the accumulated sinking fund falls short of the amount required to redeem the bond, making all allowance for discount on sale and other expenses.

"Any surplus in the hands of the sinking fund trustees or in sinking fund account may be used to make up the deficiency in the amount required to redeem securities as they mature.

"In regard to the bonds of a town, city or school district, the town or city shall have the right to insist on the school debenture sinking fund being treated in the same way."

Outremont, Que.—The city has sold $700,000 6 per cent. bonds to the firm of Versailles, Vidricaire and Boulais, at 95⅔.

Toronto, Ont.—The city will lend the Harbor Commission $1,000,000 to assist in its summer operations, providing the Ontario legislature will legalize the action.

Ottawa, Ont.—Application has been made to the Ontario Railway and Municipal Board for permission to issue debentures of $250,000 to establish a municipal fuel depot.

Quebec, Que.—Power to borrow $900,000 (and not $500,000, as previously intimated), was requested in a bill of the Montreal Protestant School Commission, in the provincial legislature.

Westmorland, N.B.—Gesner A. Taylor, secretary, reports the county's assessed value of real estate and personal property for 1916 as follows:—Real estate, $5,259,940; personal property, $1,202,950.

King's, N.B.—Geo. O. Dickson Otty, secretary-treasurer, reports the county's assessed value of real estate and personal property for 1916 as follows:—Real estate, $4,216,238; personal property, $721,545.

Calgary, Alta.—The adoption of the scheme whereby the city bonds which mature in the years to come would be given an additional period of life of ten years by securing permission from the legislature to re-sell them upon maturity, was proposed by City Auditor Harvey at a meeting of the city commissioners.

The Bank of Toronto has declared the regular quarterly dividend of 2¾ per cent., payable March 1 to holders of record February 12.

SASKATCHEWAN'S MUNICIPAL FINANCING

Review of Activities Last Year—Telephone Issues Were Large

During the past year the problem of financing the capital requirements of Saskatchewan municipalities has been attended by many difficulties, which, considering the untoward conditions, have been met with a fair degree of success, says a statement issued by the Saskatchewan Local Government Board, which continues:—

"Having in view the circumstances created by the war, and their influence on the security market, the local government board has consistently directed its efforts toward reducing to a minimum the borrowings of local authorities. During the year 1916 debenture issues were reduced to an exceedingly low amount, and the fact that, with the exception of rural telephones, it has been possible to keep the 1917 figures down to the low level of that year is evidence that its efforts in this direction have met with the desired measure of success. A larger amount of telephone debentures has been authorized during this than in any previous year, 391 companies having been given permission to make extensions or construct new lines at a total approximate cost of three million dollars.

Telephones in Rural Districts.

"This seems a large amount, but it has been felt that the extension and improvement of telephone accommodation in the rural districts would be of material assistance in the campaign for greater production, so necessary to the Empire as a means of successfully carrying on the war. Many farmers are located at considerable distance from markets, and it frequently happens that the loss of time in arranging for labor and purchase of supplies, and delays in obtaining necessary equipment and repairs incident upon the remoteness from trading centres, has resulted in serious loss, and consequent impairment of production. With these considerations in view, the board has found it advisable to allow greater latitude in borrowings for this purpose than it would otherwise have done. It has, however, been very careful to restrain operations, so long as financial conditions in the respective localities did not appear to warrant the incurring of added liabilities. Especially have authorizations been refused wherever an inclination to allow taxes to remain in arrears was manifest, on the principle that if laxness in the payment of taxes existed under present conditions, it certainly would prevail to a greater extent when the levies were increased by the amounts necessary to meet telephone debenture payments.

Small Investors at Home.

"Saskatchewan is now fairly well served with rural telephone lines, and it is expected that the rather extensive operations in 1917 will have the effect of greatly lessening the applications in the coming year.

"The board has for some time past recognized the necessity of conserving the larger sources of money supply to the needs of financing the war, and has systematically endeavored to introduce the practice of placing the debenture issues of local authorities with small investors at home. Its efforts in this direction have met with a reasonable amount of success, and many small issues are now being taken up locally. The Victory Loan campaign has proved an invaluable factor in educating the small investor along these lines by impressing upon him his duty to assist the country by placing a portion of his surplus earnings at its disposal and at the same time showing him that this duty can be performed with profit and advantage to himself. It is to be hoped that the effect of these lessons will not be lost through failure to protect the small bondholders against loss by undue depreciation in the value of their securities.

"By an order-in-council, dated December 22nd, 1917, the federal government has prohibited the issue, sale or offer for sale of all classes of securities, including debentures of local authorities, without the permission in writing of the minister of finance. So far as is known at present, it would appear that each issue of debentures must be passed upon and approved by the minister before it can legally be sold."

The Bank of Hamilton has declared the regular quarterly dividend of 3 per cent., payable March 1 to holders of record February 27.

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PEGGING PRICE OF WAR BONDS

United States Bankers Said to Disapprove of Plan—Sound Means Must Be Used to Keep Price Up

Mr. H. Z. Osborne, representative in the United States Congress from California, is the author of a bill, styled by him the Liberty Bond Redemption Fund measure, which provides for the creation of a $100,000,000 fund and authorization to the secretary of the treasury to employ all or any part of it in the purchase of Liberty bonds, when these shall be offered below par, for the purpose of maintaining the price of these government obligations constantly at par or better.

Depreciation Gives Concern.

Mr. Osborne, discussing his plan, says: "The depreciation of Liberty bonds, as shown by the daily quotations in the money markets, is the subject of much concern all over the country. The great drive that was made for the sale of bonds influenced thousands of people of small means and resources to make investments, and they were promised by the speakers who temporarily represented the government that the credit of the government would prevent any possible loss. These representations were doubtless made in good faith, and the speakers who made them, though unofficial, were really representatives of the government.

"My idea is that the integrity of the government is pledged to the people who subscribed for the Liberty Loan bonds. Aside from the question of national honor and honesty involved is the one of policy. We will shortly be called upon to subscribe to another large loan, and some means must be devised for maintaining the new loans, as well as those that have already been issued, and the public, whose confidence will have been shaken if depreciation is permitted to go on, will be disinclined to make the necessary subscriptions.

Secretary of Treasury.

"In the matter of operation, I think the secretary of the treasury can be relied upon to handle the fund in a way to secure the purpose—namely, to maintain the price of bonds at par. The secretary of the treasury can use his discretion in buying bonds offered below par, and if there is any conspiracy to depreciate them or if they are depreciated simply through neglect to provide a sustaining fund, this provision for stabilizing will be effective. It will give courage to the banks, and they will take the bonds more freely, and thereby lighten the demands on the redemption fund of the government. My opinion is that a very small portion of the fund will be placed in operation. The fact that the fund of $100,000,000 exists for that purpose will be very effective."

Went Below Par.

Commenting on the plan, the New York Annalist says: "Since the beginning of the European war, and more particularly since the United States entered the conflict and undertook to finance the struggle, various plans have been advanced for the raising of money, and since the flotation of our two Liberty Loans, special attention has been directed to prevent the functioning of the law of supply and demand in respect to the obligations of the United States government.

"For various reasons the price of Liberty Loan bonds in each instance went below par following the closing of subscription books, and more recently both issues of bonds have been selling at a considerable discount from the issue price. This has disturbed many persons, and only recently one of our representatives in Congress proposed legislation making it a criminal offence for any one to sell a Liberty bond at a price less than par. The proposal did not receive any serious consideration from either the bankers or members of Congress.

Is an Artificial Market.

"Now, Mr. Osborne suggests that the secretary of the treasury himself, or through agents, go into the market and, in effect, buy Liberty bonds until the offerings become so small that, by the operation of the law of supply and demand, the price of securities shall move upward, finally to par. Manifestly, this plan contemplates the creation of an artificial market for the Liberty bonds. The questions presented by the bill are: First. Is it morally right for the government to resort to such devices for boosting the market prices of its securities? Second. Will the plan work? Third. What effects would be produced by it? And fourth. How would the government of the United States come out financially?

"Professional stockbrokers have been severely criticized by government agencies and by newspapers whenever they have resorted to schemes designed to boost or depress prices; and it is reasonable to suppose that the people of this country would not look favorably upon the employment of methods by the government which unquestionably are disapproved when practised by individuals. But more important than the verdict of public opinion in respect to the propriety of the government artificially boosting the prices of its securities is the possibility, amounting to a certainty, in the minds of many, that the proposed plan would not accomplish what its sponsor seeks.

Will Offer Bonds.

"In the first place, if such legislation be enacted, the fact that the secretary of the treasury has a fund at his disposal to purchase Liberty bonds, will be a matter of public knowledge, and, when it is generally known that the market is being supported, individuals, banks and corporations, which now have no expectation of liquidating their holdings of Liberty bonds, will offer their bonds for sale. In other words, while at present sales are limited practically to those who find it necessary to dispose of their bonds by reason of unforeseen circumstances—the urgency of the sales is indicated by the fact that holders are willing to lose money by selling bonds at prices lower than they paid—under the proposed plan, the volume of selling would be greatly increased by the filing of selling orders by those who, although unwilling to make a sacrifice by liquidating at current prices, are ready and anxious to convert their bonds into cash the moment facilities may be opened to them by which they can do so without a loss. When it is realized that there are now outstanding nearly $6,000,000,000 of Liberty Loan bonds, the inadequacy of a $100,000,000 fund becomes apparent. The weekly sales of the bonds on the New York Stock Exchange alone aggregate between $8,000,000 and $10,000,000.

United States Bankers Disapprove.

"If the volume of business in Liberty bonds was smaller, and if the total of bonds outstanding was not as large, it would perhaps be possible for the government to support the market by purchases on its own account, but, in view of actual conditions, bankers are practically unanimous in the opinion that efforts to steady the market, and more particularly to raise the price, would be futile.

"How would the government fare were such a plan resorted to? Of course, if the treasury bought back for $96 or $97 what it had sold for $100, it is plain that the government would come out with a net gain and not a loss. The fact that subsequently the government would have to issue securities at a higher rate does not alter the government's position, for it is already committed to grant to holders of securities the right to convert the earlier issues of bonds into those paying a higher rate. The practical question is whether the treasury would have sufficient funds to buy back all the bonds that might be offered; certainly a fund of $100,000,000 would prove inadequate. If the government announced its disposition to buy in all bonds offered at prices below par, the chances are that such large quantities of bonds would be offered that the government would be unable to satisfy all comers. Yet it could not discriminate; it must do for all what it does for one.

Conditions Were Different.

"The idea of artificially supporting the market for a security is not new. It has been done time and again, but in all known instances where the scheme has been resorted to, conditions have been vitally different from those existing in the case of the Liberty bonds,

"In England the chancellor of the exchequer has what is called an 'anti-depreciation fund,' the object of which is to support the market for British securities. Very little is known about the actual operation of the fund, no publicity having ever been given to it, but, according to bankers, the fund, which is relatively small, has not been availed of to boost the price of British loans raised within the United Kingdom, but has been applied to the support of external bond issues, among them those distributed in the United States.

"It is generally understood that the bankers who had charge of the flotation of the $500,000,000 Anglo-French 5 per cent. bonds in this country supported the market from time to time by buying in the bonds when the market appeared to be depressed. Just how large the fund used for the purpose has been is not known, but it is understood that it was fairly substantial. It is also known that while the bankers used the fund to support the market at the beginning—that is, for a short period after the closing of the subscription books—they have not attempted to maintain the issue at par,

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and, in fact after the bonds had declined considerably, abandoned all efforts to further support them.

"In the case of the British government secured loans, the American fiscal agents have frequently bought in bonds when the market was unusually weak, and, as a result, have saved to the British government the difference between the issue price and the depressed market quotation. In addition they have been in a position thus to reduce Great Britain's indebtedness here. Such purchases have been almost invariably accompanied by the sale of securities deposited as collateral for the loans, especially if the market price for the collateral proved attractive.

"It has also been reported that in France the minister of finance has a fund for the support of the French war loans, but the facts about the operation of the plan have never been given out, and presumably the fund has been devoted principally, if not exclusively, to the support of external bond issues, among them the Anglo-French raised in America.

"In the opinion of leading United States bankers it is futile to endeavor to bring back the price of Liberty bonds to par by artificial means. It is their belief that by making the next Liberty Loan attractive to investors, thus automatically according the same attractive features to all previous loans by reason of their conversion privilege, the market for the 3½ and the 4 per cent. bonds will promptly improve," concludes our contemporary.

BANK OF NOVA SCOTIA

The directors of the Bank of Nova Scotia have presented an exceptionally strong financial statement to their shareholders. The profits for the year amounted to $1,295,315, an increase of $43,277 over those for 1916, which, added to the $584,654, brought forward from the previous year, made $1,879,969 available for distribution. Of this sum, $10,000 was taken to pay the usual dividend, $65,000 was paid as a war tax on circulation, contributions totalling $44,700 were made to the Patriotic and Red Cross funds, $50,000 to the officers' pension fund, and $150,000 was written off bank premises account. The Halifax disaster made a special appeal to the Bank of Nova Scotia, and the handsome donation of $100,000 out of the year's profits was paid within a few days of its occurrence to the fund established for the relief of its victims. These appropriations left $560,270 to be carried over into the current year as undivided profit, a very gratifying record.

The bank's assets total $138,297,245, an increase for the year of more than $22,000,000. This is only one of many evidences of the bank's strong position. Actual cash on hand and in the central gold reserves as security for the excess circulation amounts to $26,628,000, a sum equal to 22.37 per cent. of the total liabilities to the public. The bank has given its full share of assistance towards the meeting of the present financial situation brought about by the war, and the increase of about $12,000,000 in the various government securities held reflects the extent to which it has participated in loans to the Canadian government and advances to the British government for the manufacture of munitions and for purchases of grain. Railway and other bonds appear for less than last year by about $960,000. The total of bank premises and real estate held is about the same and other items show little change.

The capital and reserve remain unchanged at $6,500,000 and $12,000,000, respectively. The circulation at December 31st stood at $12,171,423, an increase of $4,226,342 over the amount current a year preevious—an indication of the activity in manufacturing and general business brought about by the war and the increased cost of all commodities. Deposits, interest and non-interest bearing, are greater by $16,513,000 than they were a year ago, and the total is now $104,338,171.

One of the strong pillars of Canada's financial structure, the Bank of Nova Scotia has carried that part for eighty-six years, and is the second oldest bank in the Dominion in active operation. The management of the institution has always been conservative, with a proper measure of aggressive action. The result has been shown in a long series of excellent financial statements coming from successful operations which have satisfied the bank's directors, shareholders and clients throughout Canada. Mr. John Y. Payzant is president of the bank, and is supported by an active directorate. Mr. H. A. Richardson, who is general manager, has the implicit confidence of his directorate, and he is ably assisted by Mr. J. A. McLeod, assistant general manager.

CANADA'S CHEESE TRADE IN 1917

Dairy Commissioner Ruddick, in his address at the Eastern Dairymen's Convention recently, gave some interesting figures regarding the cheese trade of the past year. The total cheese handled by the Cheese Commission to December 31st was 1,860,237 boxes, or 155,662,463 pounds. Before the commission began operations, the shipments were 123,909 boxes, weighing 10,656,174 pounds. These, with the balance of the 1917 output still in Canada, make a total of nearly 2,000,000, or 172,620,000 pounds, with a value of $37,544,850, an increase of $4,000,000 over the output of 1916. Canada's exports in 1914 were only 135,000,000 pounds, so that Canada has increased her exports since the war by upwards of 40,000,000 pounds. The value for 1917 was $8,000,000 greater than it would have been if the production had been the same as in 1914.

CREDIT AND WAR

Referring to credit and its war-time relations, Mr. Beaudry Leman, general manager of the Banque d'Hochelaga, said at that institution's annual meeting last week:—

"From every direction appeals are made to work harder and produce more; to renounce luxuries, and already the distinction between the superfluous and the necessary is becoming smaller and smaller; to endeavor to replace the losses in man-power by new generations, mentally and physically fit; to create and encourage the spirit of thrift in the present generation in order that future generations may not falter under the charges of their inheritance; to return to sound economic policies, which, having been neglected by many, will have to be followed by all. One of the most prominent bankers in the United States expressed the opinion recently that, whatever might be the duration of the war and whatever its cost, every dollar spent might be recovered if all citizens acquired the spirit of thrift and could be brought to appreciate the collective strength achieved in a nation by the individual effort and moral value of every citizen.

"Is it not of the most elementary caution for our young country and for all its citizens to follow the rules which have become imperative in older, richer and more thoroughly developed communities? Is it not also of the utmost importance that we become conscious of the strength which lies in co-operation? Banks are credit institutions, and they indicate the measure of confidence that their clients have in them, and still more the measure of confidence they have in one another. Individuals cannot waive their joint responsibility towards public welfare and they cannot isolate their interests from those of the community in which they have chosen to live.

"To increase our farm products, to improve the quality of animal stocks, to adopt more scientific methods of cultivation, such should be the programme of our rural classes in all parts of the country; to reduce the amount of our imports from foreign countries and to increase our exports by developing our natural resources and by perfecting our manufacturing methods, such should be the programme of our industrials; to buy with more caution and to decrease the risks due to over-extension of credit, such should be the programme of our merchants; economy in all classes of the community, from the workingman to the capitalist, such should be the programme of all citizens of this country

"This advice, which one is naturally apt to ignore, wearied that we are by its repetition, appears, however, as the only way to assure general welfare and to give to the business of the country a new impetus."

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental lines for the two weeks in January:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
January 7	$2,238,000	$2,343,000	+ $105,000
January 14	2,417,000	2,368,000	+ 49,000

Grand Trunk Railway.

	1917.	1918.	Inc. or dec.
January 7	$1,012,906	$1,076,606	+ $ 63,700
January 14	1,072,915	905,216	— 167,699

Canadian Northern Railway.

	1917.	1918.	Inc. or dec.
January 7	$ 598,700	$ 565,000	— $ 32,900
January 14	646,100	593,500	— 52,600

EXECUTOR'S FEES

The proper management of an Estate entails skill, experience and labor on the part of the Executor, whether he be an individual or a corporation. The Executor's remuneration, in either case, is a small percentage and it is fixed by the court so that in appointing your Executor the efficiency of the organized Corporation costs no more than the service of an individual. In drawing up your Will, we solicit appointment as your Executor and refer to our thirty five years' experience as a recommendation.

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CORPORATION
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Branches—Ottawa, Winnipeg, Saskatoon, Vancouver

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(Formerly The Title and Trust Company)

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Head Office: 701 Somerset Bldg., Winnipeg, Man.
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THE FIDELITY TRUST CO.
HEAD OFFICE
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TRUST FUNDS CAREFULLY INVESTED

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited
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Capital Fully Paid - $1,000,000 Reserve Fund - $1,000,000

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THE average human being is very much averse to making a Will; and yet it is absolutely necessary that it be done, if we would dispose of our Estate as we would wish, instead of leaving it to the disposition of the Law.

The making of a Will TODAY will not accelerate death a single instant, but rather tend to make us satisfied with an act timely and properly done.

The Corporate Executor is the only ideal Executor. Consult with us as to the making of your Will. Will Forms Free.

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CONTROL OF BOND ISSUES

Quebec Government's Contention and Legal Opinions Regarding Power of Regulation

In the Quebec Assembly last week, Hon. Mr. Mitchell, provincial treasurer, submitted opinions obtained from Messrs. Eugene Lafleur, K.C., and Aime Geoffrion, K.C., before the Quebec government made its protest against the action of the Dominion government in forbidding the issue of provincial or municipal securities without the permission of the minister of finance. These gentlemen said:—

It is clearly impossible to support the provisions of the order-in-council under the authority of sub-section 4 of section 91 of the British North America Act providing for the borrowing of money on the public credit, inasmuch as the order-in-council purports to legislate with respect to, among other things, the borrowing of money on the credit of the province, which is a matter of exclusive legislative jurisdiction on the part of the provincial legislatures.

Power of Regulation.

"Turning to the power of regulating trade and commerce, it is apparent from the preamble of the order-in-council that it cannot by any reasonable construction be regarded as aiming at the regulation of trade and commerce. The object of the measure is to facilitate the borrowing of money by the Dominion by curtailing the Provincial and other powers of borrowing. It is in no sense a measure taken in the interest of or for the regulation of trade and commerce. Except insofar as commercial corporations are concerned, none of the governments, institutions, commissions, municipalities or other public bodies affected by the prohibition, are engaged in trade or commerce, and it is a misnomer to place such legislation in the category of regulation of trade or commerce. There is no commercial element in the borrowing of money on their own credit by provincial governments, municipalities, public utility commissions, hospitals, asylums, ele-emosynary institutions, religious corporations or universities. The suggestion that the order-in-council is intended to regulate trade and commerce may therefore be dismissed as wholly untenable. The mere inclusion, in the list of bodies or institutions aimed at by the measure, of incorporated companies, some of which are commercial, cannot bring it into the category of regulation of trade and commerce."

"Can There Be Any Doubt?"

After quoting cases which have appeared before the notice of the Judicial Committee of the Privy Council as examples to bear out their contention, Messrs. Lafleur and Geoffrion continue:—

"If we apply the principles laid down in these decisions to the case under consideration, can there be any doubt that the Judicial Committee would not extend the Federal power of regulating trade and commerce so as to paralyze the activities and suspend the existence of provincial governments and all the creatures of the provincial legislatures?

"The sinews of war, as well as the funds required for peaceful enterprises, must be obtained under the authority of the fiscal clauses of section 91, and not in virtue of any supposed implied powers. To hold otherwise would not only involve the violation of the most elementary rules of statutory construction, but would be destructive of the autonomy of the provinces. If the necessities of national defence enable the Dominion parliament to over-ride that portion of the constitution which commits to the exclusive jurisdiction of the provinces the power of raising money, which is necessary for their very existence, then the self-governing powers of the provinces will be suspended at the discretion of the Federal authorities.

Legislation is Fiscal.

"Nor can the order-in-council be supported on the ground that it deals with the subject of criminal law. On its very face the legislation is fiscal and not criminal in its nature. It does not aim at the prevention of any offence against public order or good morals, but merely prohibits for a limited time the doing of certain things without the permission of the minister of finance. The very fact that the prohibition is intended to last only during the continuance of the war, and that the certificates of the minister will make the act lawful, is sufficient to exclude this legislation from the category of criminal laws. It is designed to facilitate the financial operations of the Dominion government, and to eliminate the possible competition in the money market of provincial, colonial or foreign governments, and of other institutions, bodies and corporations. It is ear-marked by the preamble as a purely fiscal measure.

"If urgent need of money by the Dominion for war or any other purpose, authorized it to assume full control of the borrowing by provincial governments, it necessarily follows that a similar control could be assumed over provincial powers of taxation, notwithstanding section 92, sub-section 2, which assigns exclusively to the provincial legislatures direct taxation within the province for provincial purposes. This would obviously complete the destruction of provincial autonomy.

"For these reasons," Messrs. Lafleur and Geoffrion conclude, "we are of opinion that the provisions of the order-in-council of 22nd December, 1917, are ultra vires insofar as they purport to affect provincial governments, municipalities, provincial commissions and institutions, corporations and incorporated companies subject to the legislative authority of the provincial legislatures."

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended January 18th:—

Hudson Bay Mines, 64,942; Temiskaming Mining Company, 59,038; Buffalo Mines, 262,255; Dominion Reduction Company, 150,000. Total, 536,235 pounds, or 268 tons.

The total shipments since January 1st, 1918, now amount to 2,343,767 pounds, or 1,172 tons.

IMPERIAL GUARANTEE AND ACCIDENT COMPANY

Despite increased cost of operations and heavy losses common to most accident companies last year, the Imperial Guarantee and Accident Insurance Company, Toronto, managed to make a good showing as a result of operations in 1917. The annual report for that year indicates that the company issued 18,096 policies for insurance of $35,165,701. The premiums thereon amounted to $310,657, being an increase of $42,887. The interest earnings amounted to $19,539, being an increase of $1,053. The assets of the company total $478,031, and the investments are all first-class securities, bearing good interest returns.

The contingent reserve fund amounts to $25,000, and the surplus to policyholders is $312,560, which, together with the uncalled subscribed capital of $800,000, makes the available security for all contracts $1,112,560.

The Imperial Guarantee and Accident Insurance Company has been doing business for thirteen years, and has an excellent reputation for sound principles and prompt settlements. Mr. E. Willans is managing director, and is well posted on underwriting affairs and on business conditions generally. The company's secretary is Mr. Frank W. Cox. Mr. Herbert C. Cox is president, and is supported by an influential directorate as follows: Messrs. Noel Marshall, president Standard Fuel Company, vice-president; R. Bickerdike, M.P., Montreal, director Western Assurance Company; Elias Rogers, Toronto, president National Life Assurance Company, president Crow's Nest Pass Coal Company, Limited; S. Burrows, Belleville, branch manager, the Mutual Life Assurance Company; G. A. Morrow, Toronto, president Imperial Life Assurance Company; D. B. Hanna, Toronto, third vice-president Canadian Northern Railway; W. B. Robb, Montreal, vice-president Grand Trunk Railway; Lieut.-Col. P. G. Goldsmith, M.D., Toronto; W. G. Morrow, Peterboro', manager Toronto Savings and Loan Company; A. McT. Campbell, Winnipeg, branch manager Canada Life Assurance Company; and W. B. Meikle, Toronto, president Western Fire Assurance Company.

The average cost of a family budget of staple foods is still increasing. A return compiled by the department of labor shows that such a budget cost $12.24 in December, as compared with $12.10 for the previous month, $10.10 for December, 1916, and $7.75 for December, 1914. The departmental index number of wholesale prices, based on the average prices of 272 commodities during the decade 1890-1899, was 253.5 for December, as compared with 247.3 for the previous month, 207.4 for December, 1916, and 137.6 for December, 1914.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,091,062.50
Total Assets	4,662,881.00

Debentures of this Society are a legal investment for Trust Funds and carry highest current rate of interest.

Savings Department. Interest allowed on daily balance. Withdrawable by cheque.

MONEY TO LOAN. CORRESPONDENCE INVITED

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE, President D. M. CAMERON, Treasurer

"INVESTMENTS"

A MUCH MISUSED TERM

Many who should be, and think they are laying up money for their old age, are misled into so-called "investments," where their hard-earned money is jeopardized, and frequently lost, though it is of the utmost importance to them and to those who may be dependent upon them that its absolute safety should be beyond peradventure.

To those who should invest safely and with caution, not speculate, the bonds of the Canada Permanent Mortgage Corporation can be confidently recommended. This Corporation is most conservative in the investment of the funds entrusted to it. For more than sixty years it has held a leading position among Canada's financial institutions, and its bonds are a LEGAL INVESTMENT FOR TRUST FUNDS. They are issued for one hundred dollars and upwards. Write for full particulars.

Canada Permanent Mortgage Corporation

Toronto Street - - Toronto

Paid-up Capital and Reserve Fund $11,000,000.00

ESTABLISHED 1855

"I appoint as Executor of this my Will—The Canada Trust Company."

This brief declaration insures for your Estate a clean-cut management at a time, no matter how remote, when sound business judgment and reliable advice will be urgently needed.

THE CANADA TRUST COMPANY

THE HURON & ERIE MORTGAGE CORPORATION

Head Offices - - - LONDON, Can.

T. G. MEREDITH, K.C., President HUME CRONYN, General Manager

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to Estates being administered by it.

CAPITAL, ISSUED AND SUBSCRIBED ...	$1,171,700.00
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5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

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THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 **Canada**

CAPITAL AND UNDIVIDED PROFITS .. $3,550,000

5% SHORT TERM (5 YEARS) DEBENTURES YIELD INVESTORS 5%

ASSETS OVER $8,000,000

JOHN McCLARY, President A. M. SMART, Manager

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00

Total Assets, $3,141,401.68

President, WELLINGTON FRANCIS, Esq., K.C.

Vice-President, HERBERT LANGLOIS, Esq.

Debentures issued to pay 5%, a Legal Investment for Trust Funds.

Deposits received at 4% interest, withdrawable by cheque.

Loans made on improved Real Estate on favorable terms.

WALTER GILLESPIE, Manager

An Individual as Executor

An individual as executor is mortal. No matter how great his fidelity, his ability, and his experience, he is sure to die some day. In appointing a personal executor, therefore, you should not overlook the possibility that he may die before all your estate is distributed as your will directs.

A trust company is not subject to removal by death before its duties as executor are complete.

National Trust Company Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000

18-22 KING STREET EAST, TORONTO

EIGHTEEN NATIONS FIGHTING GERMANY

Five Others Have Broken Diplomatic Relations—List of Belligerents

The following nations are now at war with Germany or her allies:—

Serbia, Russia, France, Great Britain, Montenegro, Japan, Belgium, Italy, San Marino, Portugal, Roumania, Greece, Cuba, Panama, Siam, Liberia, China, Brazil and the United States.

The following nations have broken diplomatic relations with Germany:—

China, Costa Rica, Ecuador, Egypt, France, Greece, Guatemala, Peru, United States, Uruguay, Brazil, Bolivia, Haiti, Honduras and Nicaragua.

Declarations of war were made by the following countries on the dates noted:—

Austria v. Belgium, August 28, 1914.
Austria v. Japan, August 27, 1914.
Austria v. Montenegro, August 9, 1914.
Austria v. Russia, August 6, 1914.
Austria v. Serbia, July 28, 1914.
Brazil v. Germany, October 26, 1917.
Bulgaria v. Serbia, October 14, 1915.
China v. Austria, August 14, 1917.
China v. Germany, August 14, 1917.
Cuba v. Germany, April 7, 1917.
France v. Austria, August 13, 1914.
France v. Bulgaria, October 16, 1915.
France v. Germany, August 3, 1914.
France v. Turkey, November 5, 1914.
Germany v. Belgium, August 4, 1914.
Germany v. France, August 3, 1914.
Germany v. Portugal, March 9, 1916.
Germany v. Roumania, September 14, 1916.
Germany v. Russia, August 1, 1914.
Great Britain v. Austria, August 13, 1914.
Great Britain v. Bulgaria, October 15, 1915.
Great Britain v. Germany, August 4, 1914.
Great Britain v. Turkey, November 5, 1914.
Greece (provisional government) v. Bulgaria, November 28, 1916.
Greece (government of Alexander) v. Bulgaria, July 2, 1917.
Greece (provisional government) v. Germany, November 28, 1916.
Greece (government of Alexander) v. Germany, July 2, 1917.
Italy v. Austria, May 24, 1915.
Italy v. Bulgaria, October 19, 1915.
Italy v. Germany, August 28, 1916.
Italy v. Turkey, August 21, 1915.
Japan v. Germany, August 23, 1914.
Liberia v. Germany, August 4, 1917.
Montenegro v. Austria, August 8, 1914.
Montenegro v. Germany, August 9, 1914.
Panama v. Germany, April 7, 1917.
Panama v. Austria, December 10, 1917.
Portugal v. Germany, November 23, 1914 (resolution passed authorizing military intervention as ally of England).
Portugal v. Germany, May 19, 1915 (military aid granted).
Roumania v. Austria, August 27, 1916 (allies of Austria also consider it a declaration).
Russia v. Bulgaria, October 19, 1915.
Russia v. Turkey, November 3, 1914.
San Marino, v. Austria, May 24, 1915.
Serbia v. Bulgaria, October 16, 1915.
Serbia v. Germany, August 6, 1914.
Serbia v. Turkey, December 2, 1914.
Siam v. Austria, July 21, 1917.
Siam v. Germany, July 22, 1917.
Turkey v. Allies, November 23, 1914.
Turkey v. Roumania, August 29, 1916.
United States v. Germany, April 6, 1917.
United States v. Austria-Hungary, December 7, 1917.

The total production of apples in Nova Scotia during the past season was 700,000 barrels.

PROGRESS IN BRITISH COLUMBIA

Mineral Production Was Substantial Last Year—Bank Clearings Large

(Staff Correspondence.)

Vancouver, January 21st, 1918.

Because of great natural resources, British Columbia has been able to recover from the depressing times which came over the large basic industries immediately before the war and during the latter part of 1914. In *The Monetary Times*, a year ago, it was pointed out that never before had all the big industries of British Columbia been going at one time, and that the new industries were shipbuilding, pulp manufacture and paper-making. All these have been operating apace since that time, with the result that never before have provincial figures been so large.

Largest Production on Record.

The greatest year of provincial production was in 1913, when the grand total—minerals, timber, agriculture, fisheries, furs—was $106,475,809. In 1914 it dropped to $100,714,323, and in 1915 it came back to $102,985,495. For 1916 the aggregate will be approximately $126,719,790, while 1917, with its continued production and larger prices, will be still larger. Figures for the last two years for which there are complete records are:—

	1915.	1916.
Minerals	$ 29,447,508	$ 42,970,555
Timber	29,150,000	35,528,000
Agriculture	30,872,901	32,182,915
Fisheries	11,515,086	14,538,320
Furs	2,000,000	1,500,000
Total	$102,985.495	$126,719.790

Increase in Bank Clearings.

That the activity has been general and of increased volume is shown also by the greater bank clearings in Vancouver, business in this city reflecting largely conditions in other parts of the province. Bank clearings in 1915 aggregated $281,575,949, with an increased total in 1916 of $321,585,736, while for the first ten months of 1917 the amount is $337,844,954. The figures for the last two months of the year will give a greater increase than for the previous twelve months. In the days of the past, big bank clearings were brought about by multitudinous real estate transactions, but, as these are comparatively few at present, the bank clearings now represent solid business movement.

General development is shown by the figures of the British Columbia Telephone Company, which have reached a new record. When war was declared it had 42,418 telephone stations in the province, with 25,336 in Vancouver and 8,943 in Victoria. In November, 1915, the tide turned, and at January 1st, 1916, the number was 39,800, and on January 1st, 1917, 42,346. On November 1st, 1917, the total was 44,910, with 26,190 in Vancouver and 9,115 in Victoria. Growth was shown in 38 out of 42 exchanges in the province, particularly in the larger ones, such as Vancouver, Victoria, New Westminster, North Vancouver, Nanaimo and Nelson. Long distance telephone calls in the province totalled 120,692 in January last, while in October the number was 153,676, which is one of the best signs of greater provincial business.

Agricultural Products.

Notwithstanding the fact that many land tillers, owing to enlistments, were absent from their families in 1916, imports of agricultural products showed an increase in value of only 4.65 per cent., and this is largely attributable to larger prices than quantities.

There is every reason to look forward to the future with hope. The shell-making industry may be on the decline, but with other activities this is not noticed to an appreciable extent. Larger trade is offering in every way, the only handicap being lack of ships; manufacturing, based on natural resources, is increasing; facilities are in place for shipment of grain via Canadian Pacific ports; Pacific trade is attracting the larger of the Japanese commercial fleet; the halibut fishing industry is prospering because of the higher prices; mining and lumbering are strong, and conditions are solid in every way, much more so than at any time in the past, and once the world situation is normal the more optimistic expect to see British Columbia stand out very prominently.—R. B. Bennett.

EVERY MAN SHOULD MAKE A WILL

Life Insurance Agents Should Also Encourage the Public to Do It

"What most people understand by life insurance, and what most policies provide for, is payment after the death of the insured, and the insurance agent is therefore from the start discussing the subject of the death of the proposed policyholder and the provision for those dependent on him after his death. That naturally suggests other matters connected with such provision and almost the first thing that would occur to one accustomed to such matters, is the question of a will." So said Hon. H. Harvey, chief justice of Alberta, in an address to the Edmonton Life Underwriters' Association this month.

"Now it is a well-established fact," he continued, "that the great majority of people put off making a will until in many cases it is too late, some on superstitious grounds, but more from the sheer habit of not doing to-day what to all appearances can as well be done to-morrow, and many from a belief that it requires a solicitor to draw a will. Life insurance agents could do a good service to the persons they canvass by encouraging them to make wills.

Fail to Make Wills.

"In most cases it is found that the matter has been neglected. It is because so many men do fail to make wills that our laws have been made very definite as to how the property of a deceased person shall be distributed if he dies intestate, the principle upon which such laws are based, being what appears to be just and therefore what a fair-minded person would probably have decided, if he had made his will. But even though a person may be satisfied to have property distributed as it would be if he died intestate, there is some special views of their own regarding the distribution of their property. If a person makes a will and appoints an executor, the court says: 'The testator trusted him, and we will trust him and allow him to administer the estate without giving security.' If, however, no will is made the court takes the postion that whoever is permitted to administer the estate must give sufficient security to insure its being administered.

Are Usual Beneficiaries.

"The widow and children are the usual beneficiaries, and naturally in most cases no other person cares to take the burden and responsibility of administering and if the value of the estate is considerable, and in many cases when it is not, the widow cannot obtain the necessary security, with the result that a reputable trust company has to take out letters of administration. When the estate is considerable, that perhaps in many cases is really better for the estate than if the widow administered because the trust companies are accustomed to such business and know how to take investments and to safeguard the property as a widow unaccustomed to business might not, but the trust companies, of course, must be paid for their services, and that makes quite a charge on the estate, and when the estate is small, and is therefore more essential to the welfare of the beneficiaries, this charge becomes very important and amounts to a considerable deprivation, but in every case the trust company is not the administrator selected by the person whose estate is being administered, who has the right to take such selection if he wishes to exercise it, and in many cases is not the administrator he would select.

"The advantages of having a will are so self-apparent that it will not often happen that any argument will be necessary to prove them, and if you do not get a risk, but do induce your man to make his will, his sense of security in knowing that if he should die suddenly he has expressed his wishes and done what he can to protect his dependents, will give him a feeling of gratitude to the one responsible for his act, which in itself will be some reward apart from the fact that it may be of some value in inducing him to take insurance at some subsequent time.

Ordinary Layman and Will.

"It is true the ordinary layman will not draw a will in the usual phraseology of a solicitor, but that is really unnecessary. That a will does not contain such a clause as the following which used to be more common than it is at present: 'I bequeath my soul to my Creator who gave it and my body to the ground whence it came,' in no way detracts from its value. The clause is quite unnecessary and is indeed ultra vires because no testator has any right of disposition over either his soul or body, but only over his property, but the clause naturally never did any harm because it simply expressed natural consequences.

"Likewise the usual provisions of a will drawn by a solicitor declaring the revocation of all former wills and directing the executor to pay the testator's just debts and funeral and testamentary expenses, while of some use as an indication to a lay executor is almost equally unnecessary in law, because it is simply expressive of usual legal consequences. All that is necessary in drawing a will is to say plainly what one means. Anyone who can write a letter can draw a will. My wish is not to minimize the value of a solicitor in drawing a will. A will speaks not from the day it is drawn, but from the day of the testator's death. Many things may happen between these dates. Some of the intended beneficiaries may die, or change their position, others who should be protected may be born and many other contingencies may arise. A lawyer accustomed to considering such matters will provide for such contingencies, while a layman in many cases would not think of them.

Must be Signed.

"But if a man wishes a lawyer to draw his will by reason of such things, there is no reason why he should not himself draw one which will answer in the meantime until he can have one drawn by a solicitor or until such contingencies arise because he can do it with little trouble and no expense. The formalities are few and easily understood. The will may be in any one's handwriting or typewritten, but it must be signed at the foot or end by the testator or by some one under his direction for him in the presence of two persons, together, and they must both sign as witness in his presence. These are all the formalities required, but there is another point which is important and that is, that the witness or their husbands or wives must not be persons who take any benefit under the will because the law would not permit them to take the benefit and the provision of the will giving them a benefit would be ineffective, though in other respects, effect would be given to the will.

Wife as Executor.

"A testator who hesitated to appoint his wife executor, because of her lack of business knowledge, could in some cases, have his difficulties solved by the income or instalment policy, for that is not merely an insurance policy, but also an investment of the proceeds. Of course, when undertaking to make this investment, the insurance company goes outside the ordinary business of life insurance and acts more as a trust company, but the investment is made in terms to suit the insured rather than the beneficiary, as would be the case if the money were paid upon the death of the insured, and it relieves the beneficiary of all risk and responsibility and insures the beneficiary receiving the money when and as long as the need for it exists.

"It may be that some who would look with favor upon this method of protection, at the same time would prefer to have something in the way of a capital payment, when the instalments are finished. If it is found that such a plan would meet the wishes of many people, the underwriters' actuaries would have no difficulty in providing a plan that would furnish such a feature."

WORKMEN'S COMPENSATION IN QUEBEC

Hon. L. A. Taschereau's bill amending the Workmen's Compensation Act of Quebec province, which was given second reading on Tuesday, does not include as industrial accidents cases of employees who are affected by diseases common to their particular trade, and brought about because of such work.

In case of absolute or permanent incapacity, the capital of the rents is raised from $2,000 to $2,500. The clause in the present law providing that "if the yearly wages of the workman exceed six hundred dollars, no more than this sum shall be taken into account," is changed to raise the amount of wages to $800. The same clause now adds that "the surplus up to one thousand dollars shall give a right only to one-fourth of the compensation aforesaid." The thousand dollars is raised to twelve hundred, and the balance of the clause is to conform in other particulars with the increase to twelve hundred.

Another clause in the law that is amended deals with the right of the person injured to demand the payment of the capital of the rents to himself or his representatives, instead of to an insurance company. This capital is raised from $2,000 to $2,500 in the bill. This would not affect the present provision of the law which permits the courts to reduce the compensation if the accident was due to the inexcusable fault of the worker, or increase it if it is due to the inexcusable fault of the employer.

TWENTIETH ANNUAL REPORT OF

THE MERCHANTS FIRE INSURANCE COMPANY

Head Office, Merchants Fire Building, 86 East Adelaide Street
TORONTO - - - CANADA

DIRECTORS:
RALPH E. GIBSON, President.

SURGEON-GENERAL G. S. RYERSON,
1st Vice-President.

JOHN H. C. DURHAM,
2nd Vice-President and General Manager

R. H. GREENE,
W. S. DINGMAN

BLOSS P. COREY
NATHAN H. STEVENS
DR. JAMES R. DURHAM

J. W. SCOTT
WM. PRENDERGAST.

FREDERIC P. WYTHE,
Assistant Manager.

ALBERT J. WALKER, C.A.,
Auditor.

R. WILLIAMSON, C.A.,
Auditor.

REPORT OF DIRECTORS

To the Shareholders:—

Your Directors beg to present the Twentieth Annual Report covering the year ending December 31st, 1917, together with the usual Cash Statement and Balance Sheet of Assets and Liabilities, duly certified to by the Auditors and passed for publication by the Superintendent of Insurance for the Province of Ontario. You will be particularly pleased to learn therefrom of the continued success of the Company, and of the marked progress made in every department. The Premium Income was substantially increased, while the Net Earnings, after providing for all Provincial and Federal Taxes, are the largest in the history of this Company.

The Premium Income, Interest Receipts, Building Rentals, Commission on Re-Insurance and Endorsement Fees were respectively, $316,110.68; $15,306.74; $4,045.00; $965.97 and $295.58, making a total income $336,623.97.

The Net Profit on the year's operations was $80,498.09. A Dividend of ten per cent. (10%) on the paid-in Capital Stock of the Company has been declared therefrom and the balance carried to the credit of Profit and Loss Account.

The Amount at Risk now stands at $49,670,297.00. The number of policies in force is 44,186, an increase of 2,920. The average risk per policy is $1,124.10.

The Expense Ratio for 1917 was 33.93 per cent., as against 33.97 per cent. of the previous year. The Fire Loss Ratio was 39.01 per cent., and the Profit, 27.04 per cent. of the Net Premium Income.

The fund deposited with the Ontario Insurance Department for the security of Policyholders is $106,500.00, and in addition to being greatly in excess of Statutory requirements, is the largest made by any Canadian Fire Insurance Company.

The affairs of the Company are in a sound, healthy and a very satisfactory condition, and the Shareholders are to be congratulated upon the efficiency of the present management. The Assets and Surplus were again substantially increased during the past year, and there is not a doubtful security or account of any kind carried on the books. The business written during 1917 was kept up to the high standard set in the past, and the increase of premiums during the year was satisfactory. Excluding the special Federal and Provincial War Taxes, the Expense Ratio was 31.10 per cent., which is quite below the average. The Books, Vouchers and Securities of the Company were continuously audited and examined during the year, and Agency Accounts were promptly collected.

All of which is respectfully submitted

RALPH E. GIBSON, *President.*

CASH STATEMENT

For the Year Ending December 31st, 1917

RECEIPTS.

Cash Premiums	$281,989.71
Interest on Investments	14,469.21
Buildings Rentals	4,045.00
Commission on Re-Insurance	965.97
Re-Insurance Claims	7,943.34
Endorsement Fees	295.58
	$309,708.81

EXPENDITURES.

Agency Commissions	$ 64,116.19
Salaries, Directors' and Auditors' Fees	16,171.00
Postage, Telegrams and Express	878.16
Interest, Discount and Exchange	1,111.38
Printing, Stationery and Advertising	4,419.38
Travelling Expenses	350.00
Law Costs	305.00
Building Expenses	2,347.26
Light Account	96.93
Rent Account	2,700.00
Office Furniture and Plans	1,165.50
Adjustment Expenses	1,653.07
Statutory Assessment and Fees	3,305.35
Federal War Tax	2,869.12
Sundry Expenditures	1,711.74
Expenses of Management	$103,258.08
Fire Claims, 1917	129,605.46
Re-Insurance	4,827.58
Rebates and Cancellations	1,640.72
Dividend on Capital Stock	7,500.00
	$246,831.84
Balance	62,876.97
	$309,708.81

Balance brought down	$ 62,876.97
Cash received upon investments	10,600.00
Cash on hand, December 31st, 1916	2,851.14
Cash in Union Bank, December 31st, 1916	7,327.92
Cash in Royal Bank, December 31st, 1916	7,094.12
Cash in Canada Permanent, December 31st, 1916.	5,067.91
	$ 95.818.06

Cash invested during 1917	$ 62,876.95
Cash on hand, December 31st, 1917	1,084.29
Cash in Royal Bank, December 31st, 1917	22,317.13
Cash in Union Bank, December 31st, 1917	4,036.13
Cash in Canada Permanent Mortgage Corporation, December 31st, 1917	5,503.26
	$ 95,818.06

BALANCE SHEET, December 31st, 1917

ASSETS.

Capital Stock, uncalled		$225,000.00
Bonds and Debentures.		
Dominion of Canada War Loan	$40,000.00	
City of Toronto	23,386.66	
Province of Alberta	20,000.00	
Township of York	10,462.03	
Province of Ontario	5,000.00	
City of Ottawa	5,000.00	
City of Belleville	5,000.00	
City of Brantford	5,000.00	
City of Stratford	5,000.00	
City of St. Catharines	5,000.00	
Town of Walkerville	5,000.00	
City of Hamilton	1,460.00	
City of Windsor	3,056.85	
City of Owen Sound	2,000.00	
City of Port Arthur	3,000.00	
City of London	1,000.00	
City of Victoria, B.C.	2,931.32	
City of Peterboro'	2,000.00	
Town of Kenora	3,000.00	
Town of St. Mary's	2,721.89	
Town of Weyburn, Sask.	500.00	
Canada Permanent Mortgage Corporation	10,000.00	
London Loan & Savings Company	10,000.00	
Huron & Erie Mortgage Corporation	6,000.00	
Standard Reliance Mortgage Corporation	5,000.00	
Toronto Mortgage Company	5,000.00	
Crown Savings & Loan Company	2,500.00	
London & Western Trust Company	2,500.00	
Ontario Loan & Debenture Company	2,500.00	
Southern Savings & Loan Company	2,500.00	
British Mortgage Loan Company	2,500.00	
Midland Loan & Savings Company	2,500.13	
		201,518.88
Mortgages on Real Estate		107,650.00
Agency Balances (Net)		10,255.23
Real Estate (Head Office Building)		50,000.00
Accrued interest on Investments		3,429.20
Cash on hand, Head Office	$1,084.29	
Cash in Union Bank	4,036.13	
Cash in Canada Permanent	5,503.56	
Cash in Royal Bank	22,317.13	
		32,941.11
		$630,794.42

LIABILITIES.

Capital Stock (Subscribed) (Paid in $75,000.00)	$300,000.00
Unadjusted Fire Claims	6,506.98
Re-Insurance Reserve (Full Ontario Government Standard, being 50 per cent. of Premiums on all business in force)	207,992.96
Net Surplus over and above all Liabilities, including Capital Stock	**116,294.48**
	$630,794.42

Having maintained a monthly audit of the books of the Merchants Fire Insurance Company; examined the Securities at Head Office; verified the Bank Balances and counted the Cash on hand, and obtained a certificate from the Insurance Department as to the Government Deposit, we hereby certify that this Balance Sheet is true and correct, the books conforming thereto.

ALBERT J. WALKER, C.A.,
R. WILLIAMSON, C.A.,
Auditors.

Toronto, January 22nd, 1918.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Ontario Brick Company.—The plant of the Ontario Brick Company at Oakville was sold by the liquidator, Walter Ward Price, Toronto, this week to Mr. F. W. Palfield, of Montreal, who represents eastern interests. The price paid was $250,000.

Canada Foundries and Forgings Company.—The regular dividends of 1¾ per cent. on the preferred and 3 per cent. on the common stock of the company to shareholders of record of January 31, payable February 15, were declared at a meeting of the directors.

Price Brothers, Limited.—The declaration of a bonus of 2 per cent. on the common stock was announced recently. This is the first extra payment that company has yet made, and must be added to the regular rate of 6 per cent., which was inaugurated in September, 1916. The bonus is payable February 15 to stock record of February 1. The common stock amounts to $5,000,000.

Porcupine Crown Mines, Limited.—The financial statement presented to the shareholders at the annual meeting on January 23rd, showed a decrease in production, the value of the ore produced during the year being $364,703, as compared with $575,604 in 1916. After paying for mining, milling, allowing for depreciation, taxes, etc., the mining profits were $109,421, against $270,430 in 1916.

Timiskaming Mining Company.—The financial statement for the year ended December 31 last shows considerably larger earnings due to increased output at the mines. Earnings totalled $875,782, as compared with $708,877 in 1916. After deduction of charges, profits were $544,342, as against $352,890, the previous year. Profit and loss statement shows payment of $375,000 dividends, as against $225,000 in 1916. Depreciation charges totalling $25,785 were written off and a total balance of $814,556, including previous balance of $670,999, carried forward to new account.

National Breweries, Limited.—The financial statement for the year ended October 31st, 1917, shows a contraction of $28,000 in net profits as compared with the preceding year. In 1913 the net profit was $516,355, but since then the company has been retiring out of earnings $80,000 bonds annually, the outstanding issue being now down to $1,752,000, as against $2,000,000 in 1913. There was a net surplus the past year of $33,048, equal to about 1.5 per cent. on the common stock, against $57,985, or 2.5 per cent., on the common in 1916. The total assets are $8,010,559.

Western Canada Investment Company.—According to the latest report the amount advanced by the company on mortgage at the end of June last, was about the same as twelve months before, but a decrease of £9,000 occurred during 1915-16, and it seems probable that the average amount out on mortgage throughout 1916-17 was lower than in the previous year. The property that has come to the company under foreclosure has risen from £4,627 to £7,107, and that amount is not earning interest. In view of large amounts of debentures falling due in the next few years the directors considered it wise to rearrange the debenture issue, and they obtained the extension of these obligations for several years. The extension of the currency of the debentures has entailed an increase in the annual charge, and the rates now average 5½ per cent. A portion of the debentures receive a bonus of £3,620 in place of additional interest; of that bonus £1,620 has already been charged and is included in the accounts, and the balance of £2,000 is to be paid in two annual instalments. The debenture interest and bonus are a heavier charge, and an extra £1,000 had to be paid in income tax. The commission on debentures was also greater, and the net profit is £3,000 less at £6,752. From the profit the directors propose to write £500 off preliminary expenses, to add £1,000 to reserve, and to pay a final dividend of 3 per cent., making a total of 5 per cent. for the year. This is the same rate as was paid for the previous year, but a reduced balance is carried forward.

MANITOBA'S FIRE WASTE

Principal Property Losses Last Year Involved $1,362,156 —Eleven Lives Lost

The principal fires in Manitoba last year involved a financial loss of $1,362,156, according to the report for 1917 of Mr. A. E. Ham, superintendent of insurance and fire commissioner for Manitoba. There were also eleven lives lost in fires.

"Many of the fires, upon investigation," says Mr. Ham, "have been found to be the result of gross carelessness on the part of the individual concerned. A large proportion of fires is due to preventable causes, such as the accumulation of paper, wood and other inflammable material in places where contact with heat or the accidental dropping of a match, cigar or cigarette stub sets up a conflagration, resulting in great loss both in money and human life. Only by the continuation of educationary methods can the public be made to realize that all loss by fire is a loss to the community, and is not covered by the money paid over by the insurance company, as the excessive risks accepted and high ratio of fire loss sustained by the companies has to be compensated for by the high rate premiums that the general public are compelled to pay.

Destruction of Food.

"The destruction of food values in elevators, wholesale houses and mercantile stores amounting to over $500,000 at a time when food conservation is specially necessary, demands from those having charge of these properties the greatest possible efforts to prevent such disastrous fires.

"The destruction of one hundred and two barns and outbuildings has caused great inconvenience as well as monetary loss to the farming community.

"Two hundred and ninety-five fires in household dwellings have caused losses amounting to $155,847, and the burning of two quarry plants and one fishery plant has resulted in a loss of $286,384."

Ninety-two fires resulting in a monetary loss of $136,860 were directly due to carelessness in the use of tobacco and matches. Forty-five fires with $28,662 loss were caused through defective construction of chimneys. Four fires involving $193,734 loss arose from electric wiring.

Better Building Inspection.

Mr. Ham is of the opinion that the municipal and civic authorities should institute more effective building inspection, so that many fires in the future will be prevented.

One thousand and ninety-six fires were reported to the Manitoba Fire Commissioner's office from January 1st, 1917, to December 31st, 1917. Of these, 613 involved losses in Winnipeg and 483 in the balance of the province. The financial loss reported was as follows:—Winnipeg, $501,051; balance of the province, $861,105; total, $1,362,156.

The principal causes of fires reported in the province were as follows:—

No.	Cause.	Amount of loss.
15	Burning of rubbish	$ 52,320
58	Carelessness with matches	96,998
5	Carelessness with candles	37
34	Careless smokers	39,872
1	Cigarette stub	15
1	Coal gas	1,939
45	Defective chimneys	28,662
3	Defective fire-places	204
84	Defective and overheated stove-pipes	58,835
9	Explosion of coal oil lamps	4,381
9	Explosion of coal oil lanterns	8,190
4	Explosion of coal oil stoves	2,782
10	Explosion of gas in coal stoves	7,113
4	Electric wiring	193,734
2	Electric motors	167,136
8	Electric irons—current left on	7,766
1	Gasoline explosion	300
10	Hot ashes placed near wood	1,544
4	Heated bearings	212,613
44	Lightning	20,986
1	Overheated stove	50
2	Plumber's torch	57
24	Sparks from chimneys, stoves and locomotives	49,534
9	Spontaneous combustion	51,776
1	Steam pipe, jute and cotton waste in contact	560
4	Suspicion of incendiary	102,810
1	Bon-fire	16
21	Prairie fires	6,286
2	Grease boiling	137
2	Adjoining premises	35
1	Electric toaster	22
3	Electric light bulbs	65
2	Painter's torch	172
4	Electric current—street cars	209
21	Back-firing of automobiles	3,020
589	Unknown (including elevators, barns, etc., cause not ascertained)	242,080
		$1,362,156
57	Fires have been reported with insurance amounting to (which have not yet been adjusted).	$ 104,750
1,096		

Principal Property Losses.

The principal property losses reported in Manitoba during the year were:—

No.	Cause.	Amount of loss.
7	Elevators	$ 228,762
10	Wholesale houses	263,269
43	Mercantile stores	170,964
102	Barns and out-buildings	75,360
5	Apartment blocks	26,279
16	Schools	4,630
3	Hospitals	500
2	Halls	7,050
2	Foundries	9,500
1	Fishery plant	100,000
2	Sandstone quarry plants	186,384
295	Dwellings	153,847
5	Churches	8,571
542	Miscellaneous	115,607
57	Reported and unadjusted	......
1,096	Total	$1,362,156

CANADIAN PACIFIC RAILWAY AND THE STATE

The Wall Street Journal, New York, publishes a leading editorial on what is described as a "flare-up in Western Canada over the agitation for government ownership of all the railways, including the Canadian Pacific."

"Not all of the co-operative socialists, advocates of state socialism and proponents of what is called communality, from all the farmers, mercantile and lumber associations combined, could transfer the Canadian Pacific Railroad to the government, even were the government itself willing," the editorial insists. "They could eat it up, but they could not hold it a single instant, as it is known to-day and at its value to them to-day, after they got it. . . . Canadians need not go one step beyond their own border to decide whether a government-owned road can maintain its most valuable asset. It is just because it cannot be done that part of the prairie press has for some months past wished to make up the deficits of the government-owned roads by expropriating the Canadian Pacific's current profits. The idea is a chimera. There would be no profits to divide up.

"Less than one-sixth of the company's stock is owned by Canadians; less than one-seventh of the shareholders are Canadians. Canadians are both honorable and capable in business matters. Certainly they would not disturb that one security which has contributed most to the country's growth, and has by its stability and merits lifted Canadian investments to a position of great repute and strength in the financial markets of the world, without at least consulting these shareholders."

"If they did, no one would suffer more than the great farming classes of the west, whose exports would no longer receive price stimulation from a growing foreign investment market which constantly rectifies the inequalities of adverse Canadian trade balances. Western Canada's deadliest enemy has been the ghost of single tax. It has successfully withstood that temptation to reaction and decay. On grounds of both good faith and expediency, it will not 'Trans-continentalize' the Canadian Pacific."

Eighty-Sixth Annual Report of

THE BANK OF NOVA SCOTIA

Capital Paid-Up, $6,500,000 **Reserve Fund, $12,000,000**

PROFIT AND LOSS

Balance Dec. 30th, 1916	$ 584,653 95	Dividends for year at 14%	$ 910,000 00
Net profits for year, losses by bad debts estimated and provided for	1,295,315 52	War Tax on circulation to December 31st, 1917	65,000 00
		Contribution to Halifax Relief Fund	100,000 00
		Contributions to Canadian Patriotic, British Red Cross and other Funds	44,700 00
		Contributions to Officers' Pension Fund	50,000 00
		Written off Bank Premises Account	150,000 00
		Balance Carried forward December 31st, 1917	560,269 47
	$1,879,969 47		$1,879,969 47

RESERVE FUND

Balance December 30th, 1916	$12,000,000 00
Balance forward December 31st, 1917.	$12,000,000 00

General Statement, as at December 31st, 1917

LIABILITIES

Capital Stock paid in		$ 6,500,000 00	
Reserve Fund		12,000,000 00	
Balance of Profits, as per Profit and Loss Account		560,269 47	
Dividends declared and unpaid		229,008 50	$ 19,289,277 97
Notes of the Bank in circulation		12,171,422 84	
Deposits not bearing interest	$ 26,102,809 54		
Deposits bearing interest, including interest accrued to date	78,235,361 00	104,338,170 54	
		116,509,593 38	
Balances due to other Banks in Canada		511,554 12	
Balances due to Banks and Banking Correspondents in the United Kingdom		73,699 23	
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		1,268,291 83	
			118,363,138 56
Acceptances under Letters of Credit			644,828 53
			$138,297,245 06

CHARLES ARCHIBALD, Vice-President.

ASSETS

Current Coin	$ 9,701,042 43
Dominion Notes	10,426,962 00
Notes of other Banks	1,508,880 26
Cheques on other Banks	6,689,872 81
Balances due by Banks and Banking Correspondents in the United Kingdom and sterling exchange	3,435,721 08
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	2,002,582 04
	$ 33,761,860 62
Deposit in Central Gold Reserves	6,500,000 00
Dominion and Provincial Government securities, not exceeding market value	12,704,328 27
Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value	13,094,847 21
Railway and other bonds, debentures and stocks, not exceeding market value	3,804,295 30
Demand loans in Canada secured by grain and other staple commodities	10,310,598 00
Call and demand loans elsewhere than in Canada	7,928,753 00
	$ 88,107,682 40
Call and demand loans in Canada secured by bonds, debentures and stocks	3,927,564 88
	$ 92,035,247 28
Deposit with the Minister of Finance for the purposes of the circulation fund	321,015 06
Loans to governments and municipalities	501,204 72
Other current loans and discounts in Canada (less rebate of interest)	34,145,581 49
Other current loans and discounts elsewhere than in Canada (less rebate of interest)	7,373,289 89
Liabilities of Customers under Letters of Credit, as per contra	644,828 53
Overdue debts, estimated loss provided for	129,638 92
Bank Premises at not more than cost, less amounts written off	2,991,418 88
Real Estate other than Bank Premises	89 600 00
Other assets not included in the foregoing	65,420 19
	$138,297,245 06

H. A. RICHARDSON, General Manager.

AUDITORS' CERTIFICATE

We have examined the books and accounts of The Bank of Nova Scotia at its Chief Office and have been furnished with certified returns from the Branches, and we find that the above statement of Liabilities and Assets as at December 31st, 1917, is in accordance therewith. The Bank's investments and the securities and cash on hand at the Chief Office and at several of the principal Branches of the Bank were verified by us as at the close of business December 31st, 1917, and in addition we visited the Chief Office and certain Branches during the year, when we checked the cash and verified the securities and found them to be in agreement with the books. We have obtained all information and explanations required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank. And we certify that the above statement of Liabilities and Assets as at December 31st, 1917, is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

A. B. BRODIE, C.A.
D. McK. McCLELLAND, C.A. } Auditors.
of the firm of Price, Waterhouse & Co.

Toronto, Canada, 15th January, 1918.

BIG SUM FROM FARM PRODUCTS

Prairie Provinces' Grains, Livestock, Dairy Products, Etc., Brings $364,000,000

For four months of the crop year for the grains and 12 months for livestock dairy products and wool, the three prairie provinces of Manitoba, Saskatchewan and Alberta, have received $364,000,000 and have a lot of produce still to sell. This is according to estimates of Miss E. Cora Hind, commercial and agricultural editor of the Manitoba Free Press. Moreover farmers and their families have had in addition an abundance of good food for themselves and their livestock. The whole community of the west has shared in their prosperity. "It is a showing that, in view of the shortage of labor, is magnificent," says Miss Hind.

Wheat has made an unusual showing, due not only to the high fixed price, but to the largest percentage (nearly 75 per cent.) of No. 1 Northern and better.

The Manitoba Free Press estimate of the crop in September last was 214,000,000 bushels, and so far, there has been no valid reason for altering that estimate. This would leave 102,013,000 uninspected. Of that amount, some 20,000,000 is in interior elevators, and at least 5,500,000 in transit. This leaves 75,000,000 bushels in the hands of farmers, of which 25,000,000 will be required for seed, leaving 50,000,000 still to come forward. As the price is fixed, there is no difficulty in arriving at the value of the uninspected grain. Taking it at the price of $2.18, No. 2 Northern basis, it is worth $222,288,340, bringing the total value of the wheat crop alone to at least $460,797,500.95. The actual wheat inspected is larger than for the same period last year, and, in addition, has the advantage of the high fixed price. In spite of the advance in prices of many things which the farmer uses and must use, there is a handsome profit in these prices.

The crop of all coarse grains is small, and this comes out strikingly in the small amounts of coarse grains inspected compared with 1916. The price for these has been high, and the amount received large.

Cattle, Sheep, Hogs.

Quite as startling as the figures from wheat are the returns from livestock, $57,747,762.50 for cattle, sheep, hogs and horses are the returns from Winnipeg, Calgary and Edmonton, the three great livestock markets of the west. These figures do not take into account what is consumed on the farms and in the small town and village, never passing through any yard, nor does it account for the stock which goes direct to the yards of the packing houses at Edmonton without passing through the Union yards at all. Every stockyard has been severely taxed for room, and plans are under way for large extensions at Winnipeg.

The actual increase in cattle receipts at Winnipeg for the year was 127,702 head. Of the total receipts, Manitoba contributed 112,554, Saskatchewan 137,357. Alberta 33,622 and eastern provinces 2,992. The local consumption was 113,871 head, 83,258 head went east and 37,877 head, mainly stockers and feeders, went west, 52,013 head went south.

As to Stockers.

In all, 73,914 head of stocker and feeder cattle were received, and it shows the improvement in conditions, when out of this number only a few of 20,000 head went south, as against 21,000 out of 50,672 went south in 1916.

Manitoba led the western provinces in the number of feeder cattle taken, absorbing 14,372 head, against 12,720 to Saskatchewan, and 9,231 to Alberta, eastern Canada took 17,096. This movement east was materially helped by the Dominion government paying half the freight on cattle going east for feeding purposes. The movement of heifers back to the farms was also stimulated by the Dominion government paying the entire freight on car lots.

Hogs have Increased.

The hog movement shows a marked increase over 1916, but was much below 1915 and 1914, and even at this, it is probable that there was more liquidation of hogs than should have been. The fact that the United States got 6,122 head, against 682 last year, and that this movement was practically all in the months of November and December, indicates that a number of breeding stock that should have been held in the country, got away. The average price of hogs during the year was practically $5 per cwt. higher than in 1916. There were 5,467 hogs shipped west, and these were mainly young feeders and sows. Eastern Canada got more of our hogs than did the local packers by about 15,000 head.

Manitoba was the heaviest contributor of sheep, sending 14,119 to market. The west got from Winnipeg 4,127 head; this appears to have been mainly foundation stock for new herds.

There were 13,574 horses passed through the yards, and of these the east contributed 11,243, showing that the west is not yet meeting her own requirements for horses.

At Calgary and Edmonton.

The Calgary yards, like those at Winnipeg, enjoyed a very busy year, doing an especially large trade in horses, 25,703 passing through their yards in 1917. There is nothing in the figures sent out to indicate where all these horses came from. The increase in the total value of livestock handled was over five million dollars.

Last year, when the annual figures were made up, Edmonton Union Stock Yards had only been in operation three months, but they made an excellent showing. This year their record is one to be proud of, and indicates the growing importance of the livestock industry in the north country. Under the Dominion government arrangement for paying freight on females, 1,500 head of heifers were shipped from these yards to the Peace River country.

Edmonton is a great distributing centre for feeder stock, and during the year 17,955 head of feeder cattle, 4,543 calves, 935 dairy cows, 3,361 breeder and feeder hogs, 2,326 feeder sheep passed through these yards on to farms mainly north of Edmonton.

The top price paid for cattle at Winnipeg was $15 per cwt., and for hogs $18.60. At Calgary the top price for cattle was $10, and for hogs $18.75.

Wool and Dairy Products.

One of the features of the year has been the prominence both in quantity and financially of the wool clip. This proposed Dominion-wide scheme for co-operative marketing will give added zest to the work of the present year. All sheep sales during the year have been extremely successful, both from the standpoint of prices received and quality of stock offered. They of "the golden hoof" have come to stay in western Canada.

It has not been possible to secure the figures of the amount of dairy products produced and sold in Alberta. They are undoubtedly far in advance of 1916, when the production was valued at over two and three-quarter millions. Later in the month these figures will be available. The delay is understood to be through a new system of making returns.

In Manitoba.

Manitoba has had a most prosperous year in spite of high priced feed and labor. The total increase for the year from the sale of all dairy products for which figures are obtainable is $1,412,016.26.

One very notable feature of the report is decrease in dairy butter making and the enormous increase in creamery butter making. This is much as it should be. The province has enjoyed an excellent export trade with most satisfactory reports as to quality of product and its acceptability with consumers both at the coast, in the eastern provinces and in Great Britain.

Cheese output has increased also, though increase here is not so marked as could be desired.

In regard to price the increase to the farms per pound of butter fat over 1916 was 7.5 per pound.

The commissioner of dairying, on this report says: "The increase in the output of creamery butter and cheese manufactured is most encouraging, notwithstanding the very heavy enlistment from the agricultural population. Owing to this fact the securing of satisfactory help on the farm was very difficult, and in many instances impossible. In view of these conditions it is particularly gratifying to be able to report the above increase. While making every effort to increase the volume of business, the quality of cream supplied to the creameries, and the quality of the butter manufactured, has always taken precedence over volume. The grading of cream and butter, and the payment on the basis of quality, combined with the installation of equipment for the proper pasteurization of the cream, has been the means of improving the quality of Manitoba creamery butter to such an extent that we have been able to build up a strong export trade.

"During the year 1917, 90 carloads of creamery butter, totalling 2,000,000 pounds, have been exported from the province to points both east and west. When we take into consideration that in the year 1917, 55 carloads were imported to supply the needs of our own market, the change which has taken place is very gratifying, indicating a marked tendency towards mixed farming. The increase in output is general

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all over the province, but more noticeable in the districts between Lakes Winnipeg and Manitoba."

Saskatchewan has had a good dairy year, though the actual amount of creamery butter made is slightly under that of 1916 and no figures are furnished by the department as to actual amount of dairy butter. The returns in dollars and cents show an increase over 1916 of $3,130,000, but this is explained by the statement that the values given in 1916 were relatively too low. The return of $8,600,000 from dairy products is a most satisfactory one.

The Dominion government returns on root and fodder crops, which are the only ones available for these crops, have not come to hand so that the value, $20,000,000, placed on them is an estimate only. It is, however, a very conservative one, as the value in 1916, when prices were decidedly lower, was nearly $18,000,000.

There are no returns for either poultry or eggs. Up to the present time the province has not established any very definite or uniform method of securing and tabulating these figures, which are yearly growing more important. The value of poultry and eggs this past season must have run into the millions.

RECORD PREMIUM ON EXCHANGE

Canada Pays It—Gold Embargo May Be Met by Loan—New York Funds in Montreal Since 1913

While the general foreign exchange market is more or less stagnant, and, in the case of sterling, for instance, suspended by arbitrary measures, the exchange rates between New York and Canada still respond sensitively to the varying conditions of finance and trade between the two countries, says the Wall Street Journal. Since the first of the year the rate for New York funds at Montreal has been moving to a high premium, which now has reached $13.125 per $1,000, or 1 5-15 per cent. premium. This is the highest premium recorded for New York exchange. Our contemporary adds:—

"The recent movement in Canadian exchange, while along the lines usually manifested at the beginning of the year, bears striking contrast to the quotations of a few months ago. It will be recalled that towards the close of last year the quotation for New York funds at Montreal fell to such a low discount that it was causing embarrassment to Canadian bankers. So much so, that a delegation went to Washington and consulted with the Federal Reserve Board to obtain relief by the release of some gold. The board accordingly authorized that a total of $25,000,000 gold might be shipped across the border if required, the gold to be returned when exchange made it convenient.

Suspension of Embargo.

"But the gold was never sent, the mere fact of the temporary suspension of the gold export embargo was sufficient to break the Canadian exchange situation, and New York funds immediately began to move towards parity again. The reason for the heavy discounts at that time was the sale of Canadian grain bills in this market against exports to the other side, added to the fact that a strict embargo had been put on gold shipments out of the counry. Canadian gold shipments in former years, even though small, were sufficient to relieve the autumnal demands.

"The reason New York funds have now swung in the other direction is because there is very little exchange 'making' with the suspension of the grain shipments. Added to this is the fact that Canada is a heavy purchaser here of steel and other material for the manufcture of war supplies for Great Britain, which is causing a drift of funds in this direction.

Conserving Gold Supply.

"If there was any reproach against Washington treasury officials last year for being too exacting in the matter of the gold embargo, it would seem that the Canadian authorities are now susceptible of the same criticism, for they are also disposed to conserve their gold supply. A New York loan to Canada would help the situation at the present time.

"Shortly after the outbreak of war, in 1914, New York funds at Montreal went to as low a discount as the present premium rate."

The following table shows the high and low for New York funds in Montreal, by months, since 1913, the quotations being expressed in 64th, "P" representing premium and "D" discount:—

		High.	Low.		High.	Low
1917	January	8 P	Par	July	40 P	10 P
1916		22 P	4 P		31 P	5 P
1915		64 P	20 P		48 P	16 P
1914		6 P	2 P		1 P	5 D
1913		6 P	Par		5 P	3 P
1917	February	72 P	5 P	August	12 P	7 P
1916		53 P	22 P		16 P	6 P
1915		52 P	28 P		20 P	2 P
1914		5 P	Par		4 P	80 D
1913		5 P	Par		5 P	5 D
1917	March	48 P	16 P	September	8 P	4 D
1916		52 P	9 P		10 P	1 D
1915		52 P	40 P		22 P	6 P
1914		6 P	3 P		20 D	80 D
1913		4 P	Par		1 P	5 D
1917	April	33 P	18 P	October	4 P	60 D
1916		31 P	18 P		2 P	1 D
1915		44 P	36 P		8 P	Par
1914		4 P	4 D		Par	56 D
1913		3 P	5 D		3 P	5 D
1917	May	33 P	1 P	November	8 P	20 D
1916		26 P	12 P		1 P	4 D
1915		40 P	32 P		2 P	4 D
1914		3 P	3 D		36 D	Par
1913		3 P	Par		3 P	5 D
1917	June	20 P	1 D	December	30 P	3 P
1916		30 P	14 P		5 P	1 D
1915		52 P	40 P		5 P	5 D
1914		1 P	2 D		56 P	6 P
1913		2 P	3 D		3 P	3 D

MONTREAL TRUST COMPANY

The Montreal Trust Company at the annual meeting of shareholders held last week, reported profits of $164,086 for 1917, after providing for all charges—the best year in the company's history.

With the balance carried forward from a year ago the total available for distribution was $234,423. Dividends took $80,000, $9,711 was set aside for special war taxes, $7,200 contributed to the Patriotic Fund and like purposes, $50,000 transferred to reserve and $20,000 to contingent account. The balance carried forward to profit and loss was $67,511.

The following directors and officers were elected: Sir Herbert S. Holt, president; A. J. Brown, K.C., vice-president; Lord Beaverbrook, J. E. Aldred, Geo. Caverhill, C. A. Crosbie, Hon. N. Curry, Hon. R. Dandurand, G. H. Duggan, F. G. Donaldson, Hon. W. J. Hanna, F. P. Jones, Wm. Molson Macpherson, C. E. Neill, E. L. Pease, Hugh Paton, Jas. Redmond, F. W. Ross, Hon. W. B. Ross, A. Haig Sims and Stuart Strathy.

FINANCE MINISTER CONFERS WITH BANKERS

The disturbed condition of the exchanges and the possibility of New York funds in the Toronto and Montreal markets rising to a prohibitive price engaged the attention of Canadian bankers in conference at Toronto with Sir Thomas White, finance minister, on Saturday last. If the Wheat Export Company continues to use its credits for wheat purchases it will not be long before the exchange situation rights itself. This company, which is the purchasing agent of Great Britain, is in possession of a credit of $250,000,000 for the purchase of Canadian wheat, a loan for this purpose and for that amount having been made by the United States to Great Britain. The company were sellers of New York funds in the Canadian market last week.

The bankers also discussed the probability of further government financing later in the year, the consideration as to whether gold should be shipped to correct the exchange markets, and the outlook for the Victory Loan.

"Canada leads the world in production of wheat per capita," said Dr. C. A. Zavitz at the opening session of the Western Ontario Farmers' convention at Stratford last week. "Our production is seventy and a half bushels per head of population. Argentina, which ranks next in this respect, produces fifty-six and a third bushels, per capita, and the United States forty-five and a third. Canada's exportable surplus of wheat is six times that of the United States."

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LIFE INSURANCE LEGISLATION

Differences in Provincial Legislation Affecting Life Insurance Contracts in Canada

BY WILLIAM B. TAYLOR, B.A., LL.B.

(Third Article.)

New Brunswick.

Beneficiaries:

A. Same provision applies as in Ontario.

Beneficiaries are as follows 1. Ordinary beneficiary.
2. Preferred beneficiary.
3. Beneficiary for value.

The insured may revoke the interest of an ordinary beneficiary as provided by the act and appoint a new beneficiary or declare the policy payable to himself or his estate.

Preferred Beneficiaries:

B. This class consists of husband, wife, children, grandchildren, mother, sisters, brothers or father of the insured.

The appointment of a preferred beneficiary creates a trust in favor of such beneficiary and withdraws the control of the insurance except as to apportionment within that class or appointment of another member within that class. If one or more or all of the designated preferred beneficiaries predecease the insured he may declare the share of the person so dying for the benefit of himself or his estate or any other person, and in default of such new appointment such share shall be for the surviving designated preferred beneficiaries in equal shares, and if no such survivor for the benefit in equal shares of the insured's children, and if no surviving children, shall form part of his estate.

Nova Scotia.

Beneficiaries:

A. The insured has full power to insure his own life at his own charge and make the policy payable to any beneficiary, and may revoke the interest of an ordinary beneficiary at any time and make the insurance funds payable to himself or otherwise, as he may elect.

In case of the death of an ordinary beneficiary and no new appointment is made the surviving beneficiaries shall take, and if all the beneficiaries predecease the insured, the policy shall be for the benefit in equal shares of the surviving insured's infant children, and if none such, shall form part of his estate.

Beneficiaries are as follows 1. Ordinary beneficiary.
2. Preferred beneficiary.
3. Beneficiary for value.

Preferred Beneficiaries:

B. Preferred beneficiaries consist of the husband, wife, children, grandchildren and mother of the insured.

The appointment of a preferred beneficiary constitutes a trust and withdraws the money from the control of the insured except as to apportionment and as provided in the act.

Of the death of one or more of the preferred beneficiaries the insured may make a reappointment and in default of so doing the designated surviving preferred beneficiaries share equally.

Prince Edward Island.

Beneficiaries:

A. Same provision applies as in Ontario.

Ordinary beneficiaries may be designated and their interest revoked in same way as in Ontario. On the death of a beneficiary if no appointment made the surviving beneficiaries take equally, and if no survivors the insurance is for the benefit in equal shares of the insured's children, and if no surviving children his estate is entitled.

Beneficiaries are as follows 1. Ordinary beneficiary.
2. Preferred beneficiary.
3. Beneficiary for value.

Preferred Beneficiaries:

B. This class consists of the husband, wife, children, grandchildren, mother, father, brothers and sisters of the insured.

The appointment of a preferred beneficiary creates a trust same as in Ontario. Upon the death of one or more or all of the designated preferred beneficiaries the insured may make a new appointment and in default the surviving preferred beneficiaries shall share equally, in default of surviving preferred beneficiary the benefit goes in equal shares to the insured's children, if any, otherwise to his estate.

Newfoundland.

Beneficiaries:

A. Practically the same as in Ontario.

Beneficiaries are as follows 1. Ordinary beneficiary.
2. Preferred beneficiary.
3. Beneficiary for value.

The insured may revoke the interest of an ordinary beneficiary at any time by suitable writing and declare the policy payable to any other beneficiary or to himself or his estate.

If one or more of the beneficiaries die in the insured's lifetime and no disposition is subsequently made by him, the insurance shall be for the benefit of the surviving beneficiary or beneficiaries in equal shares if more than one, and if there fault of a new appointment the insurance shall be for the benefit in equal shares of the surviving infant children of the insured, and if none, it shall form part of his estate.

Preferred Beneficiaries:

B. Preferred beneficiaries include husband, wife, children, grandchildren and mother of insured.

The interest given to a preferred beneficiary creates a trust in favor of such beneficiary and the insured has only power to apportion the insurance among the preferred class.

If one or more or all of the designated preferred beneficiaries predecease the insured, he has power to make a new appointment, but only among the preferred class, and in default of a new appointment the insurance shall be for the benefit of the survivor or survivors of such beneficiaries in equal shares.

(To be Continued.)

[The articles of Mr. Taylor, of which the above is the third, will be reprinted by *The Monetary Times* in pamphlet form and will constitute a valuable reference. Orders are being received now.]

BANK D'HOCHELAGA

A very satisfactory statement was presented at the annual meeting of the Banque d'Hochelaga last week. A comparison of the figures of the statements for 1917 and 1916 shows the following changes: Bank note circulation has increased by $1,945,360, deposits not bearing interest have increased by $953,564, deposits bearing interest by $3,175,890, giving a total increase in the amount of deposits of $4,129,454. Cash assets of the bank show a strong position: gold, silver and Dominion notes amounting to $4,666,737, not including $2,000,000 deposited in the central gold reserves. Liquid assets now reach $22,584,429, against $15,977,630 in 1916, being an increase of $6,606,799 for the year, representing over 51 per cent. of total liabilities to the public, not including $2,386,939 of loans to municipal and school corporations. Liquid assets have increased considerably in the course of the past year, and, nevertheless, the bank has increased its loans to municipal and school corporations of an amount of $1,111,216, and its current loans to customers by an amount of $1,364,026.47. The progress of the bank is shown by the increase of its total assets, which amounted to $31,894,709 in 1913, to $34,515,873 in 1915, to $41,861,527 in 1916, and which now total to $51,429,047.

The profits and loss account shows net profits of $565,433, being an increase of $19,422 on the year 1916. The percentage of net profits to paid-up capital is 14.13, against 13.65 per cent. for the previous year. A balance of $45,021 was carried forward at credit of profit and loss account.

United States railroads are more actively in the market for standard section rails, says New York reports, but mainly for small lots for early shipment, as there is small possibility of securing early shipments on contracts carried over from last year by the mills. The United States Steel Corporation has taken some business at $55 to $57 per ton, and one lot of 2,500 tons is reported to have been sold to Canada at a considerably higher price.

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TO DEVELOP WATER POWER

Hon. Walter Mitchell, referring to the coal situation in his budget speech in the provincial legislature of Quebec, said that the desirability of the extension of trade in all directions during the period of post-bellum reconstruction should ever be in mind.

"It must be remembered," he continued, "that manufactured goods heretofore made in European countries have been recently manufactured in the republic to the south of us, which has been able to furnish the goods to us, notwithstanding tariff conditions, but that as soon as peace is declared the manufacturers of the United States in order to compete with European manufacturers, will be compelled to establish themselves in Canada or once more lose the Canadian market, and it seems to be very important that everything that should be done to get our fair share of such business, where the harnessing of the great water-powers by men of enterprise, the building of storage dams for the increasing of energy produced by such water-powers, under the able guidance of the minister of lands and forests, is lessening our dependence upon the coal fields by development of our own 'white coal.'

"Increasing difficulties of securing adequate supply of fuel should prompt Canadian enterprise and industry to advertise the advantage of establishing manufactures and industries here where our conditions are so favorable."

VULCAN FIRE INSURANCE COMPANY IN CANADA

In addition to operating in a number of the Pacific coast states, the Vulcan Fire Insurance Company, of Oakland, California, is writing some preferred risks through its eastern general agency, Messrs. Henry W. Brown and Sons, of Philadelphia and New York. The Vulcan, under its Dominion license, is applying for registration in the provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. The company has, however, been operating in British Columbia or some years under a provincial license. As the company operates as a tariff office in the United States, it will also become a member of the Canadian Fire Underwriters' Association in Canada.

Mr. T. W. Greer, Canadian manager of the Century Insurance Company, Limited, of Edinburgh, Scotland, and also managing director of the Pacific Coast Fire Insurance Company, of Vancouver, B.C., has been appointed manager for Canada of the Vulcan Fire Insurance Company, with Canadian head office in Vancouver, B.C. Mr. Greer began his insurance career twenty-two years ago as a local agent in Lindsay, Ont., afterwards removing to Toronto, where he travelled as inspector for Ontario for a Toronto company until 1908, when he was appointed inspector for the Pacific Coast Fire Insurance Company for Eastern Canada, with headquarters at Toronto. After filling that position for about eighteen months, the Pacific Coast Fire decided to open a branch in Toronto to take care of its eastern business, and Mr. Greer was appointed manager of their Toronto office at that time. In the early part of 1911, owing to some changes in the personnel of the head office officials, the position of general manager of that company was offered to him, which he accepted, and took up his residence in Vancouver. Under his management the Century Insurance Company, Limited, of Edinburgh, Scotland, entered the Canadian field in 1914, and that company has built up a large and profitable business.

The Vulcan Fire Insurance Company, of Oakland, California, with head office at San Francisco, was incorporated in 1910. The company began writing business under the presidency and management of Mr. Thomas C. Grant, who had been for thirty-three years Pacific Coast manager of the North British and Mercantile. Mr. Grant resigned the presidency in 1915, and was succeeded by Mr. J. F. Carlston, president Central National Bank of Oakland, Cal.

Mr. H. B. Keith, who for many years was assistant to Mr. Thomas C. Grant, was appointed manager of the company. Mr. Keith's long underwriting experience, coupled with his genial manner, thoroughly fits him for the responsible position of manager of this well-known Pacific Coast company.

The secretary of the Vulcan Fire, Mr. A. Hodgkinson, has had many years' fire insurance experience in the United States. Prior to accepting the secretaryship of the Vulcan Fire he held a very important position with the Firemen's Fund, of San Francisco, and is very well and favorably known among the insurance fraternity on the Pacific Coast.

MIDLAND LOAN AND SAVINGS COMPANY

The annual report of the Midland Loan and Savings Company shows earnings of $41,298. This, together with $18,974 brought forward, has been disposed of as follows: Dividend paid July 3rd, 1917, 4 per cent., $14,400; dividend payable January 2nd, 1918, $14,400; and added to reserve fund, $10,000, leaving a balance to be carried forward of $21,473.

The liabilities to the public are made up of deposits, $371,241, and debentures, $526,673. The liabilities to the shareholders are: Stock, $360,000; reserve fund, $265,000; dividends, $14,487; and profit and loss account balance, $21,473. Mr. William Henwood is president. The vacancy of manager, caused by the death of Mr. J. H. Helm, is not filled yet. The head office is in Port Hope. The company shows every sign of continuing its progressive career.

NATIONAL REVENUES.

According to present indications the government's financial year will close at the end of March with a surplus of about $60,000,000 of revenue over all domestic expenditures, apart from the war. This sum will represent the amount of war costs Canada is paying out of revenue, leaving approximately $450,000,000 of the year's war exepnditure to be added to the public debt.

Customs revenues are decreasing a little in consequence of war conditions of transportation, scarcity of supplies and more general realization by the public of the necessity of thrift. Allowing for a gradual decline in customs revenue from now until the end of the fiscal year, it is estimated the total revenue for the twelve months will be about $260,000,000.

CANADA'S LARGE TRADE

For the nine months of the fiscal year ended December 31st, 1917, the total trade of the Dominion aggregated $2,068,400,971, compared with $1,700,337,790 for the same period in 1916. For December alone, it was to the value of $213,305,644, as against $201,193,194 for December, 1916. Exports from the Dominion for the nine months' period included domestic products to the value of $1,257,684,900. Domestic exports for the same period last year were to the value of $861,629,813. These figures are exclusive of coin and bullion.

Manufactured goods headed the list in point of value, products of this class worth $522,963,430 being exported during the nine months period. In 1916, during a like period, manufactured goods were sent abroad to the value of $317,841,414. Agricultural products were in second place with a value of $475,338,003, as compared with $317,451,444 in 1916. Goods were entered for consumption to the value of $772,630,263, on which duties amounting to $125,796,830 were collected. For the like period in 1916 importations aggregated $625,635,897, on which duties amounting to $106,378,729 were collected.

ROYAL LOAN AND SAVINGS COMPANY

The annual meeting of the Royal Loan and Savings Company, of Brantford, Ont., will be held on February 13th, at which a good financial statement will be presented. The net profits of the company, after payment of all interest on deposits and debentures and providing for all expenses of management and war taxes, amount to $76,994. This sum has been disposed of as follows: Four quarterly dividends at 8 per cent. per annum, $48,000; contributions to Patriotic and Red Cross funds, $3,250; added to reserve fund, $15,000; and written off office building, $5,000. This leaves to be carried forward to 1918 the sum of $5,744 The result of the operations of the business for the year are very gratifying to the directors.

The company is one of the oldest in the province, having been incorporated forty-two years ago. The authorized capital is $1,000,000, of which paid-up capital represents $600,000. The deposits and debentures total $1,539,987, and the reserve fund $405,000. Total assets amount to $2,562,732. The directors are Messrs. Christopher Cook, president; C. B. Heyd, vice-president; Franklin Grobb, A. K. Bunnell, F.C.A., George Wedlake, and A. J. Wilkes, K.C. The company's manager is Mr. W. G. Helliker.

She's Daddy's Girl-

The very sunshine of his life. He's planning great things for her---if he lives.

And if he dies---well, he's proud of the fact that she will then receive---regularly---each month---as long as she lives---a cheque from The Imperial Life to provide for her every need.

You can provide in this way for *your* little girl. Our free booklet tells all about it. Write for a copy. Address—

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO

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RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Bathurst, N.B.—January 20—Robertson Hotel was destroyed. A total insurance loss of $22,000 was divided among the companies as follows:—Norwich Union, $1,500; Hudson Bay, $2,000; Great American, $1,000; Rochester Underwriters, $1,000; Globe Underwriters, $1,000; Guardian, $1,000; Phoenix, $1,750; Springfield, $1,750; Home, $2,000; Hartford, $1,000; Douglas Rogers & Company, Amherst, $7,000.

Brantford, Ont.—January 22—The Slingsby Manufacturing Company's plant was damaged. Estimated loss, $3,000. Home of J. E. Waterous was damaged. Caused by chimney fire.

Burnaby, B.C.—January 21—Residence and furniture of Sergt. W. Lyne, member of police force, was destroyed. Estimated loss, $3,000. Insurance carried, $2,000.

Edmonton, Alta.—January 15—Grocery store of F. W. Reich was damaged. Estimated loss, $5,000.

January 17—The Farney Livery barn owned by John McKinnon, together with nineteen horses and a number of automobiles was destroyed. Estimated loss, $10,000.

Guelph, Ont.—**January 21**—Boat house near Page-Hersey plant was destroyed. Caused by explosion of oil stove.

Halifax, N.S.—Shoe repair shop of Charles Myra was destroyed.

London, Ont.—January 17—Building of Army Dental Corps at Carlton Heights Camp damaged. Estimated loss, $200.

Montreal, Que.—January 18—B. Silver & Company's wholesale furrier establishment was destroyed. Estimated loss, $25,000. Insurance carried, $12,500.

Moose Jaw, Sask.—January 16—House of William Calmain damaged. Estimated loss, $100.

Parry Sound, Ont.—January 17—Rose Point Hotel was destroyed.

Portage la Prairie, Man.—January 16—Canadian Northern Railway roundhouse was destroyed.

St. Catharines, Ont.—January 21—Daily Journal newspaper office was destroyed. Estimated loss, $10,000. House at foot of St. Paul Street destroyed. Caused by explosion of gas main in front of house.

St. John, N.B.—January 15—Two barns, large shed and four head of cattle of Mr. Allisen Dibblee were destroyed.

January 20—Main Street tenement destroyed. Estimated loss, $10,000.

Stonewall, Man.—January 12—James Walton's livery and feed stables were destroyed.

St. Regis Falls, Que.—January 18—The New York and Ottawa Railway station was destroyed.

Toronto, Ont.—January 23—Ticonix building, 2 Johnson Street damaged. Estimated loss, on building, $3,000; on stock of Anstey and Brown, stationers, $12,000.

Trenton, Ont.—January 22—Tenement of O. Martin was destroyed.

Waterborough, N.B.—January 16—Store of Mrs. Wassen destroyed. Caused by rats nibbling matches.

Windsor, Ont.—January 23—House of Mr. Priestman was destroyed. Caused by explosion of gas.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Saskatoon, Sask.—Fire Chief Heath reports the following for the year ended December 31st, 1917, to *The Monetary Times*:—The number of alarms received was 195. Fires in stone buildings, nil; fires in brick buildings, 29; fires in frame buildings, 115; rubbish heaps, 5; prairie fires, 15; fires in metal-clad buildings, 2; fires in cement buildings, 1. Loss on real estate, $37,006; loss on personal property, $49,355.51; total loss, $86,361.51. Insurance on real estate, $557,840; insurance on personal property, $285,500; total insurance, $843,340; insurance over loss, $755,567.99; loss not covered by insurance, $8,722.56.

Saskatoon, Sask.—Fire Chief Heath reports the following for December, 1917, to *The Monetary Times*:—Number of alarms received, 20. Total loss, $20,709.

BRITISH COLUMBIA ELECTRIC RAILWAY

The Jitney Car Competition

Favourable Result of Government Inquiry

The twenty-first ordinary general meeting of the members of the British Columbia Electric Railway Company, Limited, was held on Friday, January 4th, 1918, at the Liverpool Street Hotel, London, E.C., England, Mr. G. P. Norton presiding in the unavoidable absence of Mr. R. M. Horne-Payne, the Chairman of the company.

The Secretary (Mr. Michael Urwin, A.C.A.) having read the notice convening the meeting and the report of the auditors,

Mr. Harold G. Brown read the following speech which had been prepared by Mr. R. M. Horne-Payne:—

Ladies and Gentlemen,—I do not think that there is anything in the annual report and accounts which requires special explanation. It is with very great regret that your directors have decided not to pay the interim dividend on the Five per Cent. Cumulative Preference stock, hitherto paid in January of each year and to postpone the consideration of the dividend on this stock until the end of the financial year. This decision has been made in view of the uncertainty as to the amount of the company's earnings in the immediate future and to the fact that we cannot prudently continue to pay the larger portion of this dividend out of the reserve fund. The results of the year under review—namely, the year ended 30th June, 1917—have only enabled us to pay the full dividend on the Five per Cent. Cumulative Preference stock by resorting to the reserve fund to the extent of £44,000. In the preceding year we had to take £70,000 from the reserve fund in order to make the same payment. Since the annual report was issued we have received by cable the statement of income and expenditure for the month of November, showing an increase in gross earnings of $52,862 and in net income of $31,772. Thus the gross earnings for the first five months of the current financial year show an increase of just under $200,000 over the earnings for the same period of the preceding year, but unfortunately the increase in the net income for the five months only amounts to $29,000, or, say, £6,000.

MARKED IMPROVEMENT IN TRADE

We can, however, take some encouragement from these figures, as the increase in gross earnings is due to a very marked improvement in trade and business conditions in British Columbia, which has every indication of being of a permanent character. If, therefore, as a result of the report of the recent Commission of Enquiry, jitney competition is abolished and other conditions are fairly adjusted, there is a sound basis on which to build hopes that less difficult times are in store for us. I shall say very little to-day on the subject of the policy and prospects of the company. They are dependent on the result of negotiations now being carried on with the object of bringing about a fair and satisfactory rearrangement of working conditions based on the Commissioner's report, and I am debarred from discussing them by the fear of saying anything which might possibly lead to misunderstanding or friction in British Columbia and prejudice these negotiations. I will confine myself to recalling to your minds what has taken place during the past twelve months. From the beginning of the war until the end of 1916 the company's earnings fell away heavily owing to decreased population and stagnation of trade and to the competition of what is known as the jitney car, and at the same time the cost of labor and supplies increased enormously until our net earnings barely covered Debenture interest. In September, 1916, the company had voluntarily granted an increase in wages costing $110,000 per annum to enable the men to meet the increased cost of living. In June, 1917, the men presented a demand for a further increase, amounting to about $250,000, on the ground of still further greatly increased living expense, and on this being refused, struck work. After a few days' suspension of the cars the Government of British Columbia and the Council of the City of Vancouver approached our general manager with a view to bringing about a resumption of the services, and it was agreed that a Commission of Enquiry should be appointed by the Government to examine and report on the transportation problem in Vancouver City and surrounding districts, especially with reference to the jitney car competition. Subsequently, it was mutually agreed that the inquiry should include a thorough investigation of the whole scope and every department of the company's business. The company and the city undertook to abide by the recommendations of this Commission. In the meantime the company agreed to reinstate its services and temporarily to grant the men's demand for increased wages.

DIRECTORS' CONTENTIONS SUSTAINED.

On the 11th of July the Lieutenant-Governor, in Council, appointed Professor Adam Shortt, of Ottawa, a Commission with wide powers, and during the months of July and August Professor Shortt held a very searching public inquiry in Vancouver and Victoria. His report has just reached us, and the findings and recommendations are now in your hands. You will note with satisfaction that your company and management have come through the ordeal entirely creditably, and that the Commissioner sustains the contentions of your directors with regard to jitney competition and on other important points. Professor Shortt finds that it is not possible for both an efficient tramway service and a jitney service to continue, and also, inter alia, that our charges for electric light are high while our charges for the transportation services we give are low, and he proposes a readjustment of these charges and services and the elimination of jitneys where they come into competition with our lines. We have now had the position of the company and its relations with and duties towards the people of British Columbia subjected to an exhaustive investigation, reviewed and adjudged by an impartial tribunal, and we have hastened to express our willingness to act on its decisions and recommendations in a loyal spirit We look to the Government and to the various municipal authorities concerned to meet us in the same spirit, and we hope that as a result it may be found that all misunderstandings have been removed. After the Canadian Pacific Railway we have been in the past by far the most potent influence in developing the wealth and prosperity of British Columbia. The prosperity of Vancouver and Victoria is bound up with our prosperity and ours with theirs. We ask British Columbians, on their side, to interpret and carry out the recommendations of the Commission and to join us in working out the situation in a broad and fair spirit, and thus to put it in our power, when Kaiserism has paid the penalty of its savage brutalities, to combine our efforts and energies effectively with theirs to restore and develop the prosperity of British Columbia.

The Chairman: I will now move the following resolution: "That the balance sheet as at 30th June, 1917, and the revenue account for the year ended on that date, together with the reports of the directors and auditors thereon, be and are hereby received and adopted."

Mr. Harold G. Brown seconded the resolution, which, after the Chairman had replied to one or two questions, was carried unanimously.

The Chairman then moved: "That the payment, since the date of the last annual general meeting, of the dividends at the rate of 5 per cent. per annum on the Cumulative Perpetual Preference stock, and the transfer of £44,000 from the reserve fund to the revenue account, be and are hereby approved."

Mr. T. Blundell Brown seconded the resolution, which was unanimously agreed to.

Mr. E. Maes Harvey next moved the following resolution: "That the directors be authorized, if they think the circumstances justify their doing so, to pay the dividend for the year to 30th June, 1918, on the Five per Cent. Cumulative Perpetual Preference stock, and if necessary to draw upon the reserve fund for that purpose."

Mr. J. Davidson seconded the motion, which was carried unanimously.

The Chairman proposed the re-election of the retiring directors, Mr. R. M. Horne-Payne and Mr. E. M. Harvey, and the motion was seconded by Mr. J. Davidson and unanimously agreed to.

Mr. Harold G. Brown moved: "That the best thanks of the meeting be given to the general manager, officers and staff in British Columbia for their untiring and loyal efforts in the performance of their duties."

Mr. T. Blundell Brown seconded the motion, which was unanimously adopted.

On the motion of Mr. MacLeod, seconded by Mr. Spooner, Messrs. Norton Slade and Co. were reappointed auditors of the company for the ensuing year, and Messrs. Helliwell Maclachlan and Co. were also reappointed the company's auditors in British Columbia.

The proceedings then terminated.

The Imperial Guarantee & Accident Insurance Company of Canada

Directors' Thirteenth Annual Report for the Twelve Months Ending Thirty-first December, Nineteen Hundred and Seventeen

The Directors have much pleasure in submitting to the Shareholders their Thirteenth Annual Report for the twelve months ending 31st December, 1917.

BUSINESS: The Company issued 18,096 policies for insurance of $35,165,701.00. The premiums thereon amounted to $310,657.37, being an increase of $42,887.18. The interest earnings amounted to $19,539.75, being an increase of $1,053.15.

ASSETS: The Assets of the Company now amount to $478,031.83, and the investments of the Company are all first-class securities bearing good interest returns.

SURPLUS: The Contingent Reserve Fund now amounts to $25,000.00, and the surplus to policyholders is $312,560.07, which, together with the uncalled subscribed Capital of $800,000.00, makes the available security for all contracts $1,112,560.07.

The lines of Insurance now written are: Personal Accident Insurance, Sickness Insurance, Elevator Insurance, Fidelity Guarantee, Plate Glass Insurance, and Automobile Insurance (including insurance of Automobiles against Fire).

The Certificate of the Auditors is appended to the Financial Statement as to the audit of the Company's affairs.

HERBERT C. COX,
President.

Toronto, 11th January, 1918.

Statement for Year Ending December 31st, 1917.

PROFIT AND LOSS ACCOUNT.

Dr.

To Claims, Commission and Expenses	$258,146.87
" Reinsurance and Refunds	23,986.85
" Reserve for Unearned Premiums, December 31st, 1917	102,860.86
" Reserve for Outstanding Claims	52,110.90
" Added to Contingent Reserve Fund	5,000.00
" Dividend	16,000.00
" Balance	87,560.07
	$545,665.55

Cr.

By Balance Profit and Loss December 31st, 1916	$86,030.74
" Premiums	310,657.37
" Interest	19,539.75
" Reserve for Unearned Premiums, December 31st, 1916	95,601.63
" Reserve for Outstanding Claims, December 31st, 1916	33,836.06
	$545,665.55

BALANCE SHEET.

Assets.

Bonds and Debentures, depreciated value	$334,783.00
Real Estate	2,365.03
Loans on Mortgages	9,000.00
Accrued Interest	2,207.14
Outstanding Premiums (Reserve on same included in Liabilities)	42,484.69
Other Assets	11,924.44
Cash in Banks bearing Interest	61,452.30
Cash in Banks and on hand	13,815.23
	$478,031.83

Liabilities.

Government Reserve for Unearned Premiums		$102,860.86
Reserve for Filed and Unfiled Claims		52,110.90
Sundry Accrued Accounts		2,500.00
Dividend Payable January 1st, 1918		8,000.00
Capital Stock Paid	$200,000.00	
Contingent Reserve Fund	25,000.00	
Surplus over all Liabilities	87,560.07	
		312,560.07
		$478,031.83

AUDITORS' CERTIFICATE.

We have audited the accounts of the Imperial Guarantee & Accident Insurance Company of Canada for the year ending December 31st, 1917. We have examined the securities and verified the Cash and Bank Balances and we certify that the above Balance Sheet shows the true position of the Company at that date.

CLARKSON, GORDON & DILWORTH,
Chartered Accountants.

Toronto, 11th January, 1918.

TO START STEEL PLANTS BONUSES ARE NEEDED

It is stated at the Marine Department, Ottawa, that the government has received tentative offers from large American companies desiring to engage in the manufacture of steel for Canadian ships. These companies, however, required encouragement in the way of bonuses and concessions before taking up the manufacture of steel products on a large scale in Canada. The government, it is understood, has not yet decided to bonus corporations desiring to engage in the work. Companies may, it is stated, submit a proposition and prices to the government which will consider them and accept or reject them as it sees fit.

Mr. Henry J. Fuller, vice-president of Fairbanks-Morse and Company, and president of the Canadian Fairbanks-Morse Company, Limited, has been elected a director of the Liberty National Bank of New York City.

An order for the winding up of the Arrow Lakes Lumber Company was made by Chief Justice Hunter at Vancouver on Tuesday, on the application of Mr. J. L. G. Abbott, appearing for the Lafayette-Lamb Lumber Company, which holds a judgment for $2,294.000 against the Arrow Lakes Company, according to a Vancouver dispatch.

The impossibility of getting power at less than $46 per horse-power may lead to the British-America Nickel Company, of Sudbury, abandoning plans to erect a large nickel refinery in that district. For some time past the company had been discussing the question of power with the Ontario Hydro-Electric Commission, and it was hoped that power might be developed on the French River for about $25 per horse-power. The advance in the cost of material and labor, and in borrowing rates, has brought estimates for the proposed power plant up to a point that means $46 power. The company, it is stated. is looking to Ottawa as a possible site for its refinery.

DIVIDENDS AND NOTICES

BANK OF MONTREAL

Notice is hereby given that a **Dividend of Two-and-one-Half per Cent.**, upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after Friday, the **First Day of March** next, to Shareholders of record of 31st January, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 22nd January, 1918.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 124.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Friday, 1st March, 1918, to shareholders of record at the close of business on the 14th day of February, 1918.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 19th January, 1918.

THE MONTREAL CITY AND DISTRICT SAVINGS BANK

The Annual General Meeting of the Shareholders of this Bank will be held at its Head Office, St. James Street, on Monday, the Eleventh day of February next, at 12 o'clock noon, for the reception of the Annual Reports and Statements, and the Election of Directors.

By order of the Board.
A. P. LESPERANCE,
Manager.
Montreal, January 9th, 1918.

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of Two and one-half per cent. for the current quarter, being at the rate of Ten per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and at its Branches, on and after the 1st day of February next to Shareholders of record at the close of business on the 15th day of January.

By order of the Board.
D. C. MACAROW,
General Manager.
Montreal, 28th December, 1917.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

THE STORY OF A YOUNG FINANCIAL MAN'S SUCCESS.—A financial man, thirty-three years of age, came to our office four years ago to take up a new line of business—a line against which he had been prejudiced, but which he knew carried great rewards for the successful. His average commissions this year will be over $5,000.00, and he has built up a future income of over $3,000.00 a year on business already written. We are enlarging our organization to prepare for an enormous expansion of business during the next few years. We have positions for two good men with successful records. This offer will be open during the next week. Only applicants of unquestioned integrity and with the highest references will be considered. W. A. Peace, Manager Toronto Branch, Imperial Life Assurance Company, 20 Victoria Street, Toronto.

PUBLIC ACCOUNTANT is desirous of relinquishing practice on own account and joining the staff of a good live concern; chartered secretary of joint-stock companies, capable, experienced manager and systematizer, married, not eligible for military service; can arrange to transfer practice instanta if necessary. Box 139, *The Monetary Times*, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

CHIEF CLERK.—Wanted by a British Fire Insurance Office a competent young gentleman for the position of Chief Clerk. Must be capable of taking charge of office. Apply giving full particulars as to experience, length of service and salary expected. P.O. Box 1386, Montreal.

Accountant or Bookkeeper Seeks Position

Expert Accountant and Bookkeeper desires position in Toronto. First class references. Has served 22 months in Canadian Field Artillery and has been honourably discharged from army.

Box 141—Monetary Times.

BRITISH COLUMBIA ELECTRIC RAILWAY

The British Columbia Electric Railway has had its full share of trouble during the past few years, caused largely by a lack of appreciation of the excellent service rendered by the company, in the territory it serves, by the unchecked and unfair jitney competition, by war conditions, and by a popular disrespect of the rights of the capital invested in the enterprise. There are signs, however, that at least some of these obstacles will be removed and that this progressive public utility will be afforded better treatment by the civic and provincial government authorities. With such drawbacks as noted, the company was not able last year to make as good a financial record as is desirable. However, it was possible, by dint of good management, to earn net profits, after making the usual provision for maintenance, amounting to $804,000, as compared with $675,000 for the previous twelve months, and $903,500 for 1914-15. In order to provide the full dividend on the 6 per cent. cumulative preference shares, the directors have to withdraw only $220,000 from the reserve fund, from which $350,000 had to be taken for a similar purpose a year ago. In the first four months of the current year gross earnings show an expansion of $146,800, but the gain unfortunately has been absorbed by increased expenses owing to the higher cost of labor and materials, and net profits therefore show a decline of $2,600.

The outlook for the immediate future is so uncertain that the directors have decided to postpone the payment of the interim preference dividend due on January 15th, but they are seeking authority to pay in July next the full amount due, if necessary, with the help of the reserve fund. By that time, as a result of the recommendations of the commission recently appointed by the lieutenant-governor of British Columbia to investigate the transportation question in Vancouver and district, it is hoped the position will have improved enough for a recovery in earnings and profits.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Jan. 23rd, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi....com.	....	....	....	....
Ames-Holden....com.	....	....	....	....
" ....pref.	....	....	....	....
Asbestos Corporation....	....	....	....	62
" " ....pref.	....	....	....	....
Bell Telephone....	....	....	....	28
British Columbia Fishing & Packing....	....	....	....	....
Brompton....	....	....	....	312
Brazilian....	....	....	...	355
Canada Car....com.	....	....	....	20
" ....pref.	....	...	....	....
Canadian Converters....	....	....	....	50
Canada Cement....com.	....	....	....	20
" ....pref.	....	....	....	307
Canada Cottons....	....	....	....	5
" ....pref.	...	....	....	....
Canadian Con. Rubber....com.	....	....	....	....
Canada Foundry and Forgings....	....	....	....	....
Canadian General Electric....	....	....	....	....
Canadian Locomotive....com.	....	....	....	....
" " ....pref.	2¼	....	....	18
Canada Steamship Lines....com.	....	42¾	42¼	157
" " " ....pref.	...	....	....	19
Civic Investment....	....	....	....	733
Civic Power....	...	....	....	471
Cons. Mining and Smelting....	....	....	....	315
Consumers Gas....com.	....	....	....	....
Dominion Bridge....	....	....	....	....
Dominion Coal....pref.	....	....	....	....
Dominion Iron....pref.	....	....	....	11
Dominion Steel Corporation....com.	....	....	....	891
Dominion Textile....	....	....	....	80
" ....pref.	....	....	....	....
Goodwins Limited....pref.	....	....	....	....
Gould Manufacturing....	....	....	....	....
Howard Smith Paper Mills....com.	....	....	....	25
Illinois Traction....pref.	....	....	....	....
" ....com.	....	....	....	....
Lake of the Woods Milling....com.	....	....	....	180
Laurentide Co....	....	....	....	7
Lyall Const....com.	....	....	....	....
Macdonald....	....	....	....	....
Mackay Cos....com.	....	....	....	15
" " ....pref.	....	....	...	....
Maple Leaf Milling....pref.	....	....	....	1
Montreal Tramway....deb.	....	....	....	1600
Montreal Cotton....com.	....	....	....	....
" " ....pref.	....	....	....	10
Nova Scotia Steel....	....	....	....	1
" " ....pref.	....	...	....	....
Ogilvie Flour Mills....	....	....	....	65
Ontario Steel....com.	....	25	24	460
Ottawa Light, Heat & Power....	....	....	....	....
Penmans....	....	....	....	112
" ....pref.	....	....	....	....
Price Bros....	....	....	....	....
Riordan Paper....	....	....	....	1
" ....pref.	...	....	....	2
Quebec Railway, Light, Heat & Power....	....	....	....	....
Shawinigan Water & Power....	....	....	....	120
Sherwin-Williams....com	....	....	....	....
Smart-Woods....	....	....	....	....
Spanish River....com.	....	....	....	....
Steel Co. of Canada....	....	....	....	384
" ....pref.	....	....	....	32
Tooke....com.	....	....	....	....
" ....pref.	....	....	....	....
Toronto Railway....com.	....	....	....	148
Winnipeg Railway....	....	....	....	....
Wayagamack....	....	....	....	....
Bank of British North America....	....	...	...	....
Bank of Commerce....	....	....	....	....
Bank of Montreal....	....	....	....	51
Bank of Ottawa....	....	....	....	....
Bank of Toronto....	....	....	....	....
Bank d'Hochelaga....	....	....	....	....
Banque Natinnale....	....	....	....	....
Bank of Nova Scotia....	....	....	....	....
Dominion Bank....	....	....	....	....
Merchants Bank....	....	....	....	....
Molsons Bank....	....	....	....	....
Quebec Bank....	....	....	....	....
Royal Bank....	3½	....	....	5
Standard Bank....com.	....	....	....	....
Union Bank....	....	....	....	2
Montreal Bonds	Last Sale			
Asbestos....	72½	....	....	....
Bell Telephone....	98½	....	....	2000
Canadian Car....	....	....	....	....
Canada Cement....	96¾	....	....	3000
Canadian Consolidated Rubber....	....	....	....	....
Canadian Converters....	....	....	....	8000
Cedars Rapids....	90	....	....	....
Dominion Coal....	94½	....	....	....
Dominion Cotton....	90	....	....	....
Dominion Iron and Steel....	97	....	....	....
Dominion Textile....A	97½	....	....	2650
" " ....B	97	....	....	250
" " C	97	....	....	....
" " ....D	96½	....	....	....
Lake of Woods Milling....	103	....	....	....
Laurentide....	101	....	....	....
Lyall Construction Co....	83¾	....	....	15000
Montreal Light, Heat & Power....	101	....	....	....
Montreal Tramways....	91½	....	....	....
National Breweries....	90	....	....	....
Nova Scotia Steel....	90	....	....	800
Ogilvie....A	10	....	....	....
" ....B	103	....	....	....
" C	103	....	....	....
Penmans....	....	....	....	....
Price Bros....	...	....	....	....

Montreal Bonds (Continued	—	Asked	Bid	Salea
Quebec Railway, Light and Power....	67	....	....	....
Riordan Paper....	....	....	....	17000
Steel of Canada....	....	....	....	....
First Dominion War Loan....	98½	....	....	9200
Second Dominion War Loan....	98½	....	...	1600
Third Dominion War Loan....	....	93½	93½	1200
Winnipeg Street Railway....	9	....	....	11000
Wayagamack....	81	....	....	....

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden....pref.	....	60	....	...
American Cynamid....	....	25	21	40
" ....pref.	....	....	52	...
B. & L. (Landed)....	....	....	....	...
Barcelona....	....	9	8½	175
Bell Telephone....	. ..	....	....	....
Brazilian....	...	32½	32	389
Canada Bread....	....	17½	16	50
" ....pref.	....	....	....	....
Canadian Car & Foundry....	....	18	....	....
" " " ....pref.	....	50	....	....
Canadian Canners....pref.	....	....	....	....
Canadian General Electric....	....	102	100	15
" " " ....cum div. pref.	....	....	....	....
Canada Landed & National Iovestment....	....	....	....	....
Canadian Locomotive....	....	56½	....	....
" ....pref.	....	....	82¾	7
Canadian Pacific Railway....	....	138¾	136¾	1
Canada Permanent....	....	162½	....	....
Canada Steamship....	....	42¾	42¼	175
" " ....pref.	....	75	73½	60
" " ....(voting trust)	....	....	....	....
Cement....com.	....	....	....	45
" ....pref.	....	....	....	10
City Dairy....	....	30	....	....
" ....pref.	....	60	....	....
Colonial Loan....com.	....	....	....	..
Coniagas....com.	....	....	....	50
Confederation Life....	....	375	....	...
Consumers Gas....	....	150	....	22
Crow's Nest Pass....com.	....	50	....	....
Detroit....	....	....	....	....
Dome....	...	900	850	....
Dominion Canners....	5	....	....	....
Dominion Iron....com.	....	....	....	50
" " ....pref.	....	....	....	6
Dominion Steel Company....	....	56	55½	355
Duluth Sup....	....	....	....	....
F. N. Burt....	....	....	....	....
" ....pref.	....	....	....	5
Hamilton Provident....	....	....	....	....
Huron & Erie....com.	....	....	....	....
Lake of the Woods....com.	....	....	....	....
La Rose....com.	...	....	....	1100
Mackay Companies....	....	76	75½	54
" ....pref.	....	60	58½	15
MacKinley Darragh....com.	....	....	....	....
Maple Leaf Milling....	....	....	..	....
" " " ....pref.	....	....	91	....
Monarch....	....	....	30	....
" ....pref.	....	....	....	....
Nat. S. Car....	....	7½	6½	....
" ....pref.	....	....	18	....
Nipissing....	....	830	820	735
Nova Scotia Steel....	....	70	....	10
" " " ....rights	....	....	....	....
Pacific Burt....com.	....	....	....	....
" ....pref.	....	....	....	....
Penmans....com.	....	....	....	5
Petroleum....	....	1375	1325	300
Riordon....	....	....	....	....
" ....pref.	....	....	....	....
Rogers....com.	....	....	....	....
" ....pref.	....	...	....	....
Russell Motor....	.. .	....	60	....
" ....pref.	....	....	....	....
Sawyer-Massey....	....	11	....	....
" ....pref.	....	41	....	....
Shredded Wheat....	....	....	....	....
Spanish River....	....	14	....	....
" ....pref.	....	50	....	....
Cons. Smelters....	....	25	24½	345
Standard Chemical....	....	....	....	....
" " ....pref.	....	57	....	....
Steel Company of Canada....	....	52	51	40
" " " ....pref.	....	83½	82	2
Toronto General Trust....	....	....	....	....
Toronto Paper....	....	72	....	30
Toronto Railway....	....	60½	59	5
Trethewey S. Mines....com.	....	15	14	225
Tucketts....	...	19	....	....
" ....pref.	1¾	....	....	....
Winnipeg Electric....	....	48	....	...
Twin City....	....	....	65	....
Bank of Commerce....	....	185	....	....
Bank of Ottawa....	....	201	....	....
Bank of Hamilton....	...	184	....	....
Bank of Montreal....	....	210	....	....
Bank of Nova Scotia....	....	218	....	....
Bank of Toronto....	....	187	....	...
Dominion Bank....	....	202	....	1
Imperial Bank....	....	....	..	....
Merchants Bank....	2½	....	16	52
Molsons Bank....	....	179¾	....	....
Royal Bank....	....	208	....	....
Standard Bank....	....	....	....	....
Union Bank....	....	....	140	....
Toronto Bonds	Last Sale			
Canada Bread....	92½	90	....	...
Canada Locomotive....	95	94	....	....
Penmans....	89	....	....	....
Riordon....	....	....	....	....
Sao Paulo, 1929....	84	....	....	....
Steel Company of Canada....	96½	89	88	....
First War Loan....	98	95	94½	1000
Second War Loan....	98½	....	93½	9200
Third War Loan....	....	....	93½	32400

BUILDING PERMITS COMPARED

RETURNS FOR THIRTY-FIVE CITIES.

DEPARTMENT OF LABOUR FIGURES	October 1917	November 1917	November 1916	Nov. 1917, compared with Nov. 1916. Increase+ Decrease− Amount	Per Cent.
CITIES	$	$	$	$	
NOVA SCOTIA	101,903	81,373	121,185	−39,812	−32.85
Halifax	55,835	35,208	99,485	− 64,277	− 64.61
Sydney	48,068	46,165	21,700	+ 24,465	+ 112.74
NEW BRUNSWICK	180,350	26,903	19,800	+ 7,103	+ 35.87
Moncton	174,250	18,403	4,800	+ 13,603	+283.40
St. John	6,100	8,500	15,000	− 6,500	− 43.33
QUEBEC	475,233	784,170	1,842,705	−1,058,535	−57.44
Maisonneuve	86,500	1,200	15,550	− 14,350	− 92.28
Montreal	227,033	219,355	865,530	− 646,175	− 74.66
Quebec	77,375	495,945	783,875	−287,930	− 36.73
Sherbrooke	3,500	53,400	15,450	+ 37,950	+245.63
Three Rivers	75,700	12,770	127,100	−114,330	− 89.95
Westmount	5,125	1,500	35,200	− 33,700	− 95.74
ONTARIO	2,248,786	971,142	1,624,693	−653,551	−40.23
Brantford	21,965	27,346	9,945	+ 17,401	+174.97
Fort William	8,900	11,100	4,225	+ 6,875	+162.72
Guelph	5,685	6,515	....	+ 6,515	+
Hamilton	197,495	153,460	178,920	− 25,460	− 14.23
Kingston	18,132	4,247	10,053	− 5,806	− 57.75
Kitchener	15,275	11,765	7,710	+ 4,055	+ 52.59
London	143,460	85,010	64,850	+ 20,160	+ 31.09
Ottawa	93,625	104,200	150,575	− 46,375	− 30.80
Peterborough	817,875	7,235	5,040	+ 2,195	+ 30.34
Port Arthur	830	5,932	3,454	+ 2,478	+ 71.74
Stratford	4,529	6,060	6,485	− 425	− 6.55
St. Catharines	38,520	56,448	54,470	+ 1,978	+ 3.63
St. Thomas	2,820	2,400	10,890	− 8,490	− 77.96
Toronto	786,225	418,019	948,026	−530,007	− 55.81
Windsor	93,450	71,405	170,050	− 98,645	− 58.01
MANITOBA	74,680	49,300	209,900	−160,600	−76.51
Brandon	2,380	2,700	16,500	− 13,800	− 83.64
Winnipeg	72,300	46,600	193,400	−146,800	− 75.96
SASKATCHEWAN	84,925	109,290	15,580	+93,710	+601.48
Moose Jaw	4,650	33,950	6,050	+ 27,900	+461.16
Regina	42,800	13,240	4,720	+ 8,520	+180.51
Saskatoon	37,475	62,100	4,810	+ 57,290	+1191.06
ALBERTA	212,500	83,700	72,700	+11,000	+15.13
Calgary	132,000	27,700	38,400	− 10,700	− 27.86
Edmonton	80,500	56,000	34,300	+ 21,700	+ 64.15
BRITISH COLUMBIA	248,725	43,345	129,295	−85,950	−66.48
New Westminst'r	4,600	4,550	4,725	− 175	− 3.49
Vancouver	233,975	35,075	100,695	− 65,620	− 65.16
Victoria	10,150	3,720	23,875	− 20,155	− 84.42
Total	$3,627,102	$2,149,223	$4,035,858	−$1,886,635	− 46.76

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	31-32 pm	1% pm	......
Mont. funds	par	par	⅛ to ¼
Sterling—			
Demand	$4.79.80	$4.80.10	$4.82
Cable transfers	$4.81	$4.81.25	$4.83

Rate in New York for sterling demand, $4.75¼.

Bank of England rate, 5 per cent.

INDEX NUMBERS OF COMMODITIES

(DEPARTMENT OF LABOUR FIGURES)	No. of Commodities	Index Numbers *Nov. 1917	*Oct. 1917	Nov. 1916
I. GRAINS AND FODDERS:				
Grains, Ontario	6	249.3	341.4	285.5
" Western	4	302.8	294.5	263.9
Fodder	5	204.0	195.9	184.5
All	15	288.4	281.0	248.1
II. ANIMALS AND MEATS:				
Cattle and beef	6	289.7	290.0	211.0
Hogs and hog products	6	336.6	332.8	224.9
Sheep and mutton	3	266.1	251.0	244.0
Poultry	2	305.8	291.5	231.9
All	17	304.3	298.	217.5
III. DAIRY PRODUCTS	9	245.8	245.2	227.8
IV. FISH:				
Prepared fish	8	241.8	234.4	167.7
Fresh fish	3	217.1	230.3	178.6
All	9	233.5	233.0	171.3
V. OTHER FOODS:				
(A) Fruits and vegetables				
Fresh fruits, native	1§	254.0	145.9	216.4
Fresh fruits, foreign	3	128.3	105.0	118.9
Dried fruits	4	255.1	213.2	183.5
Fresh vegetables	5§	345.3	321.7	318.6
Canned vegetables	3	217.8	224.6	176.0
All	16§	258.8	213.1	214.2
(B) Miscellaneous groceries and provisions				
Breadstuffs	10	257.2	256.1	209.4
Tea, coffee, etc.	4	153.3	151.7	133.9
Sugar, etc.	6	235.9	234.9	179.3
Condiments	5	197.5	193.0	151.8
All	25	224.4	221.7	178.5
VI. TEXTILES:				
Woollens	5	359.5	359.5	237.6
Cottons	4	257.0	249.4	187.9
Silks	3	130.9	130.9	119.0
Jutes	2	571.3	514.3	330.1
Flax products	4	329.0	321.1	243.3
Oilcloths	2	171.4	168.7	139.8
All	20	301.3	291.9	210.5
VII. HIDES, LEATHER, BOOTS AND SHOES:				
Hides and tallow	4	295.3	295.3‡	337.4
Leather	4	191.3	191.3	251.2
Boots and Shoes	3	229.0	229.0	220.3
All	11	257.5	257.5‡	272.6
VIII. METALS AND IMPLEMENTS:				
Iron and steel	11	280.5	286.7	168.9
Other metals	12	239.1	239.0	228.7
Implements	10	199.1	199.8	145.9
All	33	240.8	243.0	182.3
IX. FUEL AND LIGHTING:				
Fuel	6	202.9	202.3	201.7
Lighting	4	114.0	114.0	89.6
All	10	167.3	167.0	156.9
X. BUILDING MATERIALS:				
Lumber	14	227.7	222.5	184.1
Miscellaneous materials	20	209.8	212.2	171.9
Paints, oils and glass	14	258.9	259.9	215.1
All	48	228.8	229.1	187.9
XI. HOUSE FURNISHINGS:				
Furniture	6	207.3	207.3	171.5
Crockery and glassware	4	237.5	237.5	208.4
Table cutlery	2	150.7	150.7	132.2
Kitchen furnishings	4	200.0	198.5	144.5
All	18	206.0	205.6	169.0
XII. DRUGS AND CHEMICALS	16	274.5	265.7	239.2
XIII. MISCELLANEOUS:				
Raw Furs	4	427.5	415.1	342.7
Liquors and tobacco	8	165.9	165.9	148.2
Sundries	7	197.8	197.8	150.7
All	17	240.6	237.7	195.0
All commodities	†262	247.3	242.6	200.5

*Preliminary figures. †Six commodities off the market, fruits, vegetables, etc., one line of spelter was dropped in 1915. §Number of commodities varies from month to month. ‡Revised.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Jan. 23rd, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......com.	40	47	Cockshutt Plow ....pref.	65	75	Inter Lake Steamship.6's	94.50	....	Prudential Trust	....	80
" ....pref.	81	87.50	Continental Life.........	18	25	Lambton Golf Club.....	330	375	Rosedale Golf Club......	290	....
Alberta Pac. Grain..pref.	86	93.50	Crown Life	70	....	London Loan & Savings.	100	115	Sovereign Life..........	14	22
Atlantic Sugar......pref.	26	30	Dom. F'dry & Steel..com.	55	65	Milton Pressed Brick....	28	....	Stan. Reliance ...(par 50)	45	49
" " ... ..com.	7.50	12.50	Dom. Iron & Steel 5's.1939	73.50	78.50	Matthew-Laing.. 6's	93	98	Sterling Coal.......Com.	9	11.50
Belding Paul.... ...pref.	70	75	Dom. Permanent Loan	60	68	Massey Harris..........	110	130	" " ......bonds	69	73
Black Lake Bonds.......	18.50	20.75	D. Po'er & Trans. ...pref.	88	96	McDonald ....pref.	80	86	Sterling Bank...	80	90
Can. Marconi	1.75	2.75	" " " " ... 5's	....	88.50	Mex. North Po'r....bonds	10	14	St. Lawrence Sugar ..6's	93.50	96.50
Can. Mortgage...........	75	86	Dominion Sugar.........	110	125	Morrow Screw........6's	85	92.50	Temple(Allen) Thea..com.	57	...
Canada Machinery..com.	7.25	12	Eastern Car...........6's	90	95	Murray-Kay ....pref.	....	22	Toronto Paper........6's	85.50	90
" " ..pref.	46	....	Ford Motor.............	170	210	Mutual Steamships ...6's	94	....	Trust & Guarantee	83	90
Can. Oil............pref.	80	97	Great West Permanent..	....	75	National Brick.....bonds	17.50	25	Toronto Y'k Rad. 5's. 1919	....	95
" " ....com.	32	....	Home Bank..............	60	66.50	National Drug 7%...pref.	75	90	West. Assurance	4	8.25
Can. Westinghouse......	100	115	Imperial Oil............	290	315	National Life............	30	...	West Can. Flour....com.	90	115
Carter Crume.......pref.	....	70	Imperial Steel......pref.	....	3.75	North. Crown Bank	67.50	....	" " 6's (1928)	94	98
Collingwood Ship...com.	25	....	Imperial Trust Co.......	....	55	Ont. Pulp Bonds........	80	83	West Can. Power. ...5's	48	55

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE,
PROSPECT BUREAU,
BULLETIN SERVICE,
ADVERTISING and
ALL ROUND SUPPORT

YOU { Travel without expense,
Are better equipped for the journey,
Sure of getting there, with the

CANADA LIFE
ASSURANCE CO.
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ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, President. HENRI B. MORIN, Supervisor

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to B. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

L. COFFEE & CO.
GRAIN MERCHANTS.

THOMAS FLYNN Established 1845 **Board of Trade Building, Toronto, Ontario**

New Records

Results secured during the past year re-affirm the position of the Sun Life of Canada as the leading life assurance organization of the Dominion.

It leads all Canadian Companies in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Premium Income, Total Income and Payments to Policyholders.

Fair-dealing and progressive business methods are the foundations for the Company's phenomenal growth.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

BRITISH AMERICA ASSURANCE COMPANY
FIRE, HAIL, OCEAN MARINE and INLAND MARINE INSURANCE
INCORPORATED 1833
HEAD OFFICES: TORONTO
W. R. BROCK, President. W. B. MEIKLE, Vice-Pres. and Gen. Mgr.
JOHN SIME, Asst. Gen. Mgr. E. P. GARROW, Secretary.
Assets, Over $2,500,000.00
Losses paid since organization over $41,000,000.00.

(FIRE)
BRITISH CROWN ASSURANCE
Corporation, Limited
OF GLASGOW, SCOTLAND
The Right Hon. J. Parker Smith, Pres. D. W. Maclennan, Gen. Mgr.
Head Office Canadian Branch—TRADERS BANK BLDG., TORONTO
Liberal Contracts to Agents in Unrepresented Districts

CALEDONIAN INSURANCE COMPANY
The Oldest Scottish Fire Office
Head Office for Canada MONTREAL
J. G. BORTHWICK, Manager
MUNTZ & BEATTY, Resident Agents
Temple Bldg., Bay St., TORONTO Telephone Main 66 & 67

The Northern Assurance Company, Ltd.
of London, Eng.
ACCUMULATED FUNDS, 1916 ....$39,935,000.00
Including Paid up Capital Amount, $1,460,000.00
Head Office for Canada, 88 Notre Dame Street West, Montreal
G. E. MOBERLY, Manager

*TOTAL TRADE OF CANADA BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	36,937,713	28,391,640	50,147,830	86,807,809
May	45,076,939	34,390,808	69,697,812	107,596,379
June	45,750,793	35,324,739	66,399,538	97,515,067
July	42,964,487	36,557,691	63,622,687	90,181,595
August	44,390,603	40,806,865	72,331,114	91,931,019
September	36,567,572	38,028,156	68,766,262	....
October	35,113,730	39,515,144	71,196,252	....
November	31,552,190	45,217,559	72,579,445	....
December	30,392,913	45,690,721	67,900,534	....
January	30,300,157	50,170,465	72,323,074	....
February	35,912,910	51,654,968	68,030,469	....
March	40,411,384	62,034,605	102,335,886	....
Totals, Fiscal Years	455,371,371	507,783,361	845,330,903	....

EXPORTS OF CANADIAN MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	17,753,071	28,691,889	55,092,035	65,145,449
May	30,005,635	42,080,486	94,653,138	149,057,236
June	28,000,200	42,805,846	95,635,862	116,285,841
July	41,807,648	45,590,038	104,964,270	177,366,148
August	31,510,732	41,094,154	96,091,028	146,387,586
September	31,796,613	46,129,735	90,285,181	....
October	45,883,422	80,038,582	85,312 175	....
November	42,872,109	92,931,916	109,558,950	....
December	37,193,609	92,171,402	130,037,174	....
January	28,595,598	83,731,184	99,106,259	....
February	28,881,277	57,931,168	68,224,383	....
March	45,118,922	88,414,238	122,415,313	....
Totals, Fiscal Years	409,418,836	741,610,638	1,151,375,768	....

EXPORTS OF FOREIGN MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	662,190	2,584,685	809,061	1,795,814
May	2,885,528	1,440,434	1,175,211	3,233,110
June	2,611,309	4,552,656	2,490,104	3,725,324
July	8,507,322	2,916,682	1,590,422	2,850,372
August	12,549,622	7,904,330	2,230,133	6,175,759
September	8,747,481	7,586,147	1,986,218	....
October	5,652,809	4,063,483	2,003,559	....
November	3,370,152	1,504,177	2,243,423	....
December	1,654,488	1,423,201	2,496,831	....
January	1,371,732	1,715,862	3,445,807	....
February	1,240,624	831,865	3,254,865	....
March	2,770,416	1,165,910	4,109,698	....
Totals, Fiscal Years	52,023,873	37,689,432	27,835,332	....

TRADE OF CANADA WITH UNITED KINGDOM BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM UNITED KINGDOM.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	6,718,774	4,829,105	6,953,307	6,754,791
May	8,864,524	5,297,150	10,015,047	8,028,763
June	9,243,234	5,693,544	9,170,364	8,489,191
July	9,064,290	6,307,797	9,463,316	6,902,611
August	9,517,335	6,315,225	9,699,705	8,008,694
September	7,132,304	5,902,915	8,818,520	....
October	7,350,472	5,688,293	8,506,096	....
November	5,873,854	7,338,718	8,462,892	....
December	5,644,400	6,243,327	8,112,981	....
January	6,692,555	7,327,255	9,455,133	....
February	7,013,754	6,978,123	8,139,966	....
March	6,967,682	9,449,230	10,273,854	....
Totals, Fiscal Years	90,083,178	77,370,682	107,071,181	....

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*Figures of the Department of Trade and Commerce.

TRADE OF CANADA WITH UNITED KINGDOM BY MONTHS—*Continued.*

EXPORTS OF CANADIAN MERCHANDISE TO UNITED KINGDOM

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	7,000,680	18,192,655	35,847,117	....
May	12,154,115	24,643,519	62,310,274	....
June	8,636,470	21,783,968	61,850,279	....
July	18,026,788	22,739,381	71,317,030	....
August	12,543,233	17,925,332	59,153,587	....
September	12.752,854	22,189,301	55,804,371	....
October	24,745.143	45,765.452	47.171,629	....
November	22,150,800	59,584,272	70.141,525	....
December	17,971,518	66,405,670	93,348,306	....
January	12,686,992	59,236,993	65,987,895	....
February	14,301,759	34,445,583	42,590,593	....
March	23 698,202	58,940,273	76,624,931	....
Totals, Fiscal Years	186,668,554	451,852,399	742,147,537	....

EXPORTS OF FOREIGN MERCHANDISE TO UNITED KINGDOM.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	43,676	42,153	280,260	....
May	962,478	186,497	313,643	....
June	671,925	2,060,035	1,135,051	....
July	3,159,958	1,121,625	611,253	....
August	8,358,515	2,125,681	1,425,947	....
September	5,323,124	3,908,253	810,545	....
October	3.128,638	592,942	961,527	....
November	1,708 608	145,768	1,330,290	....
December	698,363	353,252	1,595,448	....
January	158,424	416,103	1,498,945	....
February	159,908	69,803	2,005,942	....
March	715,547	206,730	1,954,671	....
Totals, Fiscal Years	25,089,164	11,228,842	13,923,522	....

TRADE OF CANADA WITH UNITED STATES BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM UNITED STATES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	25,088,785	20,059,097	38,283,790	74,611,244
May	28,421,096	24,683,167	52,543,423	91,332,166
June	29,571,954	25,412,590	50,754,009	82,035,864
July	26,894,617	25,989,742	48,370,692	78,163,533
August	26,663,285	28,255,575	56,433,525	75,034,983
September	25,297,147	26,986,214	53,345,945	....
October	23,346,870	28,381,750	56,081,018	....
November	21,387,196	32,419,421	58,496,757	....
December	20,037,155	34,449,039	53,917,608	....
January	18,506,108	37,337,914	57,847,927	....
February	23,505,889	38,945,968	53,517,508	....
March	27,912,404	47,577,390	84,627,451	....
Totals, Fiscal Years	296,632,506	370,497,867	664,219,653	....

EXPORTS OF CANADIAN MERCHANDISE TO UNITED STATES

Months.	1914-15	1915-16	1916-17	1917-1918
	$	$	$	$
April	8,056,633	7,951,610	12,791,903	....
May	14,156,947	12,256,886	22,871,262	....
June	14,934,723	13,914,300	21,729,722	....
July	18,746,186	16,589,893	23,458,183	....
August	15,922,271	16,290,685	23,987,082	....
September	16,242,895	18,410,017	22,814,218	....
October	17,138,777	24,140,559	26,336,639	....
November	16,468,038	22,540,375	29,008,668	....
December	15,341,608	18,448,862	27,363,888	....
January	11,225,623	15,200,296	22,026,268	....
February	10,601,127	15,315,328	16,826,311	....
March	14,485,388	20,047,677	31,402,188	....
Totals, Fiscal Years	173,320,216	201,106,488	280,616,330	....

(*Continued on Page 45*)

TRADE OF CANADA WITH UNITED STATES BY MONTHS—*Continued from Page 44.*

EXPORTS OF FOREIGN MERCHANDISE TO UNITED STATES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	554,106	2,523,936	498,847	....
May	704,925	804,121	694,465	....
June	896,101	565,292	685,866	....
July	799 669	1,388,725	706,075	....
August	1,560,373	4,562,614	739,633	....
September	1,832,072	1,181,862	1,118,379	....
October	1,052,813	1,022,692	977,307	....
November	695,917	723,051	848,179	....
December	688,024	842,645	825,913	....
January	1,191,921	510,587	848,628	....
February	1,071,741	702,873	895,969	....
March	1,974,978	734,376	1,123,182	....
Totals, Fiscal Years	13,022,640	15,562,774	9,962,443	....

TRADE OF CANADA WITH OTHER COUNTRIES BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	5,130,154	3,503,438	4,910,733	5,441,774
May	7,791,319	4,410,491	7,139,342	8,235,450
June	6,935,605	4,218,605	6,475,165	6,990,012
July	7,005.560	4,260,152	5,788,679	7,115,451
August	8,209,983	6,236,065	6,197,884	8,887,332
September	4,138,121	5,139,027	6,601,797	....
October	4,416,388	5,445,101	6,609,138	....
November	4,291,140	5,459,420	5,619,796	....
December	4,711,358	4,998,355	5,869,945	....
January	5,101,494	5,505.296	5,020,014	....
February	5,393,267	5,730,877	6,372,995	....
March	5,531,298	5,007,985	7,434,581	....
Totals, Fiscal Years	68,655,687	59,914,812	74,040,069	....

EXPORTS OF CANADIAN MERCHANDISE TO OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	2,695,758	2,547,624	6,453,015	....
May	3,694.573	5,180,081	9,471,602	....
June	4,429,007	7,107 578	12,055,861	....
July	5,034'674	6,260,764	10,189,057	....
August	3,045,228	6,878,137	12,950,359	....
September	2,800,864	5,530,417	11,666,594	....
October	3,999,502	10,132,571	11,803,907	....
November	4,253,271	10,807,269	10,408,757	....
December	3,880,483	7,316,870	9,324,980	....
January	4 682,983	9,293,895	11,092,096	....
February	3,978,391	8,170,257	8,807,479	....
March	6,935,332	9,426,288	14,388,194	....
Totals, Fiscal Years	49,430,066	88,651,751	128,611,901	....

EXPORTS OF FOREIGN MERCHANDISE TO OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	64,408	18,596	29,954	....
May	1,218,125	449,816	167,103	....
June	1,043,283	1,927,329	869,187	....
July	4,547,695	406,332	273,094	....
August	2,630,731	1,216,035	64,553	....
September	1,592,285	2,496,032	57,294	....
October	1,471,358	2,447,849	64,725	....
November	965,627	635,358	64,954	....
December	268,101	227,304	75,470	....
January	21,387	789,172	1,098,234	....
February	8,975	59,189	352,954	....
March	79,891	224 804	1,031,845	....
Totals, Fiscal Years	13,911,869	10,897,816	3,949,367	....

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. MORROW & JELLETT, Members, Toronto Stock Exchange, 103 Bay Street Toronto:—

Jan. 24th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canada Cement	7	90	7.77
Canada Steamships	7	75	9.33
Canadian Locomotive	7	83	8.43
Mackay Companies	4	60	6.66
Maple Leaf Milling	7	91	7.69
Penmans	6	82	7.31
Steel of Canada	7	83	8.43
Common:			
Bell Telephone	8	130	6.15
B. C. Fishing and Packing	4	38	10.52
Canada Cement	6	58	10.34
Canadian Locomotive	6	57	10.52
Canadian General Electric	8	102	7.84
Consumers' Gas	10	150	6.66
Canadian Pacific Railway	10	139	7.14
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundry & Steel	8	62	12.90
Mackay Companies	6	76	7.89
Dominion Steel Corporation	5	56	8.92
Maple Leaf Milling	10	91	11.10
Penmans	4	66	6.06
Steel Co. of Canada	6	52	11.53
Toronto Railway	8	61	13.11
Twin City	6	65	9.23
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	96½	6.22
Canada Steamships	6	80	7.50
Canadian Locomotive	6	88	6.81
Penmans	5	86	5.81
*First War Loan	5	95	5.26
*Second War Loan	5	93½	5.34
*Third War Loan	5	93	5.37
......	....	....	....

*Yield on stock basis.

Saskatchewan's Vital Statistics, 1917

	Total for Cities	Rate per 1,000 Cities	Total for other Municipalities	Rate per 1,000 other Municipalities		Total for Province	Rate per 1,000 Province	
				1917	1916		1917	1916
Births	271	2,6	1,523	3.0	2.4	1,794	2.5	2.4
Marriages	196	1.9	360	.7	.4	556	.7	.6
Deaths	89	.8	238	.4	.4	327	.4	.5
PRINCIPAL CAUSES OF DEATH								
Typhoid	..	..	4	.007	.003	4	.005	.004
Diphtheria	3	.03	2	.003	..	5	.007	.001
Scarlet Fever	..	..	3	.004	.001	3	.004	.001
Measles	..	..	1	.001	.004	1	.001	.004
Chickenpox	..	..	..	..	..	..	..	..
Smallpox	..	..	..	..	..	..	..	..
Whooping Cough	..	..	1	.001	.01	1	.001	.01
Tuberculosis	4	.04	15	.03	.02	19	.03	.03
Meningitis	..	..	..	..	.001	..	..	.001
Cerebral-meningitis	3	.03	1	.001	.003	4	.005	.002
Infantile paralysis	..	..	..	..	.003	..	..	.002
Pneumonia	7	.07	10	.02	.02	17	.02	.03
Childbirth	..	..	2	.003	.01	2	.002	.01
Stillborn	9	.09	8	.01	.03	17	.02	.03
Convulsions, infantile	..	..	6	.01	.004	6	.008	.004
Diarrhœa enteritis, under 1 year	2	.02	6	.01	.008	8	.01	.01
Diarrhœa enteritis, over 1 year	1	.01	1	.001	.001	2	.002	.001
Accidental deaths	5	.05	13	.02	.02	18	.03	02

The valuation of stock exchange securities by the Bankers' Magazine of London shows a decline of £158,000,000 during 1917 in their list of 387 representative securities, as compared with £149,000,000 in 1916.

The annual financial statement of the Crown Reserve Company to the shareholders this week showed an increase in ore production from $191,822 to $265,155. After paying mining and all other expenses, including development, depreciation, etc., amounting to $182,582, the profits were $82,573 against $2,073 in 1916 With balance of $770,533 carried forward from 1916, the profit and loss account shows a total of $930,079, and after paying head office superintendence, taxes, depreciation, prospecting and exploration, totalling $148,314, the surplus was $781,765, the surplus for 1916 being $770,533.

NEW INCORPORATIONS

British Controlled Oilfields, Limited, of Montreal, Has Large Authorized Capital

The largest companies incorporated during the past week were: Waneta Power Company, Limited, Nelson, B.C., $1,500,000; Metals Chemical, Limited, Welland, Ontario, $1,000,000; the Wood Molybdenite Company, Limited, Ottawa, Ontario, $1,000,000; Pinto Collieries, Limited, Winnipeg, Man., $1,000,000; British Controlled Oilfields, Limited, Montreal, Que., $12,500,000; Engineering and Machine Works of Canada, Limited, St. Catharines, Ontario, $1,000.000.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Prince Rupert, B.C.—Skeena Club, Limited, $10,000.

Nelson, B.C.—Waneta Power Company, Limited, $1,500,000.

Winnipeg, Man.—Pinto Collieries, Limited, $1,000,000; H. Hurtubise, F. Hurtubise, T. F. Trihey.

Welland, Ont.—Metals Chemical, Limited, $1,000,000; A. W. Holmested, W. J. Cluff, W. Skelly.

Windsor, Ont.—Universal Car Agency, Limited, $40,000; J. M. Duck, W. D. McGregor, J. F. Duncan.

Ottawa, Ont.—The Wood Molybdenite Company, Limited, $1,000,000; O. E. Wood, A. McLean, G. D. Kelly.

Three Rivers, Que.—La Compagnie J. H. Giroux, Limitée, $49,500, J. H. Giroux, A. Allaire, C. H. Giroux.

Niagara Falls, Ont.—Auto Road Construction Company, Limited, $600,000; W. H. Johnston, A. H. Rose, R. Miller.

Village of Beeton, Ont.—Kline Fanning Mill Company, Limited, $40,000; E. R. Munnings, L. Munnings, F. J. Hubert.

St. Catharines, Ont.—Engineering and Machine Works of Canada, Limited, $1,000 000; H. R. Fraser, F. S. Rugg, Charles Mignault.

Village of Dutton, Ont.—The Dunwich and Dutton Telephone Company, Limited, $6,000; W. H. McAlister, J. R. Cameron, D. March.

Hebertville Station, Que.—Compagnie D'Aqueduc Hebertville-Saint-Bruno, $49,000; H. Lippe, J. A. Roy, L. Bernier. Louis Beaubien, Limitée, $149,000; L. Beaubien, J. I. Beaubien, E. Moisan.

Quebec, Que.—Louis Beaubien, Limitée, $149,000; J. I. Beaubien, E. Moisan, G. Jalbert. Legare Automobile and Supply Company, Limited, $500,000; L. L. Legare, J. A. Frader, P. C. Falardeau.

Montreal, Que.—The Page Wire Fence Company of Canada, Limited, $250,000; A. R. Plimsoll, R. Brodeur, A. Chouinard. British Controlled Oilfields, Limited, $12,500,000, G. W. MacDougall, L. Macfarlane, W. B. Scott. Laboratoire Nadeau, Limitée, $30,000, T. St. Arnaud, H. Nadeau, P. O. Nadeau.

Vancouver, B.C.—United Mail-Order Stores, Limited, $10,000. Maquinna Packing Company, Limited, $500,000. Banfield, Gunther and Black, Limited, $10,000. McAllister Spring Company, Limited, $25,000. Empire Brewing Company, Limited, $10,000. D. E. Brown's Travel Bureau, Limited, $25,000. McTavish Fisheries, Limited, $25,000. D. A. Macdonald, Limited, $10,000. Allan and McKelvie Engineering Company, Limited, $50,000. National Supplies, Limited, $15,000. Colonial Shipping Company, Limited, $40,000. G. L. Logging Company, Limited, $10,000. Blue Lake Consolidated Company, Limited (non personal liability), $1,000,000.

Toronto, Ont.—Green's Economizer, Limited, $50,000; W. Gilchrist, A. Hand, J. Stewart. C. J. Bodley, Limited, $50,000; W. J. Bodley, W. E. Steel, H. F. Hall. Majestic Electric Supplies, Limited, $150.000; J. H. Greenberg, M. O'Brien, E. L. Dewey. College Street Cartage and Storage Company, Limited, $40,000; W. Gilchrist, J. Stewart, W. Lawr. Golden Gate Mining Company, Limited (no personal liability), $40,000; L. J. Pashler, E. Barry, L. Sleeth. Comfor Manufacturing Company, Limited, $40,000; J. W. McFadden, C. B. Nasmith, F. E. Earl. Molybdenum Alloys, Limited (no personal liability), $500,000; G. I. Quibell, F. Rathbun, W. R. Allely. The Muir Cap Company, Limited, $40,000; G. C. Loveys, G. E. Atwood, W. M. Smith. The Perfection Children's Cloak Company, Limited, $40,000; M. Frankfort, S. Rogers, A. G. Keith.

DOMINION BANK

Showing total assets of $109,436,000 and many other strong features, the Dominion Bank's statement for the past year is a very satisfactory document. An increase of $17,000,000 in assets during the year is due largely to gains in deposits and not circulation. In 1917 the profits for the first time exceeded $1,000,000, the actual net earnings for the year being $1,087,477, as against $969,065 in 1916. This is an increase of $111,559. The results for the past year were equal to 7.73 per cent. on the total of the shareholders' invested funds, as comprised in the capital and reserve, the ratio in 1916 being 6.87. The ratio of earnings to capital was 18.12 per cent. in 1917, and 16.15 per cent. in 1916. An analysis of the bank's balance sheet and statement reveals a very substantial position.

PRELIMINARY STATEMENT OF THE TRADE OF CANADA FOR NOVEMBER

	Month of November			Twelve Months ending November		
	1915	1916	1917	1915	1916	1917
IMPORTS FOR CONSUMPTION.	$	$	$	$	$	$
Dutiable Goods	26,079,686	38.083,134	44.247.634	254,518,282	408,802.094	559.450.591
Free Goods	19.137,873	34.496.311	28,460.805	180,731,684	335.489,605	451.949,511
Total imports (mdse.)	45.217,559	72.579,445	72.708.439	435,249.966	741,291,699	1,011,400.102
*Coin and bullion	4.705,933	1,411,478	941,944	12,908 570	46,170.398	15,288,446
Total imports	49,923.492	73,990,923	73,650,383	448.158,536	790,462,097	1,026,688.518
Duty Collected	9,440,315	12.116,329	12,829,858	87,618.645	136.159,221	168,265 607
EXPORTS.						
Canadian Produce—The mine	6,634,887	7,026,024	6,879.290	59,972,897	78,457,189	80.820.961
The fisheries	2,075,877	2.600,021	4,315,983	21,742,864	23,786,818	27,937,967
The forest	4,556,502	5,172,272	5,438,570	48,925,230	54.515,579	52,706.389
Animal produce	12,113.520	13,603,193	23,237,442	93,384,593	114,458,052	172,010.209
Agricultural produce	53,936,837	36,789,632	77.961.781	193,543,711	366,781 913	487,297,365
Manufactures	13,231,022	44.119,094	68,947,268	137,702,849	408.026,574	703.147 168
Miscellaneous	383,271	248.714	535.181	3,879,908	7,814 506	5.136,051
Total Canadian produce	92.931,916	109.558.950	187,315.515	559,152,052	1.053.840.631	1,529.056,110
Foreign produce	1,504.177	2,243,423	7,442,979	39,589,854	19,664.969	46,176,896
Total exports (mdse)	94,436.093	111,802 373	194,758.493	598,741,906	1,073,505,600	1.575,233.006
Coin and bullion	9,865,896	161,709	132,687	128,316,291	196.422,615	3,261,872
Total exports	104,301,989	111,964,082	194,891,180	727,058,197	1,269,928,215	1,578,494,878
AGGREGATE TRADE.						
Merchandise	139,653.652	184,381.818	267,466,932	1,033,991,872	1,817,797,299	2,586,633,108
Coin and bullion	14,571,829	1,573,187	1,074,631	141,224,861	242,593 013	18,550,288
Total trade	154,225,481	185,955,005	268,541,563	1 175,216,733	2,060,390,312	2,605,183,396

*NOTE.—It will be noted that the figures relating to the imports and exports of coin and bullion for the twelve months ending Nov., were: imports 1915, $12,908,570; 1916, $46,170,398; 1917, $15,288,416; and exports 1915, $128,316,291; 1916, $196,422,615: 1917, $3,261,872. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada.

WESTERN
Assurance Company

INCORPORATED 1651

FIRE, EXPLOSION, OCEAN MARINE & INLAND MARINE INSURANCE

Assets .... over $5,000,000.00
Losses paid since organization " 66,000,000.00

BOARD OF DIRECTORS:

SIR JOHN AIRD
ROBT. BICKERDIKE, M.P.
W. R. BROCK, President
ALFRED COOPER (London, Eng.)
H. C. COX
D. B. HANNA
E. HAY
JOHN HOSKIN, K.C., LL.D
Z. A. LASH, K.C., LL.D.
W. B. MEIKLE, Vice-President
GEO. A. MORROW
LIEUT.-COL. THE HON. FREDERIC NICHOLLS
BRIG.-GEN. SIR HENRY PELLATT, C.V.O.
E. A. ROBERT (Montreal)
E. R. WOOD.

Head Office: TORONTO, Ont.

W. R. BROCK, President
W. B. MEIKLE, Vice-President and General Manager
C. C. FOSTER, Secretary

British Northwestern Fire Insurance Company

Head Office .... WINNIPEG, Can.

Subscribed Capital $594,400 Capital Paid-up $242,000
Security for Policyholders $677,000

HON. EDWARD BROWN, President
E. E. HALL, Vice-President
F. K. FOSTER, Managing Director

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance Sickness Insurance Plate Glass Insurance
Burglary Insurance Automobile Insurance Guarantee Bonds
The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

Waterloo Mutual Fire Insurance Company

ESTABLISHED IN 1863

Head Office, Waterloo, Ont.

Total Assets 31st December, 1915.................. $908,244.00
Policies in force in Western Ontario, over 30,000.00

GEORGE DIEBEL, President.
ALLAN BOWMAN, Vice-President.
L. W. SHUH, Manager.
BYRON E. BECHTEL, Inspector.

THE LAW UNION & ROCK INSURANCE CO., Limited

OF LONDON Founded in 1806

Assets exceed $48,000,000.00 Over $12,500,000.00 invested in Canada
FIRE and ACCIDENT RISKS Accepted
Canadian Head Office: 57 Beaver Hall, Montreal
Agents wanted in unrepresented towns in Canada.

W. D. Aiken, Superintendent Accident Department
J. E. E. DICKSON, Canadian-Manager

Economical Mutual Fire Ins. Co.

HEAD OFFICE .... KITCHENER, ONTARIO

CASH AND MUTUAL SYSTEMS
TOTAL ASSETS, $800,000 AMOUNT OF RISK, $28,000,000
GOVERNMENT DEPOSIT, $50,000

JOHN FENNELL, President
GEO. G. H. LANG, Vice-President
W. H. SCHMALZ, Mgr.-Secretary

Fidelity (Fire) Underwriters
OF NEW YORK

Policies assumed half by the Fidelity-Phenix Fire Insurance Company and half by the Continental Insurance Company.

COMBINED ASSETS EXCEED
FIFTY THREE MILLION DOLLARS

" The Best on the Continent "

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND:
17 St. John Street,
MONTREAL

W. E. BALDWIN, Manager.
JOS. ROWAT, Asst. Manager

ATLAS
Assurance Company Limited
OF LONDON, ENGLAND

The Company commenced business in the **REIGN OF GEORGE III.** and the following figures show its record:—

At the Accession of	Income	Funds
KING GEORGE IV. ...	$ 387,065 ...	$ 800,605
KING WILLIAM IV. ...	657,115 ...	8,038,380
QUEEN VICTORIA ...	789,865 ...	4,575,410
KING EDWARD VII ...	3,500,670 ...	11,185,405
KING GEORGE V. ...	6,846,895 ...	15,186,090
and at 31st DECEMBER, 1916 ...	7,980,685 ...	20,730,010

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which $1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada, 260 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager

UNION ASSURANCE SOCIETY
LIMITED

(FIRE INSURANCE SINCE A.D. 1714)

Canada Branch .... Montreal
T. L. MORRISEY, Resident Manager

North-West Branch .... Winnipeg
THOS. BRUCE, Branch Manager

MARTIN N. MERRY, General Agent TORONTO
Agencies throughout the Dominion

SUN FIRE

FOUNDED A.D. 17

THE OLDEST INSURANCE CO. IN THE WORLD

Canadian Branch ... Toronto
LYMAN ROOT, Manager

The LONDON ASSURANCE

Head Office, Canada Branch, MONTREAL
Total Funds exceed $32,000,000

Established A.D. 1720. FIRE RISKS accepted at current rates
Toronto Agents .. . S. Bruce Harman, 19 Wellington St. East

MERCHANTS FIRE INSURANCE COMPANY

A very satisfactory report was presented by the directors of the Merchants Fire Insurance Company at their recent annual meeting in Toronto. Not only was the premium income materially increased but after providing for all provincial and Federal taxes, the net earnings were the largest in the company's history. The net profit on the year's operations was $80,498. A dividend of 10 per cent. on the paid-in capital stock of the company was declared and the balance carried to the credit of profit and loss account. The expense ratio for 1917 was 33.93 per cent., as compared with 33.97 per cent. in the previous year. The fire loss ratio was 39.01 per cent., and the profit, 27.04 per cent. of the net premium income.

The amount at risk is substantial and now stands at $49,670,297. The number of policies in force is 44,186, an increase of 2,920. The average risk per policy is $1,124.10. The premium income, interest, receipts, building rentals, commission on re-insurance and endorsement fees were respectively $316,110, $15,306, $4,045, $965 and $295, making a total income of $336,623.

In presenting the directors' report, Mr. Ralph E. Gibson, president, pointed out that the fund deposited with the Ontario insurance department for the security of policyholders is $106,500. In addition to being greatly in excess of statutory requirements, this is the largest made by any Canadian fire insurance company. The general manager of the company is Mr. J. H. C. Durham, and Mr. Gibson intimated that the sound and healthy condition of the company's affairs was due largely to the efficiency of the management. Mr. Durham is a cautious underwriter and has carefully selected the company's business. The results of this policy are reflected in the financial statement.

DECEMBER BANK STATEMENT

The following statement shows the principal items of the December bank report, with the changes which occurred during the month.—

	Dec., 1917.	Changes during Dec., 1917.
Reserve fund	$ 114,100,693	+ $ 53,940
Note circulation	192,923,824	— 3,211,986
Demand deposits	596,441,871	+ 57,572,509
Notice deposits	995,978,013	— 12,679,861
Total deposits in Canada	1,592,419,884	+ 44,892,648
Deposits outside Canada	174,779,104	— 865,909
Current coin	82,032,863	— 1,146,868
Dominion notes	167,478,560	+ 1,963,423
Deposits, central gold reserve .	97,270,000	+ 6,150,000
Call loans in Canada	71,779,020	— 399,325
Call loans outside Canada	134,483,482	— 5,349,070
Current loans in Canada	858,533,298	— 10,440,416
Current loans outside Canada	111,581,098	+ 15,626,574
Total liabilities	2,081,733,392	+ 3,632,162
Total assets	2,323,163,781	+ 2,892,796

The statement in detail and the usual analysis will be printed in these columns next week.

As a first step toward building up in the waste lands of the province a great sheep and cattle ranching industry the Ontario government is to establish a five-thousand-acre ranch, probably in the Parry Sound district. The plans which are now receiving the consideration of the experts of the department of agriculture will be put into operation during the coming summer, when the ranch will be located, buildings erected, etc., and arrangements made for putting stock on the land the following spring.

In his remarks to shareholders on the annual report of the Twin City Railway Company, President Horace Lowry stated that the company had suffered to a large extent from increases in taxes, materials, wages, fuel and other supplies, but that the physical condition of the property had been maintained. New trackage was constructed and put in operation aggregating 6.87 miles, and 36 new passenger cars were put in service. Mr. Lowry also stated that the city of Minneapolis completed the valuation of the company's property lying within that city, but on account of generally disturbed conditions, the city authorities were moving slowly with the franchise negotiations. Ample steps had been taken to protect the interests of the company in the negotiations.

GUARANTEE COMPANY OF NORTH AMERICA

Founded by Mr. Edward Rawlings in 1872, the pioneer of the business on this continent, the Guarantee Company of North America has achieved splendid success in its underwriting operations. It has an enviable reputation in the insurance world. Not only is it favorably known because of its sound business principles and practice; its staunch position and a policy combining proper caution and enterprise, have placed it in the front rank of our financial and underwriting institutions. The excellent examples set by the company's founder have been carried on year by year by succeeding managements. To-day at the head of the corporation as president and managing director is Mr. Henry E. Rawlings, whose success in his important sphere has been notable. Mr. Rawlings has carried on the affairs of the Guarantee Company of North America in a creditable way. He is supported by an exceptionally influential and active directorate. In presenting the directors' report, at the annual meeting this week, Mr. Rawlings pointed out that last year, as in previous years, the company had adhered to its conservative policy and methods in the underwriting of only fidelity bonds and a few classes of preferred surety bonds.

The premiums revenue last year was the largest in the company's history. The ratio of claims, paid and pending, was decreased, compared with the average of previous years.

The United States Guarantee Company of New York, of which the company owns two-thirds of the capital stock, and with which its reinsurance arrangements have been mutually satisfactory and profitable, after adjusting its valuations of securities on a basis consistent with present values providing for all liabilities and payment of a dividend of 10 per cent. on its capital stock of $250,000, shows an increase of $24,303.79 in its surplus to shareholders, which at the close of the year totals $675,288.82. In the latter part of the year, the company was subjected to the usual periodical three-year examination of the superintendent of the insurance department of the State of New York, whose report, in accordance with his findings, concludes: "The company's policy is careful underwriting, fair treatment of policyholders and prompt payment of adjusted claims."

An examination of the company's statement shows a maintenance of a strong and favorable financial position. The company's management, directorate, shareholders and clients have every good reason to be well satisfied.

WORLD'S CROP DATA

A cablegram received from the International Institute of Agriculture gives the following crop data:—

Production of wheat in Uruguay, 18,732,000 bushels, or 340.8 per cent. of the 1916-17 crop, an increase of 12,980,000 and 273.6 per cent. of the five years' average 1911-12 to 1915-16, an increase of 11,660,000; in Union of South Africa, 8,833,000, and 135.5 per cent. of the five years' average, an increase of 2,320,000; in New Zealand, 8,000,000 bushels, 160 per cent. of last year, an increase of 3,000,000, and 125 per cent. of the five years' average, an increase of 1,600,000. Argentina and Australia have not yet reported.

Production of oats in New Zealand, 21,138,000 bushels, 337 per cent. of last year, an increase of 14,870,000, and 137 per cent. of the five years' average, an increase of 5,710,000.

In England and Wales the area sown to wheat shows an increase of 15 per cent., and rye 3 per cent. The area sown to barley and oats is practically the same as last year.

The total production of cotton in the United States, India and Egypt is 15,355,000 bales of 500 pounds, or 94.5 per cent. of last year, and 81.7 per cent. of the five years' average. The United States crop this year is 10,949,000 bales.

At the annual meeting of shareholders of the Provincial Bank of Canada on Wednesday, it was decided to change the fiscal year, which will in future terminate on June 30, instead of December 31. The annual general meeting will hereafter be held on the second Wednesday of September. The board of directors was re-elected, and at a subsequent meeting of the directors the following officers were elected. Hon. H. Laporte, president; W. F. Carsley and T. Bienvenu, vice-presidents, and at a meeting of the Commissioners' censors held immediately after the directors' meeting, Sir Alex. Lacoste was elected president, and Dr. E. F. Lachapelle, vice-president for the ensuing year.

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Established 1867 — Old as Confederation

JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

Bank Statement Records Large Profits

TOTAL is $1,565,000,000 at the End of 1917—Savings Deposits Were Contracted and Demand Deposits Increased as a Result of Victory Loan Financing—Loans to Municipalities Are 50 Per Cent. Higher Than a Year Ago—Current Loans Remain at High Figure.

	December, 1916.	November, 1917.	December, 1917.	Year's Inc. or dec.	Month's Inc. or dec.
Deposits on demand	$458,208,417	$ 538,869,382	$569,441,871	+24.2	+5.1
Deposits after notice	845,006,717	1,008,657,874	995,978,013	+17.7	—1.2
Current loans in Canada	820,378,557	868,873,714	858,533,298	+ 4.6	—1.1
Current loans elsewhere	76,396,720	95,954,524	111,581,098	+46.0	+4.4
Loans to municipalities	24,056,797	36,459,598	36,353,039	+50.0	— .002
Call loans in Canada	82,569,983	72,178,345	71,779,020	—13.4	—1.3
Call loans elsewhere	173,878,134	139,832,552	134,483,482	—22.5	—3.6
Circulation	148,785,237	202,181,328	208,753,337	+ 4.1	+2.9

THE above are the changes in the principal accounts of the Canadian banks during December, the figures being compared also with those of a year ago. The changes during the month were comparatively slight, one of the most notable being an increase of $31,000,000 or 5 per cent. in demand deposits. Savings deposits, for the first time in several years, show a decrease. The loss, however, is less than 2 per cent. and this account is still more than 17 per cent. higher than a year ago. The decrease in December was partly due to the payment of the 10 per cent. instalment in connection with applications for Victory bonds. Call loans abroad were decreased during the month by about $5,000,000. Circulation increased by $6,000,000 or nearly 3 per cent. Current loans abroad were $16,000,000 greater in December than in the previous month, the gain for the month being 4.4 per cent.

The following table gives a record of deposits for the past fourteen months:—

	Deposits payable on demand.	Deposits payable after notice.
1916—November	$459,277,454	$836,593,269
December	458,208,417	845,006,717
1917—January	427,308,526	864,163,344
February	430,331,801	880,456,637
March	448,151,528	888,765,698
April	471,312,285	874,948,724
May	443,839,847	892,562,657
June	449,689,670	900,510,552
July	450,849,356	929,442,340
August	443,317,275	806,774,687
September	451,749,532	965,393,541
October	495,058,449	985,790,850
November	538,869,362	1,008,657,874
December	569,441,871	995,978,013

Demand deposits in December were higher, at $569,000,000, than at any time during the past fourteen months. Probably the preparations made by trust and insurance companies and other large subscribers to pay their instalments in full on January 2nd were largely responsible for the increase of $57,000,000 shown in the demand deposits in December. During that month they undoubtedly accumulated funds in their current accounts ready for the heavy cheques to be issued at the beginning of January. The January return will reflect the disposition of these special balances, or rather their transfer to the government's account. January is nominally a month of contraction; consequently a decrease in the demand deposits may be in evidence this month.

The deposits payable after notice declined about $13,000,000 during December but still were $150,000,000 greater than a year ago. A further decrease in savings deposits will probably be noted in the January bank statement. This will be partly counterbalanced by the customary January movement of current account funds into the more permanent forms of savings accounts and special time deposits.

Commenting on the deposits accounts, the financial editor of the Montreal Gazette says: "Although the initial payment of 10 per cent. on the Victory Loan called for the transfer of about $41,000,000 from private to government account, the Canadian bank statement of December 31st shows a net loss in savings deposits of less than $13,000,000. As savings deposits increased some 22 millions in November, the total at the end of December was nearly 10 millions higher than two months before. On the side of savings account, therefore, the returns as shown in the December statement are highly reassuring. Expansion in savings apparently continued at a substantial rate through the month, materially reducing the decline due to withdrawals for loan payment.

"As no inconsiderable part of the loan payment was probably chequed out of non-interest bearing deposit accounts, the results shown in the item of demand deposits are rather surprising. The figures under this head rose 57 millions in the month, and the grand total of deposits

Chartered Banks' Statement to the

	NAME OF BANK	Capital Authorized	CAPITAL STOCK		Amount of rest or reserve fund	Rate per cent. of last dividend declared	Notes in circulation	Bal. due to Dom. Gov. after deducting advances for credits, pay-lists, etc.	Balances due to Provincial Governments	Deposits by the public, payable on demand in Canada	Deposits by the public payable after notice or on a fixed day in Canada	Deposits elsewhere thao in Canada
			Capital Subscribed	Capital Paid Up								
		$	$	$	$		$	$	$	$	$	$
1	Bank of Montreal	25,000,000	16,000,000	16,000,000	16,000,000	10	29,933,541	2,513,366	1,976,270	103,205,561	154,365,068	58,307,064
2	Bank of Nova Scotia	10,000,000	8,500,000	6,500,000	12,000,000	14	12,171,422	1,022,492	57,547	25,051,657	58,730,476	19,475,997
3	Bank of British North America	4,866,666	4,866,666	4,866,666	3,017,333	8	5,509,654	503,586	144,452	17,524,395	33,064,805	4,761,989
4	Bank of Toronto	10,000,000	5,000,000	5,000,000	8,000,000	11	6,411,710	621,867	110 510	24,454,309	38,791,128	....
5	The Molsons Bank	5,000,000	4,000,000	4,000,000	4,800,000	11	6,348,123	2,071,190	242,029	14,260,199	35,887,767	....
6	Banque Nationale	5,000,000	2,000,000	2,000,000	2,000,000	9	3,888,341	4,973,499	191,192	5,099,710	20,876,688	1,319,214
7	Merchants Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	10	13,437,478	1,494 369	1,999,767	37,340,812	63,059,949	1,341,993
8	Banque Provinciale du Canada	2,000,000	1,000,000	1,000,000	750,000	7	1,157,278	2,000,946	239,162	3,978,987	11,983,125	....
9	Union Bank of Canada	8,000,000	5,000,000	5,000,000	3,400,000	8	11,692,502	1,922,237	3,954,000	49,351,678	59,456,867	3,415,632
10	Canadian Bank of Commerce	25,000,000	15,000,000	15,000,000	13,500,000	10	24,451,800	21,295,678	3,302,082	95,412,522	132,038,876	23,166,118
11	Royal Bank of Canada	25,000,000	12,911,700	12,911,700	14,000,000	12	28,118,471	13,488,962	1,258,867	66,681,362	121,630,581	62,401,441
12	Dominion Bank	10,000,000	6,000,000	6,000,000	7,000,000	12	9,417,684	1,816,452	23,776	27,371,495	53,963,166	589,656
13	Bank of Hamilton	5,000,000	3,000,000	3,000,000	3,300,000	12	6,096,086	603,225	130,626	18,301,469	35,469,471	....
14	Standard Bank of Canada	5,000,000	3,473,100	3,417,760	4,417,760	13	5,496,483	1,577 976	195,590	17,401,964	37,088,820	....
15	Banque d'Hochelaga	10,000,000	4,000,000	4,000,000	3,700,000	9	6,479,692	3,840,589	404,375	7,489,469	25,543,029	....
18	Bank of Ottawa	5,000,000	4,000,000	4,000,000	4,750,000	12	6,051,095	395,983	448,320	12,086,911	35,621,123	....
17	Imperial Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	12	9,361,714	925,101	605,811	24,064,952	47,851,541	....
18	Home Bank of Canada	5,000,000	2,000,000	1,947,363	300,000	5	2,190,905	4,584,867	482,845	3,678,172	9,145,487	....
19	Northern Crown Bank	6,000,000	1,431,200	1,429,447	715,600	5	3,252,465	162,545	877,801	10,539,229	12,312,467	....
20	Sterling Bank of Canada	3,000,000	1,266,600	1,215,520	300,000	6	1,108,970	108,673	102 669	4,425,213	7,768,485	....
21	Weyburn Security Bank	1,000,000	642,200	385,320	150,000	5	345,410	74,950	34,030	1,721,805	1,329,174	....
	....	....	....	....	....	....	....	....	....	....	....	....
	Total	189,866,666	112,091,466	111,673,776	114,100,693	....	192,923,824	65,998,553	16,781,521	569,441,871	995,978,018	174,779,104

ASSETS

	NAME OF BANK	Current Gold and Subsidiary Coin			Dominion Notes			Deposit with Minister of Finance for security of note circulation	Deposit in central gold reserves	Notes of other banks	Cheques on other banks	Loans to other bks. in Canada, secured, including bills rediscounted	Dep'sits made with and bal. due from other banks in Canada	Due from banks and banking corres-pond'ts in the United King.	Due from bks. and banking corres-pond'nts else-where than in Canada and U K.
		In Canada	Else-where	Total	In Canada	Else-where	Total								
		$	$	$	$	$	$	$	$	$	$	$	$	$	$
1	Bank of Montreal	17,022,409	3,592,360	20,614,770	42,325,450	8,168	42,333,818	790,000	17,000,000	2,667,347	17,082,758	......	....	4,173,617	9,614,816
2	Bank of Nova Scotia	7,317,162	2,383 879	9,701,042	10,423,328	3,633	10,426,962	321,015	6,500,000	1,508,880	8,689,872	....	....	3,435,721	2,002,382
3	Bank of Brit. North America	812,722	166,824	979,546	4,931,853	204	4,932,057	245,822	2,420,000	986,964	3,844,307	....	10,622	133,024	1,995,093
4	Bank of Toronto	965,983	....	965,983	8,627,668	....	8,627,668	262,273	3,000,000	742,165	3,567 125	....	....	....	2 849,776
5	The Molsons Bank	547,057	....	547,057	3,879,286	....	3,879,286	217,000	2,000,000	596,801	2 805,064	....	13,567	382,942	1,587,531
6	Banque Nationale	236,289	1,225	237,495	1,621,936	....	1,621,936	100,000	1,800,000	576,705	1,332,167	....	893	....	616,102
7	Merchants Bank of Canada	3,760 061	1,003,092	4,763,154	5,273,830	....	5,273,830	355,000	8,000,000	1,302,206	6,594 376	....	4,877	116,266	2,271,598
8	Banque Provinciale du Canada	95,886	....	95,886	1,551,081	....	1,551,081	64,383	....	396,025	1,589,834	....	1,542,575	12,791	636,426
9	Union Bank of Canada	941,249	16,373	957,623	14,414,975	42	14,415,017	260,000	7,800,000	842,198	4,656,413	....	180,839	815,250	3,234,806
10	Canadian Bank of Commerce	11,407,310	9 209,355	20,616,665	16,036,296	15,655	18,051,951	831,173	11,000,000	2,768,682	11,544,115	....	57,053	371,032	8 309,269
11	Royal Bank of Canada	3,987,543	19,307,662	14,295,205	18,850,352	2,858	18,853,210	645,585	17,000,000	5,764,472	13,753,028	....	234,707	656,347	8,234,088
12	Dominion Bank	1,929 379	3,303	1,932,683	13,479,952	....	13,479,952	304,500	4,300,000	1,027 092	4,455,142	....	9,459	140,312	1,992,494
13	Bank of Hamilton	879,287	....	879 287	3,503,289	....	3,503,289	157,000	3,600,000	647,365	2,831,629	....	318,714	1,173 592	588,785
14	Standard Bank of Canada	1,426,584	....	1,426,584	4,883,860	....	4,883,860	175 000	2,800,000	499,927	3,775,323	....	....	39,901	680,019
15	Banque d'Hnchelaga	378,968	....	378,966	3,227,420	....	3,227,420	200,000	2,500,000	841,667	1,850,113	....	541,955	15,594	484,598
16	Bank of Ottawa	1,020,426	....	1,020,426	2,508,070	....	2,506,070	210,000	2,550,000	514,040	1,970,691	....	1,512,665	718,307	1,267,520
17	Imperial Bank of Canada	2,228,075	....	2,228,075	8,138,980	....	8,138 980	369 681	2,500,000	1,575,990	4,020,624	... ...	509,371	1,047,148	3,734,778
18	Home Bank of Canada	127,857	....	127,857	1 180,064	....	1,180,064	105,000	200,000	192,960	525,354	....	111,146	19,567	265,443
19	Northern Crown Bank	177,544	....	177,544	1,519,380	....	1,519,380	75,500	2,300,000	316,978	1,878,505	....	680,031	86,250	326,402
20	Sterling Bank of Canada	70,454	....	70,454	933,060	....	933,060	62,994	....	223,129	815,327	....	8,969	34,383	480,539
21	Weyburn Security Bank	16,561	....	16,561	170,430	... ..	170,430	17,705	....	87,116	17,165	....	1,257,787	....	183,088
	....	....	....	....	....	....	....	....	....	....	....	....	....	....	......
	Total	55,348,784	26,684,073	82,032,863	167,478,560	30,560	167,509,121	5,769,631	97,270,000	24,078,909	95,598,932	....	6,995,230	13,372,044	51,355,562

Of the deposit in Central Gold Reserves $19 680,000 is in gold coin ; the balance is in Dominion Notes.

of the Canadian public rose some 45 millions to a new high record of 1,592 millions. These at least are the figures shown in the summary telegraphed from Ottawa yesterday.

"Preparations for year-end payments are possibly one explanation for the remarkable gain. Normally there is a sharp expansion in this item of banking accounts in the final month of the year as cash balances are increased to provide against payments of all kinds falling due at the beginning of the new year. The increase, however, is unusually large, and particularly so in view of the Victory Loan payment."

The following table shows a record of deposits for the past four years :—

Dec.		On demand.	After notice.	Total.
1913	....	$381,375,509	$624,692,326	$1,006,067,835
1914	....	349,909,953	662,830,037	1,012,739,990
1915	....	423,690,384	720,990,267	1,144,680,651
1916	....	458,208,417	845,006,717	1,303,215,134
1917	....	569,441,871	995,978,013	1,565,419,884

While savings deposits decreased in December, the increase of $31,000,000 in demand deposits maintained a high sum for total deposits which, at the end of 1917, stood at $1,565,419,884. This is the highest December total on record.

The following table shows the course of current and call loans in Canada during the past fourteen months :—

Dominion Government---Dec., 1917

LIABILITIES

Loans from other banks in Canada secured, including bills re-discounted	Deposits made by and balances due to other banks in Canada	Due to banks and banking correspondents in the United Kingdom	Due to banks and banking correspondents elsewhere than in Canada or the U.K.	Bills payable	Acceptances under letters of credit	Liabilities not included under foregoing heads	Balances due to the Imperial Government	Total Liabilities	Aggregate amount of loans to directors, and firms of which they are partners	Average amount of current gold and subsidiary coin held during the month	Average amount of Dominion Notes held during the month	Greatest amount of notes in circulation at any time during the month	
$	$	$	$	$	$	$	$	$	$	$	$	$	
......	4,454,906	......	441,738	855,295	2,164,934	3,754,411	......	361,972,158	489,131	30,089,102	47,387,280	32,226,241	1
......	511,554	73,699	1,268,291	......	644,828	229,008	......	119,236,975	624,853	7,898,767	10,122,984	13,030,757	2
......	8,621	30,817	565,821	1,891,874	1,042,347	1,923,490	......	66,971,851	......	1,535,901	5,644,216	5,924,574	3
......	387,895	243,877	170,799	......	529,920	2,230	......	71,724,248	259,318	960,109	8,971,382	7,874,400	4
......	216,490	24,732	128,698	......	1,080,834	283,975	......	60,544,242	464,163	547,702	4,305,319	6,770,788	5
......	117	16,140	3,113	......	40,300	7,100	......	36,415,418	658,589	238,188	1,307,177	3 927,641	6
......	1,271,361	79,970	1,733,136	......	703,162	1,892	......	122,463,893	738,496	5,720,672	13,228,293	14,684,028	7
......	......	......	500,000	......	......	41,492	......	19,900,991	......	94,013	327,013	1,233 673	8
......	438,473	190,156	489,757	46,720	2,729,410	11,354	......	133,698,790	714,566	1,540,686	15,567 528	12,922,242	9
......	84,800	1,304,031	6,084,137	118,630	4,609,299	18,608	......	311,886,586	837,125	21,520,000	28,234 000	26,194,430	10
......	212,596	159,012	5,674,434	333,894	7,763,718	16,690	......	307,740,033	453,251	14,906,743	17,643,358	30 090 208	11
......	868,467	108,006	707,737	233,352	362,560	399,156	......	95,861,513	747 965	1,914,000	10,716,000	10,078,537	12
......	58,753	......	403,250	......	84,606	......	......	61,147,489	403,581	870,761	2,476,064	6,640 001	13
......	1,283,849	716,202	198,365	......	55,668	......	......	64,014,920	67,750	1,443,251	4,685,350	5 863,773	14
......	2,067	23,971	136,437	......	55,949	......	......	43,975,581	119,900	372,839	3,683,717	6,624,237	15
......	54,126	5,273	332,298	......	5,145	86,025	......	55,086,301	352,285	1,009,215	2,832,721	6,605,555	16
......	403,651	8,783	222,940	......	81,600	......	......	83,529,097	319,750	2,207,709	7,284,765	10,065,649	17
......	26,051	48,000	775,324	......	......	......	......	20,931,654	216,700	124,220	1,132,400	2,434,800	18
......	7,245	......	5,409	......	25,649	36,887	......	27,219,499	403,555	180,048	1,543,342	3,911,918	19
......	342,754	......	......	......	1,416	3,481	......	13,861,583	332,509	65,176	867,468	1,249,020	20
......	317	......	......	......	......	44,881	......	3,550,570	17,913	16,971	178,228	400,865	21
......	......	......	......	......	......	......	......	......	......	......	......	......	
......	10,634,093	3,032,669	19,841,884	3,479,765	21,981,345	6,860,680	......	2,081,733,392	8,221,400	93,256,073	188,136,603	208,753,337	

ASSETS

Domin'n Government and Provincial Government securities	Can. municipal securities, and Brit., foreign and colonial public securit's other than Can.	Railway and other bonds, debentures and stocks	Call and short loans in Canada on st'cks debentures and bonds (not exceeding 30 days)	Call and short loans elsewhere than in Canada (not exceeding 30 days)	Other current loans and discounts in Canada	Other current loans and disco'nts elsewhere than in Canada	Loans to the Government of Canada	Loans to Provincial Governments	Loans to cities, towns, municipalities and school districts	Overdue debts	Real estate other than bank premises	Mortgages on real estate sold by the bank	Bank premises at not more than cost, less amounts (if any) written off	Liabilities of customers under letters of credit as per contra	Other assets not included under the foregoing heads	Total Assets	
$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
21,119,622	38,606 228	12,615,723	......	78,079,314	99,897,815	9,807 949	......	1,807,304	13,436,363	421,005	49,164	57,375	4,000,000	2,164,934	36,060	396 475,789	1
12,704,328	13,091 847	3,804,295	3,927,564	7,928,753	44,456,179	7,373,289	......	91,475	409,729	129,638	89,600	2,725	2,991,418	644,828	62 695	138,297,245	2
6,350,000	8 570,334	125 046	2,605,957	4,634,391	26,581,829	7,171,095	......	7,298	1,357,216	619,057	32,310	8,228	2,390,523	1,042,347	252,334	77,304,40[illegible]	3
6,159,724	10,151 843	893,122	2,066,716	......	39,530,993	......	......	......	463,689	282,174	......	......	3,510,884	529,920	......	83 604,059	4
7,213,943	7,723 618	1,066,370	4,088,575	......	82,338,071	......	......	......	1,382,175	55,172	103,395	5,487	2,300,018	1,080,834	266,963	69,658 877	5
5,341,434	1,495 066	1,049,665	2,204,410	......	21,797,602	250,000	......	......	475,558	28,628	394,391	235,608	1,192,335	40,300	37,705	40,738,027	6
6,562,507	12,257,086	3,902,402	5,636,553	5,086,991	65,283,410	348,179	......	378,863	1,102,116	288,061	289 196	258,461	4,804,407	703,162	114,069	137,696,778	7
778,868	2 993 014	1,307,191	2,787,808	......	6,855,963	......	......	......	302,757	41,599	152,871	20 930	328 134	......	212,850	21,670,995	8
9,381,729	21,980,975	2,933,212	6,608,546	6,349,009	50,285,345	4,911,805	......	1,080,857	1,122,322	325,715	367,681	97,048	1,125,751	2,729,410	55,823	142,497,372	9
27,591,444	23,661,021	6,092,568	13,493,789	18,645,077	143,343,805	20,616,664	......	3,227,042	4,513,662	179,284	1,137,622	195,981	5,094,123	4,609,299	97 732	342 051 565	10
22,269 049	21,720,771	12,773,410	12,160,221	10 814,987	96,765,888	60,343,210	......	512,492	2,469,764	567,471	1,114,548	......	6,422,717	7,763,718	136,103	335 270 501	11
9,403,914	9,889,852	3,397,460	3,987,121	3,644,969	45 390,725	72,694	......	......	200,190	89,932	23,508	13,795	5,317,784	362,560	......	109 436 145	12
5,077,782	3,592 340	608 548	2,783,388	1,300,000	30,961,161	555,000	......	370,313	1,131,592	183,374	503,798	50,684	2,068,321	84,606	258,652	68 229,207	13
5,442,791	6,892 284	385,541	2,426,283	......	41,016,367	......	......	......	601,154	334,756	16 000	1,185	1,801,638	55,668	70,115	72,824 402	14
4,591,447	5,668,051	251 468	1,754,302	......	23,505,249	......	......	......	2,537,843	330,897	528,547	131,061	2,118,285	55,949	409,749	51,932,373	15
9,148,452	11,979 352	653,659	1,664,154	......	24,372 410	......	......	......	1,285 684	312,957	209,765	45,068	1,805,635	5,145	103,273	63,855,259	16
11,461,210	11,263,393	898,831	2,189,259	......	41,461,183	......	......	28,032	3,197,821	878,089	421,8 7	512,000	3,020,913	81,600	60,597	99,099,442	17
3,730,708	1,370,998	790,928	940,453	......	10,376 394	31,213	......	2,000,000	222,917	73,357	74,900	72,542	863,767	......	93,617	23 369,194	18
9,157,090	3,013,783	1,424,750	281,795	......	7,222,970	......	......	270,743	100,677	163,562	44,702	85,460	354,358	25,649	100,490	29 606 628	19
2,671,133	2,809,234	615,166	172,126	......	6,159,108	......	......	......	24,389	12,438	......	......	300,054	1,416	142,765	15,536 690	20
560,000	444,733	18,900	......	......	931,831	......	......	......	15,421	42,177	16,717	7,536	164,521	......	59,111	4,008,805	21
......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	
188703175	224093823	55,609,275	71,779,020	134,483 482	858,533,298	111581 098	......	9,774,419	36,353,039	4,859,343	5,570,572	1,804,157	51,484,586	21,981,345	2,570,703	2,323,163,783	

T. C. BOVILLE, *Deputy Minister of Finance.*

Loans.	Current in Canada.	Call in Canada.
1916—November	$813,791,947	$89,395,370
December	820,378,557	82,569,983
1917—January	806,479,147	79,737,064
February	813,302,717	78,686,535
March	843,054,466	76,478,708
April	880,523,897	82,737,417
May	844,890,589	78,514,798
June	839,355,782	76,085,220
July	829,560,700	71,376,788
August	836,429,670	71,204,351
September	855,306,953	72,421,187
October	883,986,860	71,653,719
November	868,973,714	72,178,345
December	858,533,298	71,779,020

Current loans in Canada were about $10,000,000 or 1.1 per cent. less in December than in November, but were 4.6 per cent. higher than a year ago. The December figures indicate that a great part of the financing of the crop movement is over. Call loans in Canada were about normal at $71,879,000.

The following table gives a record of the loan accounts during the past four years:—

Dec.	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
1913 ..	$822,387,975	$ 58,305,388	$72,862,971	$115,984,680
1914 ..	786,034,378	43,413,760	68,511,653	85,012,964
1915 ..	775,517,947	58,479,739	84,228,155	137,157,860
1916 ..	820,378,557	76,396,720	82,569,983	173,878,134
1917 ..	858,533,298	111,581,098	71,779,020	134,483,482

Although current loans in Canada declined $10,000,000 in December they were still at the highest total for that month in recent years. Current loans abroad were increased in December by $16,000,000 and are 46 per cent. greater than a year ago. Call loans abroad are nearly 23 per cent. less than a year ago and declined about $5,000,000 during December. The course of call loans abroad for the period beginning two months before the declaration of war is of interest and is shown in the following table:—

	1914.	1915.	1916.	1917.
January .	....	$ 85,796,641	$134,248,552	$155,747,476
February	....	89,890,982	139,138,651	162,344,556
March ..	....	101,938,685	141,889,989	161,616,735
April ...	....	121,522,971	147,146,443	159,156,054
May	....	136,098,835	163,400,659	168,692,675
June	$137,120,167	124,604,875	182,757,015	159,309,133
July	125,545,287	117,821,174	177,121,733	151,875,676
August ..	96,495,473	120,607,677	171,380,353	176,610,625
September	89,521,859	135,108,412	173,877,586	166,480,004
October .	81,201,671	120,681,624	189,346,216	151,018,747
November	74,459,643	135,530,562	183,250,389	139,832,552
December	85,012,964	137,157,869	173,878,134	134,483,482

ONE BUDGET FOR ENTIRE DOMINION

In addressing the Manitoba legislature last week on the second reading of the bill to borrow $1,000,000 to complete the provincial parliament buildings, Hon. Edward Brown, provincial treasurer, said he considered the federal legislation controlling bond issues was wise and sound. He had urged Sir Thomas White to go still further and make one budget for the whole Dominion, including all provincial governments, for all such items as were deemed to be absolutely necessary, particularly refunding items, so that there might be only one appeal in Canada once a year.

JAPANESE INSURANCE COMPANY IN CANADA

The Tokio Marine Insurance Company, an enterprising Japanese company, which was established in 1879, with head office at Tokio, has been authorized to transact business in British Columbia. Messrs. Dale and Company, with head office in Montreal, are the Japanese company's Dominion agents. Their branch office, in the Pacific Building, will become the provincial agents of the company, and the Vancouver manager of Dale and Company, Mr. B. G. D. Phillips, will be the company's attorney of record.

BRITAIN'S BANKING SYSTEM NEEDS CHANGES

The United States banking system was praised as a model for Great Britain in the annual address of Sir Edward H. Holden, chairman and managing director of the London City and Midland Bank, to the stockholders. He urged that considerable changes in the British banking laws ought to be made as soon as possible in order to cope with the changed conditions brought about by the war.

He explained the new United States banking system in detail, and declared that, from a financial point of view, the entry of the United States into the war "vastly strengthened the entente position." He also detailed the exhaustive measures which Germany has taken to bring her banking resources up to the requirements of war-time and reconstruction.

"The United States," he continued, "has widened her banking system since the war began and Germany has entirely changed hers. Great Britain has tried to get along under the act of 1844. This is not enough. The time has come for the repeal of the old act, and I ask the chancellor of the exchequer to appoint a committee of six bankers for its immediate consideration."

John J. Payzant, president of the Bank of Nova Scotia for the last thirty years, retired at the recent annual meeting. Charles Archibald was elected president, and George S. Campbell and J. Walter Allison, vice-presidents.

AUSTRALIA'S WAR LOANS

When the fifth Australian war loan—designated the Liberty loan—for £20,000,000 closed on November 2, 1917, it was found that the total amount subscribed was £20,281,160, reports Mr. D. H. Ross, Canadian trade commissioner at Melbourne, to the department of trade and commerce, Ottawa, but in addition £544,000 was invested in war savings certificates, during the period in which the loan was offered, thus making a grand total of £20,875,100. The amounts subscribed in the various states were as follows: Victoria, £8,445,930; New South Wales, £8,038,980; Queensland, £1,696,880; South Australia, £1,396,740; Tasmania, £400,580; Western Australia, £302,050; total fifth loan, £20,281,160. The five internal war loans raised in Australia have so far resulted as follows:—

War loan of	
August, 1915	£13,389,440
February, 1916	21,655,680
September, 1916	23,587,420
April, 1917	21,421,070
November, 1917	20,281,160
Total of five war loans	£100,334,770

War savings certificates of a face value of £3,107,963 have also been sold for £2,719,474. It is anticipated that the treasury will receive from now until April 1, 1918, when the last instalment of the Liberty loan is payable, at least a further £2,500,000 from the sale of war certificates, and this additional amount may thus fairly be included in the total contributed to the fifth loan.

Premier Hughes of Australia has announced a new Australian war loan of £40,000,000, according to a cable received last week by the The Vancouver World, from Sydney, N.S.W.

CONFEDERATION LIFE ASSOCIATION

Writing the largest amount of new business ever transacted by the company in one year, namely, $15,637,517, the Confederation Life Association, Toronto, had insurance in force at the end of 1917 aggregating $82,273,701. This company, conservative but properly progressive in its methods, made the greatest gain in insurance in force in its history. This represents, too, excellent business, the great majority of which will stay on the books. The new business obtained last year, inclusive of bonus additions, gave an increase over the previous year of $3,818,000. The addition to the insurance in force at the end of the year amounted to $6,771,000, which was more than double that for 1916.

The total net claims for the past year amounted to $1,077,348, including war claims aggregating $308,960, $25,000 of which was caused by the Halifax explosion. War claims under Canadian policies amounted to $260,000, and under those in other countries, $48,000. The total payments to policyholders and beneficiaries under insurance policies and annuity contracts amounted to $2,504,879, being $387,000 more than in the preceding year, and included payments on account of war claims of $238,885. War claims were a drain on this company as on other life companies during the year, but Mr. Macdonald, the president, reminded the shareholders and policyholders that the company was able to meet such a contingency, with practically no disturbance to its strongly fortified finances.

Both the premium income and the interest income were substantial, the former amounting to $3,152,287 and the latter to $1,090,477. Among other satisfactory features was a marked reduction in the expense ratio.

The balance sheet shows total assets of $22,329,534, and a material increase in bonds and debentures, amounting to nearly $2,000,000. This gain represents principally the company's participation in national financing. The Confederation Life has purchased to date $3,668,750 of Canadian war bonds.

Mr. J. K. Macdonald, the president, outlined the satisfactory features of the report at the company's annual meeting this week. Mr. Macdonald has the assistance of an excellent staff at head office, an energetic field force, and the following businesslike directorate:—Vice-Presidents, Mr. W. D. Matthews, and Sir Edmund B. Osler; Col. Albert E. Gooderham, Lieut.-Col. J. F. Michie, Lieut.-Col. the Hon. Frederic Nicholls, Messrs. Joseph Henderson, James E. Ganong, John Macdonald, Peleg Howland, Thomas J. Clark, and John Firstbrook.

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FOOD CONTROL

There has been comparatively little food conservation in Canada. The regulations imposing meatless days in hotels and public eating places have helped, but they are only a beginning of the restrictions we should be undergoing. We have been exhorted by the food controller's office to conserve food, to decrease consumption and eliminate waste. While voluntary efforts have conserved supplies to a small extent, we think the people of Canada are willing and waiting for the proper measure of compulsion in this matter. According to Ottawa despatches, the new food controller, Mr. H. B. Thompson, believes the time has come for further compulsory regulations in the way of rationing. It is said he will follow the educational campaign of his predecessor, Mr. Hanna, with a series of concrete and drastic restrictive regulations to stop food waste and to meet as far as possible the urgent demand of the Allies for food supplies from Canada.

We hope these reports are true. In every place here are seen evidences of food in abundance. Similarly may be seen innumerable opportunities for curtailing consumption and without the slightest hardship to our people. The many-course dinner should be forbidden, no matter what function it proposes to grace. The open sugar bowl might be made the subject of inquiry and later of regulation. The proper distribution, by improved marketing methods, of crops which are plentiful, is another important consideration. If the food controller has a mind to control, and is backed by the war cabinet, much can be accomplished.

There is little prospect of increasing production this year sufficiently to meet, even in any approximate way, the food requests of the Allies to Canada. The only other way of supplying the need is by saving 25 per cent. or more of the normal domestic consumption, thus increasing the exportable surplus by that amount. The United States food controller, Mr. Hoover, will deal in a similar way with food consumption across the border, and regulations in Canada and the United States should be co-ordinated according to mutual requirements and objects.

RAILWAY NATIONALIZATION

Less is heard of the demand for the nationalization of those of our railway systems which have not yet come under government control. Two points have had serious consideration during the past few months. One is the great financial responsibility which the government would assume in nationalizing all the railways of the country. The other is the question of efficiency of operation. Both these matters are important not only in regard to future action but also in respect to the railway systems which the nation has already shouldered. While the railways of the United States are under the control of the government for the time being, they are in the hands of men developed under competitive conditions and in the discipline of private business. They have been obliged to satisfy their superior officials, and at the same time had opportunities to better their condition by going to other companies. The roads, although operated nominally by the government, will be in reality operated by this staff. "But," as the National City Bank of New York has asked, "what kind of a staff will take their places eventually, selected by civil service examination and promoted by seniority? Will the same type of railway officials be evolved under the regime of government ownership, if that should be the permanent system? This is one of the vital questions up to the theory of government ownership."

The railways of Great Britain have been now more than three years under government management, and it is interesting to note that criticism is not entirely stilled.

The London Times, commenting upon congestion at the terminals, says: "The railways are certainly short of labor, but is it established that all the officials are putting their very best efforts into the solution of the present problems? The railways are now government-controlled institutions and competition has diminished where it has not vanished. It seems to be a question whether quite the same amount of thought and work is being put into the efficient management of the companies as in the days before the war when the lines were keenly competing against each other. This question which has been raised of a slackening of effort directly in consequence of the nationalization of the railways is a serious one and evidently deserves inquiry."

When these points are raised, the question is invariably asked, "Cannot we get the same efficiency under government control as under private enterprise?" The reply, judging from past history, is in the negative. The experience during war has shown that, under abnormal conditions, good results have been obtained by the closest co-operation between governments and business men. This principle also will probably be practised to a considerable extent after the war. That a government, however, should run and operate everything in war time, irrespective of vital business and financial considerations, is an unbusinesslike proceeding. The most efficient governments will likely be those who make a strong working partnership with capital, labor, and business enterprise.

CANADIAN FLAX

Attention is called, in a report to the department of trade and commerce, Ottawa, by Mr. Harrison Watson, Canadian trade commissioner in London, to the shortage of flax seed in the United Kingdom. He points out that owing to increasing lack of transportation facilities shipments from both India and the Argentina have greatly decreased, and Russian supplies have also almost disappeared. The extent of the shortage is illustrated by the official figures of imports which show that for the nine months ended September 30th, 1917, receipts were only 813,987 quarters, against 2,086,112 in 1916, and of 1,700,946 in 1915. Under the circumstances the flax seed is badly wanted, and authorities consulted are unanimous that Canada should be recommended and urged to send over all the flax seed available. All mills overseas are now under control of the government.

This matter has been referred to in *The Monetary Times* on several occasions. A Belfast correspondent described in these columns two weeks ago "the tangled skein of doubts and troubles" in which the Irish linen business is involved just now. These include high prices for Irish flax; decreased supply of foreign flax partly because of Russia's deflection from the ranks of the Allies and the British government's restrictions on the supply of Irish flax to spinners. Our Belfast correspondent stated that the situation is accepted philosophically by the half-million of people who are associated with the great linen industry which that little corner of north-east Ireland has for a couple of generations past made the hub of the world's supply. He added: "The silver lining in the black cloud is that linen may soon provide Canada's opportunity to supply not alone a goodly portion of the flax fibre for next autumn's linen manufacture, but also to provide much of the seed. If this should prove to be so, Canada and Ireland will have forged a bond of commerce and intimacy which is certain to be indissoluble."

SIGNIFICANCE OF VICTORY LOAN

Some striking figures were given by Mr. W. T. Rundle, vice-president and general manager of the National Trust Company at the company's annual meeting on Wednesday, when he emphasized the significance of the Victory Loan achievement. He pointed out that before this loan was subscribed to the extent of $419,000,000, the Canadian people had already, since the outbreak of war, provided the Dominion government with $350,000,000, the amount of three previous domestic war loans. In 1913, Canada's borrowings, including those of the Dominion and provincial governments, municipalities, railways and other corporations, amounted to $373,000,000. This was the largest amount borrowed prior to the war, and amply testified to the strength of Canadian credit in the world's financial markets. Of this amount, $327,000,000 came from abroad, while $46,000,000 only was raised in Canada. In 1917, four years later, Canada's borrowings were $756,000,000, of which no less a sum than $564,000,000 was contributed by the people of Canada. In other words, while the borrowings in 1917 were only twice as great as in 1913, the amount which the Canadian people themselves supplied was twelve times as great.

As Mr. Rundle said, the advantages of owing money to oneself rather than to someone else are obvious. Canada has done well in the years of the war in helping to finance its own requirements. But," he very properly reminded us, "we must not lose sight of the fact that while the war continues, still greater things will be required of us. We are fortunate possessors of the power to respond." That power will be put to severe tests this year but strength and unity of effort will succeed.

"POOR RICHARD"

It was a happy inspiration which led Sir Edmund Osler to present the shareholders of the Dominion Bank at the annual meeting this week with a copy of the famous preface to "Poor Richard's Almanac for 1758." Sir Edmund, in recalling the wise sayings of Benjamin Franklin, stated that the admonitions of "Poor Richard" had done much to produce the thrift and to form the character of the people who now occupy the New England States. Poor Richard visited an auction sale of extravagances where these questions arose: "Pray what think you of the times? Will not these heavy taxes quite ruin the country? How shall we ever be able to pay them? What would you advise us to do?" The mythical sage concludes his advice against waste, idleness and so on, with these words: " 'And now, to conclude, Experience keeps a dear school, but fools will learn in no other, and scarce in that, for, it is true, we may give advice, but we cannot give conduct. However, remember this: they that will not be counselled cannot be helped; and, further, that if you will not hear Reason, she will surely rap your knuckles, as Poor Richard says.'

"Thus the old gentleman ended his harangue. The people heard it and approved the doctrine, and immediately practiced the contrary, just as if it had been a common sermon; for the auction opened, and they began to buy extravagantly." As Sir Edmund Osler's souvenir reminds us, the eighteenth century advice of Franklin is applicable to twentieth century war conditions.

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up - - - - - $16,000,000
Rest - - - - $16,000,000
Undivided Profits $1,664,893
Total Assets - - - $403,980,236

BOARD OF DIRECTORS:

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Sir Charles Gordon, K.B.E., Vice-President

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Lord Shaughnessy, K.C.V.O.
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Also at London, England
And New York, Chicago and Spokane in the United States

A GENERAL BANKING BUSINESS TRANSACTED

THE CANADIAN BANK OF COMMERCE

Established 1867

Head Office .... TORONTO

Paid-up Capital $15,000,000
Reserve Fund $13,500,000

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H. V. F. JONES ... ... *Assistant General Manager*

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The large number of branches of this Bank in all parts of Canada enables it to place at the disposal of its correspondents unexcelled facilities for every kind of banking business with Canada, and especially for collections.

Savings Bank Department at every Branch (Yukon Territory excepted).

INCORPORATED 1855

THE BANK OF TORONTO

Dividend No. 146.

Notice is hereby given that a DIVIDEND OF TWO AND THREE-QUARTERS PER CENT. for the current quarter, being at the rate of ELEVEN PER CENT. PER ANNUM upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the 1st day of March next, to Shareholders of record at the close of business on the 12th day of February next.

By order of the Board,

THOS. F. HOW,
General Manager

The Bank of Toronto, Toronto,
January 23rd, 1918.

ESTABLISHED 1875

IMPERIAL BANK OF CANADA

CAPITAL PAID UP $7,000,000
RESERVE FUND - 7,000,000

PELEG HOWLAND, President.
E. HAY, General Manager.

HEAD OFFICE - - TORONTO

GOVERNMENT, MUNICIPAL and other HIGH-CLASS SECURITIES BOUGHT and SOLD

Correspondence Invited

ADDRESS:
THE MANAGER, BOND DEPARTMENT,
TORONTO

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TRADE AFTER THE WAR

The war after the war is a phrase which has grown less popular. There is antipathy to a continuance of belligerent conditions, even though they are transferred from the battlefield to the market place. While it may not be termed a war, it is plain that when peace is declared, there will automatically begin a keen struggle for all the business offering in the world's markets. A New York authority takes the view that the struggle between those nations which manufacture machinery, textiles, etc., such as England, France, Germany, Japan and the United States, "will make past competition for foreign commerce look like a sham battle."

The domestic development of the United States and Germany had scarcely reached the point of maturity at the end of the last century, and their manufacturing industries began to produce a considerable surplus for export only after 1895. Both countries have reached the point now, however, when broader foreign markets must be developed or the rate of profit and the standard of living will suffer. This has long been true of England. When the war is over, the growth of city population and increasing surplus of manufactured products will still prevail. A market for Germany's products will have to be found. In its quarterly bulletin on international commerce, the Alexander Hamilton Institute of New York express the opinion that if the Allies enter into an agreement to boycott the products of Germany's labor to any extent, these products will have to be sold somewhere, probably at a very low price. "But this would mean," it is said, "that the products of the Allies could not compete in those markets. It would be unwise for the Allied governments to attempt such a boycott for this reason. It is likely, however, that the banks of London and Paris in the future will restrict Germany's commerce somewhat by refusing to discount Germany's commercial paper as extensively as in the past. So far as the United States is concerned, even this would be unwise. We are not in the war to restrict Germany's commerce."

The matter of boycotting German merchandise will probably find its own level. Although high barriers may not be erected against German trade after the war, it will, we think, be a long time after the war's conclusion before a German traveller is given any sort of a welcome reception in Canada. This feeling will probably be more marked in the United States after their armies have been in the battlefields of Europe, say, for three and a half years. A silent boycott of some strength will be a natural consequence of Prussian aggression.

RAILWAY EARNINGS SATISFACTORY

Canadian Pacific Statement Will Show Earnings Between 11 and 12 Per Cent.—Grand Trunk Reports

The Canadian Pacific Railway Company's monthly statements for the full fiscal year ending December 31st last, would indicate that the annual statement will show earnings of between 11 and 12 per cent., under railroad account proper, on the $260,000,000 issue of ordinary shares. From the profits under railroad account, on which the company distributes 7 per cent. in dividends to its ordinary shareholders, there is deducted annually the net earnings of Pacific Coast Steamships, Commercial Telegraphs and News Department, the amount so deducted being transferred to a special income account. It is a variable amount, but within comparatively small limits. The pension fund provision is also variable, but does not bulk large, fixed charges having tended to contract slightly from year to year in the absence of new financing operations. If the various deductions from profits are estimated on the basis of the statement presented at the last annual meeting, a statement covering the last months of 1916 would be:—

Fixed charges	$10,265,102
Pension fund	400,000
Transfer to special income	2,288,142
Preference dividend	3,226,276
Total deductions	16,180,520

Would Leave Balance.

This amount taken from the net profits of $46,546,018 reported for 1917, would leave a balance of $30,365,198 available for dividends on the ordinary shares, or an amount equivalent to 11.7 per cent. earned against the 7 per cent. paid out of this account. The special income account remains the unknown factor in the actual results to be shown in the annual statement. For the six months ended December 31, 1916, it was $6,415,352, or almost equal to the total for the full fiscal year ended June, 1913. It rose to about $8,500,000 the following year, and in 1915 and 1916 was in the neighbourhood of $10,000,000. At the rate of earning power shown in the statement for the final six months of 1916, it should be approximately $13,000,000, which would represent another 5 per cent. additional on the ordinary shares, making the year's earnings from all sources equivalent to between 16 and 17 per cent.

Grand Trunk Reports.

The Grand Trunk Railway system reports for November are as follow:—

Grand Trunk Railway—November.

	1917.	Increase.
Gross receipts	£ 897,350	£ 10,250
Expenses	811,150	138,850
Net	£ 86,200	*£ 128,600
From January 1:		
Gross receipts	9,808,300	886,900
Expenses	7,901,000	1,514,800
Net	£1,907,300	*£ 627,900

Grand Trunk Western Railway—November.

Gross receipts	£ 181,150	£ 25,050
Expenses	165,500	23,100
Net	£ 15,650	£ 1,950
From January 1:		
Gross receipts	1,824,800	70,900
Expenses	1,780,350	433,300
Net	£ 35,450	*£ 362,400

Detroit, Grand Haven and Milwaukee Railway—November.

Gross receipts	£ 61,700	£ 6,900
Expenses	61,700	8,000
Net	....	*£ 1,100
From January 1:		
Gross receipts	£ 634,200	12,350
Expenses	701,000	112,250
Deficit	£ 677,700	£ 99,900

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*Decrease.

Weekly Record of Earnings.

The following are the earnings of Canada's transcontinental lines for the three weeks in January:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
January 7	$2,238,000	$2,343,000	+ $105,000
January 14	2,417,000	2,368,000	+ 49,000
January 21	2,215,000	2,324,000	+ 109,000

Grand Trunk Railway.

January 7	$1,012,906	$1,076,606	+ $ 63,700
January 14	1,072,915	905,216	— 167,699
January 21	1,026,907	798,895	— 228,012

Canadian Northern Railway.

January 7	$ 598,700	$ 565,000	— $ 32,900
January 14	646,100	593,500	— 52,600
January 21	658,200	607,800	— 50,400

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital -	$4,866,666.66
Reserve Fund -	$3,017,333.33

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H. B. MACKENZIE, General Manager

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THE MOLSONS BANK

Capital Paid-Up, **$4,000,000** Reserve Fund, **$4,800,000**

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Formosa
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St. Mary's
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Toronto
" Queen St. W.
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Trenton
Wales | Waterloo
Williamsburg
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Zurich
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Cowansville
Drummondville
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Lachute | Matane
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BANK OF NOVA SCOTIA ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital paid-up -	$ 6,500,000
Reserve Fund -	12,000,000
Total Assets over	130,000,000

HEAD OFFICE - HALIFAX, N.S.

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30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
10 in Quebec
14 in Western Provinces

IN NEWFOUNDLAND

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Bonavista
Bonne Bay
Brigus
Burgeo
Burin
Carbonear
Catalina
Channel
Fogo
Grand Bank
Harbor Grace
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

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France—Credit Lyonnais.

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LIFE INSURANCE BENEFICIARIES

Judge Harvey Explains the Alberta Act at Underwriters' Meeting in Edmonton

Referring, in an address at a recent meeting of the Edmonton Life Underwriters' Association, to the Life Insurance Beneficiaries Act of Alberta, Hon. H. Harvey, chief justice of the province, said that under the present act a husband or wife or a child or grandchild or a mother is a preferred beneficiary of any assured, and any insurance moneys payable to any preferred beneficiaries are not considered part of the estate of the deceased. "This has two important consequences," he continued. "In the first place, the insurance moneys are not liable to payment of succession duties. Most of you are, no doubt, aware that on the devolution of an estate upon the death of its owner, in addition to the usual court fees for services rendered in granting probate of a will or letters of administration, a charge is made according to the value of the estate and subject to certain exemptions for the benefit of the public revenues. This method of raising revenue appears to have certain advantages over ordinary taxation, and if reasonable exemptions are made, it seems to minimize the hardship which any system of taxation must impose.

Encouragement by Legislature.

"In the young province of Alberta, where there are few large estates, the revenue produced is not as yet very great, but it will increase with the wealth of the province, and in the older provinces, such as Ontario and Quebec, where there are many wealthy persons, the amount is considerable. Nevertheless, however satisfied we may be of the justice of a taxing act, all of us prefer to let others pay the taxes, and the taking advantage of any provision furnished by the law to keep property free from a tax is in no sense an evasion of the law.

"The policy of the legislature is to encourage persons to insure their lives for the protection of those immediately dependent on them, and as one inducement it provides that such insurance shall be free from the consequences that would follow if it were part of the estate. The same principle of preferring the immediate dependents is expressed in the Succession Duties Act itself, for, while it provides that no duty shall be payable upon any estate that does not exceed $5,000, it also provides that when the estate devolves upon the immediate dependents no duty shall be payable unless it exceeds $25,000, and in the latter case, while the rate of duty for an estate up to $100,000 is only 1 per cent., the rate is as high as 11 per cent. when the estate passes to someone who is not a dependent or near relative.

Money Cannot be Taken.

"A much more important consequence, however, is that such insurance moneys cannot be taken from the beneficiaries by the creditors of the deceased. In one aspect this would seem to encourage dishonesty. Our general law does not permit a man to give away his property, even to his wife and children, so as to deprive his creditors of their just claims, but no doubt the legislature considers that a man is not going to pay his life insurance premium for the sake of defrauding his creditors, but, in the unlikely case of his doing so, it protects the creditors by allowing them the amount so paid out of the insurance, and there is little doubt that in the majority of cases, in this country at least, of persons of moderate incomes, the payment of the premiums is made out of what would otherwise go for the purchase of comforts or luxuries in which the wife and children would share, and of which they are consequently deprived by the fact of the insurance. Most men are honest, and would rather pay their creditors than not, but many are unfortunate, and at any time ill-fortune may come, and it should be a matter of great satisfaction to them to feel that whatever may happen their loved ones are protected.

Change Respective Beneficiaries.

"Our law does not limit the rights of the preferred beneficiaries to the cases where they are named in the policy, but permits the assured to make a declaration outside of the policy, which may be by will. The only thing that is necessary is that the policy or policies should be clearly indicated. Nor is it limited to beneficiaries existing at the time the policy is issued. A person may insure for the benefit of his future wife and children, and those who answer the description when the policy becomes payable will take the benefit, and if there are none to answer it, then the moneys are payable to the estate. The assured may designate the interest of each, and may change the respective beneficiaries and their respective interests by a subsequent declaration, and if he fails to define their interests they will take in equal shares.

"The borrowing value of a policy is a great consideration to many persons, and naturally so, because the obtaining of a loan is so simple and inexpensive, and the rate of interest is reasonable. This would be interfered with by making the policy payable to preferred beneficiaries, but by the policy itself the moneys may be made payable to his personal representatives, and by a declaration or by a will, made at the same time or subsequently, the moneys may be declared to be for the benefit of preferred beneficiaries, in which case they will be entitled to receive the full benefits of the insurance moneys that may become payable. It will be apparent that the provisions of this law might in some cases form a very forceful argument to secure an application for insurance."

CANADA'S COAL PROBLEM

Editor, *The Monetary Times.*

Sir,—Mr. A. V. White's article in *The Monetary Times* of January 4th, dealing with the conservation of our water powers, is of the greatest national importance, not only from the point of home manufacture, but as a trading proposition for a supply of coal for heating purposes, as electricity is not (at present at least) economically satisfactory.

I believe it is the opinion of experts that the peat bogs in this district and in Manitoba, are of too recent formation to be commercially available under present processes of manufacture; it has been tried here and in Manitoba and considerable money spent in the experiment at a heavy loss to the investors.

Our supply of wood fuel is now at a price ($6 per cord) that makes it dearer than coal at $10 or $12 a ton. The lignites of the West may become available if briquetted, but some different binder than that in use at present must be developed to make these briquettes satisfactory. Lignites could be used at mine head to produce electric current for transmission to adjacent districts by being put through a producer gas plant to operate electrical generators to furnish power for adjacent districts.

As one means of reducing coal consumption in the paper mills at Fort Frances, Ont., and International Falls, Minn., both plants under the control of the Minnesota and Ontario Power Company, the waste from their own sawmills and those of the Shevling Clark Company are no longer destroyed in a burner, but put through machinery reduced to uniform size and automatically fed to the fires with a mixture of crushed coal, reducing coal consumption 50 per cent.

There are, no doubt, a number of sawmills where their waste matter is still burned, that could be used to better advantage in adjacent factories for fuel purposes, but this is only a temporary supply, and it is in the immediate development of our Western coal veins on a large scale and with low freight rates to distant points, that we must look for relief from a very dangerous condition in the near future. Immediate action by the government is necessary if we are not to have a fuel famine long ere this war comes to an end, and, as has been already pointed out by Mr. A. V. White and others who look forward to actual conditions in the near future, the United States will have to retain almost the whole of its own supply for home demand.

I feel that I am only repeating what is patent to everyone who gives the fuel question any consideration at all. What the country needs, is that those who by training and experience are recognized authorities on this subject, should put into force practical measures of remedy.

Yours faithfully,
H. WILLIAMS (Mayor).

Fort Frances, Ont., January 24th.

At the annual meeting of the Bank of Nova Scotia on Wednesday, Mr. John J. Payzant retired from the presidency, which position he has occupied for thirty years. Mr. Charles Archibald was elected president, and Messrs. Geo. S. Campbell and J. Walter Allison, vice-presidents.

The Dominion Bank

HEAD OFFICE .. TORONTO

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Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Established 1873 130 Branches

Capital (Authorized by Act of Parliament)	$5,000,000.00
Capital Paid-up	3,381,270.00
Reserve Fund and Undivided Profits	4,534,863.63

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C. H. BASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE

Royal Bank of Canada

INCORPORATED 1869

Capital Authorized	$ 25,000,000
Capital Paid-up	12,911,700
Reserve and Undivided Profits	14,564,000
Total Assets	335,000,000

HEAD OFFICE, MONTREAL

Sir H. S. Holt, Pres. E. L. Pease, V. Pres. and Man. Dir.
C. E. Neill, General Manager.
365 Branches in Canada and Newfoundland.
Thirty-eight Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela.

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ANTIGUA—St. John's; BAHAMAS—Nassau; BARBADOS—Bridgetown and Speightstown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; MONTSERRAT—Plymouth; NEVIS—Charlestown; ST. KITTS—Basseterre; TOBAGO—Scarborough; TRINIDAD—Port of Spain and San Fernando; BRITISH HONDURAS—Belize; BRITISH GUIANA—Georgetown, New Amsterdam, and Rose Hall (Corentyne).

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AUSTRALIA and NEW ZEALAND

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL	$ 18,526,600.00
RESERVE FUND	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916	$277,488,871.00

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HEAD OFFICE FOR CANADA
164 St. James St. Montreal
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JANUARY MUNICIPAL BOND SALES

Total of $461,000 was Smallest, With One Exception, in Nine Years

The municipal bond sales in Canada during January totalled $461,000, compared with $890,000 in December last and $1,969,256 in January a year ago. The January records of municipal bond sales at home for the past nine years are as follow:—

January.	Municipal bond sales in Canada.
1910	$ 881,838
1911	420,337
1912	2,133,531
1913	1,337,500
1914	1,953,137
1915	1,784,947
1916	1,909,441
1917	1,969,256
1918	461,000

Last Month's Sales Small.

Last month's sales were, therefore, the smallest (with the exception of January, 1911), of the past nine years.

The following is a list of the sales in Canada in January last:—

Municipality.	Amount.	Rate per cent.	Term (years).
Ontario.			
Windsor	$355,000	5-6	Various
Walkerville	80,000	6	10 & 25
New Brunswick.			
Moncton	18,000	5	1923-1937

Sold in United States.

The following is a record of Canadian municipal bond sales in the United States during January last:—

Municipality.	Amount.	Rate per cent.	Term.
St. Thomas, Ont.	$10,000	5	....

This sale was made by Mr. E. A. Horton, mayor of the city, while in Indianapolis last week attending the supreme lodge of the Knights of Pythias. He sold the bonds to the insurance branch of that society. The money was received in New York funds. City Treasurer S. O. Perry is offering another $10,000 to the citizens in small lots. The proceeds will be used to cover grants to the British Red Cross, British navy and Y.M.C.A. overseas work.

Greater Winnipeg Issue.

Towards the end of the month an issue of $2,000,000 Greater Winnipeg Water District 5 per cent. 5-year gold bonds was made. Some of these bonds were sold during the current week, but the returns in regard to the entire issue will appear in our February records. The bonds are being sold both in Canada and the United States, and are offered at 98.62 and interest, yielding about 6¾ per cent.

No Saskatchewan school district bond sales were reported during January. The local government board of that province has for some time past recognized the necessity of conserving the larger sources of money supply to the needs of financing the war, and has systematically endeavored to introduce the practice of placing the debenture issues of local authorities with small investors at home. Its efforts in this direction have met with a reasonable amount of success, and many small issues are now being taken up locally.

Records of Past Years.

The sales of Canadian municipal bonds during the past three years were divided as follows:—

In	1915.	1916.	1917.
Canada	$31,910,214	$19,640,778	$17,955,714
Great Britain	....	....	....
United States	35,483,114	32,336,764	6,233,365
	$67,393,000	$51,977,542	$24,189,079

The Monetary Times' bond record shows the sales in Canada only during the twelve months of 1917, compared with the three previous years as follows:—

1915.	1916.	1917.
$ 1,784,947	$1,909,441	$ 1,969,256
3,047,011	1,419,909	458,874
2,572,357	2,027,741	229,013
8,603,094	1,979,852	1,182,974
3,464,281	2,649,000	1,375,039
2,395,744	3,043,283	1,642,003
1,618,422	1,521,525	3,814,489
1,087,415	852,447	4,637,836
2,768,484	960,435	440,268
1,245,874	1,361,665	398,771
1,645,892	1,246,480	917,191
1,676,693	669,000	890,000
$31,910,214	$19,640,778	$17,955,714

Difficulties of Financing.

By an order-in-council, dated December 22nd, 1917, the federal government has prohibited the issue, sale or offer for sale of all classes of securities, including debentures of local authorities, without the permission in writing of the minister of finance. Municipalities necessarily will have to confine their financing this year to the smallest possible amounts. Their bonds will have to be sold almost entirely to Canadian investors, as war finance is monopolizing the New York and London money markets.

A New York despatch says that many Canadian provincial and municipal bonds falling due within the next twelve months will no doubt be paid by the issue of new securities. According to recent reports, several Canadian cities are preparing to draw up some sort of plan whereby the holders of maturing bonds will accept an extension of the life of the debt, which ordinarily would be paid off within the next twelve or fifteen months. The recent meeting of the mayors of several western cities to discuss this matter forecasts united action in this respect.

INSURANCE AGENT'S PROSECUTION IN QUEBEC

The first conviction under the recent Quebec provincial legislation, making insurance agents' licenses compulsory, was obtained at Montreal on January 11th, when L. E. Kimpton pleaded guilty to violating the provisions of sub-section B of article 6960 of the Quebec statutes, by placing insurance without having obtained the license required by law. He explained that he had erred in good faith, the insurance in question having been on his own business, and he not having any knowledge of the enactment of the recent legislation which, for the first time, rendered it necessary for all insurance agents to take out such licenses. The charge was made by Mr. E. C. Cole, secretary of the Montreal Fire Insurance Brokers' Association, Inc., who, under the circumstances, did not wish to press the matter, and the magistrate accepted the accused's plea, and suspended sentence, condemning him simply to payment of the costs.

The legislation under which this action was taken came into force on May 1st, 1917. The scale of fees payable for licenses is as follows: Funeral or industrial insurance agents, $2; agents transacting other classes of insurance, in cities, $10; elsewhere, $5. Agents of mutual benefit associations licensed by the province, and municipal and parish fire mutuals, are excluded.

UNITED STATES EXPORTS TO CANADA

The following statement was issued last week by the United States War Trade Board: "To facilitate exports to Canada and Newfoundland there has been heretofore issued through the customs service a special license whereby goods have been permitted to enter Canada and Newfoundland without an individual license for each shipment, except in the case of commodities which the war trade board has heretofore found it necessary to conserve, and food whose exportation individual licenses have been required, as stated in the several announcements made by the board from time to time.

"The war trade board announces the publication in the war trade journal number four, of a revised list of such commodities which will hereafter require individual export licenses when exported to Canada and Newfoundland. Any commodity appearing in this revised list which hitherto has not required an individual license when exported to those countries will be passed by the collectors of customs in the same manner as heretofore when the shipment is covered by ocean or railroad bill of lading marked 'for export.' and dated on or before January 25, 1918."

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UNIFORMITY OF INSURANCE LAWS

Protection of "Provincial Rights" is Discussed by Provincial Insurance Superintendents

In his annual report just published, Mr. A. E. Ham, superintendent of insurance and fire commissioner for Manitoba, makes an interesting reference to the proposed uniformity of provincial insurance legislation. He recalls that with a view to the promotion of facilitation of legislation respecting insurance, a convention of superintendents of insurance has recently been held in Winnipeg, at which representatives from Saskatchewan, Alberta, British Columbia, Ontario and Manitoba were present. A large number of insurance company managers also attended. Mr. Ham says:—

The standardization of health and accident policies was considered, and the desirability of legislation by the several provinces to secure same was unanimously agreed upon.

The admission of shareholders' stock notes and stock premium notes in the assets of the companies also came under discussion. The practice was strongly condemned and amendments necessary to their restriction or elimination from the assets were recommended.

The subject of uniform automobile insurance policy conditions was lengthily considered, and steps taken to prepare such conditions and secure legislative adoption by the various provinces.

Laws as to Preferred Beneficiaries.

The laws of the several provinces affecting preferred beneficiaries are so varied, that it was considered urgently necessary to secure uniformity with respect thereto.

The recent Dominion amendments of insurance and criminal law was another subject of discussion, and the necessity for the protection of "provincial rights," encroachment upon which appeared to be threatened, was strongly advised.

Uniformity of annual statement blanks was also recommended, and with reference to the nature of investments permitted, it was deemed desirable that in all the provinces uniformity should be secured, so that a company would not be able to do in one province that which would not be permitted by another.

It is intended to continue such conventions, and it is hoped that all the provinces of the Dominion will, in the future, co-operate to secure such uniformity of the law as will tend to more perfect supervision by the departments, more complete protection of the public, and the greater success of the insurance companies.

It was decided that the next convention will be held in Montreal, so that the eastern provinces may participate therein, and co-operate with a view to complete uniformity throughout the Dominion.

Fraternal Societies.

During the year, the accounts, books and securities of seventeen licensed insurance companies and six fraternal societies (whose chief offices are situated within the province) have been examined and verified by our inspector, and reports as to their standing and methods together with recommendations thereon, have been submitted.

The requirements of the Revised Dominion Insurance Act has caused the transfer of two British and one foreign company from the provincial to Dominion licensee's. Four other companies will probably be affected in like manner.

Of the twenty-six fraternal organizations that report the business done, there are eight whose chief offices are in the United States.

There are a number of foreign trades and labor organizations that grant insurance, sickness and funeral benefits to their members which make us returns to this department, and over which it is difficult to exercise control, the business being largely done by mail, I would respectfully suggest that an act to regulate trades and labor organizations having the benefits above named, should be passed in order to safeguard the interests of the working classes, who largely constitute their membership.

A license has been granted to the Dominion Gresham Guarantee and Casualty Company to transact the business of burglary, accident, sickness, guarantee and automobile insurance. Mr. F. J. J. Stark is general manager and secretary of the company with headquarters at Montreal.

VICTORY LOAN CALCULATIONS

Some Interesting Figures for Bankers and Investors Regarding Canada's War Bonds

The following figures have been issued by Messrs. W. L. McKinnon and Company, bond brokers, Toronto, in regard to Victory Loan bonds:—

Interest 5½% Payable June 1st and Dec. 1st.

Principal due Dec. 1, 1922; Dec. 1, 1927; and Dec. 1, 1937.

A full half-year's interest is paid on June 1st, although the subscriber's money will not have been invested for a full half-year by then.

Schedule for $1,000 Bond due Dec. 1st, 1937 (20-Year Bond).

The schedule following shows exactly how capital and income is returned at 5.61 per cent. This is correct to within 14 cents on the $1,000 for the subscriber whose bonds are fully paid by January 2nd.* He pays $991.08 ($100 on December 1st, plus $900, less $8.92 discount on January 2nd) for each $1,000 bond.

Value of $1,000 bond at a 5.61% yield rate as at Dec. 1st, 1917, is $991.22.

Figures as at the 1st day of June and Dec. in the year	Total amount actually paid by all the bonds and the coupons	Total amount of interest earned @ 5.61 p.c. on outstanding Capital as at date set forth	Amount of principal money repaid on date set forth	Amount of interest earned but not paid on date set forth. This is added to Capital outstanding	Capital outstanding on date set forth
Dec. 1, 1917					$991.22
June 1, 1918	$27.50	$ 23.34	4.16 bonus of interest		*987.06
Dec. 1, 1918	27.50	27.69		.19	987.25
June 1, 1919	27.50	27.69		.19	987.44
Dec. 1, 1919	27.50	27.70		.20	987.64
June 1, 1920	27.50	27.70		.20	987.84
Dec. 1, 1920	27.50	27.71		.21	988.05
June 1, 1921	27.50	27.71		.21	988.26
Dec. 1, 1921	27.50	27.72		.22	988.48
June 1, 1922	27.50	27.73		.23	988.71
Dec. 1, 1922	27.50	27.73		.23	988.94
June 1, 1923	27.50	27.74		.24	989.18
Dec. 1, 1923	27.50	27.75		.25	989.43
June 1, 1924	27.50	27.75		.25	989.68
Dec. 1, 1924	27.50	27.76		.26	989.94
June 1, 1925	27.50	27.77		.27	990.21
Dec. 1, 1925	27.50	27.78		.28	990.49
June 1, 1926	27.50	27.78		.28	990.77
Dec. 1, 1926	27.50	27.79		.29	991.06
June 1, 1927	27.50	27.80		.30	991.36
Dec. 1, 1927	27.50	27.81		.31	991.67
June 1, 1928	27.50	27.82		.32	991.99
Dec. 1, 1928	27.50	27.83		.33	992.32
June 1, 1929	27.50	27.83		.33	992.65
Dec. 1, 1929	27.50	27.84		.34	992.99
June 1, 1930	27.50	27.85		.35	993.34
Dec. 1, 1930	27.50	27.86		.36	993.70
June 1, 1931	27.50	27.87		.37	994.07
Dec. 1, 1931	27.50	27.88		.38	994.45
June 1, 1932	27.50	27.89		.39	994.84
Dec. 1, 1932	27.50	27.90		.40	995.24
June 1, 1933	27.50	27.92		.42	995.66
Dec. 1, 1933	27.50	27.93		.43	996.09
June 1, 1934	27.50	27.94		.44	996.53
Dec. 1, 1934	27.50	27.95		.45	996.98
June 1, 1935	27.50	27.97		.47	997.45
Dec. 1, 1935	27.50	27.98		.48	997.93
June 1, 1936	27.50	27.99		.49	998.42
Dec. 1, 1936	27.00	28.01		.51	998.93
June 1, 1937	27.50	28.03		.53	999.46
Dec. 1, 1937	1,027.50	28.04	999.46		
	2,100.00	1,108.78	1.003.62	12.40	

*Those who do not pay for their bonds in full on January 2nd can also use this schedule for bookkeeping purposes. They should simply consider their capital outstanding on each $1,000 bond on June 1, 1918, as the amount shown on that date—namely, $987.06. No matter on what instalment dates the bonds were paid for, the holder should subtract $987.06 from the total amount actually paid for the bonds. The remainder represents (bonus of interest) capital money repaid on June 1st. The difference between this sum and $27.50 would represent the amount of interest paid for the first six months. This interest would be a few cents out on each $1,000. Then after June 1st, the schedule would work out exactly right to the cent on the basis of a 5.61 per cent. yield rate.

Schedule for $1,000 Bond due Dec. 1st, 1927 (10-Year Bond).

The schedule following shows exactly how capital and income is returned at 5.68 per cent. This is correct to within 28 cents on the $1,000 for the subscriber whose bonds are

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Differences in Legislation in Canada in connection with Life Insurance Contracts

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By W. B. TAYLOR, B.A., LL.B.
Secretary of the North American Life Assurance Co.

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fully paid by January 2nd.* He pays $991.08 ($100 on December 1st, and $900, less $8.92 discount on January 2nd) for each $1,000 bond.

Value of $1,000 bond at a 5.68% yield rate as at Dec. 1st, 1917, is $990.80.

Figures as at the 1st day of June and Dec. in the year	Total amount actually paid by all the bonds and the coupons	Total amount of interest earned @ 5.68 p.c. on outstanding Capital as at date set forth	Amount of principal money repaid on date set forth	Amount of interest earned but not paid on date set forth. This is added to Capital outstanding	Capital outstanding on date set forth
Dec. 1, 1917					$990.80
June 1, 1918	$27.50	$23.63	3.87 bonus of		*986.93
Dec. 1, 1918	27.50	28.03	interest.	.53	987.46
June 1, 1819	27.50	28.04		.54	988.00
Dec. 1, 1919	27.50	28.06		.56	988.56
June 1, 1920	27.50	28.08		.58	989.14
Dec. 1, 1920	27.50	28.09		.59	989.73
June 1, 1921	27.50	28.11		.61	990.34
Dec. 1, 1921	27 50	28.13		.63	990.97
June 1, 1922	27.50	28.14		.64	991.61
Dec. 1, 1922	27.50	28.16		.66	992.27
June 1, 1923	27.50	28.18		.68	992.95
Dec. 1, 1923	27.50	28.20		.70	993.65
June 1, 1924	27.50	28.22		.72	994.37
Dec. 1, 1924	27.50	28.24		.74	995.11
June 1, 1925	27.50	28.26		.76	995.87
Dec. 1, 1925	27.50	28.28		.78	996.65
June 1, 1926	27.50	28.30		.80	997.45
Dec. 1, 1926	27.50	28.32		.82	998.27
June 1, 1927	27.50	28.35		.85	999.12
Dec. 1, 1927	1,027.50	28.38	999.12		
	1,550.00	559.20	1,002.99	12.19	

*Those who do not pay for their bonds in full on January 2nd can also use this schedule for bookkeeping purposes. They should consider their capital outstanding for each $1,000 bond at June 1st as $986.93, and then follow the method explained in the preceding schedule to adjust the capital and income payments due June 1st, 1918.

Schedule for $1,000 Bond due 1922 (5-Year Bond).

The schedule following shows exactly how capital and income is returned at 5.81 per cent. This is correct to within 13 cents on the $1,000 for the subscriber who is fully paid by January 2nd.* He pays $100 on December 1st, and $900, less $8.92 discount on January 2nd. He thus pays in all, $991.08 for each $1,000 bond.

Value of $1,000 bond at a 5.81% yield rate as at Dec. 1st, 1917, is $991.21.

Figures as at the 1st day of June and Dec. in the year	Total amount actually paid by all the bonds and the coupons	Total amount of interest earned @ 5.81 p.c. on outstanding Capital a sat date set forth	Amount of principal money repaid on date set forth	Amuunt of interest earned but not paid on date set forth. This is added to Capital outstanding	Capital outstanding on date set lorth
Dec. 1, 1917					$991.21
June 1, 1918	$27.50	$24.17	3.33 bonus of		*987.88
Dec. 1, 1918	27.50	28.70	interest	1.20	988.08
June 1, 1919	27.50	28.73		1.23	990.31
Dec. 1, 1919	27.50	28.77		1.27	991.58
June 1, 1920	27.50	28.81		1.31	992.89
Dec. 1, 1920	27.50	28.84		1.34	994.23
June 1, 1921	27.50	28.88		1.38	995.61
Dec. 1, 1921	27.50	28.92		1.42	997.03
June 1, 1922	27.50	28.96		1.46	998.49
Dec. 1, 1922	1,027.50	29.01	998.49		
	1,275.00	283.79	1,001.82	10.6	

*Those who do not pay for their bonds in full on January 2nd can also use this schedule for bookkeeping purposes. They should consider their capital outstanding on June 1st, as $987.88 for each $1,000 bond, and then they should follow the method explained under the twenty-year bond schedule to adjust the capital and income payments due on June 1st.

DOMINION OF CANADA WAR BONDS.

Due date.	Rate.	Net issue price.	Exact yield at issue price as at date of issue.*	Conversion price.	Yield at conversion price as at Jan. 2nd, 1918.
†Oct. 1st, 1919	5 per cent.	100.00 and interest	5 per cent.	100.00 and interest	5.00 per cent.
Dec. 1st, 1925	5 per cent.	96.27 and interest	5.50 per cent.	97.50 and interest	5.39 per cent.
Oct. 1st, 1931	5 per cent.	97.04 and interest	5.29 per cent.	97.50 and interest	5.25 per cent.
Mar. 1st, 1937	5 per cent.	95.07 and interest	5.40 per cent.	96.00 and interest	5.33 per cent.
Dec. 1st, 1922	5½ per cent.	98.67 and interest	5.81 per cent.	100.00 and interest	5½ per cent.
Dec. 1st, 1927	5½ per cent.	98.67 and interest	5.68 per cent.	100.00 and interest	5½ per cent.
Dec. 1st, 1937	5½ per cent.	98.67 and interest	5.61 per cent.	100.00 and interest	5½ per cent.

*The yield rates quoted in this column (except the debenture stock due October, 1919) are all on the basis of their being paid for on the instalment dates. The difference in the net price and the yield to the man who fully pays by the second instalment date is so slight that the above can be taken as practically correct for his case also.

Due date.	Conversion privileges.
†Oct. 1st, 1919	Holders may convert into any future war loan issue in Canada other than an issue of treasury bills or other like short-date security.
Dec. 1st, 1925	Holders may convert into any future war loan issue made in Canada.
Oct. 1st, 1931	Holders may convert into any future war loan issue made in Canada provided it matures in not less than 20 years.
Mar. 1st, 1937	Holders may convert into any future war loan issue made in Canada provided it matures in not less than 20 years
Dec. 1st, 1922	Holders may convert into any future war loan issue made in Canada provided it matures on or after December 1st, 1922.
Dec. 1st, 1927	Holders may convert into any future war loan issue made in Canada provided it matures on or after December 1st, 1927.
Dec. 1st, 1937	Holders may convert into any future war loan issue made in Canada provided it matures on or after December 1st, 1937.

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†This is debenture stock.

LONDON CITY AND MIDLAND BANK, LIMITED

The directors of the London City and Midland Bank, Limited, report that the profits for the year ended December 31 last amount to £1,967,716, which, with £243,538 brought forward makes £2,211,254 for appropriation as follows: For payment of salaries and bonus to members of the staff who are engaged with his Majesty's forces, and bonus to other members of the staff, £304,519; to reserve funds for contingencies, £500,000; to payment of dividends for the year 1917, at the rate of 18 per cent. per annum, less income tax, £672,950, and to carry forward £733,785. The dividend was at the same rate for 1916 with appropriations of £840,107, and carry forward £243,538.

The new draft act as submitted to Premier Stewart has a recommendation providing for an increase of from 15 to 40 per cent. in compensation for workmen. It calls for the appointment of an administrative board. It is likely that the legislation will be brought in at the coming session of legislature.

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CONTROL OF NEWSPRINT INDUSTRY

If the Raw Material, Newsprint, is to be Controlled, Why Not the Finished Article, the Newspaper?

In the light of similar action with respect to other commodities, the appointment of a "Controller of Newsprint and Bookprint" would suggest an acute shortage in Canada of the commodities named, said Messrs. Greenshields Company in a recent review. But what are the facts? they ask. Of the total output of newsprint in Canada to-day they say only 10 per cent. is required for the home market. The department of trade and commerce reports that, in the twelve months ending March 31st last, Canadian shipments of newsprint to the United States were of a value of approximately $21,000,000 of wood pulp and like products of a value of approximately $29,000,000. The value of newsprint consumed annually in Canada is placed by trade authorities at only $3,000,000.

"As a result of years of effort during which investors received a meagre return on their capital," continues the review, "if any at all, the pulp and paper industry has been built up to a point where its production, in excess of home requirements, brings in approximately $50,000,000 annually from the United States alone. It is entitled to rank as Canada's most important export manufacturing industry. Presumably, at this of all times, it might expect to meet every encouragement towards further expansion. Why then the appointment of a controller, with its immediate suggestion of restriction, and in the case of restriction in these times, its suggestion of a national emergency?

Present to Canadian Publishers.

"We have the official admission of the gentleman in charge of the recent inquiry into the costs of newsprint manufacture that 'the paper manufacturers have been making a present of $500,000 to the Canadian newspaper publishers.' So much for the results of the haphazard attempt to fix newsprint prices a year ago. We deprecated it at the time as vicious in principle, an unwarranted interference with the operation of the law of supply and demand. The unfairness which it worked to the manufacturers is evident in the opinion quoted from the commissioner who carried out the subsequent inquiry into mill costs.

"So far from the attempt to fix prices being abandoned, we have now the naming of a controller, with power to fix prices and to regulate supplies with a view to the requirements not only of Canada but the United States. For the sake of $500,000 which was saved to Canadian publishers by getting their supplies below market cost, a situation has been forced which endangers the free and profitable development of an export trade to the United States worth $50,000,000 a year to Canada. Whatever action is taken with respect to a price for newsprint in Canada will form the basis of a price to be fixed in the United States. An industry which might reasonably be expected to go out into the world's markets with the full encouragement of the nation is asked to start off under the handicap of restrictive measures at home.

"It is well to bear in mind that the agitation of Canadian publishers which brought about this situation was not based on any shortage of supplies. The 10 per cent. requirements of the home market were relatively small and the mills were prepared to fill them, irrespective of more profitable opportunities that might offer elsewhere.

Should Manufacturers Subsidize.

"If the price was to be higher than before the war, all other commodities have advanced in price, too. The publishers had the usual recourse in such circumstances—to advance the cost of what they sell, their subscription rates and their advertising rates. Some of them have done so. It has not been suggested that a controller of publishers be appointed; yet the public interest in whether the cost of a newspaper is to be doubled is vastly larger than the public interest in whether a publisher is to make a profit satisfactory to himself. If the raw material, newsprint, is to be controlled, why not the finished article, the newspaper? The fixing of a price for wheat had its logical corollary in a limiting of the profits on flour.

"In the final analysis, no argument can be adduced to show why newsprint manufacturers should be asked to subsidize the publishers not only at the expense of his profit in the domestic market but at the expense of his opportunity for profit in foreign fields. A government subsidy of $500,000 to the publishers would be absurd enough in its way but at least it would leave the paper industry with an opportunity to add a few million dollars to Canada's export trade, and with confidence to go about its legitimate business in its own way."

ROADS AND PRODUCTION

Premier Norris, of Manitoba, at a recent meeting of the cabinet council to discuss the increase of railway rates, urged the very grave importance of the step taken by the railway board in issuing the order, especially in regard to its effect on production. This was a question which, he said, no man in Canada could afford to overlook. "If," he said, "the railroads have to lose a little money for a year or two, or have to get it from another source, let them do it, but don't put an obstacle in the way of production. This order will just put the clock back more than any railroad man can explain in twenty-five years."

The new rates, Mr. Norris added, mean that in many cases live stock men would go out of business.

The hearing was then adjourned until March 1st.

CANADA PERMANENT MORTGAGE CORPORATION

The general statement of the Canada Permanent Mortgage Corporation, Toronto, for the past year shows that the company holds $26,742,535 of mortgages. As pointed out by Mr. W. D. Matthews, vice-president, at the annual meeting last week, the fact that it has been able to loan this immense sum of money on mortgages, and, at the same time, present a highly satisfactory financial statement, speaks well for the management of the corporation. This devolves upon the joint general managers, Mr. R. S. Hudson and Mr. John Massey; the secretary, Mr. G. H. Smith; the treasurer, Mr. W. C. Lee, and the inspectors. These gentlemen are all experts and have seen long service in the business. They are chiefly responsible, with the assistance of the directors, for the splendid reputation which the Canada Permanent Mortgage Corporation has long held for a sound and progressive policy.

Several speakers at the annual meeting referred to the careful inspection of all the properties by the company's own experienced inspectors before loans are made to borrowers. The system of inspection is so thorough that not only are losses minimized, but they are usually foreseen. A mortgage company, even with every possible precaution, cannot fully guard against borrowers proving unsuccessful. The farmer who meets with unforeseen misfortune becomes discouraged and fails to meet his obligations, usually allows his property to deteriorate, and occasionally, when companies are reluctantly compelled to find a purchaser for it, the full claim cannot be realized. In the balance sheet of the Canada Permanent, ample provision has been made for any possible losses.

Mr. W. G. Gooderham, president, reminded the shareholders that the investment of money outside the United Kingdom is not encouraged by the government of Great Britain, while the interest obtainable by investors in British government securities is so attractive, that at the high rates which would have to be paid to compete therewith, the company could not make profitable use of the money which might be obtained. The amount of the Canada Permanent's sterling debentures, therefore, again shows some diminution. But for this fact, together with the increased cost of borrowed money, it would have been possible to have produced greater profits.

"The amount of our deposits and of our debentures payable in Canada," said Mr. Gooderham, "have both slightly increased during the year. This is gratifying in view of the two issues of Canadian war loans in 1917, which have been widely distributed among all classes. It is recognized that our established mortgage companies occupy an important position in the economy of the Dominion. They provide the owners of land with money, which is vitally necessary to enable them to increase production, and the investment of moneys by the Canadian people in our debentures is therefore not discouraged by the government, as is the sale of many classes of bonds and other securities."

The company's net profits for the year, after deducting interest on borrowed capital, expenses of management, all charges and losses, together with war taxes and contributions to Red Cross and patriotic funds, amounted to $852,325. The balance at the credit of profit and loss at the beginning of the year was $195,652, making available for distribution a sum of $1,047,977. This sum has been appropriated as follows: Dividends at the rate of 10 per cent. per annum, $600,000; transferred to reserve fund, $250,000; balance carried forward at credit of profit and loss, $197,977.

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"INVESTMENTS"

A MUCH MISUSED TERM

Many who should be, and think they are laying up money for their old age, are misled into so-called "investments," where their hard-earned money is jeopardized, and frequently lost, though it is of the utmost importance to them and to those who may be dependent upon them that its absolute safety should be beyond peradventure.

To those who should invest safely and with caution, not speculate, the bonds of the Canada Permanent Mortgage Corporation can be confidently recommended. This Corporation is most conservative in the investment of the funds entrusted to it. For more than sixty years it has held a leading position among Canada's financial institutions, and its bonds are a LEGAL INVESTMENT FOR TRUST FUNDS. They are issued for one hundred dollars and upwards. Write for full particulars.

Canada Permanent Mortgage Corporation

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PROPOSALS FOR DECIMAL COINAGE

New Series to Replace Penny Units and Pound Sterling to Remain as Standard are Recommendations

A report has been issued by the British Decimal Association to the effect that the Institute of Bankers, the Association of Chambers of Commerce of the United Kingdom, and the Decimal Association, after prolonged conference, have planned details of a new coinage system both convenient and desirable. "One pun, two" would be represented, for example, by "1.10 pounds."

Because of the universal recognition of the pound sterling in the settlement of international transactions, this ancient and honorable unit is retained as the standard element in the proposed system. On the other hand, the venerable penny is excluded, inasmuch as it is not a decimal submultiple of the pound sterling. An entirely new series replaces the penny units. The present crown (5s.), half-crown (2s. 6d.), and three-pence (six cents), all silver coins, are to be abolished.

"Mil" is the New Unit.

The one new unit to be introduced is the "mil," a designation taken, like the United States mill, from the Latin equivalent of "thousand," since the mil will represent the one-thousandth fraction of a pound. Coins will be issued, should the system be adopted, with respective values of one, two, three, four, five and ten mils.

Thus the coins of higher value would be the gold sovereign, or pound sterling, worth 1,000 mils; the gold half-sovereign, or 500 mils; the silver double florin (four shillings), or 200 mils; the silver florin (two shillings) or 100 mils; the silver half-florin, or shilling, equal to 50 mils; the silver quarter florin, or six-pence, worth 25 mils. The ten and five mil pieces would be nickel, the four remaining mil pieces would be bronze.

Owing to the exclusion of three silver coins and of all the present bronze coins, the total number of units would be unchanged. Also the values of the present gold and silver coins would remain unaltered. Possible confusion of the proposed nickel coins with silver coins would be prevented by giving the nickel coins a scalloped edge or by otherwise varying their outline.

Adjustment of Coin Values.

The suggested system would make possible a more equitable and more finely graduated adjustment of coin values to the fluctuations of commodity prices. At present, when the wholesale cost of any necessity is increased by 20 per cent., the retailer must raise the price of halfpenny goods by 100 per cent. to 1 penny, just as, in a corresponding case, the American retailer must double the price of a one-cent article in order to offset an increase of one-fifth of a cent. in the wholesale cost. So in Great Britain now penny goods really worth one-fifth more must be sold at retail for three half pence; for, though the farthing (¼ penny) is coined, it is seldom used. But the new system would provide coins practically equivalent to one-quarter, one-half, and three-quarters of a penny.

The simplicity of the proposal from the viewpoint of record and calculation appears in the table of decimal equivalents:—

Sovereign	1.000	pound	Ten-mil	.010	pound
Half-sovereign	.500	"	Five-mil	.005	"
Double florin	.200	"	Four-mil	.004	"
Florin	.100	"	Three-mil	.003	"
Half-florin	.050	"	Two-mil	.002	"
Quarter-florin	.025	"	One-mil	.001	"

The Maryland Assurance Corporation has been licensed to transact accident and sickness assurance in Canada, Mr. F. J. Lightbourn, of Toronto, being chief agent.

The new government standard flour was milled by all city flour mills on Monday, in compliance with the regulations of the food controller, and was on the Winnipeg market on Tuesday morning at a price of 50 cents less per barrel than the first-grade patents. These were selling in carload lots at $11 per barrel. The new flour is listed at $10.50 per barrel in carload lots, with an additional 10 cents per barrel on ton lots and 20 cents on smaller lots.

CROPS BROUGHT BIG SUM

Total of $1,144,636,450 Received for Our Field Crops Last Year

The Census and Statistics Office, Ottawa, has issued its annual estimate of the yield, quality and value of the principal grain crops of Canada for the season of 1917, as compared with 1916. For the provinces of Quebec, Saskatchewan, Alberta and British Columbia the agricultural statistics of 1917 were collected in co-operation with the provincial governments, and, consequently, for those four provinces the reports of both the Dominion and provincial statistical authorities will record identical results.

The total yield of wheat for Canada is returned as 233,742,850 bushels from 14,755,850 acres, as compared with 262,781,000 bushels from 15,369,709 acres in 1916. Of oats, the total yield is 403,009,800 bushels from 13,313,400 acres, as compared with 410,211,000 bushels from 10,996,487 acres in 1916. The yield of barley is 55,057,750 bushels from 2,392,200 acres, as against 42,770,000 bushels from 1,802,996 acres in 1916. The average yields per acre of these crops are, in bushels, as follows, the corresponding figures of 1916 being placed within brackets: Wheat, 15.75 (17.10); oats, 30.25 (37.30); barley, 23 (23.72). The total yields in 1917 of the remaining crops are as follows: Rye, 3,857,200 bushels; peas, 3,026,340 bushels; beans, 1,274,000 bushels; buckwheat, 7,149,400 bushels; mixed grains, 16,157,080 bushels; flaxseed, 5,934,900 bushels; corn for husking, 7,762,700 bushels.

Quality of Grain Crops.

The quality of the grain crops of 1917, as indicated by the average weight in pounds per measured bushel, is as follows: Fall wheat, 59.37 pounds, as compared with 59.52 pounds in 1916; spring wheat, 59.48 pounds, as against 56.51 pounds; all wheat, 59.46 pounds, as against 57.10 pounds; oats, 33.55 pounds, as against 33.86 pounds; barley, 46.97 pounds, as against 45.66 pounds; rye, 53.44 pounds, against 54.95 pounds; peas, 59.81 pounds, against 59.88 pounds; beans, 59.70 pounds, against 60 pounds; buckwheat, 46.49 pounds, against 46.35 pounds; mixed grains, 44.41 pounds, against 43.13 pounds; flaxseed, 54.73 pounds, against 54.90 pounds; and corn for husking, 56.18 pounds, against 56.51 pounds.

The average values per bushel of grain crops for all Canada in 1917, according to the prices returned by the crop-reporting correspondents of the Census and Statistics Office, are higher than in any previous year. They are as follows: Fall wheat, $2.08, as compared with $1.54 in 1916; spring wheat, $1.93, against $1.29; all wheat, $1.94, against $1.31; oats, 69 cents, against 51 cents; barley, $1.08, against 82 cents; rye, $1.62, against $1.11; peas, $3.54, against $2.22; beans, $7.45, against $5.40; buckwheat, $1.46 against $1.07; mixed grains, $1.16, against 88 cents; flax, $2.65, against $2.04; and corn for husking, $1.84, against $1.07.

Total Values of Field Crops.

The total farm values of the principal grain crops of 1917 are estimated to be as follows: Wheat, $453,038,600, as against $344,096,400 in 1916; oats, $277,065,300, as against $210,957,500; barley, $59,654,400, as against $35,024,000; rye, $6,267,200, as against $3,196,000; peas, $10,724,100, as against $4,819,000; beans, $9,493,400, as against $2,228,000; buckwheat, $10,443,400, as against $6,375,000; mixed grains, $18,801,750, as against $9,300,900; flaxseed, $15,737,000, as against $16,889,900; and corn for husking, $14,307,200, as against $6,747,000. Adding the value of the root and fodder crops, which was published last November, the total value of the field crops of Canada is estimated at $1,144,636,450, as compared with $886,494,900 in 1916 and $825,370,600 in 1915. The totals comprise: Grain crops, $875,532,350, compared with $639,733,700 in 1916 and $601,093,300 in 1915; potatoes and sugar beets, $81,598,200, compared with $51,422,300 in 1916 and $37,235,300 in 1915; and fodder crops, $187,505,900, compared with $195,338,900 in 1916 and $187,042,000 in 1915. The total value of $1,144,636,450 for 1917 is the highest on record, and this is the first time that the value of the field crops of Canada has exceeded one billion dollars.

The Boston Insurance Company has received a Dominion license to transact fire insurance in British Columbia only, Mr. A. Z. deLong, of Vancouver, being chief agent.

Successful Year Reviewed at National Trust Meeting

Assets Increase Over $7,500,000 and Now Total $76,722,635.36—Earnings Also Increase—Speeches by President, Vice-President and General Manager in Reviewing Business Year Emphasize Canada's Part in the War—Mr. W. E. Rundle Joins the Board and is Elected a Vice-President.

The Annual Meeting of the Shareholders of National Trust Company Limited, was held January 30th, at noon, in the Company's Board Room, with the President, Sir Joseph Flavelle, in the chair. In moving the adoption of the Report and Statement, which appear below, the President said:—

We meet again under the anxious strain of war, with its suffering and loss of men and property. We feel the weight of our trouble as the lists of casualties appear. The gallant men who have fallen or who have returned home disabled were but the other day at school or college, or were in our offices or workshops, and passed in and out of our homes with all the promise of life before them. They have honored Canada by their devotion, courage and sacrifice. We pay them tribute.

Canada's Part in Financing War.

We have given our pledge to see this war through to the end and to assume responsibility for a sustained supply of men and money. Canada is spending between $300,000,000 and $350,000,000 per year to equip and maintain 400,000 men in training and at the front. Somewhat more than half of this expenditure is paid by the Imperial Treasury on our account in England to maintain and arm our men who are overseas.

On the other hand, the Canadian Government and Canadian Banks loaned to the Imperial Treasury in Canada during 1917 $400,000,000, and will loan a similar sum in 1918 to assist the Treasury in paying for munitions, war supplies, ships and foodstuffs produced in Canada and purchased by Great Britain for shipment to British and French ports.

Interest on Canada's Debt.

When, therefore, we consider the interest burden which has to be borne by reason of our greatly increased national debt, we shall do well to remember that by May of this year $700,000,000 of our borrowings during the war will have come from our own people. Similarly we should remember that by the end of 1918, and during the period of the war, Canada will have loaned to the Imperial Treasury $300,000,000 more in Canada than the Imperial Treasury will have loaned to us in Great Britain.

We will thus pay to our own people a large share of the interest occasioned by War Loans, and will for the first time collect from Great Britain an important sum for interest upon net advances made to the British Treasury during the war.

Concurrently, we have had redundant ordinary revenues. From these we will pay during the current year all the capital and expense charges of government, including pensions and interest upon war debt, and if, as is probable, we close the current fiscal year as in March, 1917, with a large credit balance, we shall have a surplus of from thirty to forty million dollars to apply directly upon war expenditures.

These results have been possible owing to the accumulated savings of our people during the war, incident to the high prices of farm products, the great production of munitions and war supplies, and full employment of labor at remunerative rates.

Canada Asked to Establish Credits.

As the war progresses, the strain upon Great Britain becomes greater. While her assets are abundant, and her promise to pay unquestioned, the Imperial Treasury frankly states:—

"We are unable to supply dollar credits in Canada with which to pay for the food, munitions, ships and supplies we desire to buy from you and of which we are in urgent need. Will you help us by loaning money to pay for these purchases?"

Here lies the duty and opportunity of Canada in which all can share if all will make the effort. Co-operation and united effort in production, and firm personal discipline in saving, will enable us to discharge the duty and take advantage of the opportunity. This is but a small obligation for the men and women who remain at home to undertake. It is, nevertheless, a vital one.

The Company's Year.

Referring to the financial statement just presented, I believe you will consider it a most satisfactory one.

The assets under administration again show a substantial increase over those of the previous year. This, with the increase in the earnings, is an evidence of the continued growth of the Company.

It becomes increasingly apparent that the public considers a Trust Company the safest custodian of trust funds and estates.

Your Directors deeply regret having to record the death of Sir Lyman Melvin Jones. Sir Lyman took a keen interest in the affairs of the Company, and through his death we have lost a faithful friend.

Mr. Thomas Findley was elected to fill the vacancy on the Board caused by the death of Sir Lyman Melvin Jones.

During the year your Directors authorized the following subscriptions:—

$1,000 to the Toronto Military Service Fund of the Young Men's Christian Association.

$250 to the Italian Red Cross Society.

$2,000 to the British Red Cross Society.

$1,000 to the Navy League of Canada.

And these, with the $11,000 previously authorized, make a total of $15,250. In addition, your Directors have since the 31st December, 1917, authorized a further subscription of $10,000 to the Toronto and York County Patriotic Fund Association and the Toronto Branch of the Canadian Red Cross Society, and $250 to the King George and Queen Mary Maple Leaf Club of London, England, which will be payable during the present year.

A resolution confirming these subscriptions will be submitted to you to-day.

Before moving the adoption of the Report, I will ask the General Manager to address the meeting.

General Manager's Address.

The General Manager, Mr. W. E. Rundle, spoke as follows:—

I wish to begin my remarks to-day with a few words regarding our staff. The loyalty and efficiency of its members, always marked, never stood higher. Our men have responded freely to the call to arms, 51 having enlisted with the Canadian forces. Of these five have been killed in action. It is fitting that to-day our hearts should go out, as they do, in loving sympathy to the relatives and friends of these brave and noble men who have given their lives that we might live. Others are now lying wounded, and to them we express the earnest hope of a speedy and full recovery.

Among those who fell was Captain Percival Molson, M.C., Manager of our Montreal Office. He was killed in France on July 5th last. Many of you will recall that he was with us a year ago at our Annual Meeting, having returned a few months before to recover from a very serious wound. Captain Molson was a man of unusual character and ability. His sincerity and charm of manner endeared him to all who knew him. A fine soldier, he died as he had lived.

Staff Carries on With Reduced Numbers.

An increasing burden was cheerfully borne by the staff last year. The added duties imposed by a greater volume of business and by enlistment in the army, made the work unusually heavy. To assist the regular staff we have added thereto an increasing number of women throughout the year.

This twentieth Annual Meeting of the Shareholders finds us able to present a report which, I believe, will be considered satisfactory by all concerned. On the 1st September next the Company will see its twentieth birthday, and when we meet a year hence it will be fitting to look back over the twenty years and review in detail the Company's progress in that period.

Year's Business Satisfactory.

The chief outstanding points in the statement now presented for 1917 are the substantial increase in the net earnings and the large addition to the Assets under the Company's administration.

The net earnings for the year amounted to $251,333.94, an increase over the preceding year of $15,079.72. Stated in another way, the Company earned last year 16¾ per cent. upon its paid-up Capital, or 8⅜ per cent. upon its combined Capital and Reserve. This result has been obtained notwithstanding that during the year many mortgages were paid off and the proceeds reinvested in lower interest-bearing securities.

Farmers Paying Mortgages.

Not only were mortgage interest payments well met during the last twelve months, but there was and has been a growing tendency of late on the part of mortgagors—especially farmers—to pay off their mortgage indebtedness.

Good crops and high prices for farm products have placed the agricultural community of the Dominion in a greatly improved financial position; hence the ability of many to pay off their mortgages. This, of course, is a splendid thing for the country generally—and what is good for the country must inevitably result in the long run for the good of its financial and other institutions. But manifestly the immediate effect is to reduce the earnings of trust companies and all other mortgage loan institutions on their mortgage investments, because they cannot reinvest at quite as favorable interest rates. Moreover, as the demand for mortgage loans has fallen off since the war, the repayments to which I have referred have been largely reinvested in Government and Municipal securities. The Balance Sheet now presented shows a considerable increase in our holdings of securities of this character. This class of security, while yielding a much higher rate than was obtainable previous to the war on similar securities, does not yield as high a rate as the mortgages paid off.

The net result is a reduction in the average rate of interest obtainable on the total invested funds. Our Company is fortunate, however, in that it has been able not only to overtake the loss of interest referred to, but to increase its earnings because of the remuneration received upon its greatly increased volume of estates and trust business.

Increase in Earnings.

The net earnings, together with $96,314.68 brought forward from the previous year's Profit and Loss Account, enabled your Directors to pay dividends amounting to $150,000, or at the rate of 10 per cent. on the Capital Stock, or 5 per cent. on the combined Capital and Reserve; to write $50,000 off the Company's Office Premises Account; to pay $15,250 in subscriptions to Patriotic, Red Cross and other funds; to provide $10,000 to meet the Dominion Government Income War Tax, which though for the year 1917 is not yet payable, and to carry forward $122,398.62 into open Profit and Loss Account.

Assets Increase More Than 7½ Millions.

The Assets under administration now amount to $76,722,635.36, an increase during the past year of $7,525,580.75, and I am happy to say that all our Offices have contributed to this result. The figures are large. They speak for themselves, and much louder than words can do of the public confidence the Company enjoys. I have frequently reminded the Shareholders that in addition to administering the Assets shown in the Balance Sheet, there are many services performed by the Company—such, for example, as that of Trustee under mortgage for bond issues, Transfer Agent and Registrar for shares of outside Companies, custodian of property, deeds and securities for safekeeping and escrow transactions of almost innumerable character, of which our statement gives no indication. These services, nevertheless, entail a great deal of executive as well as clerical work. Hence the Company's activities are even greater in extent than the figures representing the Assets under administration would indicate.

I desire to point out that our mortgage investments are of an excellent character. They are made only after an inspection and report upon the property by our own Inspectors, who are salaried officials, and are mainly upon improved farm property.

Notwithstanding the continued downward trend of the prices of securities since the outbreak of the war, it will be gratifying to the Shareholders to know that the bonds, debentures and stocks held on Capital and Guaranteed Trust Account are carried in the Balance Sheet presented to-day at figures substantially below the present market prices.

The strong liquid position of the Company is evidenced by our Call Loans, which are well margined, and by the amount of cash on hand and in the bank.

The report of the Auditors is appended to the Balance Sheet submitted, and you will observe from their certificates that all trust funds and investments under our care are kept separate from the Company's own funds and investments and are shown on the books of the Company as belonging to the several Trusts, Estates, and Agencies on behalf of which they are held.

The Inspection Committee of the Board of Directors, in pursuance of the Company's By-Laws, has made its inspection and report to the Board regarding the investments made by the Company, and its report is presented to you herewith. The value and importance of such an inspection, in addition to the usual audit of the books and securities, will be apparent to the Shareholders and the Company's clients.

Canada's War Loans and the Company's Share in Them.

The most notable financial event of 1917 in Canada was the Victory Loan. In response to a request of the Canadian people by the Finance Minister to lend the Dominion Government $150,000,000, the people offered $419,000,000,—a really wonderful performance. The full significance of these figures is only grasped when bearing in mind that the Canadian people had already, since the outbreak of war, provided the Dominion Government with $350,000,000, the amount of three previous domestic War Loans. The Finance Minister, the various Victory Loan organizations, the Press, the Pulpit, and the people of Canada have cause for a justifiable pride in the achievement.

Our Company was able to subscribe for $3,800,000 of Victory Bonds. This was all new money, and included, of course, not only Capital and Guaranteed Trust Funds, but moneys held for investment as Executor and Trustee.

It might interest the Shareholders if I were to summarize just here the Company's subscriptions to the four domestic War Loans placed by Canada. They are as follows:—

To the First Loan	$ 250,000
To the Second Loan	650,000
To the Third Loan	1,250,000
To the Fourth (Victory) Loan	3,800,000
A total of	$5,950,000

Canadians Lent 12 Times as Much in 1917 as in 1913.

In the year 1913, Canada's borrowings, including those of the Dominion and Provincial Governments, Municipalities, Railway and other Corporations, amounted to $373,000,000. This was the largest amount borrowed prior to the war, and amply testified to the strength of Canadian credit in the world's financial markets. Of this amount, $327,000,000 came from abroad, while $46,000,000 only was raised in Canada. In 1917, four years later, Canada's borrowings were $756,000,000, of which no less a sum than $564,000,000 was contributed by the people of Canada. In other words, while the borrowings in 1917 were only twice as great as in 1913, the amount which the Canadian people themselves supplied was twelve times as great.

The President has already reminded you that a large part of Canada's borrowings in 1917 were in turn loaned to Great Britain. Our loans to Britain constitute an admirable investment for Canada, while at the same time they afford valuable assistance to the Mother Land.

Much of Canada's Debt Owed to Canada's Self.

The advantages of owing money to oneself rather than to someone else are obvious. Canada has done well in the years of the war in helping to finance its own requirements. But we must not lose sight of the fact that while the war continues, still greater things will be required of us. We are fortunate possessors of the power to respond.

Must Increase Food Production.

At recent meetings of banking and other institutions, emphasis has been given to the seriousness of the world's food problem. The subject is so momentous, so vital to the Allies' success in the war that persistent reference to it is amply justified. One wonders whether we who live in countries so largely agricultural will fully realize, before perhaps it is too late, the bearing of this question not only upon the armies in the field, but upon their civilian populations, in determining their power of resistance. Already hundreds of thousands of people in Italy are upon the verge of starvation. In France conditions in some quarters are but slightly better. In Great Britain privation begins to look into the faces of many. In these circumstances, a heavy duty and responsibility rests upon the North American Continent, with its unlimited agricultural possibilities, to do its utmost both to produce and conserve food. The time for seeding will be upon us in but two short months,—and as we sow so shall we reap.

The outlook at the moment for the ensuing year seems to be one of continued industrial activity. With labor in great demand, with high wages, with high prices for farm products and for merchandise, and with money freely in circulation, Canada's experience in 1918 will probably be much the same as during the past year, unless through the defeat or surrender of the enemy, the war meanwhile should end. When that end will come, no one can foresee. A year ago, great hopes were expressed,—and not without some warrant,—that the year 1917 would see the enemy defeated. But unforeseen events have postponed our expectations. If, however, we stand at the threshold of a new year with less prophetic sight, we also stand with strengthened purpose to persevere to a victorious end.

War Reveals National Resourcefulness.

A period of readjustment will inevitably follow the war, during which those who have meanwhile conserved their resources will benefit from that course. Whether after-war conditions will spell good or hard times, whether the period of readjustment which will follow the declaration of peace will be of long or short duration, is a matter wherein there can be no certainty of forecast. It is a realm for intellectual speculation. This, however, is certain, that great and grave questions will arise after the war for solution in Canada as elsewhere. They will be varied in character and will run the whole gamut of life. They probably will impose hardship, sacrifice and suffering. They will call for the best that is in us. We shall face them with courage and a virile Canadianism. One of the great lessons of the war is the resourcefulness of nations in overcoming obstacles which would have been thought insurmountable. Who would have thought that Canada could raise an army of 500,000 men, could in a single appeal accomplish a Victory Loan of $400,000,000, could manufacture articles with the precision of a five-thousandth part of an inch? And yet all this will have been accomplished in less than four years' time. Who would have predicted that Great Britain could raise an army of 5,000,000 men, or provide $37,000,000 a day to finance a war? Who would have imagined that the United States would gather an army of a million men in nine months? Who would have believed that she could appropriate in one year for expenditure, as she has done for 1918, eighteen and a half billion of dollars whereas her total expenditure from the date of her independence down to the time she entered this war was but twenty-nine billions? These illustrations are but a few which indicate the reserve power which lay hidden in nations. The war has quickened man's perceptions, stimulated his initiative, revealed his courage and strengthened his purpose. It is this new giant who will meet new conditions.

Confidence in Canada.

We in Canada have no reason to think that our resourcefulness as a people will falter or fail us after the war. We have a country and a people abounding in material, moral and spiritual resourcefulness. The wastage of war can only be made good from the materials which come from the ground. To this extent—and it is important—countries like Canada, which abound in raw materials, obviously possess advantages over less favored nations. I believe that if we but work together in mutual faith and good-will, we can face whatever lies before us in sober confidence.

Before closing I desire to acknowledge the valuable services of Messrs. Thomson, Dickson & Shaw, and of Messrs. Finlayson, Auld & Mackechnie, agents of the Company at Edinburgh and Glasgow, respectively.

Mr. Z. A. Lash's Address.

In seconding the adoption of the report, Mr. Z. A. Lash, K.C., said:—

It will not be necessary for me to deal with the success of this Company during the past year. We all know that the Company is progressing splendidly, but our attention at the present time is more drawn to the great events which are happening in the world than to the business of any particular Company. The President began his remarks by referring to the war and to war business. The General Manager has dealt with the details of the Company's business, and he also felt impelled to refer to the events of the war and what has been done by the people of Canada in connection with it. They have shown that in material resources Canada has displayed her wonderful strength. They have shown that in the raising of money the people have responded splendidly. We know that her record in the raising of men is equally good, 400,000 having volunteered.

But there is one other thought that occurs to me. It is that in addition to giving money, in addition to the volunteering of the men who went to the front, giving their lives to their country, those who have remained at home have shown equal earnestness in what they have done and have attempted to do towards the success of the war. Doctors have gone to the front, abandoning fine practices in the various cities and towns of Canada. Women also have done wonderfully well. Nurses have volunteered by thousands and have devoted their lives at the front to the care of the wounded and the sick. The business men of Canada have offered their services wherever they could be accepted. Men of property have offered their dwellings free for the service of their country.

Canada has found her soul, and there is no reason to suppose that the generosity which has come from the conditions surrounding Canada at the present time is going to evaporate merely because of the return of peace. I believe that the great spirit of self-sacrifice, the spirit of patriotism and unselfishness that has been shown by the community as a community, and by individuals as individuals—men and women—will be maintained for many, many years, and that we shall find that we are living in a different kind of community from that in which we were living before these great qualities were brought to the surface.

Now, as I say, business men have offered their services free. They have left their homes. They have settled in other cities. They have done what they could do to promote the public interest in these troublous times, and I am sure that we can all say that no one has devoted more broad-minded business ability than the President of this Company. For two years he has devoted himself exclusively to the great work which he undertook. He left his home. He left his business. He devoted ability which is priceless and which is shown by its results in connection with the Imperial Munitions Board. I think the Shareholders of this Company are glad to know that his services have been recognized by His Majesty in conferring upon him the honor which he so fully deserves.

I know he would be the last to look for remarks of this kind. I feel, however, that meeting here together as the Shareholders of this Company, he being present for the first time since he was called to Ottawa—he was not here last year, showing how continuous his duties have been—I feel that the Shareholders will be glad to give some expression to our feeling of pride in the great work which the President of this Company has done.

I second the adoption of the Report.

The Report was unanimously adopted.

NATIONAL TRUST COMPANY, Limited

REPORT AT ANNUAL MEETING OF SHAREHOLDERS

The Directors have pleasure in submitting herewith their Twentieth Annual Report, showing statement of the Assets and Liabilities of the Company as at 31st December, 1917, together with the Profit and Loss Account for the year ending on that date.

The net Profits, after providing for all cost of Management, Directors' and Auditors' Fees, Contingencies, etc., amount to $251,333.94. To this must be added the sum of $96,314.68 brought forward from 1916, making the total at credit of Profit and Loss Account $347,648.62, which has been appropriated as follows:—

(a) To pay four quarterly dividends at the rate of ten per cent. per annum, amounting to $150,000.
(b) To write off Company's Office Premises, $50,000.
(c) To pay subscriptions to Patriotic, Red Cross and other Funds, $15,250.
(d) To provide for Dominion Income War Tax, $10,000.
(e) To carry forward in Profit and Loss Account, $122,398.62.

Respectfully submitted,
J. W. FLAVELLE, President.

General Statement, 31st December, 1917

ASSETS.

Capital Account:		
Real Estate Mortgages	$ 773,810.89	
Bonds, Debentures and Stocks	874,841.76	
Real Estate, including Company's Buildings and Safe Deposit Vaults in Toronto, Montreal, Winnipeg, Edmonton and Saskatoon	658,386.03	
Loans on Collateral Security of Bonds, Stocks, etc., and Advances to Estates, Trusts, etc.	565,864.02	
Cash on Hand and in Bank..	324,219.33	
		$ 3,197,122.03
Guaranteed Trust Account:		
Real Estate Mortgages......	$5,415,024.57	
Bonds and Debentures	1,101,932.66	
Loans on Collateral Security of Bonds, Stocks, etc.	629,228.57	
Cash on Hand and in Bank.	571,604.25	
		7,717,790.05
Estates, Trusts and Agency Accounts:		
Funds and Investments......		$65,807,723.28
		$76,722,635.36

LIABILITIES.

Capital Account:		
Capital Stock	$1,500,000.00	
Reserve Fund	1,500,000.00	
Mortgage Loans in process of completion	30,284.55	
Dividend No. 72, due January 2nd, 1918	37,500.00	
Appropriated to provide balance Dominion Income War Tax	6,938.86	
Profit and Loss	122,398.62	
		$ 3,197,122.03
Guaranteed Trust Account:		
Guaranteed Trust Funds for investment	$5,388,191.22	
Trust Deposits	2,329,598.83	
		7,717,790.05
Estates, Trusts and Agency Accounts:		
		65,807,723.28
		$76,722,635.36

PROFIT AND LOSS ACCOUNT.

For Year Ending 31st December, 1917.

Balance 31st December, 1916............ $	96,314.68
Net Profit for the year, after deducting Cost of Management, Directors' and Auditors' Fees, Contingencies, etc.	251,333.94
	$347,648.62
Appropriated as follows:—	
Quarterly Dividends, Nos. 69, 70, 71 and 72, at the rate of 10% per annum .... $	150,000.00
To write off Company's Office Premises...	50,000.00
Subscriptions to Patriotic, Red Cross and other funds	15,250.00
To provide for Dominion Income War Tax.	10,000.00
Balance Carried Forward	122,398.62
	$347,648.62

AUDITORS' CERTIFICATES.

We have audited the books of, and the securities held in respect of Capital and Trust Funds at, the Head Office of National Trust Company, Limited, for the year ended 31st December, 1917, and we report thereon to the shareholders as follows:—

The books are properly kept; the securities are in order. The Trust Funds and investments are kept separate from the Company's own funds and investments and are shown on the books of the Company as belonging to the several Trusts, Estates and Agencies, on behalf of which they are held; and

We certify that our requirements as auditors have been complied with, and that the above Balance Sheet (in which the accounts of the Branch Offices of the Company are duly incorporated as certified by their respective Auditors) is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as shown by its books.

JOHN MACKAY,
GEO. EDWARDS,
Auditors.

I have audited the books of, and the securities held in respect of Capital and Trust funds at the Montreal Office of National Trust Company, Limited, for the year ended the 31st December, 1917, and I report thereon to the shareholders as follows:—

The books are properly kept; the securities are in order; the Trust funds and investments are kept separate from the Company's own funds and investments, and are shown on the books of the Company as belonging to the several Trusts, Estates and Agencies on behalf of which they are held; and I CERTIFY that my requirements as Auditor have been complied with, and that the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at its Montreal branch as shown by its books.

G. DURNFORD, C.A.,
Auditor.

We have audited the books of, and the securities held in respect of Capital and Trust Funds at the Winnipeg, Edmonton, Saskatoon and Regina Offices of National Trust Company, Limited, for the year ended 31st December, 1917, and we report thereon to the shareholders as follows—

The books are properly kept; the securities are in order. The Trust Funds and investments are kept separate from the Company's own funds and investments and shown on the books of the Company as belonging to the several Trusts, Estates and Agencies, on behalf of which they are held; and

We certify that our requirements as auditors have been complied with, and that the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at the said Branch Offices as shown by their books.

WEBB, READ, HEGAN, CALLINGHAM & CO.,
Auditors.

The following were elected Directors of the Company for the ensuing year:—

DIRECTORS

SIR JOSEPH FLAVELLE, Bart., President The Wm. Davies Company, Limited.
Z. A. LASH, K.C., LL.D., of Messrs. Blake, Lash, Anglin & Cassels, Barristers; Vice-President Canadian Bank of Commerce.
E. R. WOOD, President and Managing Director Central Canada Loan & Savings Company.
HON. MR. JUSTICE BRITTON.
GEORGE H. WATSON, K.C., of Messrs. Watson, Smoke, Smith & Sinclair, Barristers.
CHESTER D. MASSEY, Hon. President Massey-Harris Company, Limited.
ELIAS ROGERS, Vice-President Imperial Bank of Canada.
ALEX. BRUCE, K.C., of Messrs. Bruce, Bruce & Counsell, Barristers.
H. C. COX, President and General Manager Canada Life Assurance Company.
H. H. FUDGER, President The Robert Simpson Company, Limited.

H. B. WALKER, Manager Canadian Bank of Commerce at **Montreal.**

HON. SIR EDWARD KEMP, K.C.M.G., Minister of Overseas Military Forces of Canada; President Sheet Metal Products **Company** of Canada, Limited.

J. H. PLUMMER, Director Dominion Steel Corporation, Limited.

HON. F. H. PHIPPEN, K.C., General Counsel The Canadian Northern Railway Company.

H. J. FULLER, President Canadian Fairbanks-Morse Com**pany, Limited,** Montreal

F. W. MOLSON, Director The Molsons Bank, Montreal; Director Montreal City and District Savings Bank.

T. B. MACAULAY, President and Managing Director Sun Life Assurance Company of Canada, Montreal.

W. M. BIRKS, Vice-President Henry Birks & Sons, Limited, Montreal; Director The Molsons Bank.

E. M. SAUNDERS, Treasurer Canada Life Assurance Company.

SIR JOHN AIRD, General Manager Canadian Bank of Commerce.

J. W. WOODS, President Gordon, Mackay and Company, Limited.

J. HARRINGTON WALKER, President Hiram Walker & Sons, Limited, Walkerville.

THOMAS FINDLEY, President and General Manager Massey-Harris Company, Limited.

W. E. RUNDLE, General Manager National Trust Company, Limited.

The meeting then adjourned.

At a subsequent meeting of the Board of Directors, SIR JOSEPH **FLAVELLE, BART.,** was elected President and MESSRS. Z. A. LASH, K.C., E. R. WOOD and W. E. RUNDLE, Vice-Presidents, and the following were appointed members of the Advisory Board at Winnipeg: A. McT. CAMPBELL, Manager Canada Life Assurance Company, Winnipeg; SIR DOUGLAS CAMERON, K.C.M.G., Ex-Lieutenant-Governor Province of Manitoba; KENNETH MACKENZIE, Director Canada Life Assurance Company, Winnipeg; HON. GEORGE W. BROWN, Ex-Lieutenant-Governor Province of Saskatchewan; GEORGE W. ALLAN, M.P., of Messrs. Munson, Allan, Laird & Davis, Barristers, Winnipeg.

BANK CLEARINGS

The following are the bank clearings for the weeks of January 25th, 1917, and January 26th, 1918, respectively, with changes:—

	Week ending Jan. 26, '18.	Week ending Jan. 25, 17.		Changes.
Montreal	$ 73,551,387	$68,113,259	+	$ 5,438,128
Toronto	52,630,493	49,763,770	+	2,866,723
Winnipeg	34,423,308	31,634,502	+	2,788,806
Vancouver	8,527,783	6,696,433	+	1,831,350
Ottawa	5,866,855	5,001,964	+	864,891
Calgary	6,616,401	4,805,165	+	1,811,236
Hamilton	4,612,885	4,372,118	+	240,767
Quebec	3,600,826	3,517,772	+	83,054
Edmonton	3,146,087	2,343,254	+	802,833
Halifax	3,022,873	2,229,472	+	793,401
London	1,930,587	1,782,846	+	147,741
Regina	2,529,199	2,333,401	+	195,798
St. John	2,058,701	1,764,673	+	294,028
Victoria	1,577,683	1,501,619	+	76,064
Saskatoon	1,524,008	1,353,837	+	170,171
Moose Jaw	1,067,165	1,043,781	+	23,384
Brandon	557,693	449,036	+	108,657
Brantford	798,403	689,002	+	109,401
Fort William	925,504	620,099	+	305,405
Lethbridge	716,074	715,185	+	889
Medicine Hat	423,070	556,010	—	132,940
New Westminster	463,590	279,450	+	184,140
Peterboro	649,623	486,475	+	163,148
Sherbrooke	633,343	513,385	+	119,958
Kitchener	524,949	437,951	+	86,998
Total	$212,378,490	$193,004,459	+	$19,374,031

The Toronto bank clearings for the current week are $56,223,257, compared with $41,022,117 for the same week in 1917, and $50,641,615 in 1916.

The Toronto bank clearings for January are $259,474,999, compared with $256,464,674 for the same month in 1917, and $194,964,304 in January, 1916.

ANNUAL REPORT OF

The Oxford Permanent Loan and Savings Society

For the Year Ending 31st December, 1917

Your Directors have much pleasure in submitting the Report of the Society for 1917.

The total earnings were		$58,884.28
Out of which were paid:		
Interest on Deposits, Debentures, etc.	$22,609.65	
Management Expenses and War Taxes	7,859.83	
		$30,469.48
Leaving a balance of		$28,414 80
Which has been distributed as follows:—		
Two half-yearly dividends at seven per cent. per annum	$20,414.80	
Added to Reserve Fund	8,000.00	
		$28,414.80

We much regret the loss by death of Mr. James White, a member of our Board for many years, and much interested in its work. It will be necessary to elect a Successor for the balance of his term.

The Directors who retire this year are Lieut.-Colonel John White, Dr. W. T. Parke and Mr Stevenson Dunlop, all of whom are eligible for re-election.

Respectfully submitted,
H. J. FINKLE, President.

Woodstock, January 16th, 1918.

ASSETS AND LIABILITIES

Liabilities

TO THE PUBLIC:		
Deposits and Interest	$ 357,212.02	
Debentures and Interest	246,555.38	
Sundry accounts and balances	261.95	
		$ 604,059.35
TO THE SHAREHOLDERS:		
Capital Stock	$ 291,640.00	
Dividend No. 101	10,207.40	
Unpaid Dividends	101.87	
Reserve Account	144,300 00	
Contingent Account	1,000.00	
		447,249.27
		$1 051,308 62

Assets

By Mortgages on realty	$ 707,215.54	
" Loans on Society's Stock	16 654.39	
" Loans on Society's Debentures	4,367.25	
" Loans on Municipal Debentures	5,665.00	
" Loans on Stocks of other Corporations	1,154.10	
		$ 735,056.28
" Stocks and accrued interest		33,046 63
" Government and Municipal Debentures		183,455.28
" Office Building		6,500.00
" Rents, Office Building		69 08
" Cash		93,181.25
		$1,051,308.62

We hereby certify that we have made an audit of the books, Securities and Mortgages of the Oxford Permanent Loan and Savings Society for the year ending 31st December, 1917.

The Cash Book, Accounts, Vouchers and Postings from original entries to all the Society's Ledgers have been examined, and we find the same in accordance with the foregoing statement.

H. D. SPROAT } Auditors.
M. J. BROPHY }

Woodstock, Ont., January 14th, 1918.

THE DOMINION BANK

At the Forty-seventh Annual General Meeting of the Shareholders of The Dominion Bank, held at the Head Office in Toronto, on 30th January, 1918, the following Statement of the affairs of the Bank as on the 31st December, 1917, was submitted:—

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th December, 1916			$ 363,442.39
Profits for the year, after deducting charges of management and making full provision for bad and doubtful debts		$1,087,477.45	
Less:			
Dominion Government War Tax (on circulation)	$60,000.00		
Taxes paid to Provincial Governments	22,415.00		
		82,415.00	
Making net profits of			1,005,062.45
			$1,368,504.84

Which amount has been disposed of as follows:—

Dividends (quarterly) at 12 per cent. per annum		$720,000.00	
Contribution to Canadian Patriotic Fund	$25,000.00		
Contribution to British Red Cross Society	2,500.00		
Contribution to British Sailors' Relief Fund	2,000.00		
Contribution to Y.M.C.A. Military Financial Campaign	1,000.00		
		30,500.00	
Contribution to Officers' Pension Fund		25,000.00	
		$775,500.00	
Written off Bank Premises		200,000.00	
		$975,500.00	
Balance of Profit and Loss Account carried forward		393,004.84	
			$1,368,504.84

GENERAL STATEMENT

LIABILITIES.

Capital Stock paid in			$ 6,000,000.00
Reserve Fund		$ 7,000,000.00	
Balance of Profit and Loss Account carried forward		393,004.84	
Dividend No. 141, payable 2nd January, 1918		180,000.00	
Former Dividends unclaimed		1,626.75	
			7,574,631.59
Total Liabilities to the Shareholders			$13,574,631.59
Notes in Circulation		$ 9,417,684.00	
Balance due to Dominion Government		1,816,452.83	
Deposits not bearing interest	$15,216,783.84		
Deposits bearing interest, including interest accrued to date	66,731,311.81		
		81,948,095.65	
Balances due to other Banks in Canada		868,467.99	
Balances due to Banks and Banking Correspondents elsewhere than in Canada		815,743,55	
Bills Payable		233,352.00	
Acceptances under Letters of Credit		362,560.76	
Liabilities, not included in the foregoing		399,156.68	
Total public Liabilities			95,861,513.46
			$109,436,145.05

ASSETS.

Gold and Silver Coin	$ 1,932,683.09	
Dominion Government Notes	13,479,952.25	
Deposit with Central Gold Reserves	4,300,000.00	
Notes of other Banks	1,027,092.04	
Cheques on other Banks	4,455,142.12	
Balances due by other Banks in Canada	9,459.19	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	2,132,806.69	
	$27,337,135.38	
Dominion and Provincial Government Securities, not exceeding market value	9,403,914.37	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	9,889,852.47	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	3,397,460.13	
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks	3,987,121.93	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada	3,644,969.22	
		$57,660,453.50
Other Current Loans and Discounts in Canada (less rebate of interest)	$45,590,915.72	
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	72,694.26	
Liabilities of Customers under Letters of Credit, as per contra	362,560.76	
Real Estate other than Bank Premises	23,508.73	
Overdue Debts (estimated loss provided for)	89,932.06	
Bank Premises, at not more than cost, less amounts written off	5,317,784.70	
Deposit with the Minister of Finance for the purposes of the Circulation Fund	304,500.00	
Mortgages on Real Estate sold	13,795.32	
		51,775,691.55
		$109,436,145.05

E. B. OSLER,
President.

C. A. BOGERT,
General Manager.

AUDITORS' REPORT TO SHAREHOLDERS.

We have compared the above Balance Sheet with the books and accounts at the Chief Office of The Dominion Bank, and the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on December 31st, 1917, we certify that, in our opinion, such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs, according to the best of our information, the explanations given to us and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and securities at the Chief Office and certain of the principal Branches were checked and verified by us at another time during the year and found to be in accord with the books of the Bank.

All information and explanations required have been given to us and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank.

G. T. CLARKSON. } of Clarkson, Gordon &
R. J. DILWORTH. } Dilworth, C.A.

Toronto, January 18th, 1918.

PERSONAL NOTES

MESSRS. McDOUGALL & COWANS, the Montreal firm which has been operating a chain of branch offices across the continent, has withdrawn from Vancouver, and its business there has been taken over by Messrs. Burdick Brothers, and Brett of Vancouver. The Vancouver office was probably the smallest branch of the Montreal firm.

C. CAMBIE,
London Manager, Canadian Bank of Commerce; elected member, General Committee, British Overseas Banks' Association.

MR. C. CAMBIE, the London manager of the Canadian Bank of Commerce, has been elected a member of the general committee of the recently formed British Overseas Banks' Association, having as its object the general interest of the banks comprising the association. The other members of the general committee are as follow: Messrs. L. Couper, Bank of British West Africa; Chas. H. Hewett, Colonial Bank; R. J. Hose, Anglo-South American Bank; S. Rogers, Imperial Bank of Persia; F. Shipton, Standard Bank of South Africa; G. H. Soul, Anglo - Egyptian Bank; T. H. Whitehead, Chartered Bank of India, Australia, and China; A. Willis, National Bank of New Zealand; and A. C. Willis, Union Bank of Australia. Mr. T. H. Whitehead, manager of the Chartered Bank of India, has been appointed chairman, and Mr. Francis Shipton, hon. secretary and treasurer. Mr. Charles Cambie, the Canadian representative on the Committee, has been in the banking business all his business life. He entered the service of the Canadian Bank of Commerce as a junior in April, 1887. Eleven years later he was appointed accountant at the bank's branch in Vancouver, and three years afterwards at Victoria. He became assistant inspector of the head office in March, 1903, and assistant manager of the Toronto branch in October, 1906. In January, 1911, he was appointed manager of the Ottawa branch, and a few years later went to manage the London, England, branch, which position he still helds. Mr. Cambie is of Irish descent, his father being a native of Castletown, County Tipperary, and for some time commissioner of patents at Ottawa. Mr. Cambie was born and educated at Ottawa. In London he succeeded Mr. H. V. F. Jones, who went to the head office at Toronto to assume the assistant general managership of the bank. The London branch of the Bank of Commerce is naturally one of its most important offices, and the appointment to the management of that branch is deemed one of the honors of the bank's service.

MR. JOHN YOUNG PAYZANT, K.C., whose retirement from the presidency of the Bank of Nova Scotia has just been announced, was the oldest bank president in Canada. His next birthday is February 9, and the year of his birth 1837. He is a lawyer by profession and was called to the Bar of Nova Scotia in 1864. His legal career was a distinguished one and he numbered among his law partners some of the most leading members of the Bar of his native province. He was appointed vice-president of the Bank of Nova Scotia in 1897 and two years later became president. He is also one of the vice-presidents of the Eastern Trust Company and has been a director in a few other eastern enterprises.

MR. J. C. WAUGH (Winnipeg), Mr. Geo. R. Warwick (Toronto), and Mr. Anthony M. Rankin, M.P.P. (Collin's Bay, Ont.), have been elected to the directorate of the Excelsior Life Insurance Company, Toronto.

MR. THOMAS J. STEWART, M.P., of Hamilton, president of the Canadian Knitting Company, has been elected a director of the Quebec Railway, Light and Power Company. Mr. Stewart has been interested in the company for many years. He has been intimately interested also in electrical undertakings in Ontario, being a member of the Ontario Hydro Commission at Hamilton. Mr. Stewart has been a member of the House of Commons since 1900. Previously he was identified with municipal affairs in Hamilton, having served on the council for 27 years. He was also mayor of the city in 1907-1908.

DOMINION TO MAKE LOANS TO PROVINCES

Money at the rate of six per cent. for a term not exceeding five years and repayable at any time within that period will be furnished Alberta province by the Dominion finance department as a means of meeting the protests of the different governments in regard to the recent order-in-council regarding provincial securities, according to an Edmonton dispatch. This announcement was made on Tuesday by Provincial Treasurer Hon. C. R. Mitchell. Mr. Mitchell said that Sir Thomas White, minister of finance, has arranged to advance money to the various provinces in a limited aggregate amount, but sufficient to meet the essential and pressing capital expenditures of the provinces requiring such assistance.

This action was credited in *The Monetary Times* two weeks ago.

NATIONAL TRUST COMPANY

A substantial increase in the net earnings, a large addition to the assets under the company's administration, a strong liquid position, and a creditable financial position generally are the outstanding features of the statement of the National Trust Company for the past year. The company earned 16¾ per cent. upon its paid-up capital, or 8⅜ per cent. upon its combined capital and reserve. The net earnings for the year were $251,333, an increase of $15,079 over the preceding year. The growing tendency of mortgagors, especially farmers, to pay off their mortgage indebtedness, while good for the country generally, has the immediate effect of reducing the earnings of trust companies and all other mortgage loan institutions on their mortgage investments. They cannot reinvest funds at as favorable interest rates. Moreover, as the demand for mortgage loans has decreased since the war, the repayments on mortgages have been largely reinvested in government and municipal securities. The company's balance sheet shows a considerable increase in holdings of securities of this character. This class of security, while yielding a much higher rate than was obtainable previous to the war on similar securities, does not yield as high a rate as the mortgages paid off. The net result is a reduction in the average rate of interest obtainable on the total invested funds. The National Trust Company is fortunate, however, in that it has been able not only to overtake the loss of interest referred to, but to increase its earnings because of the remuneration received upon its greatly increased volume of estates and trust business.

The assets under administration now amount to $76,722,635, an increase during the past year of $7,525,580. The figures speak for the public confidence the company enjoys. In addition to administering the assets shown in the balance sheet, there are many services performed by the company, such, for example, as that of trustee under mortgage for bond issues, transfer agent and registrar for shares of outside companies, custodian of property, deeds and securities for safekeeping, and escrow transactions of almost innumerable character.

The net earnings, together with $96,314 brought forward from the previous year's profit and loss account, enabled the directors to pay dividends amounting to $150,000, or at the rate of 10 per cent. on the capital stock, or 5 per cent. on the combined capital and reserve; to write $50,000 off the company's office premises account; to pay $15,250 in subscriptions to Patriotic, Red Cross and other funds; to provide $10,000 to meet the Dominion government income war tax, which, though, for the year 1917 is not yet payable, and to carry forward $122,398 into open profit and loss account.

COMPANY WILL WRITE SUB-STANDARD BUSINESS

The Empire Life Insurance Company of Canada has obtained a Dominion charter with a view to paying special attention to the insuring of sub-standard or under-average lives. The company is capitalized at $1,000,000 in 10,000 shares of a par value of $100 each. An offering is now being made of 3,000 shares at a premium of 30 per cent. with 30 per cent. paid on capital account, making a total of $60 a share. The board of directors is as follows:—C. W. Clark, M.D., Toronto; Douglas S. Murray, president Thos. Claxton Company, Limited, Toronto; Jno. S. Hart, M.D., Toronto; F. D. Law, managing director Oak Tire & Rubber Company, Toronto; G. B. Wickes, managing director, Toronto.

Sub-Standard Insurance.

With the same object that the Empire Life Insurance Company is founded in the Dominion, the Clerical, Medical and General Life Assurance Society of London, England, was established in the year 1824. Their last report tells us that the company was the first to grant policies on under-average lives—and still does so with conspicuous success and advantage to its assured. The report furnishes ample testimony as to the correctness of their statement and of the soundness of under-average insurance. During a time of war, the company made the largest distribution of divisible profits in its history, after valuing for the sixth quinquennium in succession at 2½ per cent. throughout.

A large United States company after studying the history of 25,000 of these lives, took the ground that every person of good moral character, not actually ill, is insurable. This company's chief medical officer, Oscar H. Rogers, M.D., has stated that over a ten-year period his company granted policies to over 100,000 of such lives, covering insurance for $228,000,000 with satisfactory results from both a financial and humanitarian standpoint.

Business Available in Dominion.

There are no published returns as to the total amount of business declined in the Dominion. Mr. Wickes, the manager of the Empire Life Insurance Company of Canada, however, tells *The Monetary Times* that he has spent considerable time in obtaining approximate data as to the amount of these declinatures. In a memorandum regarding his company, Mr. A. D. Watson, the head actuary for the Dominion insurance department, makes the following statement: "Of those who do apply for insurance about 15 per cent. are sub-standard, of whom probably about half are rejected outright." In a statement to *The Monetary Times*, Mr. Wickes said: "For many years I have asked life insurance men in all positions as to what proportion of their business is generally turned down. The answer has come that 10 per cent. would be a conservative estimate of declinatures. This is the expressed opinion of practical insurance agents, whole-time agents, part-time agents, provincial managers, agency superintendents, and men with whom he has come in touch from coast to coast. As $700,000,000 of business has been issued during the past three years in Canada, the volume of declined business for that period at a conservative estimate should amount to at least $50,000,000."

One-Half Business Declined.

Mr. Oscar H. Rogers, M.D., referred to above, has said: "A company which carries on a sub-standard business on broad lines is able to assume risks on at least 50 per cent. of those cases which other companies decline. The business is economical. Medical examinations must be paid for whether the business is accepted or rejected. As clerical force and an adequate plant must be maintained whether risks are assumed or declined, by reducing the percentage of rejected business an economy is effected in proportion to such reduction. From the standpoint of the company alone, sub-standard business is therefore economical."

Room for Office Here.

The Empire Life Insurance Company thinks it opportune for a similar office to open this class of business in the Dominion. They point out that there are many persons who do not come forward for insurance knowing themselves to be below the standard required; that a large number of our returned soldiers must unfortunately come within this class, and that the company prepared to deal with such cases on a liberal basis should meet with support, and should have a good future before them, if the business is skilfully managed. The management expect that the cost of obtaining and maintaining the business will be low because sub-standard business can be secured at low expense, which is a matter of great importance to a young company. The general manager is Mr. G. B. Wickes, for some four years with the Royal Insurance Company of this country, organizing the agents of their life department both in the east and west. He has made special study for some years of under-average business.

NEW INCORPORATIONS

Canada Metal Company Obtains Charter, With Authorized Capital of $1,000,000

The largest companies incorporated during the past week were:—

Monarch Tractors, Limited, Toronto, Ont., $1,000,000; the Canada Metal Company, Limited, $1,000,000.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Victoria, B.C.—John Meston and Company, Limited, $10,000.

Coleville, Sask.—Coleville Community Hall, Limited, $3,000.

St. Brieux, Sask.—Farmers' St. Brieux Elevator, Limited, $10,000.

Newdale, Man.—Newdale Livery Company, Limited, $5,000; C. A. Congdon, R. H. Dennison, A. Waddell.

Oshawa, Ont.—Thornton Rubber Company, Limited, $50,000; J. Thornton, J. W. Weldon, S. L. D. Harris.

Municipality of Clanwilliam, Man.—The Baird Ranching Company, Limited, $40,000; S. G. Baird, E. K. Baird, W. J. Cooper.

Saint John, N.B.—McLaughlin Real Estate Company, Limited, $48,000; H. S. McLaughlin, R. McLaughlin, D. McLaughlin.

Vancouver, B.C.—Ladyware, Limited, $50,000; the Fleming Coal Company, Limited, $10,000; H. M. K. Timber Company, Limited, $10,000.

Saskatoon, Sask.—Norman Cox, Limited, $50,000; Northern Saskatchewan Motor Sales Company, Limited, $100,000; Glenside Ranching Company, Limited, $25,000

Moose Jaw, Sask.—Prairie Rose Brewery, Limited, $25,000; the Prairie Motor Sales Company, Limited, $60,000; Cassidy's, Limited, $20,000; King Ventilating Company, Limited, $25,000.

Montreal, Que.—The Welland Hotel Company, Limited, $20,000; F. P. Bais, T. B. Gould, J Bruneau. La Rosa, Limited, $20,000; M. Klein, F. Perron, A. Lafontaine. Suburban Water Company, Limited, $5,000; J. W. Blair, F. J. Laverty, C. A. Hale. Sessenwein Brothers, Limited, $35,000; P. Bercovitch, E. Lafontaine, N. Gordon. The Walter Paul, Limited, $50,000; W. Paul, W. H. Paul, R. H. Paul.

Toronto, Ont.—Ontario and Pittsburgh Coal Company, Limited, $10,000; W. Gilchrist, J. Stewart, H. J. Stuart. Gas Processes, Limited, $50,000; W. A. Case, J. Broadbent, T. Atwood. The Canada Metal Company, Limited, $1,000,000; C. Swabey, M. C. McLean, G. H. Anderson. Monarch Tractors, Limited, $1,000,000; E. J. Swift, A. J. Gannon, E. G. Gore. Predigest Food Company, Limited, $100,000; J. M. Bullen, G. K. Steele, W. Osborne. The international Securities Investment Corporation, Limited, $2,000,000; G. C. Loveys, J. B. Taylor, G. E. Atwood.

Winnipeg, Man.—F. W. Pace Agency, Limited, $25,000; W. P. Fillmore, F. W. Pace, W. D. Watson. Central Tools and Forgings, Limited, $20,000; J. Auld, F. G. Warburton, K. C. Murray. The Gold North West Mining Company, Limited, $50,000; S. A. Ripstein, H. M. Ripstein, C. Sjogren. The Manitoba Steel and Iron Company, Limited, $500,000; T. R. Deacon, H. B. Lyall, R. D. Guy. The Sullivan Hall Shipping Company, Limited, $20,000; W. W. Hall, K. B. Hall, O. G. McNabb. Broders, Limited, $40,000; M. G. Broder, E. F. Broder, J. Donovan. The Gaiety Theatre Company, Limited, $2,000; J. A. Schuberg, W. P. Dewees, S. J. Coffland. Rosser Farms, Limited, $20,000; J. F. Campbell, H. Mackenzie, A. Graham. Bon Accord Clothing Company, Limited, $20,000; C. Schachter, R. Schachter, M. Schachter.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Brandon, Man.—January 23—Block of four buildings, containing the Brandon National Bank, offices of the Western Union Telegraph Company and several other stores, was destroyed. Estimated loss, $200,000.

Brantford, Ont.—January 30—Ogilvie, Lochead departmental store damaged. Caused by gas left burning. Estimated loss, $6,000.

Buckingham, Que.—January 22—Hotel of Mr. Wm Campbell was destroyed. Total insurance of $6,450 is divided among the following companies: Employers, $2,700; Sun, $1,700; Union of Paris, $1,250; North America, $800. Total, $6,450.

Cabono, Que.—January 20—The Donald Fraser and Son's lumber mill was destroyed, incurring a loss of $20,000. The total insurance of $92,700 is divided among the following companies: Royal Exchange, $21,750; Phœnix of London, $21,750; Liverpool and London and Globe, $6,050; North British and Mercantile, $12,100; London and Lancashire, $3,025; Home, $3,025; Lumbermen's Underwriters, $25,000.

Edmonton, Alta.—January 26—Sandison Block was destroyed. Estimated loss, $25,000.

Glace Bay, N.S.—January 22—House of Walter Young was destroyed.

Guelph, Ont.—January 27—Dry goods establishment of G. B. Ryan and Company was destroyed. Estimated loss, $225,000.

January 30—Warehouse of the Light and Heat Commission damaged. Loss, $3,500.

Halifax, N.S.—January 29—Freight shed at the south steamship termination was damaged.

Hespeler, Ont.—January 23—The new Hespeler Roman Catholic church was destroyed. Estimated loss, $13,000.

Joliette, Que.—January 25—St. Viateur Academy was destroyed. Estimated loss, $100,000.

Parry Sound, Ont.—January 28—Boarding-house, owned by Bert Ullman, was destroyed.

Peterboro', Ont.—January 26—One-half of the business block on George Street was destroyed, including the retail store of the Matthews-Blackwell Company, the Dominion Bank on the north, the Royal Motion Picture Theatre on the south, and the Neill Shoe Store. Included in the Dominion Bank building is the Confederation Life; Henry Rush, insurance; Bradburns, Limited, real estate; Dr. W. J. Preston, a dentist, and the Masonic Hall. Estimated loss, $500,000.

Picton, Ont.—January 28—Picton Hotel and several frame houses were destroyed. Estimated loss, $10,000.

St. Laurent, Que.—January 25—House of T. Fritz was destroyed. Caused by overheated stove.

St. Lambert, Que.—January 29—Building occupied by the Royal Bank agency, the Metropolitan Life Assurance Company agency, three merchants and three families was destroyed. Estimated loss, $20,000.

Three Rivers, Que.—January 30—Chair factory of Messrs. C. P. Gelinas and Frere's was damaged. Studio of Mr. P. F. Pinsonault and adjoining were destroyed.

Trenton, N.S.—January 29—Scotia steel plant damaged. Caused by explosion of acetylene tank Estimated loss, $4,000.

Toronto, Ont.—January 25—West wing of Spadina Military Hospital was destroyed.

January 28—Bookstore of John Britnell and Son was damaged. Estimated damage to contents, $8,000; to building, $1,000.

Woodstock, Ont.—January 29—Home of Mrs. Isaac Clifford was destroyed. Estimated loss, $2,000.

DOMINION PERMANENT CLOSES DOORS

Loan Company Assigns for Benefit of Creditors—President Makes Statement

The Dominion Permanent Loan Company, Toronto, closed its doors last night, assigning to Mr. G. T. Clarkson for the benefit of creditors. The following statement was handed to the press this morning by Mr. F. McPhillips, president of the company:—

"The directors of the company, after having made a thorough examination of the company's assets, find they are of such a nature that they cannot be realized upon at present without serious loss, and as there are obligations of the company maturing this month which it cannot meet, it was felt advisable, under the circumstances, to make an assignment to Mr. G. T. Clarkson, who is now making an investigation and preparing a statement of affairs. Mr. Clarkson will at the earliest possible moment submit a statement to the shareholders and creditors."

Capital Authorized and Subscribed.

The late Hon. J. R. Stratton, of Peterborough, was formerly president of the company, and Mr. D. W. Karn, Toronto, vice-president. The total authorized capital was $10,000,000, and the amount subscribed, according to the government returns for 1915, was $1,408,400. In the company's financial statement for 1916, the liability to shareholders on capital stock was given as $1,205,904. It is understood that the amount of capital issued at the present time is $1,410,700.

The company's head office is in Toronto. Hon. T. W. McGarry, provincial treasurer of Ontario, became a director of the company a little over a year ago, when he was elected vice-president. When, in October last, the Ontario government established its farm loan board, Mr. McGarry resigned as vice-president and director of the company, the business of which naturally conflicted with the operations of the government's new loaning department.

Officers and Directors.

The following are the officers and directors of the company: Mr. F. McPhillips, president; Messrs. W. D. Jamieson, Durham; T. H. Johnson, Winnipeg; Hon. G. H. Cowan, K.C., Vancouver; J. B. O'Brien, Renfrew; F. M. Holland, managing director. Mr. McPhillips is associated with the publication of a financial and insurance journal, The Insurance and Financial Review. Mr. Holland has been confined to his house for the past two months on account of illness.

Mr. McPhillips, in a statement to *The Monetary Times*, said that he was of the opinion that the funds of depositors and debenture holders "would ultimately be all right." He added that nothing definite could be stated regarding this or other matters until Mr. Clarkson had made his report.

Last Year's Statement.

According to the company's statement of accounts for the year ended December 31st, 1916, after paying dividends of $71,616 and writing off office furniture and fixtures to the extent of $548, the company had left a balance of $98,337 to the credit of profit and loss account. The balance sheet showed assets amounting to $4,476,386 and divided as follow: Mortgages and other securities, $4,310,506; real estate, $50,776; office fixtures and furniture, $4,040; sundry accounts, $2,597; and cash on deposit and on hand, $107,565. The deposits and accrued interest totalled $224,073 and debentures and accrued interest, $2,399,248. There was a surplus of assets over liabilities of $1,852,251. The liabilities to the shareholders were as follows: On capital stock, $1,205,904; contingent fund, $5,964; reserve fund, $508,000; unclaimed dividends, $45; dividends payable January 3rd, 1917, $34,000; balance of profit and loss, $98,337.

Mr. H. B. Thomson, who for ten years represented the city of Victoria in the local legislature, took a leading part in promoting the British Columbia shipbuilding bill and, as a member of the shipbuilding commission, directed the enterprise under which the first wooden ships were built in British Columbia, has been appointed food controller. He has been deputy food controller since September. In this capacity he has been in constant intercourse with Washington and has rendered valuable service in co-ordinating the work of Food Controller Hoover with that of the food controller in Canada

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Abitibi Power and Paper Company.—Immediately following the annual general meeting, which will be held on February 11th, a special general meeting will be held for the purpose of considering and, if deemed advisable, approving by-law 19, cancelling the preference and privileges of unissued $1,000,000 of the capital stock of the company.

Southern Canada Power Company.—The company's report for December showed an increase of $2,668 in net earnings over those of the corresponding period of 1916, although operating expenses and amounts expended for purchasing power increased $6,666. Gross for the month amounted to $39,281, and net to $17,353. For the quarter ended with December gross amounted to $112,595, and the net to $49,791, an increase of $4,568.

American Cyanamid Company.—Though no definite announcement has been made as yet, it is likely that Canadian stockholders of the American Cyanamid Company will be represented at the special meeting to be held February 5th at Portland, Maine. The proposal which will be dealt with at the meeting is the distribution of a portion of the company's profits for last year to its officers and managers in recognition of their services and as compensation in addition to their monthly salary.

Wabasso Cotton Company.—The formalities in connection with the listing of Wabasso Cotton Company's securities on the Montreal Stock Exchange are completed and official quotations will be granted toward the end of the current week. The securities to be listed are $1,750,000 common and $1,000,000 6 per cent. bonds. In the outside market the former is quoted around 21 to 25 and the latter at around 81 to 85. In its last fiscal year the company earned a surplus of $61,321, equal to about 3.5 per cent. on its common stock capital.

Winnipeg Electric Railway Company.—The net earnings of the company, and its subsidiaries, to the end of November were $748,976. The decrease in net from the previous year was $327,782. At the present rate the decrease in net for the year promises to be considerable. In the calendar year 1916 the total net earnings were $1,398,000. Of this, interest on bonds and debentures took $644,000. The company began 1917 with a surplus of $1,128,000, which will probably be reduced this year.

Crown Reserve Mining Company.—The company's financial statement for the year ended December 31, and which was presented to shareholders at the annual meeting recently, showed an increase in ore production from $191,822 to $265,155. After paying mining and all other expenses, including development, depreciation, etc., amounting to $182,582, the profits were $82,573, against $2,973 in 1916. With the balance of $770,533 carried forward from 1916, the profit and loss account shows a total of $930,079, and after paying head office superintendence, taxes, depreciation, prospecting and exploration, totalling $148,314, the surplus was $781,765. Last year's surplus was $770,533.

Canadian Car and Foundry Company.—The company has closed a contract for building steel ships at Fort William for the United States to the value of $10,500,000. This will involve the employment of 1,000 men, in addition to the 1,500 men who will be working on the company's railway car contracts. Tenders are now called, and will be let to-morrow for the construction of a new building, 220 by 200 feet, in which the boats will be built, and a marine railway and slip will also be built for launching the boats as they come from the works. The whole of the material for the contract has been arranged for with the United States government, and shipbuilding will commence in May. This is the second shipbuilding plant in Fort William, the Great Lakes Dredging Company now being engaged on the construction of wooded freight steamers.

La Rose Consolidated Mines Company.—The preceden established by the Nipissing Mines Company and later followed by the Kerr Mining Company in eliminating doubl taxation through the dissolution of United States holding companies, has found another disciple in La Rose Consolidate Mines Company, a $7,500,000 corporation with a Maine charter. La Rose Mines, Limited, heretofore subsidiary of an operating property for La Rose Consolidated Mines Company will assume all functions of the latter in addition to its own thereby being subservient only to Canadian laws and paying but one set of taxes. The Canadian company's capital wil be increased to permit of a share for share exchange for stoc of the United States corporation; otherwise stockholders wi in no way be affected by the transfer.

Duluth-Superior Traction Company.—At the annual meeting in New Haven, the report for the year ended Decembe 31 last was presented. The comparative statement of earnings is as follows:—

	1917.	1916.
Total operating revenue	$1,621,952	$1,407,511
Other income	22,434	16,917
Total income	$1,644,387	$1,424,429
Operating expenses and taxes	1,181,987	984,086
Gross income	$ 462,408	$ 440,342
Interest, etc.	176,611	172,341
Net income	$ 285,797	$ 268,001

The gross operating revenue for the year shows an increase of $319,958.06, or 15.44 per cent. over the year 1916 but the net income only shows an increase of $17,795.06, o 6.64 per cent. over the year 1916. Net income is equivalen to 6.45 per cent. on the common stock, as compared with a earning of 5.94 per cent. in the previous year. A new shipbuilding enterprise was established at New Duluth durin the year past, employing about 1,000 men, and if the industria plants at the head of the lakes continue to give employmen to as many men as during the last year, it is believed tha the company's gross revenue will be fully maintained durin 1918.

Porcupine Crown Mines, Limited.—The company's financial statement, presented to the shareholders at the annua meeting recently, showed a marked decline in productio the value of the ore produced during the year being $364,703, as compared with $575,604 for 1916. After paying fo mining, milling, allowing for depreciation, taxes, etc., th mining profits were $109,421, against $270,430 in 1916. Mining and operating account, compared with 1916 as follows:—

	1917.	1916.
Bullion production	$364,703	$575.604
Mining, milling depreciation taxes, etc.	255,281	304,174
	$109,421	$270,430

Profit and loss account offers the following comparison:—

	1917.	1916.
Balance, January 1	$276,989	$269,977
Adjustments	138	2,536
	$277,128	$267,444
Profit on operations	109,421	270.430
Interest	5,199	4,574
	$391.749	$542,445
Dividends	120,000	240,000
Bonus to employees	......	4,563
Taxes	6,543	......
	$265.206	$207,882

Twin City Rapid Transit Company.—In the annual report it is shown that the gross income for the year was slightly below that of the previous year. Net earnings due to increased operating expenses, as is the case of most utility companies, have shown a large decrease. The amount earned on the common, after payment of all charges and preferred dividend, was $6.03 per share, against $9.22 in 1916, and $6.83 in 1915. The statement of income account for the year, with comparison, is as follows:—

	1917.	1916.
Gross revenue	$10,181,866	$10,188,054
Net after tax	2,542,150	3,225,313
Other income	25,846	25,425
Total income	$ 2,567,996	$ 3,251,738
Interest, etc.	1,029,946	1,014,190
Balance	$ 1,538,050	$ 2,237,548
Preferred dividends	210,000	210,000
Common dividends	1,320,000	1,320,000
Surplus	$ 8,050	$ 707,548

The consolidated balance sheet as of December 31, 1917, compares as follows:—

	1917.	1916.
Assets:		
Road and equipment	$52,436,789	$51,550,776
Miscellaneous properties ..	1,124,922	1,124,922
Investments	164,937	22,500
Cash	560,358	1,165,140
Bills and accounts receivable	100,635	71,991
Material and supplies	983,577	750,817
Total	$55,379,717	$54,700,887
Liabilities:		
Preferred stock	3,000,000	3,000,000
Common stock	22,000,000	22,000,000
Funded debt	20,263,000	20,263,000
Accounts and wages payable	274,208	74,462
Accrued interest	347,032	347,032
Taxes	905,696	730,779
Reserves	7,287,883	6,903,247
Surplus	1,285,805	1,368,763
Total	$55,379,717	$54,700,887

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

THE STORY OF A YOUNG FINANCIAL MAN'S SUCCESS.—A financial man, thirty-three years of age, came to our office four years ago to take up a new line of business—a line against which he had been prejudiced, but which he knew carried great rewards for the successful. His average commissions this year will be over $5,000.00, and he has built up a future income of over $3,000.00 a year on business already written. We are enlarging our organization to prepare for an enormous expansion of business during the next few years. We have positions for two good men with successful records. This offer will be open during the next week. Only applicants of unquestioned integrity and with the highest references will be considered. W. A. Peace, Manager Toronto Branch, Imperial Life Assurance Company, 20 Victoria Street, Toronto.

CHIEF CLERK.—Wanted by a British Fire Insurance Office a competent young gentleman for the position of Chief Clerk. Must be capable of taking charge of office. Apply giving full particulars as to experience, length of service and salary expected. P.O Box 1386, Montreal.

WANTED.—Fire Insurance Inspector for Ontario Field; headquarters, Toronto. Must be capable draftsman and familiar with schedule rating. Apply stating age, whether married or subject to military draft, also state experience and salary expected. Applications will be treated in strictest confidence. Box 143, *The Monetary Times*, Toronto.

Monarch Life Assurance Co.

HEAD OFFICE, WINNIPEG.

SUMMARY OF 1917 RESULTS.

	1917.	Increase.
Applications Received	$4,583,368.00	57%
Assurances, New and Revived	4,263,908.00	57%
Premiums on same	144,423.77	65%
Assurances Paid For	3,438,500.00	55%
Assurances in Force	11,507,761.00	28%
Interest Received	58,168.15	34%
Cash, re New Premiums ...	129,413.02	88%
Total Premium Income	352,274.86	61%
Policy Reserves	703,894.23	21%
Net Ledger Assets	762,145.20	13%
Average Premium for Year .	33.89	5%
Average Policy	1,947.00	2%

GROWTH BY THREE-YEAR PERIODS

Year	New Business	Business in Force
1908	$862,500	$1,334.00
1911	$1,354,804	$4,006,145
1914	$2,241,107	$7,427,697
1917	$4,224,908	$11,507,76

Interest Earnings—According to the latest published reports the average rate of interest earned on invested funds by Life Companies in Canada was as follows: Canadian **6.05 per cent.**, American **4.86 per cent.**, British **4.43 per cent.**, **Monarch Life** (1917), **7.58 per cent.**

Expense Ratio—During 1917 the Company's field of operations was extended and the ratio of expense considerably reduced.

Our Motto—Security and Service to Policyholders.

OFFICERS AND DIRECTORS

President—J. T. Gordon, President, Gordon, Ironside & Fares.

First Vice-President—W. A. Matheson, Director, The Standard Trusts Company.

Second Vice-President—F. W. Adams, Vice-President and Western General Manager, Adams Bros., wholesale saddlery.

Other Directors—W. R. Bawlf, President, Bawlf Grain Company; President, Winnipeg Grain Exchange; Director, Northern Crown Bank. **Col. H. A. Mullins,** Stock Dealer and Exporter. **Charles E. Gordon,** Wholesale Merchant. **H. W. Echlin,** President, Echlin Manufacturing Co. **R. C. Ironside,** Wholesale Merchant.

Managing Director—J. W. W. Stewart.

Secretary and Actuary—J. A. Macfarlane, A.I.A.

C. A. Crysdale—Provincial Superintendent for British Columbia (Vancouver).

H. S. Ellis—Provincial Superintendent for Alberta (Calgary).

M. B. Farr—Provincial Superintendent for Saskatchewan (Regina).

C. H. Philpot—District Manager (Fort William).

George P. Awrey—Ontario Field Secretary, 408 Royal Bank Bldg., Toronto.

R. H. Brydon—District Manager (Guelph).

W. B. Fairley—District Manager (Hamilton).

RELIABLE AGENTS WANTED

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

At a recent meeting of the mayors of the four Alberta cities the following decisions were unanimously reached:—

(1) A tax enforcement law that will be compulsory, act quickly, and be consummated in all its detail within eighteen months from the year the taxes were unpaid. That is, if 1917 taxes were not paid at the end of 1917, a sale could be held and the transfer of property obtained by August of 1919.

(2) The limitation of the moratorium to the protection of real soldiers.

(3) Land Titles Act amendment that would make a transfer impossible without a receipt for taxes.

(4) A uniform Assessment Act.

(5) A readjustment between the federal and provincial governments on school lands.

Commenting upon the school lands matter, Mr. W. D. L. Hardie, mayor of Lethbridge, in a letter to *The Monetary Times*, says: "We should get more help towards running our schools from this source." Mr. Hardie states that the methods which might be used to reduce the burden of taxes were discussed at the mayors' conference, but no definite conclusions were reached. "The lawyers," he adds, "found no end of difficulties in the way of most proposals, so they were left at that for the time being."

The following table, compiled by *The Monetary Times*, shows the volume of bank loans to municipalities since January, 1914, to December, 1917:—

	1914.	1915.	1916.	1917.
January	$29,301,620	$35,952,805	$32,015,371	$24,487,272
February	30,372,854	38,437,903	35,149,915	26,121,324
March	31,890,843	41,227,449	38,649,462	29,877,911
April	30,168,812	43,031,360	44,371,050	35,931,996
May	33,689,577	43,948,436	43,924,036	39,790,191
June	37,260,571	46,889,816	46,773,032	42,757,673
July	36,372,334	44,029,446	42,385,096	43,989,207
August	39,664,534	46,020,730	39,882,811	43,940,176
September	44,338,873	43,928,331	38,708,745	42,721,563
October , ...	47,316,076	45,682,230	37,613,530	41,204,781
November	44,706,055	41,064,550	32,945,963	36,459,598
December	38,256,947	30,878,028	24,056,797	36,353,039

Owen Sound, Ont.—Legislation is sought for authority to guarantee the bonds of the King Shoe Company up to $30,000, and also to allow taxation exemptions, except in respect of school and local improvement imposts.

Windsor, Ont.—The city has sold issues aggregating $355,000 to the Dominion Securities Corporation and Messrs. W. A. Mackenzie and Company, Toronto. The accommodation cost the city 6¾ per cent. The bonds are of varying maturities. The city will borrow $100,000 later.

Calgary, Alta.—The city shows signs of drawing away from the single tax principle. At present buildings are taxed on only 25 per cent. of their assessed value. The motion is now before the legislative committee to increase taxable proportion to 50 per cent. It is predicted that before long they will be taxed at the total assessed value.

Toronto, Ont.—Two items of legislation are to be sought by the city at the forthcoming session of the Ontario legislature, the first being to authorize a civic investment of $1,000,000 in the bonds of the Harbor Board, and the other to legalize the issuance of debentures to cover the cost of arbitration proceedings in connection with the Teraulay Street extension scheme, temporarily postponed.

British Columbia.—The following certificates with date, have been issued by the municipal department of the province of British Columbia:—

Victoria.—By-law No. 1900, local improvement, street widening, $64,628.05, 50-years, interest 4½ per cent., payable half-yearly, January 7th, 1918.

Victoria.—By-law No. 1952, local improvement, street widening, $70,208.50, 50-years, interest 4½ per cent., payable half-yearly, January 7th, 1918.

Victoria.—Thirty-five local improvement by-laws, covering paving, sidewalks and boulevards, and Consolidation By-law No. 1977A, consolidating the amounts authorized by the above thirty-five by-laws into one sum of $282,884.18, maturing 1 to 10 years, interest 5 per cent., payable half-yearly, January 14th, 1918, and debentures thereunder.

Montreal, Que.—In connection with Sir Lomer Gouin's proposal for a commission to be the administrative body of the city of Montreal, Quebec despatches state that Mr. Charles Arnoldi, city treasurer, will resign shortly, and will be replaced by an English-speaking citizen, prominent in banking circles, and connected at present with a large bank in Montreal. Of the two members of the commission to be appointed by the lieutenant-governor-in-council, one will be English speaking. Consequently, out of five members of the commission, three will be French-speaking, viz., Mr. Charles Laurendeau, chief city attorney; Mr. J. Pelletier, comptroller and auditor, and one of the two to be appointed by the lieutenant-governor-in-council, while the two English members will be the one who will replace Mr. Arnoldi as city treasurer, and consequently as commissioner, and the one to be appointe by the lieutenant-governor-in-council.

Winnipeg, Man.—An offering of $2,000,000 Greater Winnipeg Water District 5 per cent. gold bonds is being made. These bonds are a direct obligation of the Greater Winnipeg Water District, a corporation constituted by special act o the Manitoba legislature, with powers to construct and operat a waterworks system to serve Greater Winnipeg. The distric comprises the city of Winnipeg and its more importan suburbs, with a total area of 91.79 square miles and a combined population of approximately 220,000. The bonds ar a direct charge on all the taxable land within the district the assessed valuation being in excess of $226,000,000. Th taxes levied by the district rank equally with all taxes raise for other municipal purposes, and are collected at the sam time and in the same manner.

The bonds are additionally secured by the hypothecatio with the Bank of Montreal of $2,500,000 (£513,698) long-term sinking fund securities of the district, which are a first charg on the entire waterworks system and properties of the district. The proceeds from the sale of these securities mus be held to retire this issue at maturity. The total outstandin debenture debt of the district (including the present issue is $1,283,112 long-term debenture stock, listed on the Londo Stock Exchange, and $9,500,000 short-term debentures, temporarily issued against long-dated collateral as above referred to. This issue is made with the approval of the Priorit Board of the Department of Finance, Ottawa. The bonds ar being offered at 92.68 and interest, yielding 6¾ per cent.

The Greater Winnipeg Water District will issue $6,00 000, 5 per cent. 5-year, to complete projects now under way $4,000,000 will be borrowed this year and $2,000,000 in 191 Messrs. Wood, Gundy and Company, of Toronto, have offere to take up $2,000,000 of the bonds on a 7⅝ per cent. basis

BANK BRANCHES OPENED AND CLOSED

The following is a list of bank branches opened an closed during December:—

Branches Opened—Six.

Charlestown, Nevis, B.W.I....	Royal Bank of Canada.
Florida, Cuba	Royal Bank of Canada.
Lethbridge, Alta., North End Branch	Standard Bank of Canada.
London, England, Trafalgar Square Branch	Bank of Montreal.
*Notre Dame de Lourdes.....	Banque d'Hochelaga.
*Terrasse Vinet, Que.	Banque d'Hochelaga.

Branches Closed—Nine.

Arrowhead, B.C.	Imperial Bank of Canada.
Coatsworth, Ont.	Merchants Bank of Canada
Coatsworth, Ont.	Union Bank of Canada.
*D'Arcy, Sask.	Northern Crown Bank.
*Kenogami, Que.	La Banque Nationale.
La Porte, Sask.	Union Bank of Canada.
Major, Sask.	Union Bank of Canada.
*Notre Dame de Ham, Que....	Banque d'Hochelaga.
Robsart, Sask.	Union Bank of Canada.

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*Sub-branches.

FORTY-SIXTH FINANCIAL REPORT OF THE

CONFEDERATION LIFE ASSOCIATION

FOR THE YEAR ENDING DECEMBER 31st, 1917

Submitted at the Annual Meeting, Held at the Head Office, Toronto, January 29th, 1918

CASH STATEMENT

Net invested assets, Dec. 31st, 1916		$20,385,085.19

RECEIPTS

Premiums—		
First year	$ 509,851.93	
Renewal	2,479,484.21	
Single	183,638.56	
Annuity	33,340.72	
	$3,206,315.42	
Less re-assurances	54,028.32	
		$ 3,152,287.10
Interest	$1,071,041.26	
Rents, net	19,436.35	
		1,090,477.61
Profit on sale of securities		2,695.06
		$24,630,544.96

DISBURSEMENTS

To Policyholders and Beneficiaries:

Death claims	$972,517.09	
Endowments	474,555.60	
Annuities	115,102.91	
Matured investment policies	306,255.00	
Surrendered policies	322,938.98	
Profits	313,509.51	
		$ 2,504,879.09
Expenses, salaries, rents, commissions to agents, doctors, solicitors, etc.		876,888.34
Government taxes and license fees		66,373.02
Dividend to stockholders		20,000.00
Grant to General Hospital by shareholders		1,000.00
Net invested assets, Dec. 31st, 1917		21,161,404.51
		$24,630,544.96

BALANCE SHEET

ASSETS

First mortgages on real estate	$ 6,049,593.77
Bonds and debentures	8,585,260.52
Stocks	1,088,487.35
Real estate, including Company's buildings at Toronto and Winnipeg	2,096,887.06
Loans on stocks or other collateral	19,404.67
Loans on Company's policies	3,210,369.95
Sundry items	3,345.68
Cash in banks and at head office	125,814.54
	$21,179,163.54
Less current accounts	17,759.03
Net invested assets *as per cash statement.*	$21,161,404.51
Interest and rents due and accrued	571,667.64
Net outstanding and deferred premiums, *reserve thereon included in the liabilities*	578,703.24
	$22,311,775.39

LIABILITIES

Re-insurance liability on all outstanding insurances—including premium reductions and annuities	$19,300,015.00
Death claims advised but not yet paid, *including all claims reported to date, and reserve held for unreported claims*	388,327.00
Endowment claims	6,000.00
Present value of instalment claims, death, endowment and disability	59,825.00
Profits to policyholders due and unpaid.	38,106.10
Profits allotted to deferred dividend policies issued since 1911	126,548.80
Capital stock paid up	100,000.00
Premiums and interest paid in advance.	14,854.92
General expenses	3,370.72
Cash surplus above all liabilities, including investment reserve fund of $269,806.49	2,274,727.85
	$22,311,775.39

Audited and found correct: { R. F. SPENCE. F.C.A., (Can.)
A. C. NEFF, F.C.A., } Auditors.

J. K. MACDONALD,
President.

INSURANCE ACCOUNT

Insurance written and revived..............$15,037,517

Insurance at Risk..........................$82,273,701

OFFICERS AND DIRECTORS

Vice-President and Chairman of the Board,
W. D. MATTHEWS, Esq.

President,
J. K. MACDONALD, Esq.

Vice-President,
SIR EDMUND B. OSLER.

JOHN MACDONALD, Esq.
THOS. J. CLARK, Esq.

LIEUT.-COL. J. F. MICHIE
JOSEPH HENDERSON, Esq.

LT.-COL. THE HON. FREDERIC NICHOLLS
COL. ALBERT E. GOODERHAM

PELEG HOWLAND, Esq.
JOHN FIRSTBROOK, Esq.
JAMES E. GANONG, Esq.

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LIFE INSURANCE LEGISLATION

Differences in Provincial Legislation Affecting Life Insurance Contracts in Canada

BY WILLIAM B. TAYLOR, B.A., LL.B.

(Fourth Article.)

Bonus or Surplus.

All the provinces except Manitoba provide that the insured may request the bonus or surplus payable in connection with the policy be paid to him or applied as he directs, notwithstanding the appointment of an ordinary or a preferred beneficiary. In Newfoundland, the insured may require the bonus or surplus to be paid to him or applied as he directs.

Child's Insurance.

The total amount of insurance that can be carried on the life of a child is limited in the provinces of Ontario, Saskatchewan, Alberta and Quebec, and the amount is limited to $32 if the child dies under the age of two years, and gradually increases up to $260, which is the limit if the child dies under the age of 10 years. A pecuniary interest, however, is not affected by these limitations, or where the premiums paid are returned with interest on the death of the child. Amendment, April 12, 1917.

Where insurance on children under 10 is undertaken in these provinces the policy must contain the sections of the act specially referring thereto or with the consent of the superintendent of insurance, print or stamp a notice that the insurance is subject to the restrictions prescribed by the Insurance Act.

Manitoba, British Columbia, New Brunswick, Nova Scotia and Prince Edward Island have no special provision as the other provinces.

The provinces of Ontario, Saskatchewan and Alberta allow a minor of 15 years or upwards to effect and deal with insurance practically in the same way as an adult, provided the insurance is effected on his own life for his own benefit or the benefit of a preferred beneficiary or of a father, brother or sister.

In Alberta the class of beneficiary is extended in this case to a grandparent.

In the case of endowment insurance on the life of a child under 10 years of age the insurer shall not pay an amount exceeding the total premiums paid with interest thereon at 3½% per annum compounded yearly.

We find, however, no special provision passed in the provinces of Manitoba, British Columbia, New Brunswick, Nova Scotia and Prince Edward Island. In the colony of Newfoundland there is no reference to this class of insurance.

Error in Age.

In the provinces of Ontario, Saskatchewan, New Brunswick, Nova Scotia and Prince Edward Island, we find the legislation provides for the adjustment of the amount of the policy in the proportion that the premium paid bears to the premium that should have been paid. The same provision applies to the colony of Newfoundland.

In the latter three provinces no table of rates is referred to but we find in Ontario and Saskatchewan a reference is made to net annual premium rates.

No provisions for adjustment of the amount of the policy are found in legislation of the provinces of Manitoba, Alberta, British Columbia and Quebec.

Payments to Infants.

In Ontario a minor 15 years or upwards may give a valid discharge for any payment in connection with the policy on his life payable to him.

The share of an infant in an insurance policy may be paid to a person expressly authorized by the insured to receive the money by instrument in writing or by the contract. If there is no person so authorized to receive the infant's share or the share of a lunatic or person whose place of abode is unknown, the insurer is obliged to pay such share into the supreme court of the province and notify the official guardian.

In Manitoba the money payable to an infant, if no trustee is appointed, may be paid to the executor of the estate of the insured and becomes the trustee thereof for the infant. If there is no executor, payment should be made to a guardian or curator.

Saskatchewan—Where money is payable to an infant, lunatic, or person whose abode is unknown, it shall be the duty of the insurer within 30 days after notice of the insured's death to notify the official guardian, and in case of a lunatic, notify the guardian of the lunatic or the person with whom he or she resides, otherwise the insurer shall be liable to a fine of $100.

If no one is specially authorized to receive the fund, it may be paid into the supreme court to the credit of the infant, lunatic or person entitled.

Alberta—Where no trustee is named to receive the share of an infant the supreme court may appoint a trust company upon application of the infant or a parent or guardian, and payment can be made to the trustee.

If no such appointment is made within two months from admission of claim, the insurer may obtain an order from the supreme court for payment of the share of the infant into court.

In the provinces of British Columbia, Quebec, New Brunswick, Nova Scotia and Prince Edward Island, payment of the share of the infant may be made to the executor of the insured's estate and in the last three provinces, if there is no executor, the supreme court may appoint a guardian or trustee.

If the insured died intestate in Quebec a tutor should be appointed to receive the infant's share. In Newfoundland, if no trustee is named in the contract to receive the shares to which infants are entitled, their shares may be paid the executor of insured's last will, or to a guardian of the infant appointed by the supreme court or judge thereof or to the guardian of the infants appointed by the supreme court or a judge thereof, or a trustee appointed by the supreme court or judge thereof on application. If the infant's share is not applied for within two months, the insurer may apply to the supreme court for payment into court.

Limitation of Action.

In the provinces of Ontario and Saskatchewan action must be brought against the insurer under the policy within one year next after the cause of action arose, and not afterwards except in the case of disappearance, and where death is presumed from disappearance, action may be brought within one year and six months following the period of seven years from the date on which the insured had last been heard of.

In the province of Quebec action may be brought against the company on the claim within one year. A further period of six months may be granted upon a petition by leave of a judge of the supreme court.

There is no special provision in the legislation of Manitoba, Alberta, British Columbia, New Brunswick, Nova Scotia and Prince Edward Island.

There is no special provision in Newfoundland.

Payment of Claim.

Sixty days must elapse after the proofs of claim are filed with the insurer before action can be brought in the provinces of Ontario, Manitoba, Saskatchewan, Alberta, British Columbia and Quebec, and 30 days in the provinces of New Brunswick, Nova Scotia and Prince Edward Island. In Newfoundland claims are payable 30 days after proof.

Premium.

Thirty days' grace for payment of the premium is allowed in the provinces of Ontario, Saskatchewan, Quebec, New Brunswick, Nova Scotia and Prince Edward Island Newfoundland, 30 days' grace. We find no express provision in the legislation of the other provinces.

Suicide.

In the provinces of Ontario and Saskatchewan the contract and application must specially reserve the right to render the contract contestable on the ground of suicide. The policy is void in case of suicide in the province of Quebec. In the other provinces there appears to be no special enactment dealing with this subject. Newfoundland—No provision.

Trustees.

In the provinces of Ontario, Saskatchewan, Alberta, British Columbia, New Brunswick, Nova Scotia and Prince Edward Island, the insured may appoint a trustee to receive payment of insurance money and may from time to time re-

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voke such appointment and make a new appointment as he may see fit.

In the provinces of Manitoba and Quebec he has power to appoint a trustee to receive payment of the funds. In Newfoundland the insured may by the policy, his will or any writing appoint a trustee, revoke such appointment and make new appointments from time to time.

(To be Continued.)

[The articles of Mr. Taylor, of which the above is the fourth, will be reprinted by *The Monetary Times* in pamphlet form and will constitute a valuable reference. Orders are being received now.]

BANK OF NOVA SCOTIA

The amount of dividends paid by the Bank of Nova Scotia last year was $910,000, not $10,000 as a typographical error made it appear in our comments on this bank's statement.

DOMINION BANK'S PROGRESS

During the past year, the total assets of the Dominion Bank, for the first time, rose above $100,000,000. The increase in this account during the year was from $92,000,000 to well over $109,000,000. The gain of $17,000,000 was due chiefly to the increase in deposits and note circulation. Deposits at interest increased over $11,000,000, and deposits not bearing interest $2,000,000. Note circulation increased, the $4,300,000 deposit in central gold reserves fully covering all issues in excess of paid-up capital. The bank's position in cash and quick assets was materially improved. Cash assets at the end of the year amounted to $27,337,000, a gain of $7,586,000. The total of immediately available assets, including securities and call loans, increased $20,000,000 during the year. On December 31st they stood at $57,660,000, or 60 per cent. of the liabilities, as compared with 47.40 per cent. at the end of 1916. These figures reflect an unusually substantial position.

From the profits of the year larger appropriations were made. The sum of $200,000, for example, was written off bank premises. This is twice the amount appropriated for that purpose a year ago. Large contributions were made to various patriotic organizations and a balance $30,000 greater than a year ago was carried forward. The results of operations of the bank during the past two years are shown in the following table:—

	1916.	1917.
Balance brought forward	$ 344,439	$ 363,442
Net profits	969,065	1,087,477
	$1,313,504	$1,450,919
Deductions—		
Circulation tax	54,112	60,000
Provincial taxes	21,450	22,415
Canadian Patriotic Fund	25,000	25,000
Other war funds	4,500	5,500
Pension fund	25,000	25,000
Premises	100,000	200,000
	$230,062	$ 337,915
Dividend	720,000	720,000
	$ 950,062	$1,057,915
Balance carried forward	363,442	393,004
	$1,313,504	$1,450,919

Every bank statement presented this season to date reflects the war financing which these institutions have carried on. In the Dominion Bank's balance sheet, there is an increase of $2,300,000 in the account which includes loans to the Imperial government. There is also an increase of $8,800,000 in the holdings of Dominion and provincial government securities. Taking the two sums, the total now held is $19,200,000, as compared with $8,100,000 a year ago. Mr. C. A. Bogert is general manager of the bank and has given to its affairs a successful and enterprising policy. Sir Edmund Osler is president. Associated with him on the board are a number of influential men who take an active interest in the welfare of this well-known institution.

WESTERN LAND COMPANY'S PROSPECTS

Amalgamated Company Holds Meeting in London—Profitable Farming

Some information as to the progress of the Canada Land and Irrigation Company was given at the annual meeting in London early last month. The present company is the outcome of an amalgamation of the Southern Alberta Land Company, the Canadian Wheat Lands, and the Alberta Land Company, Limited, whose interests, as shown by the scheme of arrangement and Sir William Plender's report, were likely to be improved by consolidation. There has been a great deal of work for the board of this company and for the liquidator of the old companies in carrying the scheme into operation, and it was not until October 1st last that the liquidator was able to issue his circular, calling upon the old shareholders to send in their claims.

Outlining, at the meeting, the process of amalgamation and the company's position, Sir Charles Hobhouse, chairman, said:—

Considerable Legal Difficulties.

"The partly-paid shares were well applied for, and the shares not taken up by the original holders were over-applied for by other shareholders, who desired to take the opportunity of increasing their holding in the new company. The legal difficulties have been considerable, and, although we are now in a position to issue certificates for the fully and partly-paid shares in exchange for allotment letters, it will probably be six weeks or so before debenture stock certificates will be ready for delivery. We are advised that meetings of debenture stockholders of the Southern Alberta and Alberta Land Companies must be held to settle a technical point in the trust deed, and until that is done the certificates cannot even be printed. I understand that notices convening these meetings will be sent out very shortly. The company was registered on July 31st, and our general manager (Mr. D. W. Hays) returned to the property early in that month to make arrangements for taking over the various amalgamated assets.

Area of Property.

"The amalgamated property now consists of about 532,000 acres. Farming operations have been continued with satisfactory and profitable results, and it is proposed to increase the area of land under crop during the coming season, and also to extend our operations in live stock. The board had hoped to send out an irrigation expert before the winter set in to make an independent report on the property and the scheme of irrigation generally, but we were not able to get the man we wanted in time. We propose to send out a man in the spring, when Mr. Hays hopes to have everything in good shape for his inspection. Work on the properties has been more or less suspended for the past three years, and, although Mr. Hays was able during the period of Sir William Plender's receivership to keep up the general maintenance of the irrigation works, you will appreciate that there is an immense amount of work to be done on the other side, now that the company is in a position to start active operations again.

Nearly New Board.

"The present board, with the exception of Mr. Walker, who became a director of the Southern Alberta Land Company in June, 1914, after that company went into the hands of a receiver, is entirely new, and the directors have to approach the various points that arise with an open mind. We know that mistakes have been made in the past in connection with the properties which we are taking over, and for that reason we are specially anxious to take a conservative view, and not indulge in prophetic remarks until a thorough examination and report has been made. At the same time, we have the greatest confidence in Mr. Hays as general manager and chief engineer, and we know that he is heart and soul in his work. Further, we have great confidence in the future of Canada itself. The Hudsons Bay Company report that their sales for last quarter were 122,300 acres of farm lands for £448,000 (an average of about £3 13s. per acre), against 99,400 acres for £346,500 (about £3 9s. 8d. per acre) a year ago. These are very substantial sales, and reports generally confirm the increased enquiry for land at good prices. Mr. Hays has already informed us that he is in a position to sell over 15,000 acres of dry (unirrigable) land at $20 per acre, and has many other enquiries which may result in good sales."

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SOCKEYE SALMON CONTROVERSY

Opposition to Shutting Fisheries for Four Years — Last Year Was Bad

Mr. W. H. Greenwood addresses the following interesting letter to *The Monetary Times* from Vancouver:—

The conservation of the sockeye salmon in the Fraser River is engaging the attention of the packers of British Columbia, as well as the packers of Puget Sound. Also, the Commission of National Scientific Research, at whose head is Dr. A. B. Macallum, of Toronto University, has appointed a committee of scientists and canners to investigate the problem. Furthermore, the Hon. J. D. Hazen, chief justice of New Brunswick, is now in Washington, D.C., representing the Canadian government in conferences with the representatives of the United States government, and this very matter, the sockeye salmon in the Fraser River, is one of the questions up for international review. In the midst of so many investigations and commissions, because in the multitude of counsellors there is surely some safety, it looks as if the sockeye salmon will at last get justice, though the whole matter is in the nature of seeking the horse after it is stolen.

Two Opposing Opinions.

There is no unanimity in British Columbia canning circles regarding the best method of conserving the sockeye salmon supply. A considerable body of opinion, whose chief spokesman is Mr. Henry Bell-Irving, of the A. B. C. Packing Company, believes that the Fraser River, both in British Columbia and Washington waters, should be closed to all fishing for a period of four years, in the expectation that the sockeye salmon will, in the natural course, replenish the river. This opinion arises from the belief that over-fishing has produced the reduction in the sockeye salmon in the Fraser. So far as the British Columbia canners are concerned, they believe the greatest over-fishing of the Fraser River sockeye is, and has been, over in Puget Sound by traps and seines. Particularly are seines blamed for the intensive fishing of the sockeye. On the Fraser, in Canadian waters, no seines are allowed, and fishing is all by means of gill-nets, that give the sockeye a fair chance to fight their way up the river to the spawning-beds. It is true there are some traps on Vancouver Island, but they are considered negligible when compared with those on Puget Sound.

Say Total Closing Necessary.

Hence, one school of thought among the canners say a total closing of the Fraser River to fishing on both sides of the line for four years is necessary. Another school of thought in British Columbia says that if the seine fishing on Puget Sound were eliminated the sockeye run would revive itself, and that it would not be necessary to close the river to all fishing. This school of thought goes even further, and maintains that there is no need of closing the Fraser River to fishing; that the river, even at its low ebb of sockeye supply, pays the canneries to fish, and that if a longer weekly closed period were instituted (no fishing allowed from August 25th to October 31st and fishing above New Westminster bridge prohibited), these aids in time would enable the sockeye salmon to come back in greater numbers.

The agitation for a closed season on the Fraser is by many considered to arise from the desire of the Puget Sound canners to shut down in 1918, which is expected to be a particularly lean year. These canners, according to the British Columbia view, are now paying for the intensive fishing methods they have employed for years, and desire to get the British Columbia canners to join with them in an effort to stop all fishing, so that the former may have a reasonable argument to offer their Puget Sound fishermen for shutting down, and at the same time institute a policy that would prevent the British Columbia canners from operating, and possibly making some money. In this view the question of self-interest on the part of the Puget Sound canners is emphasized, and it is reinforced by citations from history, wherein it is shown that when, ten years or more ago, a sincere effort was made by Canada to conserve the sockeye salmon, Puget Sound canners did not play the game. Very likely the times have changed, but the British Columbia canners desire some tangible proof of that change.

If the Fraser River is closed to fishing for four years, what benefit does the British Columbia canner derive? is asked by some of the Fraser River canners. Here, also, self-interest is predominant, as it is in all business, sentimentalists to the contrary notwithstanding. Tying up the Fraser River canneries for four years means deterioration of plants, disorganization of staffs and general demoralization of business and property interests. The need of such closure will have to be proven to the hilt before it will be supported by public opinion.

Again, if the Fraser is closed, what will happen to the 2,500 fishermen who own their gasoline boats and gear? Under the findings of the Royal Commission on Fisheries, northern waters are closed to motor boats. If the Fraser is closed to fishing, it is closed also to motor boats. What are these 2,500 fishermen to do? At once this precipitates a political and economic problem of an acute nature, for the 2,500 fishermen on the Fraser have votes, and in a democracy human rights are the equal of property rights.

What has really happened to the sockeye salmon supply of the Fraser River? Is it unique and unprecedented? Is the sockeye in the Fraser doomed to extinction? Is the need very drastic regulations or the application of sound common sense?

Past Year Was Bad.

The year 1917 was a bad year on the Fraser for the sockeye salmon. Everyone expected it would be a bad year. The obstruction to the free progress of the sockeye to the spawning-beds four years ago predicated a bad year in 1917. Had these obstructions not occurred, the year 1917 presumably would have been a fine year for sockeye in the Fraser in spite of the intensive fishing by seines and traps on Puget Sound.

Bad years for sockeye in the Fraser are not unusual. Those who have the figures dating from 1876 and the records of the Hudson Bay factors, declare that bad years have come and gone on the Fraser since first the sockeye salmon ran. And these bad years were not always due to obstructions in the river, and in some bad years the fish got up to the spawning-beds in great numbers, escaping the nets and the traps by swimming low or in other ways known only to the fish.

Must be Happy Medium.

Is it fair to assume that if sufficient sockeye got up to the spawning-beds to reproduce adequately the natural supply, that the supply of sockeye salmon would be maintained? Then, the problem is to get a sufficient number of sockeye up to the spawning-beds, to see that they are not molested while spawning, and to guard them till they go out to sea. This may be aided by hatcheries, whose utility has yet to be proven to many minds. It is quite possible to have too many sockeye get up to the spawning-beds; too many is as bad as too few. A happy medium must be struck. Closing the Fraser for four years to all fishing might result in too many sockeye getting up to the spawning-beds, and economic waste would result. Perhaps a forty-eight-hour weekly closed season on both sides of the border, with no fishing from August 25th to October 31st and no fishing above Westminster Bridge, might be the common sense method of getting sufficient sockeye up to the spawning-beds. If freshets do not wash away the eggs and they are left as the sockeye leaves them, unmolested, the supply should be forthcoming. Is not that a common sense view?

Opposed to Shutting Down.

Is it not a fact that at one time the Columbia River was said to have been fished out? How does the Columbia River stand to-day as a salmon river? Did it require a four-year closure to rehabilitate itself? What salmon river has been so intensively fished with all manner of gear as the Columbia? Is there not a lesson to be learned from the Columbia River in view of the Fraser River problem?

Furthermore, and finally for this writing, greater fish production is incumbent upon the canners of the Pacific to meet the needs of the Allied armies. Shutting down the canneries of the Fraser River for four years would not aid in the immediate increase of fish production, while its future assistance, so far as can be perceived, must be considered as problematical.

The general view of the British Columbia canners, as one finds it on a casual survey, is that a longer weekly closure, the prohibition of fishing from August 25th to October 31st, no fishing above Westminster, and the elimination of the Puget Sound seines will give the sockeye salmon of the Fraser River a fighting chance to come back.

Individual vs. Corporation Management

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SHERBROOKE AS A FINANCIAL CENTRE

Bank Clearing House There Holds High Position—Lumber Industry

"Very few people outside of the city and many citizens within its borders," said Mr. E. W. Farwell, retiring chairman of the Sherbrooke board of trade, at the recent annual meeting, "realize the importance of Sherbrooke as a financial centre, and that in the banks located here is represented over a billion and a third of dollars by way of combined total assets.

"Although less than two years old, the Sherbrooke Clearing House has hardly once been placed at the foot of the column which appears weekly in the public press and elsewhere of the total clearings of the various clearing houses throughout Canada, and at times it has occupied a position well up among the leading cities of the country."

Large Forest Waste.

Referring to the forest waste in Canada, Mr. Farwell said:—"Canadian forests have been ruthlessly wasted, and the public are only becoming aware of the possible consequences. It is stated that over nine thousand square miles of timber have been destroyed during the past year, with a crop stated to be equal to the entire remaining stock of standing timber in the whole of Canada.

"Although foreign business has been almost entirely cut off owing to the lack of tonnage, prices have been well maintained and with the enormous destruction of standing timber that has taken place by fire, notably in British Columbia, there seems to be little or no reason to anticipate any permanent break in prices. The market in South America has become demoralized, and before cessation of shipments, some houses had been selling cargoes at the serious loss, owing to the enormous rate of freight and the fact of the supplies of Brazilian pine near at hand in the South American market without obstacles in the way of transportation. This timber is a very inferior article owing to its being impossible to get it properly seasoned, and as soon as business returns to its natural channels our output will again become available, as there is no other lumber that can permanently replace spruce in its various qualities.

British Timber Market Closed.

"The British market is practically closed, the provision for deck loads having amounted to very little in the way of getting relief in moving stocks. The future prospects of our again entering the European market are more or less uncertain, as it is supposed that very large stocks have been accumulated in Northern Europe, but on the other hand such enormous destruction has taken place that it is possible that these stocks will all be needed as well as some of ours. In ordinary times this trade has gravitated to the Baltic, owing to easier transportation and the fact that the northern countries have had a system of conserving forestry for generations, together with an insurance on standing timber of from 1-10 to 1-20 per cent. per annum which means that every possible protection has been placed over the European forests with a view to saving them and providing for reproduction. There are also vast forests of Russia, but any effect from this source is in the more remote future.

Pulpwood Business Increased.

"The pulpwood business has been marked by a large increase in the total quantity of the raw materials worked up in Canada, which is a favorable showing; also by a very large increase in the returns, which no doubt as in the lumber business is largely absorbed in the higher cost of production; in the logging business much higher wages and expenses and often very poor and inefficient labor.

"Stocks are if anything, we understand, low all through the country, and from information we have received it would appear that low-priced lumber is a thing of the past and that the present high prices are likely to be maintained for a very long time.

"The local lumber business is very trifling in coniferous wood. Local mills during the past year have been mainly manufacturing hard wood, the sale of which has been good for the last two years, owing to the demand for munition boxes and the ordinary demands for cabinet work, etc. The timber tributary to the St. Francis is mostly controlled by the paper-making companies and what can be said generally, as in the preceding year, applies to them locally. We think it is well to again suggest that prominence be given to the fact that the timber supplies are disappearing and to the pressing need of conservation. This is only seconding what is being done by the forestry department, and it seems desirable to add all the weight possible to its efforts."

NATIONAL BANK OF SCOTLAND

The reserve fund of the National Bank of Scotland, Limited, one of the oldest and strongest banks in Scotland, is now £800,000, exclusive of £120,000 set aside to meet a dividend of 16 per cent., and £62,961 carried forward. The bank was established in March, 1825. Its subscribed capital is £5,000,000, of which £1,000,000 is called up and £1,000,000 is uncalled, leaving £3,000,000 as reserve liability.

The report of the directors for the year ended November 1st last, shows that after providing for all bad and doubtful debts, the net profit for the year was £297,557. To this there was added the balance brought forward from 1916, namely, £54,365, making together £351,922, less, bonus paid to staff, £8,961, giving a sum of £342,961 for distribution. A dividend at the rate of 16 per cent. per annum absorbed £160,000, less, income tax, £40,000. The following appropriations were made: To the heritable property account, £10,000; to the officers' pension fund, £10,000; to the investment account, £40,000; and to the reserve fund, £100,000. Carried forward to this year was the sum of £62,961.

The head office of the National Bank of Scotland is in Edinburgh. The general manager is Mr. John Stirling Cockburn and the secretary Mr. George Alexander Hunter. The London office is in charge of the manager, Mr. John Ferguson and the assistant manager, Mr. Dugald Smith. The bank has a strong and influential directorate.

TRUSTS AND GUARANTEE COMPANY

The first annual meeting to be held in the Trusts and Guarantee Company's handsome new building on Bay Street, Toronto, was commemorated last week with the presentation of a satisfactory balance sheet. The directors were able to report an increase of $1,250,000 in assets under administration. The report was presented by the president, Mr. James J. Warren. The company now administers more than $17,000,000 of assets. The principal increase is shown in the guaranteed trust and the estates and agency funds in excess of $5,000,000 entrusted to the company for investment, which are $600,000 more than the previous year. The usual dividends were paid during the year and the balance of net profits was credited to the profit and loss or reserve account.

The balance sheet is signed by the president and by Mr. E. B. Stockdale, the capable general manager. The company's assets under capital account total $1,872,444, exclusive of uncalled capital stock of $611,636. The former total is made up of the following items: Mortgage loans, call loans, debentures and other securities, with interest accrued thereon, $1,610,129; office furniture, fixtures, etc., at Toronto, Calgary and Brantford, $20,000; real estate, $139,724; and cash on hand and in bank, $102,589.

Securities on real estate bonds, debentures, stock, etc., account for $4,092,529 of the assets under the guaranteed trust account, which amount to $5,214,292. The remaining items under this head are as follow: Government, provincial, municipal and rural district bonds, $1,070,248; and cash in bank, $51,514.

The substantial sum of $331,593 cash in bank is the smallest amount contributing to the assets under the estates and agency account. These assets total $9,083,895 and the remaining items are mortgages on real estate, $1,708,257 and other securities, including government and municipal bonds and unrealized original assets $7,044,044.

The following directors were elected at the annual meeting: Messrs. J. H. Adams, Toronto; W. D. Bell, Chesley; A. C. Flumerfelt, Victoria, B.C.; Lloyd Harris, Brantford; William Pearce, Calgary, Alberta; Thomas Reid, Toronto; C. E. Ritchie, Akron, Ohio; Lieut.-Col. S. C. Robinson, Walkerville, Ont.; Joseph Ruddy, Brantford, Ont.; John D. Ivey, Toronto; E. B. Stockdale, Toronto; W. Thoburn, Almonte; James J. Warren, Toronto; Matthew Wilson, K.C., Chatham, Ont. The board subsequently met and unanimously elected Mr. James J. Warren president, Mr. C. E. Ritchie vice-president, and Mr. E. B. Stockdale general manager.

CONTINENTAL INSURANCE COMPANY
OF NEW YORK
HENRY EVANS, President

FIRE TORNADO MARINE

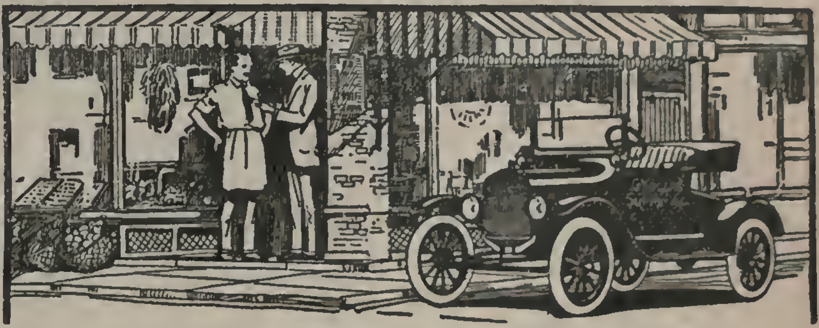
ASSETS EXCEED - $34,000,000 LOSSES PAID SINCE ORGANIZATION - $96,000,000

SECURITY SAFETY SATISFACTION

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND
17 ST. JOHN STREET,
MONTREAL

W. E. BALDWIN,
Manager

SPECIAL AGENT FOR ONTARIO
A. M. BALLARD,
31 SCOTT ST., TORONTO



Double Your Business by Using a Ford

YOUR business is limited by the area you are able to handle. Why not widen your field of activity by using a Ford car? Many of the most ambitious and successful travelers in almost every line of business are doing this.

They have found that a Ford car enables them to cover much more territory—see their prospects oftener—save time—increase sales—reduce traveling expenses, and "meet their man" with added dignity and in a better mood.

Surely this is worth while, and especially so when we consider how easy it is to own a Ford—its enduring qualities—its power—its simplicity, and its low cost of upkeep.

A Ford car in your business will soon pay for itself. Think it over.

Ford
THE UNIVERSAL CAR

Runabout	-	$475
Touring -	-	$495
Coupe -	-	$770
Sedan -	-	$970
One Ton Truck		$750

F.O.B. FORD, ONT.

Ford Motor Company of Canada, Limited, Ford, Ontario

GOVERNMENTS DISCUSS STEEL SUPPLIES

Arrangements are in progress between the Canadian and United States governments for pooling supplies of steel for shipbuilding purposes in connection with the Canadian policy of shipbuilding under government operation or control of shipyards.

Mr. A. Johnston, deputy minister of marine, and Mr. Charles Duguid, naval architect of the department, spent last week in Washington, where, with Sir Charles Gordon, they conferred with the United States authorities in regard to the required steel supply to meet the requirements of Canada's ship construction programme. The fullest possible co-operation was promised on behalf of the United States government in connection with the new policy of State construction. It has been decided, with a view to meeting special British requirements, that no further orders must be taken in Canada for new vessels other than of Canadian or British register. At present a number of new ships are being completed in Canada on Norwegian order.

CANADA LANDED AND NATIONAL INVESTMENT

At the annual meeting of the Canada Landed and National Investment Company, which will be held on February 13th, a very satisfactory balance sheet will be presented. The net profits for the year were $158,209, and a balance more than twice as large as that of a year ago was carried forward.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended January 25th, 1918:—

Buffalo Mine, 208,950; Dominion Reduction Company, 176,000; La Rose Mine, 131,982; Coniagas Mines, 173,000; total, 689,932.

The total shipments since January 1st, 1918, now amount to 3,033,699 pounds, or 1,516 tons.

CANADA PERMANENT MORTGAGE CORPORATION

ANNUAL MEETING

The Annual Meeting of Shareholders of the Canada Permanent Mortgage Corporation was held at the Head Office of the Corporation, Toronto Street, Toronto, on Friday, January 25th, at twelve o'clock noon.

The chair was taken by the President, Mr. W. G. Gooderham. The Secretary, Mr. George H. Smith, was appointed Secretary of the meeting and read the Report of the Directors for the year 1917, and the Statement of Assets and Liabilities, which are as follows:—

REPORT OF THE DIRECTORS.

The annual statement of the business of the Corporation for the year 1917 which is herewith submitted, affords your Directors much pleasure and satisfaction. It has been duly certified by the Auditors.

The net profits for the year, after deducting interest on borrowed capital, expenses of management, all charges and losses, together with War Taxes and sundry contributions to Red Cross and Patriotic Funds, amounted to	$ 852,325.14
The balance at the credit of Profit and Loss at the beginning of the year was	195,652.27
Making available for distribution	$1,047,977.41

This sum has been appropriated as follows:—

Four quarterly dividends of Two and One-half per cent. each on the Capital Stock	$ 600,000.00
Transferred to Reserve Fund	250,000.00
Balance carried forward at credit of Profit and Loss	197,977.41
	$1,047,977.41

All of which is respectfully submitted.

W. G. GOODERHAM,
President.

Toronto, January 9th, 1918.

GENERAL STATEMENT

LIABILITIES.

Liabilities to the Public.

Deposits and Accrued Interest	$ 6,197,543.67	
Debentures—Sterling—and Accrued Interest (£2,082,550 19s. 9d.)	10,135,081.47	
Debentures—Currency—and Accrued Interest	3,186,332.13	
Debenture Stock and Accrued Interest (£87,865 17s. 2d.)	427,613.84	
Sundry Accounts	13,113.30	
		$19,959,684.41

Liabilities to Shareholders.

Capital Stock	$ 6,000,000.00	
Reserve Fund	5,250,000.00	
Dividend Payable 2nd January, 1918	150,000.00	
Balance carried forward at Credit of Profit and Loss	197,977.41	
		$11,597,977.41
		$31,557,661.82

ASSETS.

Mortgages on Real Estate	$26,742,535.01
Advances on Bonds and Stocks	527,087.65
Municipal Debentures, Bonds, British War Loan, Dominion of Canada War Loan, and other Securities	1,687,493.77
Real Estate acquired by Deed or Foreclosure	170,850.60
Office Premises (Toronto, Winnipeg, Vancouver, Saint John, Edmonton, and Regina)	621,855.11
Cash on hand and in Banks	1,807,839.68
	$31,557,661.82

R. S. HUDSON,
JOHN MASSEY, } *Joint General Managers.*

We beg to report that we have examined the foregoing Accounts together with the books and vouchers of the Corporation, and that we have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs, according to the best of our information and as shown by the books of the Corporation.

A. E. OSLER.
HENRY BARBER,
Chartered Accountants. } *Auditors.*

Toronto, January 8th, 1918.

In moving the adoption of the Report of the Directors, the President said:—

I am convinced that the Report and Statement which have just been read by the Secretary will afford the Shareholders of the Corporation, the same degree of satisfaction which the Directors feel in presenting them.

In addition to the payment of four quarterly dividends, aggregating ten per cent. on the Capital Stock, we have been able to continue the policy of recent years by adding another quarter of a million dollars to our very substantial Reserve Fund.

The conditions to which I directed your attention a year ago as to obtaining money in Great Britain have, as was anticipated, continued throughout the year. The investment of money outside the United Kingdom is not encouraged by the Government of Great Britain, while the interest obtainable by investors in British Government securities is so attractive that at the high rates which would have to be paid to compete therewith we could not make profitable use of the money which might be obtained. The amount of our Sterling Debentures, therefore, again shows some diminution. But for this fact, together with the increased cost of our borrowed money, it would have been possible to have produced greater profits.

The amount of our Deposits and of our Debentures payable in Canada have both slightly increased during the year. This is gratifying in view of the two issues of Canadian War Loans in 1917 which have been widely distributed among all classes. It is recognized that our established Mortgage Companies occupy an important position in the economy of the Dominion. They provide the owners of land with money which is vitally necessary to enable them to increase production, and the investment of moneys by the Canadian people in our Debentures is therefore not discouraged by the Government as is the sale of many classes of Bonds and other securities.

A year ago is was hoped that 1917 might see the practical conclusion of the war. In that respect the year has proven one of much disappointment. I have no intention of prophesying as to when a cessation of hostilities may take place. While they continue the financial horizon cannot but remain overcast. It will continue to be the policy of your Directors to conserve to the fullest extent the resources of the Corporation, and to maintain it in a position in which it will be able to meet any situation which may arise. This necessitates our keeping a larger amount of cash unemployed and at all times available than was deemed necessary in more normal times. By this and numerous other features of a conservative policy our profits are somewhat reduced, but we have the comfort and satisfaction of being able to face the future with every confidence, whatever may be the vicissitudes which at present cannot be foreseen.

While the grain crops in our Western Provinces were not as ample as had at one time been hoped, they were of a quality which has not been excelled and of fair volume in the aggregate. The high price fixed by the Government has, therefore, returned to the grain growers a large amount of money and they have been able to meet their interest and also to reduce their principal in a manner most satisfactory. By gradually reducing the original indebtedness, in accordance with what has been our fixed policy for many years, not only is the Corporation's margin of security increased, but the mortgagor's increased equity is an encouragement to greater effort and progress, resulting in advantage to himself and to the community. There have been, as usual, individual cases of inability to meet their instalments through partial or complete failure of crops. In such cases, consideration has been cheerfully given to their circumstances, and the reduction of the indebtedness which had generally been made in previous years has enabled us to carry over these customers till next season, with advantage and satisfaction to them and with perfect safety in the Corporation.

As in previous years I can assure the Shareholders that there is good value for every dollar of the Corporation's assets. With every possible precaution, we can never fully guard against borrowers proving unsuccessful. The farmer who meets with unforeseen misfortune, becomes discouraged and fails to meet his obligations, usually allows his property to deteriorate, and occasionally, when we are reluctantly compelled to find a purchaser for it, the full claim cannot be realized. Our system of inspection, however, is so thorough that, not only are these losses minimized but are usually foreseen. In the balance sheet submitted to you, ample provision has been made for any possible losses.

It is with the most sincere regret that I have to record the death during the past year of our Second Vice-President, Mr. G. W. Monk. Mr. Monk had been associated with the Canada Permanent Loan & Savings Company for a long period of years, was one of the first Directors of this Corporation, and held the office of Second Vice-President since 1910. For upwards of a quarter of a century he represented the County of Carleton in the Provincial Legislature. His wide and varied experience and wise counsel will be greatly missed by his colleagues on the Board. Mr. R. S. Hudson has been appointed Second Vice-President, and his long experience will thus be increasingly serviceable to the interests of the Corporation. The vacancy on the Board was filled by the appointment of Mr. William Mulock, Jr., who represents very important holdings in the shares of the Corporation.

I regret to say that since our last meeting, four bright young men of our staff have been killed in action and a number have been wounded. It is gratifying to inform you also that some have received Decorations from His Majesty, the King.

I think it is not necessary to detain you with any further remarks. I have much pleasure in moving, seconded by the First Vice-President, that the Report of the Directors be received and adopted, and, together with the General Statement, be printed and a copy sent to each Shareholder.

The Vice-President, Mr. W. D. Matthews, in seconding the motion for the adoption of the Report, said: Mr. President and Gentlemen:—

The President in his address has explained to you that the Directors in making loans to borrowers are able to rely upon careful inspection of all the properties by our own experienced Inspectors before these loans are made. Without this inspection and without the very complete system established by the Management of the Corporation for the scrutiny of accounts and reinspection of securities, you can readily understand that the loaning and supervision of $26,700,000 (which is the amount of the mortgages held by your Corporation), would be a very onerous and difficult task. That we have been able to loan this immense sum of money on mortgages, and present a statement to you which, as the President says, and as I am sure you will corroborate, is highly satisfactory, speaks well for the Management that the Corporation has received. The management, of course, devolves upon the Joint General Managers, the Secretary, the Treasurer, and the Inspectors. I can cheerfully testify to the care and thought that is given by the management and staff in the conduct of the Corporation's business.

The outbreak of the War caused anxiety to the whole community, the people fearing its effect upon Merchants, Manufacturers, Financial and all other Companies. The demand for war material, however, brought into existence new enterprises and industries throughout the Dominion, which made business conditions so favorable that confidence was restored and people generally began to realize that, so far as business and finance was concerned, we had not suffered very much.

This prosperity continued to a degree that financial and manufacturing concerns were placed in excellent credit and on a financially sound basis. Added to this was the fact that all the products of our farms, mines, forests and sea were required, and at once began to command unusually good prices, finally resulting in the Government undertaking to handle most of these materials and fixing values at which they were to be taken over. These prices are such that it has brought the farming community to a very prosperous condition.

Our farmers never realized so much money for what they had to sell as under present regulations. As you are all aware, the backbone of any progress or prosperity that we have made in Canada, is due almost entirely to the development of our Natural Products. The Governments are now instituting campaigns for the increase of supplies of various kinds, particularly of food. In the Northwest the campaign for raising a larger number of hogs is resulting very satisfactorily, and I hope that the preparations that have been made by the farmers, and the inducements offered by the Governments for the production of more grain, will also prove to be as highly satisfactory as we could wish. There is every indication that, even after peace is declared, all the products we have to sell will be wanted and will command good prices, so that this prosperity is likely to continue for some time to come. Even in the early period of the war the values of farm lands in the Northwest have been fully maintained, and, with the prosperity that has attended farming operations, values are not only being maintained, but in nearly every district have been enhanced. As we have very largely given attention to the lending of money on farm properties in the Northwest, the advance in land values and the prosperity of the farmers, have placed our mortgages in a very satisfactory condition.

The President has pointed out that the amount of our Sterling Debentures has somewhat decreased since we last presented our Report, but this was to have been expected, and the fact that we have such a large amount still outstanding is a pleasing tribute to the fact that the credit of our Corporation stands high in Great Britain. I, therefore, think that we may look forward to continued success. Even after peace is brought about, which some authorities feel will bring with it the up-setting of business, and which has caused more or less anxiety, I am quite sure that our Corporation may confidently expect a continued period of satisfactory results.

The President has referred to the figures which have been read to you, and which you have had opportunity to look over. The statement does not need any further comment on my part, and I, therefore, have much pleasure in seconding the adoption of the Report.

The motion was then put to the meeting, and was unanimously carried.

The Shareholders unanimously approved and ratified certain subscriptions which the Directors had made to the Canadian Patriotic Fund, the British and Canadian Red Cross Societies, and for other patriotic purposes.

The election of Directors for the ensuing year was then held, and resulted in the unanimous re-election of Messrs. W. G. Gooderham, W. D. Matthews, R. S. Hudson, Col. Albert E. Gooderham, J. H. G. Hagarty, John Campbell, S.S.C. (Edinburgh), John Massey, F. Gordon Osler, E. R. C. Clarkson and William Mulock, Jr.

Messrs. Henry Barber and A. E. Osler were re-appointed Auditors for the current year.

At a meeting of the Board, held after the adjournment of the Annual Meeting, Mr. W. G. Gooderham was re-elected President, and Mr. W. D. Matthews, First Vice-President, and Mr. R. S. Hudson, Second Vice-President.

DIVIDENDS AND NOTICES

THE QUEEN CITY FIRE INSURANCE COMPANY

The Annual General Meeting of the Shareholders of this Company will be held pursuant to the Act of Incorporation on Wednesday, the 20th day of February, 1918, at 12 o'clock noon, at the Company's Office, Queen City Chambers, No. 32 Church Street, Toronto, to receive the report of the Directors for the past year, to elect Directors for the ensuing year, and for the transaction of such other business as may be transacted at a General Meeting of Shareholders.

By order,
JOSEPH WALMSLEY,
Secretary.

Queen City Chambers, 32 Church Street,
Toronto, February 1st, 1918.

THE HAND-IN-HAND INSURANCE COMPANY

(Mutual and Stock)

The Annual General Meeting of the Members and Shareholders of this Company will be held on Friday, the 22nd day of February, 1918, at 12 o'clock noon, at the Company's Offices, No. 32 Church Street, Toronto, for the Election of Directors for the ensuing year, and the transaction of other business relating to the management of the Company.

By order,
F. E. DINGLE,
Secretary.

Toronto, February 1st, 1918.

BANK OF MONTREAL

Notice is hereby given that a **Dividend of Two-and-one-Half per Cent.**, upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after Friday, the **First Day of March** next, to Shareholders of record of 31st January, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 22nd January, 1918.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 124.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Friday, 1st March, 1918, to shareholders of record at the close of business on the 14th day of February, 1918.

By Order of the Board.
JOHN AIRD,
General Manager.

Toronto, 19th January, 1918.

CANADA CEMENT COMPANY, LIMITED

PREFERENCE SHAREHOLDERS

DIVIDEND NO. 32

Notice is hereby given that a dividend of 1¾ per cent. for the three months ending December 31st, 1917, being at the rate of 7 per cent. per annum on the paid-up Preference Stock of this Company has been declared, and that the same will be paid on the 16th day of February next to Preference Shareholders of record at the close of business January 31st, 1918, and that the Transfer Books of the Company will be closed from February 1st to 10th inclusive.

H. L. DOBLE,
Secretary.

Montreal, January 22nd, 1918.

MILLERS & MANUFACTURERS' INSURANCE COMPANY

(Stock and Mutual)

The Annual General Meeting of the Members and Shareholders of this Company will be held on Tuesday, the 26th day of February, 1918, at 2.30 o'clock p.m., at the Company's offices, No. 32 Church Street, Toronto, Ont., for the election of Directors for the ensuing year, fixing their remuneration, and the transaction of other business relating to the management of the Company.

By order,
C. H. C. FORTNER,
Secretary.

Queen City Chambers, 32 Church Street,
Toronto, February 1st, 1918.

THE FIRE INSURANCE EXCHANGE CORPORATION

(Stock and Mutual)

The Annual General Meeting of the Members and Shareholders of this Corporation will be held on Monday, the 25th day of February, 1918, at 12.30 p.m., at the Company's Offices, No. 32 Church Street, Toronto, for the election of Directors for the ensuing year, and the transaction of other business relating to the management of the Corporation.

By order,
ARTHUR DWYER,
Secretary.

Toronto, February 1st, 1918.

THE ROYAL BANK OF CANADA

DIVIDEND No. 122

Notice is hereby given that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this Bank has been declared for the current quarter, and will be payable at the Bank and its branches on and after Friday, the first day of March next, to shareholders of record of 15th February.

By order of the Board,
C. E. NEILL,
General Manager.

Montreal, Que., January 15th, 1918.

UNION BANK OF CANADA

Dividend No. 124

Notice is hereby given that a Dividend at the rate of 9 per cent. per annum upon the paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Friday, the 1st day of March, 1918, to shareholders of record at the close of business on the 15th day of February next.

The Transfer Books will be closed from the 16th to the 28th day of February, 1918, both days inclusive.

By order of the Board,
H. B. SHAW,
General Manager.

Winnipeg, January 17th, 1918.

WILL SPECIALIZE IN GOVERNMENT BONDS

Neelys Limited, Toronto, have notified their clients that, for the duration of the war, they will specialize exclusively in government bonds.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Jan. 30th, 1918, and Sales.

Montreal figures supplied to *The Monrtary Times* by Messra Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi.........com.	....	....	....	....
Ames-Holden.........com.	....	....	....	....
" ....pref.	....	....	....	....
Asbestos Corporation.........	....	....	....	....
" " ....pref.	....	....	....	....
Bell Telephone.........	....	130	130	77
British Columbia Fishing & Packing.........	....	....	....	100
Brompton.........	....	48½	48½	1239
Brazilian.........	....	32½	32½	213
Canada Car.........com.	....	21½	21½	385
" ....pref.	....	52½	52	325
Canadian Converters.........	....	....	....	....
Canada Cement.........com.	....	57½	57½	500
" ....pref.	....	....	....	148
Canada Cottons.........	....	....	....	70
" ....pref.	...	....	....	....
Canadian Con. Rubber.........com.	....	....	....	....
Canada Foundry and Forgings.........	....	....	....	....
Canadian General Electric.........	....	111½	101½	25
Canadian Locomotive.........com.	....	....	....	....
" " ....pref.	2½	....	....	....
Canada Steamship Lines.........com.	....	42¾	42	3725
" " " ....pref.	....	....	....	....
Civic Investment.........	....	....	....	1091
Civic Power.........	...	76½	75	139
Cons. Mining and Smelting.........	....	....	....	810
Consumers Gas.........com.	....	....	....	....
Dominion Bridge.........	....	....	....	....
Dominion Coal.........pref.	....	....	....	....
Dominion Iron.........pref.	....	90½	90	39
Dominion Steel Corporation.........com.	....	58½	58	1222
Dominion Textile.........	....	....	....	251
" ....pref.	....	....	....	....
Goodwins Limited.........pref.	....	....	....	....
Gould Manufacturing.........	....	....	....	....
Howard Smith Paper Mills.........pref.	....	....	....	25
Illinois Traction.........pref.	....	....	....	....
Lake of the Woods Milling.........com.	....	....	....	55
Laurentide Co.........	....	....	....	100
Lyall Const.........com.	....	....	....	50
Macdonald.........	....	....	....	10
Mackay Cos.........com.	....	....	....	....
" " ....pref.	....	....	...	27
Montreal Telegraph.........	....	....	....	87
Montreal Tramway.........	....	30½	30	325
" " ....deb.	....	....	....	1000
Montreal Cotton.........com.	....	....	....	145
" " ....pref.	....	....	....	3
Nova Scotia Steel.........	....	....	....	151
" " ....pref.	....	....	....	5
Ogilvie Flour Mills.........	....	....	....	55
Ontario Steel.........com.	....	....	....	585
Ottawa Light, Heat & Power.........	....	....	....	....
Penmans.........	....	....	....	102
" ....pref.	....	....	....	....
Price Bros.........	....	....	....	....
Riordan Paper.........	....	93	93	5
" ....pref.	....	....	....	2
Quebec Railway, Light, Heat & Power.........	....	17	15	828
Shawinigan Water & Power.........	....	108	108	278
" " " ....rights	....	3	3	4115
Smart-Woods.........	....	....	....	....
Spanish River.........com.	....	13	13	10
Steel Co. of Canada.........	....	53	52¾	1271
" ....pref.	....	....	....	5
Tooke.........com.	....	....	....	....
Toronto Railway.........com.	....	60	60	206
Twin City.........	....	....	....	25
Winnipeg Railway.........	....	....	....	5
Wayagamack.........	....	50	50	5
Bank of British North America.........	....	...	...	....
Bank of Commerce.........	....	....	....	6
Bank of Montreal.........	....	....	....	8
Bank of Ottawa.........	....	....	....	....
Bank of Toronto.........	....	....	....	....
Bank d'Hochelaga.........	....	....	....	4
Banque Nationale.........	....	....	....	....
Bank of Nova Scotia.........	....	....	....	....
Dominion Bank.........	....	....	....	....
Merchants Bank.........	....	....	....	....
Molsons Bank.........	....	....	....	95
Quebec Bank.........	....	....	....	....
Royal Bank.........	3½	....	....	....
Standard Bank......... com.	....	....	....	40
Union Bank.........	....	....	....	....
Montreal Bonds	Last Sale			
Asbestos.........	72½	....	....	1
Bell Telephone.........	98½	....	....	....
Canadian Car.........	....	....	....	....
Canada Cement.........	96¾	....	....	....
Canadian Consolidated Rubber.........	....	....	....	....
Canadian Converters.........	....	....	....	....
Cedars Rapids.........	90	....	....	....
Dominion Coal.........	91½	....	....	....
Dominion Cotton.........	90	....	....	....
Dominion Iron and Steel.........	97	....	....	....
Dominion Textile.........A	97½	....	....	....
" " ....B	97	....	....	....
" " C	97	....	....	....
" " ....D	96½	....	....	....
Lake of Woods Milling.........	103	....	....	....
Laurentide.........	101	....	....	...
Lyall Construction Co.........	83¾	....	....	5200
Montreal Light, Heat & Power.........	101	....	....	....
Montreal Tramways.........	91½	....	....	....
National Breweries.........	90	....	....	....
Nova Scotia Steel.........	90	....	....	700
Ogilvie.........A	10	....	....	....
" ....B	103	....	....	....
" C	103	....	....	....
Penmans.........	....	....	....	....
Price Bros.........	....	....	....	....

Montreal Bonds (*Continued*	—	Asked	Bid	Sales
Quebec Railway, Light and Power.........	67	....	....	....
Riordan Paper.........	....	....	....	2000
Sherwin-Williams.........	....	....	....	3000
First Dominion War Loan.........	95½	....	....	21800
Second Dominion War Loan.........	98½	....	....	7100
Third Dominion War Loan.........	....	93½	93⅜	26303
Winnipeg Street Railway.........	9	....	....	15000
Wayagamack.........	81	....	....	...

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden.........pref.	....	60	....	...
American Cynamid.........	....	21	20	...
" ....pref.	....	....	52	....
B. & L. (Landed).........	....	....	....	...
Barcelona.........	....	8¾	8½	20
Bell Telephone.........	. ..	....	....	....
Brazilian.........	...	32¾	32	315
Canada Bread.........	....	17	16	85
" ....pref.	....	....	....	....
Canadian Car & Foundry.........	....	22½	22½	10
" " " ....pref.	....	52	51½	....
Canadian Canners.........pref.	....	....	....	....
Canadian General Electric.........	....	102	100	3
" " " ......,cum div. pref.	....	....	....	....
Canada Landed & National Investment.........	....	....	....	....
Canadian Locomotive.........	....	56½	....	....
" ....pref.	....	....	82¾	....
Canadian Pacific Railway.........	....	143½	142	....
Canada Permanent.........	....	162½	....	1
Canada Steamship.........	....	41¾	41⅝	2005
" " .... pref.	....	75½	75	203
" " ....(voting trust)	....	....	....	...
Cement.........com.	....	57½	57	122
" ....pref.	....	91½	91	35
City Dairy.........	....	....	....	....
" ....pref.	....	60	....	....
Colonial Loan.........com.	....	....	....	.. .
Coniagas.........com.	....	....	....	....
Confederation Life.........	....	375	....	....
Consumers Gas.........	....	147	....	....
Crow's Nest Pass.........com.	....	50	....	....
Detroit.........	....	....	....	....
Dome.........	....	915	850	300
Dominion Canners.........	5	....	....	....
Dominion Iron.........com.	....	....	....	....
" " ....pref.	....	....	....	....
Dominion Steel Company.........	....	58½	57½	190
Duluth Sup.........	....	....	....	....
F. N. Burt.........	....	....	....	....
" ....pref.	....	....	....	....
Hamilton Provident.........	....	....	....	....
Huron & Erie.........com.	....	....	....	....
Lake of the Woods.........com.	....	....	....	....
La Rose.........com.	....	....	....	100
Mackay Companies.........	....	78	75½	56
" ....pref.	....	60	59	88
MacKinley Darragh.........com.	....	....	....	....
Maple Leaf Milling.........	....	91½	93½	1
" " " ....pref.	....	....	91	....
Monarch.........	....	....	30	....
" ....pref.	....	....	....	....
Nat. S. Car.........	....	....	6½	....
" ....pref.	....	....	....	....
Nipissing.........	....	850	820	100
Nova Scotia Steel.........	....	68	68	180
" " " ....rights	....	....	....	....
Pacific Burt.........com.	....	....	....	....
" ....pref.	....	....	....	....
Penmans.........com.	....	....	....	....
Petroleum.........	....	1325	1275	....
Riordon.........	....	....	....	....
" ....pref.	....	....	....	5
Rogers.........com.	....	....	....	....
" ....pref.	....	...	....	....
Russell Motor.........	.. .	....	50	....
" ....pref.	....	....	....	....
Sawyer-Massey.........	....	11	....	....
" ....pref.	....	41	....	....
Shredded Wheat.........	....	....	....	....
Spanish River.........	....	14	....	....
" ....pref.	....	50	....	....
Cons. Smelters.........	....	26	25¾	310
Standard Chemical.........	....	....	....	....
" " ....pref.	....	57	....	....
Steel Company of Canada.........	....	53	52½	105
" " " ....pref.	....	84¾	83	....
Toronto General Trust.........	....	....	....	....
Toronto Paper.........	....	72	....	....
Toronto Railway.........	....	61	60	15
Trethewey S. Mines.........com.	....	15½	14½	....
Tucketts.........	....	....	....	....
" ....pref.	1¾	19	....	....
Winnipeg Electric.........	....	48	....	....
Twin City.........	....	68	65	23
Bank of Commerce.........	....	185	....	35
Bank of Ottawa.........	....	201	....	....
Bank of Hamilton.........	...	184	....	....
Bank of Montreal.........	....	210	....	....
Bank of Nova Scotia.........	....	248	....	....
Bank of Toronto.........	....	187	....	....
Dominion Bank.........	....	203	....	....
Imperial Bank.........	....	....	....	....
Merchants Bank.........	2½	....	167	....
Molsons Bank.........	....	179¾	....	....
Royal Bank.........	....	208	....	....
Standard Bank.........	....	200	....	....
Union Bank.........	....	....	140	35
Toronto Bonds	Last Sale			
Canada Bread.........	92½	90	....	...
Canada Locomotive.........	96	94	....	....
Penmans.........	89	....	80	....
Riordon.........	....	....	....	....
Sao Paulo, 1929.........	84	. .	....	....
Steel Company of Canada.........	96½	89	88	....
First War Loan.........	98	95	94¾	....
Second War Loan.........	98½	93½	93½	[illegible]
Third War Loan.........	....	93½	93½	57300

CANADIAN SURETY COMPANY

A material reduction in the ratio of expenses and net claims paid was shown in the report presented at the annual meeting of the Canadian Surety Company, Toronto, last week. Out of net profits for the year, amounting to $26,656, a dividend of 5 per cent. was paid and substantial transfers were made to the several reserve funds. The net premiums written during 1917 amounted to $122,606, as compared with $62,979 in the previous year, an increase of $59,627. The total assets of the company on December 31st, 1917, were $370,654, an increase of $81,001 over 1916. The combined capital stock and surplus totals $289,010.

The directors re-elected for the ensuing year are Messrs. F. W. Lafrentz (president), Sir George Burn (vice-president), Messrs. R. R. Brown, T. Bradshaw, W. H. Hall, J. B. Laidlaw, F. G. Osler, F. J. Parry and Henry C. Willcox.

INTERNATIONAL FISHERIES PROBLEMS DISCUSSED

The Canadian delegates to the American-Canadian Fisheries Conference arrived in Washington on Tuesday, January 15. The members of the Canadian delegation are the Hon. J. Douglas Hazen, chief justice of New Brunswick, who was for six years minister of marine and fisheries in Canada; Mr. George J. Desbarats, C.M.G.C.E., deputy minister of naval service; and Mr. William A. Found, superintendent of fisheries. Mr. Arnold Robertson, C.M.G., first secretary of the British Embassy, is secretary.

The United States delegation is composed of the Hon. William C. Redfield, secretary of commerce; Mr. Edwin F. Sweet, assistant secretary of commerce; and Dr. Hugh M. Smith, commissioner of fisheries. Mr. Maitland Dwight, of the department of state, is secretary of the United States delegation. Mr. Edward T. Quigley, assistant solicitor of the department of commerce, is assistant secretary and legal adviser.

A meeting was held and since then the conference has held three sessions, which have all been marked by unanimity of thought and harmony of purpose. The members of the conference planned to take advantage of the fact that Canada and the United States were associates in the war, and therefore had aims akin more than ever before. They agreed that this was the vital moment for smoothing away difficulties which had been for many years sources of irritation to the people of the United States and Canada, and that the basic thought of the delegates, especially in view of the present food crisis from which the whole world is suffering, should be the supply of the largest amount of fish to the largest number of people in both the Atlantic and Pacific coasts.

Among the questions already discussed to a greater or lesser degree are the following: The protection of the salmon in and around the Fraser River; the protection of the halibut which has been overfished, the centre of this industry being Seattle, Vancouver, Prince Rupert and Ketchican, on the Pacific; equitable rules governing the use of Canadian and United States ports by the fishing vessels of both countries, however propelled; the lobster fisheries of the Atlantic; pike-perch fishing in Lake Champlain; and the possible passage of rules relating to the whale industry.

The Canadian delegates returned this week, but will participate in further conferences.

DOMINION SAVINGS BANKS

BANK	Deposits for Nov. 1917	Total Deposits	Withdrawals for Nov. 1917	Balance on Nov. 30th, 1917.
Manitoba:—	$ cts.	$ cts.	$ cts.	$ cts.
Winnipeg	1,651.00	568,337.02	20,757.55	547,579.47
British Columbia:—				
Victoria	23,130.12	1,211,223.79	65,470.18	1,175,753.61
Prince Edward Island:—				
Charlottetown	31 854.00	2,076,189.47	63,349.18	2,013,110.29
New Brunswick:—				
Newcastle	1,729 00	275,074.50	7,002.25	268,072.25
St. John	66,111.27	5 351,838 41	177,737.35	5,177,101.06
Nova Scotia				
Amherst	....	....	....	....
Barrington	30.00	112,662 18	5,725.04	106,937.14
Guysboro'	1,107 00	117 251.99	7,582.93	109,669.06
Halifax	35,913 78	2,577,601.71	126,977.68	2,450 624.03
Kentville	3,482.00	249 077.77	4,200.60	244,877.17
Lunenburg	2,152.00	415 628.49	16,496.23	429,152.26
Pictou	....	....	....	....
Port Hood	....	82,503 15	3,123.27	79,379.88
Shelburne	3,191.28	212,438.12	7,613.08	234 825.14
Sherbrooke	291.30	96,958.31	682.62	96 275,69
Wallace	....	135,790.81	24,011.37	111,746.44
Totals	170,612.75	13,575,875.72	530,762.33	13,045,113.39

POST OFFICE SAVINGS BANKS

Dr.	AUGUST, 1917		Cr.
Balance in hands of the Minister of Finance on 31st July, 1917...	$ cts. 12,751,046.52	**Withdrawals** during the month.........	$ cts. 1,055,911.08
Deposits in the Post Office Savings Bank during month.......	1,214,505.33		
Transfers from Dominion Government Savings Bank during month:—	....		
Principal......... **Interest** accrued from 1st April to date of transfer...	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	7,304.43		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month.....	4,737.02	**Balance** at the credit of Depositors' accounts on 31st August, 1917...	12,921,652.22
	13 980,593.30		13,980,593.30

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Jan. 30th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......pref.	81	87	Chapman Ball Bearing ..	20	30	Imperial Trust Co........	...	55	Peoples Loan............	81	91
" ....6's	....	69	Collingwood Ship.....6's	.	92	Lambton Golf Club...	335	375	Rosedale Golf Club......	290	340
Alberta Pac. Grain..com.	98	....	" " com.	25	....	Laurentide Power....5's	80	85	Sovereign Life...........	14	22
Atlantic Sugar......pref.	25	30	Cockshutt Plow ....pref.	64	75	London Loan & Savings.	100	115	Stan. Reliance ... (par 50)	45	48.50
" " ....6's	80	85	Continental Life.........	19	24.50	Loews Theatre...........	78	84	Sterling Coal........com.	9.50	11
Black Lake Bonds.......	19	21.50	Crown Life	71	....	Maritime Coal......com.	17	20	" " ......bonds	69.50	75
Brand-Henderson .bonds	94	....	Dominion Glass.....pref.	75	82	" " ....5's	65	71	Sterling Bank. . . .	80	90
Belding Paul.... .. com.	10	13	Dom. Iron & Steel 5's.1939	73.50	78	Matthew-Laing.. . 6's	93	97	St. Lawrence Sugar ..6's	91	96
" ......pref.	71	75	D. Po'er & Trans. ...pref.	89	95.50	Massey Harris...........	112	130	Toronto Furniture..pref.	....	90
Can. Con. Pelt.....	24	27	" " " " ... 5's	81	87.50	McDonald ....pref.	80	85	Toronto Paper........6's	85	90
Can. Marconi............	1.75	2.75	Eastern Car...........6's	90	94	Morrow Screw........6's	85.50	92	Trust & Guarantee.......	83.25	90
Canada Machinery..com.	8.00	12	" " ....pref.	....	55	Murray-Kay ....pref.	....	23	Toronto Y'k Rad. 5's. 1919	....	96.50
" " ..pref.	40	50	Goodyear Tire...........	175	200	National Telephone...5's	48	54	West. Assurance	4.50	6.25
Can. Oil.............com.	30	42	Home Bank...............	61	67.50	National Life.............	30	...	West Can. Flour....com.	92	118
Can Salt............. 6's	92	....	Imperial Oil..............	280	305	North. Crown Bank	70	....	" " 6's (1931)	90	95
Can. Westinghouse......	100	118	Inter. Mill ....pref.	82	90	Ont. Pulp Bonds.........	78.50	82	West Can. Power. ...5's	48	54
....	....	....	....	....	....	....	....	....	....	....	

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE.
PROSPECT BUREAU.
BULLETIN SERVICE.
ADVERTISING and
ALL ROUND SUPPORT

YOU { Travel without expense,
Are better equipped for the journey,
Sure of getting there, with the

CANADA LIFE
ASSURANCE CO.
Home Office - Toronto

CANADA LIFE ASSURANCE COMPANY

ALWAYS A PLACE
FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, President HENRI E. MORIN, Supervisor

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

J. A. THOMPSON
Government and Municipal Securities
Western Municipal, School and Saskatchewan Rural Telephone Co. debentures specialized in.
CORRESPONDENCE INVITED
Union Bank Building - WINNIPEG

L. COFFEE & CO.
GRAIN MERCHANTS
Thomas Flynn Established 1845 **Board of Trade Building, Toronto, Ontario**

New Records

Results secured during the past year re-affirm the position of the Sun Life of Canada as the leading life assurance organization of the Dominion.

It leads all Canadian Companies in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Premium Income, Total Income and Payments to Policyholders.

Fair-dealing and progressive business methods are the foundations for the Company's phenomenal growth.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

(FIRE)
BRITISH CROWN ASSURANCE
Corporation, Limited
OF GLASGOW, SCOTLAND
The Right Hon. J. Parker Smith, Pres. D. W. Mac'ennan, Gen. Mgr.
Head Office Canadian Branch—TRADERS BANK BLDG., TORONTO
Liberal Contracts to Agents in Unrepresented Districts

BRITISH AMERICA ASSURANCE COMPANY
FIRE, HAIL, OCEAN MARINE and INLAND MARINE INSURANCE
Incorporated 1833
HEAD OFFICES: TORONTO
W. R. BROCK, President. W. B. MEIKLE, Vice-Pres. and Gen. Mgr.
JOHN SIME, Asst. Gen. Mgr. E. F. GARROW, Secretary.
Assets, Over $2,500,000.00
Losses paid since organization over $41,000,000.00.

CALEDONIAN INSURANCE COMPANY
The Oldest Scottish Fire Office
Head Office for Canada MONTREAL
J. G. BORTHWICK, Manager
MUNTZ & BEATTY, Resident Agents
Temple Bldg., Bay St., TORONTO Telephone Main 66 & 67

The Northern Assurance Company, Ltd.
of London, Eng.
Accumulated Funds, 1916 ....$39,935,000.00
Including Paid up Capital Amount, $1,460,000.00
Head Office for Canada, 88 Notre Dame Street West, Montreal
G. E. MOBERLY, Manager

The Provincial Bank of Canada

BOARD OF DIRECTORS.

President—Hon. H. LAPORTE, P.C., President Laporte, Martin, Limitee, Director of Credit Foncier Franco-Canadien.

Vice-President—Mr. W. F. CARSLEY, Capitalist.

Vice-President—Mr. TANCREDE BIENVENU, Director The Lake of the Woods Milling Company.

Mr. G. M. BOSWORTH, Vice-President Canadian Pacific Railway Company.

Hon. ALPHONSE RACINE, President Alphonse Racine, Limitee, Wholesale Dry Goods, Montreal.

Mr. L. O. BEAUCHEMIN, President Librarie Beauchemin, Limitee.

Mr. M. CHEVALIER, General Manager Credit Foncier Franco-Canadien.

BOARD OF CONTROL FOR SAVINGS DEPARTMENT.

President—Hon. Sir ALEXANDRE LACOSTE, K.C., Ex-Chief Justice, Court of King's Bench, P.Q.

Vice-President—Dr. E. P. LACHAPELLE, Director Credit Foncier Franco-Canadien.

Hon. N. PERODEAU, N.P., Minister without portfolio in the Quebec Government.

Eighteenth Annual General Meeting of the Shareholders was held January 23rd, 1918.

Were present:

Hon. Sir Alexandre Lacoste, Hon. H. Laporte, Dr. E. P. Lachapelle, M.M., W. F. Carsley, Martial Chevalier, L. J. O. Beauchemin, Honorable N. Perodeau, Honorable Alph. Racine, M.M., G. M. Bosworth, Alf. St. Cyr, representing the Grey Nuns; Charles Branchaud, G. N. Moncel, Josephat Rufiange, P. F. McCaffrey, representing the estate W. P. O'Brien; G. N. Ducharme, H. G. Lajoie, Pierre Desforges, A. S. Delisle, Alexandre Lacoste, A. J. H. St. Denis, Thomas Prefontaine, jr., Wilfrid Leduc, representing Estate Joel Leduc; A. E. Prudhomme, N.P., U. S. Dandurand and others.

REPORT SUBMITTED BY THE BOARD OF DIRECTORS TO THE GENERAL ANNUAL MEETING OF THE SHAREHOLDERS.

Gentlemen:—

In accordance with the Bank Act, we submit to-day our accounts for the financial year 1917, ending on the 31st December last. This is the eighteenth statement issued since the organization of your Institution.

During the last year, as in fact since the beginning of the European war, we have in co-operation with the other Canadian banks, lent our services to the State in order to place at its disposal all the resources which it required under the circumstances, while at the same time giving to our commercial and industrial connection, the necessary support to meet the present and future situation.

During the past year, as you know, the Minister of Finance invited all Canadian Banks to co-operate in the subscription to the Victory Loan, the great success of which has astonished the whole world. We placed our branches at the disposal of the subscribers and we have had the satisfaction of being able to turn in subscriptions amounting to the imposing figure of nearly $2,000,000. This result shows the patriotic spirit of our customers as well as the abundance of savings in the localities in which our Bank is established, when we take into account that notwithstanding the withdrawals necessitated by these subscriptions, the liabilities to the public, including the deposits made with your institution, show an increase of over $3,200,000 during the past year.

The total of our liabilities on the 31st December last reached the sum of more than $21,000,000. You will no doubt see in this increase evidence of the confidence inspired by the Provincial Bank of Canada in the Province of Quebec, Ontario and New Brunswick, where it is now established.

We pointed out last year the remarkable prosperity then existing in the Agriculture, Trade and Commerce of our country. This prosperity has been generally maintained during the past year.

Under the present circumstances, and relying on the approval which you, the Shareholders, have always given to your Directors, we have continued to hold a large amount of cash on hand, and a considerable proportion of other assets readily convertible into cash; in fact, you will notice in the general statement liquid assets amounting to $13,000,000, being more than 68½ per cent. of our obligations to the public.

As usual, the Bank Inspectors have made their annual inspection of each branch and of the head office, and moreover in conformity with the Bank Act, the two special Auditors chosen by the Shareholders have examined the securities and accounts comprised in the general statement of your institution. The certificate duly signed by them appearing at the foot of the statement testify to their entire satisfaction.

Our inventory has been prepared with the same care as in former years and all expenses in connection with the erection of buildings, purchase of safes and furniture are being gradually written off.

After deducting general expenses, interest paid to depositors, provision for losses, etc., our profit and loss account shows a surplus of more than $207,000, being nearly 21 per cent. on the paid-up capital of the Bank.

From the profits the sum of $50,000 has been added to the Rest, which now amounts to the large sum of $750,000, being 75 per cent. on the paid-up capital of the Bank.

The Board of Censors (the permanent controlling commission for the savings department) have given most devoted attention to the interests of the institution, as shown by their monthly task in the examination of the investment securities.

During the difficult period through which our country is now passing, when the efforts of all should tend to the same object, our staff has given us fullest satisfaction; the fine spirit which animates it, its industry, its zeal and devotion have greatly contributed to the result shown by the statement which we lay before you and with which undoubtedly you will be satisfied.

For the Board of Directors,
H. LAPORTE,
President.
TANCREDE BIENVENU,
Vice-President and General Manager.

REPORT OF THE COMMISSIONERS-CENSORS FOR THE YEAR 1917.

Gentlemen:

Unfortunately, it is again during the war that we have to submit our Report for the past year.

However, we have much pleasure in saying that the business of your Bank, as in the past, has increased considerably; this is the natural result of the wide-spread activity in the business of the country, which has been pointed out to you in 1916 and which has continued in 1917.

The management of the Bank has always kept, as we have seen from the monthly statements, a large amount of cash in hand, in order to be ready for all contingencies; in this we are sure that they meet with your approval.

We have regularly gone through the process of verifying monthly, during the year 1917, the investment securities, such as Government Bonds, Municipal Bonds, etc., held by the Bank. At all times, as shown by the minutes of our meetings, the total amount of those securities and of the cash on hand was more than sufficient to meet the requirements of your by-laws regarding the control of the Savings Department.

It is with pleasure that we draw your attention to some interesting figures in connection with the increase in the business of your institution. The statement of the Provincial Bank of Canada has reached to-day the imposing figure of twenty-one million dollars. The liabilities to the public, including the deposits, show an increase of more than three million two hundred thousand dollars, and the number of depositors is now over seventy thousand; and lastly, the reserve of accumulated profits is at present of seven hundred and fifty thousand dollars, notwithstanding the fact that the shareholders have never been asked to contribute to this fund, the shares representing the actual capital of the Bank having all been subscribed for at par.

We therefore advise you, Gentlemen, to approve the general statement and the accounts for the year 1917 as they have been submitted to you.

For the Board of Commissioners-Censors,
(Signed) A. LACOSTE

Profit and Loss Account as on December 31st, 1917

Balance at credit of Profit and Loss account December 30th, 1916	$ 17,520.33	
Profits for the year ended 31st December, 1917, after deducting charges of Management, interest due depositors, rebate on current discounts ($36,136.14) and provision for losses	207,483.67	
		$225,004.00

Appropriated as Follows:

For quarterly dividends, in all 7 per cent.	$ 70,000.00	
War Tax on Bank note circulation	10,000.00	
Written off Bank Premises, Real Estate, Furniture and Fixtures	23,500.00	
Carried to credit of Securities owned by the Bank, and provision for Contingencies	40,000.00	
Contribution to Patriotic Fund	6,500.00	
Reserve for Pension Fund	5,000.00	
Transferred to "Reserve Fund"	50,000.00	
	$205,000.00	
Balance of Profit and Loss carried forward	20,004.00	
		$225,004.00

RESERVE FUND.

Balance at credit, 30th December, 1916	$700,000.00	
Amount carried, 31st December, 1917	50,000.00	
		$750,000.00

COMPARED WITH THE BOOKS AND FOUND CORRECT:
(Signed) J. R. CHOQUET, Chief Accountant
(Signed) M. LAROSE, Chief Inspector.

FOR THE BOARD OF DIRECTORS:
(Signed) H. LAPORTE, President.
(Signed) TANCREDE BIENVENU,
Vice-President and General Manager.

The General Statement of the Bank on December 31st, 1917

LIABILITIES.

Deposits not bearing interest	$ 3,959,508.21
Deposits bearing interest including interest accrued to date	11,983,125.14
Balance due to Dominion Government	2,000,946.34
Balances due to Provincial Governments	239,162.19
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	500,000.00
	$18,682,741.88
Notes of the Bank in Circulation	1,157,278.00
Unclaimed Dividends	1,979.54
Quarterly Dividend payable January 2nd, 1918	17,500.00
Total Obligations to the Public	$19,859,499.42
Capital paid up	1,000,000.00
Reserve Fund	750,000.00
Reserve for Pension Fund	30,000.00
Balance of Profit and Loss carried forward	20,004.00
	$21,659,503.42
Liabilities not included in the foregoing	11,492.15
	$21,670,995.57

ASSETS.

Gold and Silver Coin current		$ 95,886.01
Dominion Government Notes		1,551,081.00
Notes of other Banks		396,025.00
Cheques on other Banks		1,589,834.58
Due by other Banks in Canada		1,542,575.98
Balances due by Banks and Banking Correspondents elsewhere than in Canada		649,218.08
		$ 5,824,620.65
Dominion Government Securities not exceeding market value		778,868.75
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian		2,993,014.82
Railway and other Bonds, Debentures and Stocks, not exceeding market value		1,307,191.26
Call and Short Loans in Canada on Bonds, Debentures and Stocks		2,787,808.13
Grand total		$13,691,503.61
Loans to Cities, Towns, Municipalities and School Districts	$ 305,486.15	
Current loans and discounts in Canada	6,889,371.21	
	$7,194,857.36	
Less rebate of interest on both items	36,136.14	
		$ 7,158,721.22
Deposit with the Dominion Government to secure Bank Note Circulation		64,383.76
Overdue debts, estimated loss provided for		41,599.40
Real Estate other than Bank premises		152,871.42
Bank premises, including furniture and fixtures, at no more than cost, less amounts written off		328,134.88
Mortgages on real estate sold by the Bank		20,930.73
Other Assets not included in the foregoing		212,850.55
		$21,670,995.57

COMPARED WITH THE BOOKS AND FOUND CORRECT:
(Signed) J. R. CHOQUET, Chief Accountant.
(Signed) M. LAROSE, Chief Inspector.

FOR THE BOARD OF DIRECTORS:
(Signed) H. LAPORTE, President.
(Signed) TANCREDE BIENVENU,
Vice-President and General Manager.

SHAREHOLDERS' AUDITORS' CERTIFICATE.

To the Shareholders of
THE PROVINCIAL BANK OF CANADA.

In accordance with the provisions of sub-section 19 and 20 of section 56 of the Bank Act, we report to the shareholders as follows:—

We have examined the above balance sheet with the Books at Head Office and with the certified returns from the branches. We have obtained all the informations and explanations that we have required and are of opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In addition to our verification as on December 31st, 1917, we have during the year checked the Cash at the Chief Office and verified the securities representing the investments of the Bank at its Head Office and principal branches, and found them to agree with the books of the Bank.

The above statement to which reference is made in the report of the Directors is properly drawn so as to exhibit a true and a correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us as shown by the books of the Bank.

(Signed) ALEX. DESMARTEAU, L.I.C., Montreal.
(Signed) J. A. LARUE, C.A., Quebec.

Montreal, January 12th, 1918.

The board of directors was re-elected and at a subsequent meeting of the directors, the following officers were elected: Hon. H. Laporte, president, and W. F. Carsley and Tancrede Bienvenu, vice-presidents, and at a meeting of the Commissioners-Censors held immediately after the directors' meeting, Sir Alex. Lacoste was elected president, and Doctor E. P. Lachapelle, vice-president for the ensuing year.

PULP AND PAPER COMPANY'S BOND OFFERING

The Royal Securities Corporation, Limited, is offering a block of $100,000 of the first mortgage 6 per cent. bonds, 20-year, of the Mattagami Pulp and Paper Company, Limited, with a bonus of common stock. The bonds are a first charge on property valued at three times the amount of the issue. The company controls pulpwood lands containing 4,000,000 cords of spruce, estimated to be sufficient for 50 years of operation. The mortgage is closed at $2,000,000.

WINDING UP ENEMY BANKS

Sir William Plender has issued his second report on the liquidation of the London branches of enemy banks, bringing the record of the operations down to September 30, 1917. The banks involved are the Deutsche, the Dresdner, Direction der Disconts-Gesellschaft, Oesterreichische Laenderbank and the Anglo-Austrian Bank. Following is a summary of the results of Sir William's controllership to September 30:—

Payments to British, allied and neutral creditors	£27,960,000
Estimated value of securities delivered to British, allied and neutral subjects	8,424,600
Cash realization of assets, including the sale of securities	25,534,528
Repayments to Bank of England for advances made under acceptance scheme	8,097,436

The liabilities of the five banks to enemy creditors on September 30 amounted to £3,427,104, while assets possessed a book value of £4,601,340. The indebtedness to the Bank of England stood at £4,104,108.

The scheduling of securities for vesting purposes was completed recently. Their estimated value is £17,270,000.

"It is impossible," says Sir William Plender, "for the affairs of the London branches to be finally liquidated during the war within the terms of the licenses, if by 'final liquidation' is meant the collection of all assets, other than enemy assets, and the repayment of the advances by the Bank of England, £4,104,108, and in the case of the Oesterreichische Laenderbank of its unsecured creditors (approximately £630,000). The assets, mostly book debts, remaining to be realized, possessed on September 30, 1917, an aggregate book value of £3,448,780, excluding liens on enemy securities (£841,543), and debts in occupied territory (£561,204); but of such aggregate value only a small part is capable of collection during the war."

PROVINCIAL BANK OF CANADA

Like other bankers, Mr. H. Laporte, president, and Mr. Tancrede Bienvenu, vice-president and general manager of the Provincial Bank of Canada, referred in their directors' report to the success of the Victory Loan. "The great success of the loan has astonished the whole world," they said, adding: "We placed our branches at the disposal of the subscribers, and we have had the satisfaction of being able to turn in subscriptions amounting to the imposing figure of nearly $2,000,000. This result shows the patriotic spirit of our customers, as well as the abundance of savings in the localities in which our bank is established, when we take into account that notwithstanding the withdrawals necessitated by these subscriptions, the deposits made with your institution show an increase of over $3,200,000 during the past year."

The Provincial Bank of Canada, which has done so much to develop the resources of Quebec province and to cater to its business, enjoyed an excellent year's operations in 1917. The bank is also well established in Ontario and New Brunswick. As a result of the past year's work, the directors were able to present an excellent financial statement and report at the annual meeting last week. After deducting general expenses, interest paid to depositors, provision for losses, etc., the profit and loss account shows a surplus of more than $207,000, or nearly 21 per cent. on the paid-up capital. From the profits, $50,000 has been added to the reserve, which now stands at the substantial sum of $750,000, being 75 per cent. on the bank's paid-up capital. A large amount of cash is held on hand, and also a considerable proportion of other assets readily convertible into cash. The statement shows liquid assets amounting to $13,000,000, being more than 68½ per cent. of the bank's obligations to the public. The total liabilities at the end of the year were more than $21,000,000. The bank's general statement reflects a healthy financial position and good direction and management of its affairs.

STATE INSURANCE RECOMMENDED

Increases of 15 to 40 per cent. in compensation for workmen, less trouble in conciliation, quick action, doing away with all litigation, and the appointment of a board to administer the proposed act are the chief recommendations in the report of the committee appointed last August to go into the matter of the workmen's compensation act for Alberta, according to a dispatch from Edmonton.

The draft act as submitted to Premier Stewart recently, recommends what is commonly known as state insurance, and the report includes a recommendation that the legislation be brought in at the coming session of the legislature. At the present time the employer carries his own insurance, or insures in a liability company, but in the draft act the state board will carry the insurance, to which each employer of labor will have to contribute.

CANADIAN NORTHERN STOCK ARBITRATION

The board of arbitration appointed by the government for the purpose of determining the value of the 600,000 shares of Canadian Northern Railway stock held a preliminary meeting at Osgoode Hall on Monday. The board consists of Sir William Meredith, Messrs. R. E. Harris and Wallace Nesbitt.

Proceedings opened with the reading of the agreement under which the valuation of the stock was arranged for. According to that agreement if the valuation is over $10,000,000, the price to be paid will be $10,000,000. If under $10,000,000 the amount of the award will be paid.

Sir William Meredith stated that he had received a number of communications from persons alleging claims against the road. "The government of British Columbia," he said, "had enquired as to what provisions would be made for representatives of that province to present their views. David Russell, of St. John, N.B., claimed some millions of dollars for land which he alleges the company obtained by devious means. Mr. Russell will be advised by the board to place his claim in the hands of counsel. Sir William stated that there was also a claim by contractors for $130,785 on an allegation of improper classification. There was also a claim by a municipality near Edmonton for a tax bill.

Mr. W. N. Tilley, K.C., represents the Dominion government, and with him are associated Mr. Gerard Ruel, formerly of the Canadian Northern, and Mr. E. E. Fairweather, solicitor for the department of railways and canals. Mr. Pearce Butler, of the Minnesota Bar, and Mr. McGregor Young, K.C., appear for Mackenzie, Mann and Company. Mr. I. F. Hellmuth, K.C., represents the Bank of Commerce, pledgees of 510,000 shares of the stock owned by Mackenzie and Mann.

MONARCH LIFE ASSURANCE COMPANY

A number of strong features stand out in the report presented at the annual meeting of the Monarch Life Assurance Company, held at Winnipeg last week The gross death claims, for example, paid last year, including those occurring previously, were less than 76 per cent. of the expectation under peace conditions. The deaths from war occurring during 1917 showed a considerable decrease below that of the previous year, so far as the company's experience is concerned. On its invested funds, all placed in excellent securities, the average rate of interest earned was 7.58 per cent. At the same time, the ratio of expense was materially reduced.

As a result of a substantial increase in business last year, the company now has in force over $11,500,000 of business. The large volume of cash business is an indication of the solidity of the company's growth. The Monarch Life Assurance Company has, during the past few years, especially, made enviable progress. Mr. J. W. W. Stewart, the managing director, is a capable business man and careful underwriter. Under his management, with the assistance of a good directorate, he has placed the company in a sound financial position, and has earned for it the confidence of the public.

At the annual meeting last week the directors were all re-elected—namely, president, Mr. J. T. Gordon; vice-presidents, Messrs. W. A. Matheson and F. W. Adams; managing director, Mr. J. W. W. Stewart. The other directors are: Messrs. W. R. Bawlf, Col. H. A. Mullins, C. E. Gordon, H. W. Echlin and R. G. Ironside. Mr. J. A. Macfarlane, A.I.A., was reappointed secretary and actuary, and Mr. George J. Telfer was appointed treasurer. Messrs. John Scott and Company were reappointed auditors for the ensuing year.

WESTERN
Assurance Company

INCORPORATED 1851

FIRE, EXPLOSION, OCEAN MARINE & INLAND MARINE INSURANCE

Assets .... over $5,000,000.00
Losses paid since organization " 66,000,000.00

BOARD OF DIRECTORS:

SIR JOHN AIRD
ROBT. BICKERDIKE, M.P.
W. R. BROCK, President
ALFRED COOPER (London, Eng.)
H. C. COX
D. B. HANNA
E. HAY
JOHN HOSKIN, K.C., LL.D
Z. A. LASH, K.C., LL.D.
W. B. MEIKLE, Vice-President
GEO. A MORROW
LIEUT.-COL. THE HON. FREDERIC NICHOLLS
BRIG.-GEN. SIR HENRY PELLATT, C.V.O.
E. A. ROBERT (Montreal)
E. R. WOOD.

Head Office: TORONTO, Ont.

W. R. BROCK, President
W. B. MEIKLE, Vice-President and General Manager
C. C. FOSTER, Secretary

SIMPLICITY FIRST

is about as important in your life assurance as "Safety First," because a contract that is not simple to understand may not be safe for your particular purpose.

The life assurance policy of the future must be an attractive and exactly worded contract, but above all CLEAR and SIMPLE — the new policy standard as set by

The Sovereign Life Assurance Co. of Winnipeg

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance Sickness Insurance Plate Glass Insurance
Burglary Insurance Automobile Insurance Guarantee Bonds
The Oldest and Strongest Canadian Accident Insurance Company
Toronto Montreal Winnipeg Calgary Vancouver

Waterloo Mutual Fire Insurance Company
ESTABLISHED IN 1863
Head Office, Waterloo, Ont.

Total Assets 31st December, 1915.................$908,244.00
Policies in force in Western Ontario, over 30,000.00

GEORGE DIEBEL, President. ALLAN BOWMAN, Vice-President.
L. W. SHUH, Manager. BYRON E. BECHTEL, Inspector.

THE LAW UNION & ROCK INSURANCE CO., Limited
OF LONDON Founded in 1806
Assets exceed $48,000,000.00 Over $12,500,000.00 invested in Canada
FIRE and ACCIDENT RISKS Accepted
Canadian Head Office: 57 Beaver Hall, Montreal
Agents wanted in unrepresented towns in Canada.

W. D. Aiken, Superintendent Accident Department
J. E. E. DICKSON, Canadian-Manager

Economical Mutual Fire Ins. Co.
HEAD OFFICE .... KITCHENER, ONTARIO
CASH AND MUTUAL SYSTEMS
TOTAL ASSETS, $800,000 AMOUNT OF RISK, $28,000,000
GOVERNMENT DEPOSIT, $50,000

JOHN FENNELL, President
GEO. G. H. LANG, Vice-President
W. H. SCHMALZ, Mgr.-Secretary

ATLAS
Assurance Company Limited
OF LONDON, ENGLAND

The Company commenced business in the **REIGN OF GEORGE III.** and the following figures show its record:—

At the Accession of	Income	Funds
KING GEORGE IV.	$ 387,065	$ 800,606
KING WILLIAM IV.	657,115	3,038,380
QUEEN VICTORIA	789,865	4,575,410
KING EDWARD VII	3,500,670	11,185,405
KING GEORGE V.	6,846,895	15,186,090
and at 31ST DECEMBER, 1916	7,980,685	20,730,010

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which $1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada, 260 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager

UNION ASSURANCE SOCIETY LIMITED
(FIRE INSURANCE SINCE A.D. 1714)

Canada Branch .... Montreal
T. L. MORRISEY, Resident Manager

North-West Branch .... Winnipeg
THOS. BRUCE, Branch Manager

MARTIN N. MERRY, General Agent TORONTO
Agencies throughout the Dominion

SUN FIRE FOUNDED A.D. 17
THE OLDEST INSURANCE CO. IN THE WORLD
Canadian Branch ... Toronto
LYMAN ROOT, Manager

The LONDON ASSURANCE
Head Office, Canada Branch, MONTREAL
Total Funds exceed $37,000,000
Established A.D. 1720. FIRE RISKS accepted at current rates
Toronto Agents .. . S. Bruce Harman, 19 Wellington St. East

(NEW EDITION NOW READY) (SEND IN ORDERS NOW)

Manual of Canadian Banking

By H. M. P. ECKARDT

Price - $2.50 Postpaid

Published by
THE MONETARY TIMES, 62 Church St., TORONTO

The Trusts and Guarantee Company, Limited

Twenty-first Annual Report

BALANCE SHEET, DECEMBER 31st, 1917

ASSETS.

Capital Account—		
Mortgage Loans, Call Loans, Debentures and other Securities, with interest accrued thereon.	$1,610,129.63	
Office Furniture, Fixtures, etc., at Toronto, Calgary and Brantford	20,000.00	
Real Estate	139,724.80	
Cash on hand and in Bank.	102,589.89	
		$1,872,444.32
Uncalled Capital Stock		611,636.44
Guaranteed Trust Account—		
Securities on Real Estate, Bonds, Debentures, Stocks, etc.	$4,092,529.68	
Government, Provincial, Municipal and Rural District Bonds	1,070,248.65	
Cash in Bank	51,514.34	
		$5,214,292.67
Estates and Agency Account—		
Mortgages on Real Estate..	$1,708,257.05	
Other Securities, including Government and Municipal Bonds and Unrealized Original Assets	7,044,044.93	
Cash in Bank	331,593.26	
		$9,083,895.24
		$16.782,268.67

LIABILITIES.

Capital Account—		
Capital Stock Subscribed...	$2,000,000.00	
Dividend due January 1st, 1918	41,635.94	
Sundry Accounts payable ..	1,302.83	
Balance at credit of Profit and Loss	441,141.99	
		$2,484,080.76
Guaranteed Trust Account—		
Trust Funds with Interest Accrued to date	$5,214,292.67	
		$5,214,292.67
Estates and Agency Account—		
Estates and Trusts under Administration by the Company	$9,083,895.24	
		$9,083,895.24
		$16.782.268.67

JAMES J. WARREN,
President.

E. B. STOCKDALE,
General Manager.

SHIPBUILDING IN BRITISH COLUMBIA

(Staff Correspondence.)

Vancouver, January 26th.

A notable event in the history of the shipbuilding industry on this coast was the launching of the first of ten steel steamers from the yards of Messrs. J. Coughlan & Sons, False Creek. The ship is named the "Alaska," and is the largest built in British Columbia. It is 427 feet overall, 54 feet beam and 29 feet 9 inches deep. The owner is Mr. Knut Knutson, of Haugesund, Norway, and the sponsor at the launching was Mrs. T. H. Kolderup, wife of the Norwegian consul at Seattle.

Mention has been made from time to time of the construction of steel steamers, and now that one is in the water people will realize more than ever the magnitude of the new industry. The builders propose to launch one every month this year. This will give work to about 1,800 men. The launching was the occasion of a celebration, and the invited guests included all the prominent members of the various public and semi-public bodies of the city as well as other leading citizens.

Within the last two weeks, launchings have taken place also of three of the ships being built under the direction of the Imperial Munitions Board. One of these was the "War Nootka," built by the Western Canada Shipyards, on False Creek, and this, too, was an event of some importance, as it was the first to be built on the mainland for the Board. Two others have been launched at Victoria—the "War Songhee," from the Foundation Company's yards, and the "War Yukon," from the yards of the Cameron Genoa Mills Shipbuilders, Limited.

These wooden steamers being built by the Imperial Munitions Board are of 2,800 tons, 250 feet in length, 43½ feet beam, and 25 feet deep.—R. B. Bennett.

PUBLISHED EVERY FRIDAY
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of Canada, Limited

Publishers also of
"The Canadian Engineer"

Monetary Times
Trade Review and Insurance Chronicle
of Canada

Established 1867 —— Old as Confederation

JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

How Canada Will Take Production Census

COMPREHENSIVE *Annual Survey of Crops, Live Stock, Dairying, Fisheries, Mining, Lumbering and General Manufactures, Will Be Made—Reorganization of Our Government Statistics—Co-operation Between Dominion and Provinces — Outline of New Organization.*

By R. H. COATS
Dominion Statistician and Controller of Census.

THERE is no great need to emphasize the importance of production, especially in young countries where it is usually the sole source of the national income. Canada's future, economically, is peculiarly a matter of her production, for we went deeply into debt during 1900-1913 on what was essentially "equipment" for production—added to which is our war debt, an anodyne while we are spending it, but to be paid in hard earnings eventually. Hence there is no one question that calls more urgently for consideration in Canada than production—no subject, in other words, on which we have greater need for the accurate and comprehensive measurements that are furnished by an adequate system of statistics. Not, of course, that we must postpone investigation of other phenomena, more particularly our "man power" (hitherto much neglected), or our various social activities. But even these are determined to a degree by economic considerations; and production is certainly anterior to trade, finance, transportation and the like, which often bulk larger in statistical publications.

To organize a comprehensive scheme of production statistics is no mean task, for it will be seen at once that it involves the closest acquaintance with an extremely wide range of activity, including such sharply differentiated operations as the growing of crops, the rearing of herds, the raising of minerals, the catching of fish, the hewing of timber,—each a world of itself,—not to mention all those complex and interlocking subsidiary processes that go on in shops, mills and factories in converting the raw materials thus won from nature into the multifarious forms in which they enter human consumption.

Existing Statistics of Production.

Naturally our first statistics of production were those of certain Dominion and provincial departments which have executive functions in different sections of this variegated field. The mines department of the provinces, for example, collect royalties upon or otherwise supervise the mining output, the process automatically yielding statistics. Similarly, departments of agriculture, fisheries and forestry came, in certain cases, to publish the statistics thrown off by or needed in their administrative activities. But while much valuable information has been secured in this way, the statistics as a whole, have not been satisfactory. Executive departments very properly adapt their methods to their executive needs, and as these often differ widely the applicability of the statistics for other than the immediate purpose is extremely limited.

One cannot, for example, with safety compare a statistic of one provincial mines department with the corresponding statistic of another. Still less can one collate the statistics of, say, a mines and a forestry department; or a fisheries and an agricultural department. Much overlapping has ensued: we have three independently collected and compiled totals of the bricks manufactured in Ontario in 1916. At the same time wide areas of the field have been left uncovered. Again, for numerous phases common to all industrial processes, but falling outside the purview of such departments as have been mentioned, (notably the problems surrounding capital and labor), we have had still another series of departments resurveying the field with their own purposes alone in view; and still other bodies like the conservation commission and the research council have also been at work from still another standpoint. It is true that once in ten years a comprehensive census of industry has been taken by the census and statistics office. But decennial statistics of production are only a little better than no statistics at all, and for other reasons that will be mentioned further on, the decennial census was never wholly successful with production. The remedy lies, of course, in unifying the system, by bringing all its parts within the scope of a single directing agency, making good deficiencies, eliminating differences—eliminating first of all the idea that good statistics can ever be obtained as a mere by-product of administration. Good statistics must be planned as an end in themselves, and having in view all the purposes that statistics must serve.

General Outline of New Organization.

As was just said, the decennial census recurs at too wide intervals to render it a suitable means of registering production. Another feature militates even more strongly against it. The *raison d'etre* of the decennial census is to enumerate the population. This is an enormous task (it has been said of the United States census that it is the largest single administrative act of the government) requiring machinery of a special character. Most of all, it requires a very numerous field force, sufficient in fact to reach by personal contact, within about three weeks time, every man, woman and child of the eight millions resident in Canada. When it has reached the individual, however, the questions are for the most part of a simple and non-technical kind, so that a low-waged enumerator may be employed. Now, the organization demanded for a production census is of an almost diametrically opposite character. There are only forty or fifty thousand producing entities in Canada—outside of fishing and agriculture—so that a much more highly centralized staff may be employed. At the same time the information required is of a complex and technical character. To attempt to collect our data of mines and manufactures through the medium of the low-waged enumerators of the population census is to invite trouble from the beginning. The best such a census can accomplish (and this is all it has accomplished in the past) is to illustrate the broad and general tendencies with which public policy must deal. It cannot illuminate details, and details are more and more demanded. In the case of agriculture the situation is different, and the population census and the final and definitive census of agriculture must always for obvious reasons be taken together.

It has accordingly been decided to create entirely new machinery in the census and statistics office for the treatment of statistics of production. The decennial census of the future will be in the main a census of population, whilst production will be covered on an annual basis by a distinct organization. This organization will proceed in the first instance by collaborating with the departments, Dominion and provincial, having executive functions in specific sections of the field, (there are over 30 of these) and by erecting independent machinery only in sections outside the range of administrative supervision.

Substitute for Untrained Staff.

The desideratum in such collaboration is to place the industrial technic of the administrative departments at the service of the census, and the statistical technic of the census at the service of the departments. Many of the latter have considerable field staffs in close touch with the industries under investigation, and of expert training. These form the ideal substitute for the untrained field staff of the population census, and it will be found on other grounds that the departments are the best qualified to collect and vise the statistics in the field. On the other hand, to the census must fall the duty of bringing the departments into council and planning the inquiry as a whole, creating the nexus of association, between its parts, and generally defining methods. The census also has the larger experience in, and greater facilities for the work of compilation in machinery alone, it has in the neighborhood of $100,000 invested, and its staff is large and highly skilled in handling masses of data. (It is often popularly overlooked that when an inquiry exceeds a certain scope, it calls for a new office technic altogether.)

In brief, then, the census is the best organizer, the departments the best collectors, and the census, again, the best compiler of production statictics. A plan to unite in harmonious team-play will infringe on no one's activities, but will rather increase them by directing them into the most advantageous channels. Duplications will vanish, and the saving from this alone will cover many of the gaps which exist under the present go-as-you-please regime. There is a large field where the census must act alone,—not more than 20 per cent. of production outside of agriculture gets any record at present. Here the census will proceed by correspondence and employ a field staff only in the final stages; this staff will be its own and will be of trained men.

With this by way of statement of principles, it may be of interest to note just how the field breaks up under the scheme and how far the organization has been effected to the present. The work of organization is not finally completed, but it has progressed so far as to make a beginning on the new basis possible with the present year and to render therefore a description of it useful.

As to Agriculture.

Our great and fundamental industry offers one of the best examples we have of past statistical malpractice. Originally the decennial census furnished the only agricultural statistics. They were comprehensive, but they were slow in appearing, and of course as *annual* return in agriculture is a *sine qua non.* To supply the deficiency, the provinces "set up shop" for themselves. The Dominion, also, in 1908, began the issue of annual and even monthly statements. The latter acquired an added importance later when Canada became an adherent to the International Institute of Agriculture at Rome. To supply them, a somewhat extensive organization was created, provincial methods being found so completely at variance that co-ordination was impossible. Hence a dual series of reports and estimates arose—an exasperating spectacle to traders, and a source of endless friction among officials.

It may be said frankly that neither Dominion nor provincial authorities have had occasion for satisfaction in their annual agricultural estimates. The crucial points in a scheme which must product results in anticipation of marketing are the areas sown to the several crops and the number of live stock on farms in the month of June. Applying to the former the average yields per acre at harvest, the total crop is obtained. The method generally in use for securing the June data was by means of estimates from correspondents all over the country as to the percentage increase or decrease compared with the preceding year. This, notwithstanding that it has had the adherence of the United States for sixty years, is faulty, for it provides no really solid foundation; moreover, its errors tend to become cumulative.

What is required instead is a series of actual returns from individual farms—as many as possible—so that the estimate may rest on fact. Ontario early recognized this and adopted the plan of circularizing the individual farmers instead of working through correspondents; the percentage of returns, however, had fallen so low that results were impaired in the application. British Columbia also was able to keep in somewhat closer touch with actual conditions.

The difficulty lies in reaching so large a number of individuals. There are 700,000 farms in Canada. A conference between the census and the provincial agricultural departments was held in 1914, but it was not until 1916 that a plan was arrived at. After a thorough canvass of ways and means it has appeared to the majority that the best avenue to the farmer for such a purpose lies through the rural school teacher. The school is ubiquitous, and the work of distributing and collecting a simple card annually through the schoolchildren fits in well with educational work. The matter has gone beyond theory, Quebec, Saskatchewan and Alberta having tried it last year with marked success.

Briefly the method is as follows: A card, previously agreed upon, is printed by the census. The proper number is shipped to the provincial department of agriculture. The latter in co-operation with the department of education, forwards them in bundles of 25—40 to the rural school teachers, who have been previously advised and coached in the work. A statement in simple language to be read to the children is enclosed. The teacher then distributes the cards through the children, making the whole a school exercise and a lesson in public service, as well as in agricultural education. In Saskatchewan, some 70,000 cards were sent out in this way last year and 36,000 received back, a percentage which places our knowledge of the agriculture of Saskatchewan on a fairly safe basis, especially for a first attempt.

The cards on their return to the provincial capital were first sorted by districts, then forwarded to Ottawa for compilation, and finally made the basis of an estimate by the census and the province in consultation. The maritime provinces will adopt the same method in 1918. Ontario, Manitoba and British Columbia incline to the plan of mailing the card to the individual farmer, the rest of the process to be substantially as described. The main point is, that beginning with 1918 we shall have annual statistics of agriculture for the whole of Canada on a uniform and sound basis, the various official agencies contributing their quota of assistance, and conflicting results being a thing of the past. The annual statistics even when perfected will necessarily contain a medium of estimate, but the decennial census will correct this, and no recurrence is expected of a situation like that of Saskatchewan in 1916 when both province and Dominion were found to be "out" nearly 30 per cent. in their acreages for wheat. Similarly the monthly reports on conditions the year round as between the census and the provinces will be brought into harmony. The decennial census of agriculture, it may be added, will be taken by improved methods, a schedule to each farm.

Statistics of Dairying Industry.

Dairy factories may be regarded as an appendage to farming. The provincial dairy commissioners are in close touch with the field; most of them have instructors or inspectors who visit personally every dairy factory once, twice or oftener a season. To secure the statistics of these establishments adequately and without friction and duplication, the following plan has been adopted: First, a common form has been agreed upon. The census prints this and supplies a sufficient number to each provincial dairy branch. The latter, through its field staff, collects a return from each establishment. These, after vising, are forwarded to Ottawa for compilation.

Immediately the latter is effected for a province, the results are sent back for use in any way deemed expedient. The census publishes the report for the whole of Canada, with the editorial assistance of the Dominion dairy branch, and we thus obtain a single coherent return, impossible of contradiction, and as comprehensive and accurate as official machinery can make it. Quebec, which has long done excellent work in dairy statistics, prints her own schedules, which, however, conform to the general requirements. For Ontario, the census is mailing the forms to the factory operators direct, but the provincial officers supply the lists and are cooperating in the work of securing the tardy ones and in revising results as a whole. Farm dairying will be covered as a section of agricultural statistics proper above.

The sea fisheries have always been regarded as the domain of the nation at large (the right dates from Magna Charta), and only inland waters fall under provincial jurisdiction. As the lake and stream fisheries of the maritime provinces are unimportant commercially, and those of the west still remain under the Dominion, it follows that Ontario and Quebec alone, in addition to the Dominion fisheries branch, are concerned in the statistical problem. British Columbia has a fisheries branch, but it does not collect statistics.

Statistics of fisheries must cover (1) the catch, and (2) the product marketed, the latter divided into (a) fresh, (b) domestically prepared, and (c) factory-made. The men, boats, gear, etc., should, of course, be recorded, as well as the capital and other details of the smoke houses, freezers, canneries and the like. With regard to the catch, the forms of the three departments were already in substantial agreement, and the census office has accordingly adopted them with little change. For the collecting of the data, exceptionally effective machinery exists in the departmental field inspectors and overseers who between the Dominion and provincial governments bring every fishing section under direct supervision.

The Dominion officers, in fact, cover their sections monthly. When the forms are filled in for the year, they will be checked by the proper head office, compiled by the census and the results shared. Domestically prepared fish will be covered in much the same way. For the factory-made product, the several departments will join in the preparation of lists of fish manufacturing establishments, which will be circularized by the census direct on a form agreed upon, the returns to be visé-ed by the fisheries departments and compiled by the census. As to publication, the province will probably issue separately the statistics of their own territories; for the Dominion as a whole, the census office and the Dominion fisheries branch will collaborate on a report, the census furnishing the general editorial supervision—whilst the fisheries branch supplies the comments and interpretations necessary from an administrative and technical point of view.

Regarding Forestry Returns.

The forestry section includes (1) operations in the woods, (2) saw mills, (3) cooperage shops, (4) sash and door factories, planing mills, etc., (5) pulp and paper mills, and (6) wood distilleries,—from which the subject shelves into specialized wood-manufactures. For the first, Quebec and British Columbia have excellent statistics, but the other provinces record merely the cut on Crown lands, (on which stumpage dues are collected), the increasing areas of forest held in fee simple not being covered. (In Nova Scotia practically all timber lands have passed from under the Crown).

The operations of the saw mills and cooperage shops, reflect the work in the woods, their product being the logs in another form—except that they do not account for products like telegraph poles, cross ties, fence posts, etc. In the sawmilling sub-division, the census will collaborate with Quebec and British Columbia, along the lines already described, but will work alone in the other provinces. It is hoped that eventually the field staff of all the provinces will be available for the direct checking of operations in the woods and for the compiling of lists of sawmills, for which work they are so excellently adapted. For the prompt return of the pulp and paper mill returns, the Pulp and Paper Manufacturers' Association has promised its assistance. All results will be communicated to the provincial governments in advance of publication.

The Dominion forestry branch has issued for several years past a series of statistical reports on forest products. These will be continued, but will contain the statistics derived as above and under arrangements as to publication similar to those in the case of fisheries. The census office throughout the organization of this section has been in close advisement with the forestry branch with the end of subserving the latter's needs no less than its own.

Collection of Mining Statistics.

Mining statistics are perhaps the most difficult of all to arrange for, the reason being their exceptionally varied and technical character. At least five provincial departments, as well as the Dominion department of mines, have been issuing statistics for many years. All these statistics are of good quality, but the methods followed are often abruptly at variance, and they are limited strictly to the mining point of view. As to the principles which co-operation might follow, a general agreement has been arrived at between the census and the provinces. As between the census and the Dominion mines branch, an arrangement has been made for the present year, whereby the forms and machinery of the latter will be used to cover mining production, whilst the census will independently secure the other data of the inquiry. The arrangement is not considered final, but it at least prevents the same government asking the same concerns twice for the same information. For future years a plan of complete co-operation, including Dominion and provincial authorities, is aimed at. It is felt by all that such co-operation, is feasible and well worth the difficulties of organization which it involves.

Hydraulic and Other Power Plants.

Another important section under dual control statistically consists of plants for the manufacture of electric current. There are two kinds of these, namely, hydraulic power plants, whose product is merely the transformed "white coal" of our waterfalls, and those making power through a combination of coal, gas, or oil fuel. The first alone are matters of direct administrative concern, but the second are so closely allied that the subject must be treated as one. The Dominion water power branch, the Ontario hydro-electric power commission, the Quebec streams commission, and the water power commission of Nova Scotia divide the administrative field. In collaboration with the census, these bodies have agreed upon two forms (the conservation commission being also consulted) which it is thought will illustrate the main features of power production and which can be varied from year to year over the entire range of the subject. They have united also in the preparation of lists of plants. The forms will be sent to these direct by the census (except that the hydro-electric commission of Ontario will collect from the 250 plants now under its control). The compilation will be made by the census office, and the country will have a single series of statistics by provinces. For the Dominion as a whole, the bulk statistics may be issued in a separate volume accompanied by some of the details as to the organization of individual companies (edited by the water power branch), which make a work like Garcke's "Manual of Electrical Undertakings," so valuable a handbook in its field.

An "electrical industries" group will ultimately be added, including telegraph, telephone and signalling companies.

General Manufactures.

There remains the large and complicated field of general manufactures in which little or no statistical work has been done, save by the decennial census or by intervening postal censuses like those of 1905 and 1915. These statistics will now be collected annually. The problem consists first in securing the names of going concerns. Every known source will be exploited for these—directories, gazeteers, commercial agencies, boards of trade, manufacturers' associations. Among governmental departments, the factories inspection branches and workmen's compensation boards can help materially in this connection. The concerns will then be circularized under the Census Act, which holds the delivery of a schedule by registered letter to constitute an inquiry within the law. Some field work will be necessary; this will be done by a small staff of experts. About seventy different forms will be used—one for each distinct group of industries. All previous censuses of manufactures were taken on a single form, a procedure which made it impossible to call for specific data on such points as equipment, raw materials and products. It is now hoped to get complete statistics for about four thousand named products.

Office Organization.

Mention was previously made of the office organization required for a large inquiry like the present. This has been carefully thought out and rehearsed. Every concern has been assigned its place in a classification scheme that includes 399 divisions. Each concern is card-catalogued and given an office number—by which alone it is known to the clerical staff, thus ensuring the secrecy of the individual returns. There are about 60,000 names on the catalogue. The technic for sending out the many overlapping and inter-related inquiries has been provided. The returns will come back often at the rate of two thousand a day, and arrangements have been made that they may be checked, edited, the complete ones sent to the compiling machines, and the incomplete placed in the way of correction on the day they are received. The average clerical staff will number fifteen, but this will rise to twenty-five in the months of pressure, dropping back to eight or ten at other times. For the compilation of the agricultural section, which falls to be done in July, a special temporary staff will be employed. It should be added that the production census as above described will by no means represent the sum total of information that we may desire to have of our industries. It will, however, provide the basic data, from which other and special inquiries can be built up from time to time as occasion points the necessity. Especially will it provide the organization by which such inquiries can best be handled.

How the Production Census will be Published.

Beginning with 1918, then, we shall have an annual census of production in Canada which will appear in nine volumes, as follows:—

Volume I.—Agriculture—Field Crops and Live Stock.
Volume II.—Dairying.
Volume III.—Fisheries.
Volume IV.—Forest Products.
Volume V.—Mines.
Volume VI.—Central Power Plants.
Volume VII.—General Manufactures.
Volume VIII.—Directory of Producing Concerns.
Volume IX.—General Summary of Production.

These may be broken into smaller sections as desired, and brochures on live stock, pulp and paper, textiles, etc., etc., issued. With regard to cost of printing, it may be pointed out that the scheme involves but little increase on present methods. Volume I will be virtually a reprint of the January issue of the Monthly Census Bulletin of Agricultural Statistics. Volume VI. and VII. will be new, but Volumes II., III., IV. and V. are already appearing, though not in coordinated form. Volume VIII. is suggested in view of the daily inquiries that are now received for lists of concerns manufacturing specified products and which can be answered only by the expensive method of making transcripts from the card catalogues. Volume IX. would consist of a reprint of the production section of the Canada Year Book.

As remarked at the outset, the role of Canada for the next half century at least must be that of a producer. Our economic status, on which so much of our social and even political future depends, will be according to the measure of our production. With a scheme of production statistics similar to that which has been outlined, but improving with time, it should be possible for the statesman to keep his finger on the pulse of this governing factor in Canadian development in a way hitherto impracticable.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Aurora, Ont.—February 4—Factory of Office Bureau Company, Limited was destroyed.

Chatham, Ont.—February 2—Residence of Mrs. John Northwood was damaged.

Gananoque, Ont.—February 3—Interior of the Gananoque High School was destroyed.

Hamilton, Ont.—February 2—Miss Wilcox's drygoods store, and property of Alex. Gardener were damaged. Caused by defective chimney. Estimated loss, $500. Maxwell Agency garage damaged. Estimated loss, $1,500.

Kingston, Ont.—February 1—Home of James Harris was destroyed. Caused by rats carrying rat poison near hot water pipes, causing phosphorus in the poison to burst into flame.

London, Ont.—February 5—Barnes' Hotel was destroyed.

Moose Jaw, Sask.—February 1—City Hotel was destroyed.

North Toronto, Ont.—February 4—Residence of John McGregor was destroyed. Estimated loss, $1,500.

Parry Sound, Ont.—February 5—Queen's Hotel was destroyed.

Quebec, Que.—February 2—The Quebec stockyards were destroyed. Estimated loss, $150,000.

Renfrew, Ont.—February 5—Block belonging to Mr. W. T. Guest was destroyed. Estimated loss, $20,000.

Sorel, Que.—February 6—Block of stores and houses was destroyed. Estimated loss, $100,000. Fire commenced at back of J. P. Paul's grocery store, spread to C. Lord's barber shop, thence to H. Dallaire's plumbing establishment and to confectionery store of A. Gianoutses. The foundry of La Cie d'Entreprises Metallurgiques was badly damaged.

Stratford, Ont.—February 5—Home of R. J. Walsh was damaged. Caused by thawing out frozen pipes. Estimated loss, $400.

Toronto, Ont.—February 1—Residence at 35 Queen Victoria Avenue, owned by the National Trust Company, was damaged. Estimated loss, $250.

February 2—Home of Chas. Saba was damaged. Caused by overheated furnace. Estimated damage to building, $200; to contents, $200. Ambulance of the Toronto General Hospital was damaged. Estimated loss, $300.

February 3—Toronto Shipbuilding Company's plant damaged. Estimated loss, $1,000.

February 4—Rosedale station of C.N.R. was destroyed. Caused by defective wiring. Estimated loss, $6,000. Insurance carried on contents, $3,000; on building, $3,000.

February 5—Metropolitan Railroad Company's car barns and four coaches were burned. Caused by ignition of cane seats from electric heater. Estimated loss, $40,000. Toronto Laundry Machine Company's plant destroyed. Caused by ignition of resin fumes. Estimated loss, $175,000.

Winnipeg, Man.—February 1—Canadian Pacific Telegraph block was destroyed. Estimated loss, $500,000. Chevrier and Son, furriers, had a stock valued at $200,000, while other tenants carried between them $100,000 worth of goods.

February 5—Riverview Hotel, Lauren Block and adjoining buildings were destroyed. Estimated loss, $180,000.

TORONTO MORTGAGE COMPANY

There are several indications in its latest balance sheet of a further improvement in the already strong position of the Toronto Mortgage Company. One of the outstanding features is the substantial state of the reserve fund, which, with $30,000 added to it last year, now totals $590,000, or 81 per cent. of the paid-up capital. The funds of this reserve account are all invested in gilt-edge securities, largely in government and municipal bonds.

The company's profit and loss account shows that interest of $67,483 was paid on sterling debentures and $12,309 on currency debentures. The company has $1,368,749 of the former and $251,467 of the latter class of debentures. The interest paid on deposits last year was $3,746. There are savings accounts deposits of $128,555. The cost of management was moderate, amounting to $21,072. This includes the tax on capital and the business tax. Special war taxes and subscriptions, amounting to $4,203, to Patriotic fund were paid last year. As noted above, $30,000 was transferred to reserve fund. Dividends at the rate of 8 per cent. were paid on capital stock, and accounted for $57,964 of the profits. There was a balance of $37,871 carried forward.

The statement of assets shows mortgage loans of $2,172,333. The interest on investments and net rental from office premises last year amounted to $203,838. It is eloquent testimony to the management and direction of the company's affairs that for the eleventh year in succession the company last year had no properties for sale on its books as a result of defaults in payment. A notable record was made in 1917 in the collection of interest. Ninety-nine per cent. on mortgage account had been received by the night of December 31st. Of the remaining 1 per cent., only $299.07 was outstanding at the time of the company's annual meeting on Wednesday.

Government and municipal bonds and stocks owned by the company are valued in the assets at $657,367. There are call loans on stocks and bonds of $145,682. A substantial sum of cash stands to the credit of the company with various banks. This, with a small amount in the office, exceeds $120,000. The office premises are valued at $45,000. Mr. Walter Gillespie is manager of the company, and has also been elected a director, in succession to the late Sir Mortimer Clark. Mr. Gillespie and his fellow-directors and the company's clients have every reason to be satisfied with the company's position and the result of the past year's operations.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times* as follows:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 3-32 pm	1 9-64 pm	....
Mont. funds	par	par	⅛ to ¼
Sterling—			
Demand	$4.80.60	$4.80.75	$4.83
Cable transfers	$4.81.70	$4.81.90	$4.84

New York rates: Sterling, demand, $4.75.30.
Bank of England rate, 5 per cent.

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CORPORATE TRUSTEES

The day of individual trustees has almost passed. The history of the administration of estates has demonstrated that the only safe way is to employ a reputable trust company. The cost is almost nominal and the service given is excellent. Mr. A. D. Langmuir, general manager of the Toronto General Trusts Corporation, pointed out at the company's annual meeting this week the advantages of the corporate trustee's continuous application of the best methods, its systematic conduct of business on principles settled and approved by a wide and growing experience, the facilities due to its great connection, and its capacity to apply a sound judgment. Such a corporation claims special and marked advantages over any individual, private executor or agent however responsible. "Every difficult or important question which may arise," said Mr. Langmuir, "whether in the management of estates, in the investment of moneys or in any other part of the corporation's business, is carefully considered and disposed of by a trained executive, in close touch and counsel with a board of directors composed of financial, commercial and legal men of ability and standing in the community."

In the case of individual executors and trustees, many require to seek outside assistance and advice in the care and management of trusts committed to their charge, often entailing expense and delay; whereas, with the corporate trustee the responsibility is shifted to experts trained for the performance of just such duties. There is no sound argument in favor of the individual trustee. As Mr. Langmuir reminded us, the allowances to a trust company are not different from those made by the courts to an individual executor and trustee. Companies have no fixed tariff of fees, and if they had such a tariff, it would be optional to the beneficiaries of estates, if they were dissatisfied with the charges, to have the accounts of the estate referred to the courts for the purpose of determining what the charges should be.

CENSUS STATISTICS

On another page, Mr. R. H. Coats, Dominion statistician and comptroller of census, outlines the important changes which are being made in regard to the taking of Canada's census. Every ten years a comprehensive census of industry has been taken by the authorities at Ottawa but the statistics of production have been of little value, a decennial census recurring too seldom to render it as a suitable register of production. Again, the chief aim of the decennial census has been to enumerate the population and this has been done with a field force of enumerators who were not highly paid. The information required for an industrial census is complex and technical and a well-trained staff is required to gather it. Reliable statistics in Canada have been inadequate. The value of those obtained was largely lost by their rare appearance, by inadequacy of detail, by delay in publication, and by differences between the figures gathered for the provincial and federal authorities.

It has now been decided to unify the system by bringing all its parts within the scope of a single directing agency, making good deficiencies, eliminating differences —eliminating, first of all, the idea that good statistics can ever be obtained as a mere by-product of administration. As Mr. Coats says: "Good statistics must be planned as an end in themselves, and having in view all the purposes that statistics must serve." He points out that the desideratum in such collaboration is to place the industrial technic of the administrative departments at the service of the census, and the statistical technic of the census at the service of the department. Many of the latter have considerable field staffs in close touch with the industries under investigation, and of expert training. These form the ideal substitute for the untrained field staff of the population census, and it will be found on other grounds that the departments are the best qualified to collect and vise the statistics in the field. On the other hand, to the census must fall the duty of bringing the department into council and planning the inquiry as a whole, creating the nexus of association, between its parts, and generally defining methods. The census, adds Mr. Coats, also has the larger experience in, and greater facilities for the work of compilation in machinery alone, it has in the neighborhood of $100,000 invested, and its staff is large and highly skilled in handling masses of data. It is often popularly overlooked that when an inquiry exceeds a certain scope, it calls for a new office technic altogether.

A perusal of Mr. Coats' article will demonstrate the great improvement we are to have in regard to the collection, tabulation and publication of our national statistics. There may be room for still further improvement but such opportunities will undoubtedly be noted by Mr. Coats, whose ability and enterprise as Dominion statistician have been well proved.

MONTREAL'S GOVERNMENT

Those who have had at heart the best interests of the city of Montreal will be gratified at the decision to place the government of the city with a commission. This commission will be composed of the chief city attorney, the comptroller and auditor, the city treasurer and two other members to be named by the lieutenant-governor-in-council. The last two will be named for four years and the first three for life unless they cease to work for the good of the city of Montreal. The city council of mayor and twenty aldermen will be retained but with reduced powers. The commissioners will sit in the city council and have votes. The reports of the commissioners can be rejected only on a two-thirds or three-quarters vote of the aldermen. The board of control will be abolished.

These are steps in the right direction. As Sir Lomer Gouin, premier of Quebec, stated last week to the private bills committee of the provincial legislature, the city of Montreal is at the commencement of its development and will be one of the greatest cities in the world. It must have a business-like and honest administration. Its credit must be raised to a high plane. Sir Lomer truly said that it is necessary for a city, as for an individual, to have not only assets and hopes, but also good credit. Montreal has substantial assets and a great future. It possesses capital, but it is necessary that the city should acquire better credit.

There will continue to be a mayor of the city. The premier of Quebec was asked last week what the mayor's powers would be, and replied to the effect that the mayor would occupy the very dignified position of representing the city in the city and outside, to receive visitors, "like the Lord Mayor of London," as Sir Lomer put it. The comment of comical Mayor Martin, of Montreal, is reported to have been, "I leave Quebec and I will never come back," which, of course, is more or less of a disaster.

DOMINION PERMANENT FAILURE

The failure of the Dominion Permanent Loan Company once again directs attention to the necessity for greater supervision. The majority of debenture holders and depositors have little knowledge of their company's investments. The balance sheet shows a solvent and satisfactory position. The management and directors exchange compliments at the annual meeting, which is attended by comparatively few. Even if questions are asked regarding some point or other, a way is usually found to lull the inquiring mind. Confidence in the company's affairs is gained and bolstered by the names of directors which are supposed to give the impress of stability. The chief investment of the Dominion Permanent Loan Company is reported to be in a railroad between Grand Forks in British Columbia and the town of Republic in the State of Washington, and apparently a "white elephant." The experience of the company is another reminder that enough has not yet been done to prevent such failures. Too much is taken for granted in the average company's balance sheet. Sufficient detail is not demanded by the authorities nor is sufficient knowledge obtained as to actual nature and condition of investments. The balance sheet does not always reveal the true story.

Canadian loan companies generally have enjoyed a remarkable record for sound financial methods. Failures have been very few. The debentures of these companies are properly regarded as excellent investments. The funds of depositors and shareholders have usually been well safeguarded. The effect of the failure of the Dominion Permanent should be to provide satisfactory safeguards for the protection of investors in weak companies, if any, at the same time automatically supporting the many strong loaning companies we have in Canada.

GUARANTEE BONDS

A treasury board regulation prevents the acceptance of anything but a cash security in connection with contracts for the Public Works Department of Canada. This department cannot accept a guarantee bond, an instrument which has become an important factor in modern business. Considerable inconvenience is caused to contractors and others by the requirement of substantial cash security for the performance of certain work. Large sums of cash deposits lie idle when they might be employed profitably. The majority of public bodies in Canada are satisfied with the guarantee bond, furnished by reputable companies which make a specialty of the business, and which bond provides security for performance of contract. What is the reason for the treasury board's regulation?

There is keen competition among the grain shippers along the line of the Grand Trunk Pacific Railway in western Canada for the honor of handling the record single carload of wheat. This distinction was claimed a few days ago for Mr. R. A. Aykroyd, who shipped a carload of No. 1 northern from his farm, a few miles north of Wainwright, Alberta, which brought $3,571, after allowing for the deduction of freight charges. This record did not stand long, another shipper having a carload which brought $3,903, and even this figure has now been surpassed. Canadian government car No. 26923, from Irma, Alberta, on the Grand Trunk Pacific line, carried 2,063 bushels of No. 2 wheat, amounting in value to $4,195.

Andrew Bonar Law, chancellor of the exchequer, announced in the Imperial house of commons on Tuesday, that a committee of bankers and merchants had been appointed to report whether state interference is necessary in the case of great bank amalgamations which are taking place. There have been several of these amalgamations recently, the latest being that of the London County and Westminster Bank and Paris Bank, which led adverse critics to doubt whether they are good for the public welfare. It is contended by these critics that such combinations are steadily placing credit facilities in a small number of hands, and that this will adversely affect the independent business community.

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The large number of branches of this Bank in all parts of Canada enables it to place at the disposal of its correspondents unexcelled facilities for every kind of banking business with Canada, and especially for collections.

Savings Bank Department at every Branch (Yukon Territory excepted).

INCORPORATED 1855

THE BANK OF TORONTO

Dividend No. 146.

Notice is hereby given that a DIVIDEND OF TWO AND THREE-QUARTERS PER CENT. for the current quarter, being at the rate of ELEVEN PER CENT. PER ANNUM upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the 1st day of March next, to Shareholders of record at the close of business on the 12th day of February next.

By order of the Board,

THOS. F. HOW,
General Manager

The Bank of Toronto, Toronto,
January 23rd, 1918.

ESTABLISHED 1875

IMPERIAL BANK OF CANADA

CAPITAL PAID UP $7,000,000
RESERVE FUND - 7,000,000

PELEG HOWLAND, President.
E. HAY, General Manager.

HEAD OFFICE - - TORONTO

GOVERNMENT, MUNICIPAL and other HIGH-CLASS SECURITIES BOUGHT and SOLD

Correspondence Invited

ADDRESS

THE MANAGER, BOND DEPARTMENT,
TORONTO

62

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

While the gross earnings of the Toronto Railway Company last year showed a gain, the net earnings were substantially decreased. Higher operating costs were the cause, the company having had to meet a higher scale of wages and at the same time an advance in the prices of all classes of materials. The decrease in net earnings would have been still larger had it not been that the company was called on to pay the high scale of wages for only a portion of the year, but the company will have to meet them, however, during the entire period of the new fiscal year. The wage increase is apparently making such deep inroads in the earnings of the company that the directors refer particularly to it in their report, and point out that the Toronto Railway is now paying a higher scale than is paid for similar work in United States and Canadian cities. The majority award of the Arbitration Commission gave the men 37 cents an hour, maximum rate. Owing to the scarcity of labor and war conditions, the directors reluctantly decided that they had no other course than to accept the award, although it meant an increase in operating expenses of about $600,000 per annum. The directors felt that the award was not warranted by weight of evidence submitted to the Board of Arbitration; that it was not justified by a comparison with the rate of wages paid for similar work in United States cities, and was not warranted by the earnings of the company, and that it was essentially unjust to the shareholders.

The gross earnings for the year amounted to $6,291,759, compared with $5,973,161 in the previous year, a gain of $318,597; operating expenses required $3,815,277, as compared with $3,350,657, an increase for the year of $464,619. This resulted in net earnings of $2,476,481 down from $2,622,503 in the previous year, a decrease of $146,022. From the net earnings the following appropriations were made: Payments to the city of Toronto, percentage on earnings, $970,512.41; pavement charges, $98,840.80; general taxes, $117,678.11, a total of $1,187,031. The company's fixed charges in the way of bond interest, etc., required $146,887, and dividends $960,000, making a total of $1,106,887. These disbursements made a total of $2,293,918, and left a surplus to be carried forward for the year of $134,809.87 The accumulated surplus carried forward from previous years amounted to $5,408,873, and when the surplus for 1917 was added to it the company carried forward a total surplus of $5,543,683. The gross passenger earnings show an increase of over $315,000, compared with the previous year. The percentage of charges, etc., to passenger earnings amounted to 61.5 per cent. up from 57 per cent. in the previous year, an increase of 4.5 per cent. The payments made to the city of Toronto totalled $1,187,031, representing an increase for the year of $74,021.57. The total payments being made to the city are now over $80,000 above the company's bond interest charges, and total disbursements to shareholders.

The seventh drawing of the company's currency and sterling bonds, under the terms of the mortgage deed, dated September 1st, 1892, took place on June 1st. Under said terms the company draws annually during the last ten years of its franchise, 5 per cent. of the amount of bonds issued, thus reducing during the ten years mentioned to 50 per cent. of the original issue, and all bonds so drawn are to be redeemed on and after August 31st, following the date of drawing. There has been drawn to date a total of $1,592,519.

Dominion Bridge Company.—The minimum price on Dominion Bridge has been reduced to 123, compared with the minimum of 128 placed on that issue in October last. This action is the result of the decision of the directors of Dominion Bridge Company to reduce the dividend from 10 to 8 per cent.

Riordon Pulp and Paper Company, Limited.—A quarterly dividend of 1½ per cent. at the rate of 6 per cent. per annum, and a bonus dividend of 1 per cent., has been declared on the common stock of the company for the fourth quarter of the year 1917 payable February 15th, 1918, to shareholders of record at the close of business on February 11th, 1918.

Ontario Power Company.—The Bank of Montreal has advanced $250,000 to the Ontario Power Company of Niagara Falls. Proceeds will be used in part to construct a pipe line and to install turbines and generators in the plant at Niagara Falls, costing $1,800,000. The remainder of the amount needed will be financed out of the surplus. The company expects to pay the money borrowed in two years.

Adanac Silver Mines Company.—The annual meeting of shareholders will be held on Thursday, February 14, at noon, and for the same day and hour a special general meeting will be called for the purpose of ratifying a by-law providing for an increase in the authorized capital from $2,500,000 to $3,000,000. Arrangements have already been made for the sale of a block of the new stock to provide funds to carry on development for at least nine months.

Ottawa Traction Company.—At the annual meeting of the company at Ottawa, gross earnings of $1,240,627 were reported. The operating expenses and maintenance amounted to $705,338, leaving net earnings of $535,289. The increase in net over 1916 was $50,724. During the year 29,347,692 passengers were carried compared with 27,033,778 in 1916, an increase of 2,313,914. The balance at credit of profit and loss account is now $267,590. The usual quarterly dividends of 3 per cent. were paid throughout the year and a bonus of 3 per cent.; also the business war tax $40,615 and $110,000 set aside for depreciation. Three new P.A.Y.E. cars were put in service during the year, an improvement which cost about $50,000.

Canada Steamships Lines.—The St. Lawrence River boats of the company will be assured of sufficient supply of coal through a contract signed with a new corporation organized by Canadian financiers. Ogdensburg despatches state that a Canadian shipping syndicate has purchased control of the Ogdensburg Coal and Towing Company. Two corporations will be formed, one capitalized at $200,000, to continue business at Ogdensburg, and the other will be capitalized at $1,000,000 with head office in Montreal. W. L. MacDougald, of Montreal, has been appointed president and general manager of both companies. It has been arranged to supply fuel to vessels of the Canada Steamships Lines plying on the St. Lawrence route.

Abitibi Power and Pulp Company.—The annual general meeting of the company will be held in Montreal, February 11th, and immediately following a special general meeting will be held for the purpose of considering and, if deemed advisable, approving of by-law XIX. cancelling the preference and privileges of unissued $1,000,000 of the capital stock of the company. The report of the production of the company for the last three months of 1917 is as follows: Paper 16,736 tons; ground wood pulp, 7,057 tons, sulphite pulp, 2,515 tons. According to the general manager, H. Wilson, this output is about the same for paper as in 1916, but the production of pulp is nearly double that of the previous year, as during 1917 the capacity for pulp making was doubled and the mills are running well up to capacity. It is expected that for the next three months there will be a falling off in the production of pulp, but that the paper production will remain about the same. The mills have been exporting most of their output to the United States.

Howard-Smith Paper Mills.—The company, which brought its fiscal year to a close on December 31st last, had a most successful year. During the 12 months the production at the Beauharnois plant was very considerably increased. The company is now making at that point a high quality of tub sized and loft dried bond papers, and has succeeded in establishing its brands generally throughout Canada. It has been able to stop the importation of these papers to a very large extent. The company has also been successful in working up some export business, which it is believed will increase. The mill at Crabtrees, Que., has been rebuilt, and to it has been added a new beater room and finishing room. There is being constructed in this connection a new dam, and there is being installed a hydraulic turbine. It is expected to have

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital	-	$4,866,666.66
Reserve Fund	-	$3,017,333.33

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THE MOLSONS BANK

Capital Paid-Up, **$4,000,000** Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

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THE BANK OF NOVA SCOTIA

Capital paid-up	- $	6,500,000
Reserve Fund	-	12,000,000
Total Assets over		130,000,000

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30 in Nova Scotia	33 in New Brunswick
7 in Prince Edward Island	10 in Quebec
67 in Ontario	14 in Western Provinces

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" East End
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Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

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Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

this new turbine installed within two months, when the mill will start up making sulphite bond papers. The volume of business transacted during 1917 was considerably greater than 1916, and is expected to be still larger in 1918.

Montreal Tramways Company.—In the contract prepared by the tramways commission for the city and the company, providing for a franchise of 35 years and signed by representatives of both, as submitted to the Quebec legislature on January 30th, there are important changes made in the conditions under which people in Montreal will shortly travel from point to point. To obviate the incessant bargaining and bickering between the city and the company, a permanent Montreal Tramways Commission is to be created, with jurisdiction over all the lines of the Montreal Tramways Company, or any of its subsidiaries, so far as finances, operation, extension and disputes are concerned.

The features of the new franchise are as follow: Contract to run 35 years. Autobus system authorized for city and outside. Capitalization fixed at $36,286,295. Commission to keep control of finances, expenditures and operations of the company. Fares reduction fund to be established and fares to be reduced as often as this fund is sufficiently large. City to have the right of expropriation after March 24, 1953. New double track car lines to be opened up, especially in north end of the city. No dividends over 10 per cent. to be paid by the company in any year. Transportation of freight, garbage and snow provided for. Company to permit employees to organize labor unions. Car fares to be fixed by new tramways commission. Agreements between company and outside municipalities incompatible with the new contract are cancelled. Transfer points to be punched on transfers. City to receive fixed sum of $500,000 annually. Surplus fund to be divided, 30 per cent. to city, 20 per cent. to company and 50 per cent. for reduction of fares.

International Nickel Company.—The company's report covering operations for nine months ended December 31, 1917, compares as follows:—

	1917.	1916.
Gross earnings	$11,797,235	$12,628,496
Other incomes	324,228	216,324
Total income	12,121,463	12,844,820
Ad. and general expenses	452,755	994,896
Reserve and taxes	3,680,741	....
Net	7,987,967	11,849,924
Depreciation, etc.	1,398,337	1,495,448
Balance	6,589,630	10,354,476
Preferred dividends	401,067	401,066
Common dividends	4,183,460	5,020,152
Surplus	2,005,102	4,933,258

After dividends on the preferred stock, the balance available for the $41,834,600 common stock ($25 par value) was equal to $3.10 a share, against $5.94 a share in the same period of 1916. The balance sheet for the nine months ended December 31, 1917, compares with the same period in 1916 as follows:—

Assets.

	1917.	1916.
Property	$47.792.420	$44,622,676
Investments	2,380,811	2,995,244
Inventories	7,176,182	4,864,582
Accounts and bills received	2,900.732	2,830,568
Loans	15,000	515,000
Certificates of deposit	2,030,000	2,030,000
Cash	2,527,816	3,372,743
Totals	$64,822,961	$61,230,815

Liabilities.

	1917.	1916.
Preferred stock	$ 8,912,600	$ 8,912,600
Common stock	41,834,600	41,834,600
Accounts payable	5,845,602	1,922,700
Preferred dividend	133,689	133,689
Insurance funds	232,609	199,773
Surplus	5,858,759	3,294,195
Profit and loss	2,005,102	4,933,258
Totals	$64,822,961	$61,230,815

Hollinger Consolidated Gold Mines, Limited.—The second annual statement of the Hollinger Consolidated Gold Mines, Limited, is the seventh annual report of the Hollinger Gold Mines, Limited. The merger which took place early in 1916 brought into combination the Hollinger, the Acme, the Millerton properties, and claim 13,147, the three latter formerly belonging to the Canadian Mining and Finance Company. The merger resulted in a corporation with a capital of $24,600,000 and an output in the year 1917 of 508,130 tons of milled ore, of a value of $4,261,938.

The enterprise, which began as a producing proposition in 1911 with the milling of 1,000 tons of ore, at the end of last year had milled 1,950,000 tons, of a value of $19,728,000 In that period there has been distributed to shareholders $8,194,000.

The Hollinger in 1917 disbursed $738,000, as against $3,126,000 paid in 1916. The deficit of $269,590 which stood on the books at the beginning of 1917 has been wiped out, and a surplus of $713,724 has taken its place. Expenditures on plant amounting to $673,000 were made, $131,224 was charged to capital development, and $100,000 written off plant for depreciation. A programme of larger development, permitted by the use of earnings for this purpose instead of paying dividends, made possible the exposure of $10,300,000 of new ore. Although 508,000 tons of ore carrying values of $4,373,000 were removed in 1917, managing director Robbins estimates an increase in ore reserves from $34,185,000 to $40,231,000.

The plant, which is capable of handling 2,500 to 2,800 tons of ore daily, and which has cost over $3,000,000, is completed and paid for, and that, as a result of the expenditure of $1,300,000 upon development, ore reserves of $40,000,000 are reasonably certain. There is a surplus of $712,724, which may be considered to be made up entirely of cash, bonds, debentures and bullion, as the current assets and bullion, amounting to $1,037,168, exceed by $798,292 the current liabilities of $238,875. The report of the managing director shows a revenue of $4,261,938 from gold and silver produced in the year. This was disposed of as follows:—

General charges	$ 235,542
Mining charges	1,503,146
Milling charges	523.022
	$2,261,711
Depreciation	100,000
Taxes	184,134
Donations	5,100
	$ 289,234
Paid out in dividends	738,000
Added to surplus	982,314

The company added to surplus in the last year some $44,000 more than was paid out in dividends.

Canada Iron Foundries, Limited.—A substantial increase in sales and earnings in 1917 permitted a further strengthening of the position of Canada Iron Foundries, Limited, successor to Canada Iron Corporation, which went into liquidation about four years ago. The reorganized company, in its second annual report, submitted to shareholders on January 31st, reported an increase of 44 per cent. in the year's sales, which make the total for the 12 months ended September 30th last about $2,849,000, against $1,979,933 the previous year. Earnings are stated in a different form, charges for repairs and renewals and also administration expenses being charged up before showing earnings, instead of being shown in a separate account. If allowance is made for the change, the foundry earnings for the year, amounting to $528,097, compare apparently with $337,692 in 1916. Including $14,160 earned as interest, discount, etc., the net revenue of the year was $542,257.

The entire revenue was devoted, apart from the payment of interest and sinking fund, on A debentures, amounting to $36,281, to strengthening the position of the company. By resolution of the B debenture shareholders, passed recently in London, the company was authorized to carry its inventories of raw material, supplies and manufactured products at pre-war prices until one year after the termination of the war. This necessitated the appropriation of $229,819 out of the year's profits. A similar appropriation of $86,866 was made out of the accounts as of September, 1916, and the reserve of $150,000 then created for the purpose was cancelled. After deduction of $135,615 for depreciation on foundry buildings and machinery, providing for A debenture interest and the maintenance of non-operating plants, the balance of earnings for the year was $105,422. This amount was appropriated toward the cost of the renewal of the company's foundry at Three Rivers.

THE

Merchants Bank
OF CANADA

ESTABLISHED IN 1864

Capital Paid-up - - - - $7,000,000
Reserve Fund and Undivided Profits 7,421,292

Head Office, MONTREAL

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" 1866 St. Lawrence Blvrd.
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TORONTO BRANCH—A. B. PATTERSON, Manager

The Dominion Bank

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W. D. MATTHEWS - Vice-President
C. A. BOGERT - - General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Established 1873 130 Branches
Capital (Authorized by Act of Parliament) $5,000,000.00
Capital Paid-up 3,381,270.00
Reserve Fund and Undivided Profits 4,534,863.63

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W. F. Allen, F. W. Cowan, T. B. Greening, H. Langlois, James Hardy, F.C.A., Thos. H. Wood.

HEAD Office, 15 King St. West TORONTO, Ont.

C. H. EASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE BANK OF OTTAWA

Established 1874

Capital paid up - $4,000,000
Rest - - 4,750,000

94 Branches in Canada

Conservation of Resources Means Success

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Savings Department at all Branches.

2

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Cor. Queen West and Bathurst.
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1220 Yonge Street Subway, Cor. Alcorn Ave
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

The substance of the foregoing is that approximately $469,000 went from earnings last year to improve the company's position through allowances for depreciation, writing down, etc. One of the furnaces at Midland was sold for $325,000, and since the close of the year the money has been received by the trustees and applied to the redemption of A debenture stock. The balance sheet reflects the recent conservation of earnings. Current assets foot up $1,217,948, with current liabilities only $136,531. The main features of the balance sheet compare as follows:—

Assets.

	1917.	1916.
Properties	$5,966,253	$6,201,998
Investments	437,217	46,312
Inventories	560,183	474,025
Bills receivable	621,157	415,663
Cash	36,607	210,202
Deferred charges	89,932	6,392
Sinking fund	15,304	52,056
Totals	$7,726,656	$7,406,651

Liabilities.

	1917.	1916.
Preferred stock	$2,200,000	$2,200,000
Common stock	1,800,000	1,800,000
Debentures A	606,800	240,400
Debentures B	2,864,520	2,864,520
Current liabilities	136,531	157,390
Deferred liabilities	10,444	59,986
Reserves	102,364	70,860
Surplus	5,995	13,494
Totals	$7,726,656	$7,406,651

Nova Scotia Steel and Coal Company.—The output of the company for the three months to December 31 compare with production of the previous quarter as follows:—

	Dec. 31, 1917.	Sept. 30, 1917.
Coal, tons	135,273	139,795
Ore	36,111	7,174
Limestone	19,513	17,069
Coke	18,850	25,268
Pig iron	21,304	21,874
Steel ingots	29,216	30,845
Finished steel and forgings	25,199	22,657

RAILWAY EARNINGS

The following are the earnings of Canada's transcontinental lines for January:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
January 7	$2,238,000	$2,343,000	+ $105,000
January 14	2,417,000	2,368,000	+ 49,000
January 21	2,215,000	2,324,000	+ 109,000
January 31	3,071,000	3,535,000	+ 464,000

Grand Trunk Railway.

	1917.	1918.	Inc. or dec.
January 7	$1,012,906	$1,076,606	+ $ 63,700
January 14	1,072,915	905,216	— 167,699
January 21	1,026,907	798,895	— 228,012
January 31	1,564,660	1,302,645	— 262,015

Canadian Northern Railway.

	1917.	1918.	Inc. or dec.
January 7	$ 598,700	$ 565,000	— $ 32,900
January 14	646,100	593,500	— 52,600
January 21	658,200	607,800	— 50,400
January 31	929,600	948,200	+ 18,600

The following is the Canadian Northern Railway statement of earnings and expenses for the month of December:—

	1917.	1916.	Inc. or dec.
Total gross earnings	$ 3,273,200	$ 3,485,400	— $ 212,200
Operating expenses	3,207,900	2,661,600	+ 546,300
Net earnings	65,300	823,800	— 758,500
Aggregate gross earnings from July 1st	3,335,100	6,296,100	— 2,961,000
Aggregate net earnings from July 1st	3,335,100	6,296,100	— 2,961,000

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Chatham, Ont.—The total loss for 1917 was $1,262. The value of the property risk was $2,000,000.

Guelph, Ont.—January 27—Drygoods store of C. B. Ryan and Company was destroyed. A total insurance loss of $90,000 was divided among the following companies: Hand-in-Hand, $5,000; Queen City, $5,500; Hartford, $5,000; Wellington, $2,500; Gore, $5,000; Queen, $5,000; Liverpool and London and Globe, $2,500; Western, $2,500; North British and Mercantile, $5,000; Phœnix of London, $5,000; Merchants, $2,000; Scottish Union, $6,500; General, $2,000; North Western National, $,2500; National-Ben Franklin, $1,500; Norwich Union, $4,500; Liverpool-Manitoba, $2,500; London Assurance, $5,000; Ætna, $4,000; Guardian, $8,000; Waterloo, $4,000; Economical, $2,000; Sun, $2,500.

Joliette, P.Q.—January 24—A loss of $52,500 was involved when St. Viateur School was destroyed. A total insurance loss of $72,700 was divided among the following companies: British-America, $10,000; Sun, $7,000; Law Union and Rock, $4,000; Norwich Union, $2,000; Atlas, $3,000; North British and Mercantile, $6,000; Guardian, $1,800; Commercial Union, $6,900; London and Lancashire, $7,000; Alliance, $7,000; Queen, $5,000; Royal, $4,000; Union of Paris, $4,000; Liverpool and London and Globe, $5,000.

Peterborough, Ont.—January 27—A total insurance loss of $150,000 was caused when R. Neill's boot and shoe store was destroyed. The following is a partial list of insurance: Phœnix of London, $87,000; Nationale, $2,500; Norwich Union, $2,500; Hand-in-Hand, $5,000; Wellington, $1,000; Guardian, $5,000; Alliance, $5,000; Mount Royal, $2,500; Law Union, $1,000; Ocean, $20,000; Sun, $2,500; Queen City, $1,000; Perth Mutual, $2,500; Western, $5,000; London Mutual, $2,500; Dominion, $2,500; Ætna, $2,500. In addition to the above loss the Royal Theatre, the Matthews-Blackwell store, the Dominion Bank and the Masonic Hall, adjoining the Neill store were damaged.

Toronto, Ont.—Statistics of the fire department show a considerable decrease in total fire losses during the year of 1917 compared with the previous year. The losses on both buildings and contents not covered by insurance shows a large increase. Last year the loss on buildings not covered by insurance was $10,352, compared with only $3,289 in 1916. Loss on contents with no insurance last year amounted to $19,606, compared with $13,171 the previous year.

The following statement gives a comparison of the last two years:—

	1917.	1916.
Loss on buildings	$ 260,775	$ 336,938
Insurance on buildings	3,276,145	4,515,210
Loss on contents	907,802	1,188,223
Insurance on contents	2,668,240	6,930,624
Total loss on buildings and contents	1,166,577	1,525,161
Total insurance on buildings and contents	5,994,385	11,445,834
Loss on buildings with no insurance	10,352	3,289
Loss on contents with no insurance	19,606	13,171
Fire alarms	2,080	2,071

Winnipeg, Man.—January 11—The owners of the Enderton Block, which was destroyed, carry a total insurance of $249,600, which is divided among the following companies: Ætna, $4,000; Alliance, $5,000; American Central, $700; British America, $6,000; British Empire Underwriters, $1,000; Commercial Union, $2,500; Continental of Winnipeg, $3,800; Firemen's of Newark, $1,000; Firemen's Fund, $19,000; Hamilton Fire, $3,500; Hudson Bay, $1,000; North America, $17,000; Law Union, $35,000; Liverpool and London and Globe, $4,000; London Assurance, $30,000; London and Lancashire, $2,000; London Mutual, $5,000; Millers National, $4,500; Mercantile, $1,000; Mount Royal, $1,200; National-Ben. Franklin, $2,000; New York Underwriters, $15,000; Niagara, $15,000; North British and Mercantile, $3,000; North Empire, $400; Northern, $15,000; Norwich Union, $5,000; North Western National, $7,500; Occidental, $4,500; Palatine, $5,000; Protector Underwriters, $2,000; Provincial, $7,500; Springfield, $8,000; Sun, $2,500; Western, $10,000. In addition to the above the Gordon Mitchell Drugs lost about $90,000. Blanket insurance in the Globe and Rutgers covering all stores in Canada and United States, $150,000.

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Capital Subscribed	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

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BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL	$ 18,526,600.00
RESERVE FUND	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916	$277,488,871.00

J. RUSSELL FRENCH, General Manager

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ESTABLISHED 1865
Union Bank of Canada
Head Office - WINNIPEG

Paid-up Capital	$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	140,000,000

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CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

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Hagersville
Hamilton
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" Deering
" East End
" North End
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WORKMEN'S COMPENSATION IN ALBERTA

Official Synopsis of Commission's Report and Recommendations—All Claims to Board

The following synopsis of the report of the commission which investigated workmen's compensation in Alberta, has been furnished *The Monetary Times* by Hon. Charles Stewart, premier of Alberta:—

On August 22nd, 1917, a commission consisting of three members was appointed by the lieutenant-governor-in-council to make an investigation into workmen's compensation in Alberta, and as a result of their investigation submitted, on January 22nd, 1918, to the lieutenant-governor-in-council, a report in the form of a draft bill.

Among other things this bill provides that what is known as state insurance should be adopted covering all industries covered by the Workmen's Compensation Act now in force

In addition to this, provision is made for the payment of immediate medical aid and the payment of compensation for industrial diseases.

It is suggested that the different industries be divided into schedules and that the act should go into force on August 1st, 1918.

Board of Three Members.

For the purpose of administration a board consisting of three members to be appointed by the lieutenant-governor-in-council will be constituted. This board will be responsible for the collection of a sufficient amount of money from the employers without the assistance of the employees for the purpose of establishing a fund from which all compensation for injuries to workmen would be paid.

For the purposes of assessment if any workmen is being paid at the rate of more than $2,000 per annum, the employer of such workman will pay assessment on his wages as if they were $2,000 per annum.

Compensation in the case of death will be paid to a widow at the rate of $20 per month and $5 per month for each child, not exceeding in the whole, however, $2,500. Where no dependants are left by the workman who has been killed, the expenses of burial, not exceeding $75, will be provided.

Permanent and Temporary Incapacity.

In the case of a workman meeting with an accident which causes permanent total incapacity, monthly payments, not exceeding in the whole $2,500, will be made.

In the case of permanent partial incapacity, stipulated sums are provided, varying according to the nature of the incapacity. The largest amount paid is $1,000 for the loss of an arm.

In the case of temporary total incapacity, a flat rate of $10 per week is paid for any person over twenty-one years of age, and $7.50 for any person under twenty-one years of age.

For temporary partial incapacity an amount equal to fifty-five per cent. of the difference between the wages earned by the person previous to the injury and the wages earned by him after the injury.

The assessment to be made on the employer may be either a percentage on the payroll or a lump sum, but in no case will the sum assessed be less than $5.

Where a workman received an injury which disables him for a period of fourteen days or more, he shall be paid compensation from the day of the accident, but if he is disabled for a period of less than fourteen days he shall be paid for and from the fourth day after the accident, except where the injury is attributable to the wilful and serious mis-conduct of the workman, unless the injury results in death or serious disablement.

All Claims to Board.

No action shall lie for the recovery of compensation, but all claims for compensation shall be heard and determined by the board. The provisions of the act shall be in lieu of all rights and right of action, statutory or otherwise to each workman or his dependants are or may be entitled, against the employer of such workman for or by reason of any accident happening to him while in the employment of such employer and action in respect thereof shall lie.

No sum payable as compensation shall be capable of being assigned, charged or attached.

A medical referee shall be appointed by the board who shall examine any person coming under the provisions of this act when required by the board to do so.

All compensation due shall be paid on the first and third Saturdays of each month.

Must Comply With Act.

It shall be a contravention of the act if any employer keeps in his employment any workman unless such employer has complied with the provisions of this act.

Each employer shall be required to notify the board within twenty-four hours after the happening of an accident.

Penalties not exceeding $500 and costs and in default of payment, imprisonment for a period not exceeding three months are provided for any violation of the act.

No proceedings shall be instituted for violations against the act except by some person appointed by the board.

GREAT-WEST LIFE ASSURANCE COMPANY

In an exceptionally clear and concise address to the shareholders, Mr. A. Macdonald, president of the Great-West Life Assurance Company, at the annual meeting outlined the company's progress and emphasized the many strong features of its position. There has been a definite improvement in the three vital surplus factors, and this appears in the form of surplus earnings increased by 20 per cent. A large new business usually has an adverse effect upon the surplus of the year in which the substantial business is secured through the first-year premiums being inadequate to cover the initial expenses and the reserve required by law. In 1917, the Great-West Life, however, increased the new business by 25 per cent. and the surplus earnings by 20 per cent., a commendable achievement.

During the past year the company received applications for policies of $34,435,396, and insurances were issued amounting to $30,309,542, an increase of nearly $5,000,000 over the previous year. The total insurance in force now amounts to $152,643,165, an increase of $19,626,717 during the year. This is the largest increase in the company's history, and is a record of which the field force particularly may feel proud.

The assets of the Great-West Life show an increase of $2,683,095 for the year, and now amount to $24,385,666. The premiums received in 1917 amounted to $4,934,625, the receipts from interest and rents were $1,499,807, and the total income was $6,437,320 (not including calls on capital). The company has $13,021,491 invested in first mortgages on real estate, and the experience of the past year has again confirmed the directors' belief that this form of investment combines the best security with the highest interest returns. The rate of interest for 1917, as reported to the government, was 7.36 per cent. The company has subscribed to our war loans to the extent of $5,652,500, of which $3,829,000 has been allotted and $2,505,337 paid up.

The death claims of 1917 exceeded those of 1916 by $76,797. As a percentage, this is an increase of 7 per cent., but, on the other hand, the business in force increased nearly 15 per cent. Consequently, the experience of the year was more favorable than in 1916, and the actual claims were 74 per cent. of those provided for under the mortality tables. The Great-West Life has always enjoyed a low mortality rate, and in view of the fact that war claims to the amount of $457,082 were incurred in 1917, the past year was actually one of the best in the company's history, so far as claims from ordinary causes are concerned.

The Great-West Life, which is under the capable management of Mr. C. C. Ferguson, has become one of our largest and leading companies. Its growth in the past decade is seen in the following table:—

Year.	Business in force.	Assets.	Surplus.
1907	$33,566,724	$ 4,525,558	$ 523,398
1912	83,978,739	12,251,982	1,675,051
1917	152,643,165	24,385,666	3,074,959

In ten years, therefore, the company has multiplied the business in force by over four, the assets by over five and the surplus by nearly six, a notable record. During 1917 45 per cent. of the total new business of the company was obtained east of the Great Lakes, the balance coming from Western Canada and North Dakota.

Northern Crown Bank

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Brandon
Crandall
Glenboro
La Riviere
Melita
Miniota
Pierson
Pipestone
Rathwell
St. Boniface
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Aneroid
Balcarres
Bladworth
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Dunblane
Dundurn
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Prelate
Qu'Appelle
Quill Lake
Regina
Rockhaven
Rush Lake
Saltcoats
Saskatoon
Scotsguard
Sedley
Sheho
Stornoway Stn.
Swift Current
Venn
Viscount
Waldeck
Wymark

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Brockville
Burford
Cheltenham
Comber
Enterprise
Florence
Inglewood
Inwood
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Mallorytown
Napanee—Odessa
Ottawa
Sparks St.
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Port Dover
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John R. Little, Managing Director.

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VALUE OF CANADIAN NORTHERN STOCK

Arbitration Board Meets at Toronto — Drayton-Acworth Report

Arbitration proceedings were begun on Monday at Osgoode Hall, Toronto, to fix the price to be paid by the Dominion government for the 600,000 shares of stock of the Canadian Northern Railway. That day was spent by Hon. F. H. Phippen, K.C., Canadian Northern Railway counsel, in giving a historical sketch of the road. He declared that the Canadian Northern Railway was the best railroad in America. Occasion was taken by Mr. Phippen to attack the Drayton-Acworth report, which was presented last fall, and which found the Canadian Northern Railway stock was of no value. Mr. Phippen declared that several items had been left out of the report, which should have been included. Sir William Meredith asked Mr. Tilley to take the matter up with Sir Henry Drayton, and, if possible, secure an explanation.

The arbitrators are Sir William Meredith as chairman; Wallace Nesbitt, K.C., representing Mackenzie, Mann and Company; and Mr. Justice Harris. W. N. Tilley, K.C., is chief government counsel, and is assisted by Gerard Ruel and Eugene E. Fairweather; I. F. Hellmuth, K.C., and A. M. Stewart, represent the Canadian Bank of Commerce; McGregor Young, K.C., and Pierce Butler, the latter of St. Paul, Minn., are appearing for Mackenzie, Mann and Company, Limited, and Hon. F. H. Phippen, K.C., and Mr. Orange Clarke represent the Canadian Northern Railway.

It was agreed that the statement of Mr. Phippen should not be considered as evidence, the chairman saying that it would be taken for what it was worth.

Drayton-Acworth Report.

The Drayton-Acworth report, which set the value of the common stock of the company at zero was the central topic for discussion at Tuesday's session. Mr. F. H. Phippen, K.C., counsel for Mackenzie and Mann, contended that the Drayton-Acworth report neglected assets aggregating $64,000,000, and was seriously at fault in its definition of depreciation. The point of Mr. Phippen's argument was that a fair exposition of these factors of value would result in an appraisal of values approximately $100,000,000 higher than that set out in the Drayton-Acworth report.

The statement of assets which counsel suggested had been overlooked by the commissioners included: Cash in trust account, earmarked for the construction of particular sections of the road, $20,899,687; current account, $2,354,788; proceeds of land sales on deposit with the National Trust, $1,657,500; accounts receivable, $8,722,438; book value of the company's unsold lands, $19,855,485; deferred payments on land sales, $7,140,996, and other items approximating $5,000,000.

Six Millions for Deferred Maintenance.

Professor Swain contended that the purchase value of the Canadian Northern Railway was equal to the cost of reproduction as new, less any amount of deferred maintenance. He had set the cost of reproduction at $397,000,000, and estimated that at present it was worth that amount less $6,000,000 on account of essential maintenance that had been deferred. Maintenance, he explained, was a obligation of the company to replace every element in kind to repair the losses caused by the wear of operation.

In the discussion of the item of depreciation it was generally conceded that from the $40,000,000 set by the Drayton-Acworth report, at least $12,500,000 should be allowed on account of such depreciation as had occurred during the period between the beginning and completion of construction. This amount was an accrued liability assumed by the company when it took the road over for operation, explained Prof. Swain, and, he added, should be added rather than deducted, as it would be appropriated from earnings and actually be put into the road to maintain it as an operating concern.

Matter of Depreciation.

In the matter of depreciation, which the Drayton-Acworth report set at over $40,000,000, counsel contended that this had been improperly defined, and in his argument he elaborated upon the idea that nothing should be deducted for depreciation except for depreciation resulting directly from deferred maintenance. This point was carried forward and examined in detail at the afternoon sitting, when Prof. George H. Swain, the Boston consulting engineer, who prepared the data for the commissioners, was examined. Prof. Swain, during an examination by Pierce Butler, representing Mackenzie, Mann and Company, declared that he was not in accord with the definition of depreciation as applied by the commissioners in the Drayton-Acworth report. He admitted that he had set depreciation down at $40,000,000, but he argued that the amount so given was intended to represent the difference between the cost of constructing the entire system "new," and the physical valuation of the system as it was estimated by his engineers as they found it. He was, he declared, personally opposed to the theory of depreciation adopted by the commissioners, and when asked to fix an amount which would, in his judgment, cover a proper estimate of depreciation to determine values for the purpose of the present arbitration, he stated that approximately $6,000,000—the amount of deferred maintenance—would be a fair deduction. "It was not I, but Sir Henry Drayton, who deducted the $40,000,000," he said.

NORTH AMERICAN LIFE ASSURANCE COMPANY

The total business on the books of the North American Life Assurance Company, Toronto, exceeds $65,000,000. The increase during the past year was over $5,500,000, the largest addition ever made in one year. The new business for the past year was also the largest in the company's history. The policies issued, together with those revived, amounted to $12,535,832. The cash income for the year from premiums, interest, etc., was $3,138,817. There was paid during the year to policyholders $1,574,291, which included $248,857 paid as dividends or surplus, while the amount paid to guarantors was only $6,000, an indication that the interests of the policyholders are paramount.

During the past ten years there has been paid as dividends or surplus to policyholders the sum of $1,882,467.

In explaining the various items in the statement, at the annual meeting of the company at Toronto last week, Mr. L. Goldman, the president, directed attention with pride to the payment of $6,000, paid as interest on the guarantee fund (in some companies called capital stock), because this amount has remained stationary for a number of years. "We deem it only fair to our policyholders," he said, "to point out that this company, so far as they are concerned, as to profits is almost a mutual company, because their interests, as repeatedly pointed out, are certainly paramount."

The addition to the company's assets last year, which now total $17,268,471, was $890,757, but in view of the government requirement as to certain of the securities being taken in at market value, which conservative course meets with the directors' approval, they were required to make an addition to the investment reserve fund of $65,000, thus leaving the net increase as $825,757. The investment reserve fund now amounts to $160,000, which is more than sufficient to place the assets on a very conservative and substantial basis, according to the government requirements.

Some interesting figures were submitted by Mr. Goldman as to the distribution of the company's assets, as follow:—

	1913.	1914.	1915.	1916.	1917.
Mortgages on real estate..	34.01	31.58	29.38	26.94	25.19
Real estate and building fund	1.05	1.05	1.05	1.03	.91
Bonds and debentures....	32.20	33.59	36.22	41.87	43.80
Stocks owned	13.75	13.08	11.70	10.89	10.67
Loans on stocks and bonds	.58	.12	.07	.04	....
Loans on policies	14.02	15.26	15.25	14.31	13.34
Fire premiums paid re mortgages	.01	.01	.01	.02	.02
Cash in banks—Cash at head office	.45	1.13	2.27	.90	2.14
Other assets—					
Outstanding and deferred premiums	2.42	2.56	2.32	2.27	2.22
Interest due and accrued; rent due and accrued...	1.50	1.62	1.73	1.73	1.67
Special deposit	....	....	....	....	.04

An analysis of the annual report shows that the North American Life Assurance Company continues to maintain a splendid financial position. It has always lived up to its motto, "Solid as the Continent." Mr. L. Goldman, the president and managing director, has always insisted upon a properly conservative policy, together with a degree of enterprise which has assured progress. He is supported by an excellent staff and an active directorate.

HAVE YOUR WILL DRAWN BY YOUR SOLICITOR

There are many ways in which the legality of a Will may be nullified. It is so easy to make the terms ambiguous that it is advisable to have your Will drawn by your solicitor. Proper provisions and accepted legal phrases are necessary to make a Will clear and indisputable. One important provision is the naming of your Executor, and in this connection we solicit that you name this Corporation. Explanatory literature sent on request.

Wills appointing this Corporation as Executor may be filed in our safe keeping free of charge. Correspondence invited.

THE
TORONTO GENERAL TRUSTS CORPORATION
ESTABLISHED 1882
HEAD OFFICE TORONTO

Branches: Ottawa, Winnipeg, Saskatoon, Vancouver

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors

E. F. B. Johnston, K.C., *President.* Hon. W. A. Charlton, W. J. Gage, Noel Marshall, *Vice-Presidents.* W. K. George, W. R. Hobbs, Jas. B. Tudhope, R. Wade, Jacob Kohler, A. McPherson, D. B. Hanna, John J. Gibson, *Managing Director.*

Chartered Trust and Executor Company
Traders Bank Building **Toronto**

The Northern Trusts Co.

Executor, Administrator, Trustee

No moneys on deposit; No Bonds or Debentures issued

The clause in the Company's Charter enabling it to include in its activities the acceptance of moneys on deposit and the issue of Bonds and Debentures was, at the special request of the original Directorate, struck out.

Sole liability to the public represented by Guaranteed Mortgage Investments to an amount not exceeding the paid-up Capital of the Company, and secured in each instance by improved Farm and City Property to the value of more than double the amount of the mortgage investment.

Head Office .. Winnipeg

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
WINNIPEG, Man.

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited
Toronto

HENRY F. GOODERHAM, President
J. M. McWHINNEY, General Manager.

THE ROYAL TRUST COMPANY

EXECUTORS AND TRUSTEES

HEAD OFFICE, MONTREAL
Capital Fully Paid - $1,000,000 *Reserve Fund - $1,000,000*

BOARD OF DIRECTORS

SIR VINCENT MEREDITH, BART., *President.*
SIR H. MONTAGU ALLAN, C.V.O., *Vice-President.*

R. B. ANGUS
E. W. BEATTY, K.C.
A. D. BRAITHWAITE
E. J. CHAMBERLIN
H. R. DRUMMOND
SIR CHARLES GORDON, K.C.B.E.
HON. SIR LOMER GOUIN, K.C.M.G.
C. R. HOSMER
LT.-COL. BARTLETT McLENNAN, D.S.O.
WILLIAM McMASTER
MAJOR HERBERT MOLSON, M.C.
LORD SHAUGHNESSY, K.C.V.O.
SIR FREDERICK WILLIAMS-TAYLOR

Toronto Branch
59 Yonge Street

BRUCE L. SMITH, MANAGER
A. E. HOLT Manager

Insure Against Inexperience

Are those who will receive your possessions when your life has closed, fitted to administer an estate of real or personal property? The creation of a trust with this Company as trustee would protect them from the penalties of inexperience in dealing with their legacy. It would also insure a sound business administration in absolute accord with the terms of your will. Write for Booklets.

National Trust Company Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000
18-22 KING STREET EAST, TORONTO

Will Making

THE average human being is very much averse to making a Will; and yet it is absolutely necessary that it be done, if we would dispose of our Estate as we would wish, instead of leaving it to the disposition of the Law.

The making of a Will TODAY will not accelerate death a single instant, but rather tend to make us satisfied with an act timely and properly done.

The Corporate Executor is the only ideal Executor. Consult with us as to the making of your Will. Will Forms Free.

The Standard Trusts Company
346 MAIN STREET - - WINNIPEG

LIFE INSURANCE LEGISLATION

Differences in Provincial Legislation Affecting Life Insurance Contracts in Canada

BY WILLIAM B. TAYLOR, B.A., LL.B.

(Fifth Article.)

Wife and Children. (As Specially Construed.)

Ontario.—A. Where the contract or declaration states that the insurance or part shall be for the benefit of wife and children or of children generally, the word "wife" shall mean the wife living at the maturity of the contract and the word "children," shall include children of the insured then living whether by his then or any former wife, and also the child or children then living of any deceased child who predeceased the insured, such last child or children taking the share that the parent would have taken if living. As amended May 1, 1914.

B. Where insurance designates a wife by name and she is not the wife living at the maturity of the contract the insurance money or part of it shall be for the benefit in equal shares of the wife living at the maturity of the contract and the children of the insured and also the children of any deceased child who shall be entitled to take the parent's share by representation. As amended April, 1916.

C. Where an unmarried man or a widower effects insurance for the benefit of his future wife or future wife and children, and the intended wife is designated by name or otherwise clearly ascertained, but the intended marriage does not take place, the contract shall be determined as in the case of an ordinary beneficiary. But where the intended wife is not named or ascertained, the insurance moneys form part of the insured's estate.

Manitoba.—There is no special provision in the Manitoba statutes.

Saskatchewan.—The statute is similar as in Ontario.

Alberta.—The statute is similar as in Ontario.

British Columbia.—Where the insurance is effected by an unmarried man or widower for the benefit of his future wife or children, but such person is not designated by name or otherwise ascertained, the wife to benefit by the policy shall be the wife living at the maturity thereof, and if unmarried the benefit shall form part of the insured's estate.

Similarly the children shall be construed as being the children living at the maturity of the contract.

Quebec.—See under "Beneficiaries."

New Brunswick.—The wife where not specifically stated by name shall be the wife living at the maturity of the contract.

Nova Scotia.—The wife where not specially stated by name shall be the wife living at the maturity of the contract, and the word children shall mean the children living at that time.

Where an unmarried man effects insurance naming a future wife or future wife and children and the intended wife is designated or clearly ascertained, but the intended marriage does not take place, all questions arising on the contract shall be determined as in the case of an ordinary beneficiary.

Prince Edward Island.—Similar provisions as in Nova Scotia.

Newfoundland.—Where the contract declares the insurance shall be for the benefit of wife and children generally, or to the children generally without specifying the names of such, the word children shall mean the children issue of the insured living at the maturity of the contract whether by his then or any former wife, and the wife to benefit shall be the wife living at the maturity thereof.

Where an unmarried man effects insurance for the benefit of his future wife or future wife and children and the intended wife is not designated by name or clearly ascertained, but the intended marriage does not take place, the contract shall be determined as in the case of an ordinary beneficiary.

Will.

Ontario.—A. The insured has power to deal with the policy by his last will.

B. Until the insurer has received the original or a copy of any written instrument affecting the moneys, he may deal with the moneys as if such instrument had not been made.

C. Special limitation is made as to the cost of probating the will or taking out letters of administration for the purpose of obtaining insurance moneys. Where the insurance money does not exceed $1,000, the cost is $4, not exceeding $2,000, $6, not exceeding $3,000, $8.

Manitoba.—A. Power to deal with contract under will.

Saskatchewan.—A. and B. same as Ontario.

Alberta.—A. and B. same as Ontario.

British Columbia.—All documents should be filed affecting insurance contracts.

Quebec.—A. The insured has power to deal with the policy in his last will and a copy of the will must be filed with the company.

New Brunswick.—A., B. and C. same as Ontario.

Nova Scotia and Prince Edward Island.—A., B. and C. same as Ontario.

Newfoundland.—A. and B. same as Ontario.

(To be Concluded.)

[The articles of Mr. Taylor, of which the above is the fifth, will be reprinted by *The Monetary Times* in pamphlet form and will constitute a valuable reference. Orders are being received now.]

FINANCE AND SPORTS

It is recognized that Britishers in the Old Country are keen supporters of outdoor recreations and amateur field or grass sports, and the rule applies particularly to financial and professional circles. This feature was noticed by the last party of Eastern Canada lawn bowlers touring the British Isles during the summer of 1913, when the opposing teams contained numbers of the banking fraternity and stock exchange men, especially in London and Scotland. It was only the outbreak of war that stopped the Imperial Bowling Board organizing a return visit to the Dominion in 1915. We, therefore, are interested to receive from the auditor of the English Bowling Association—the body regulating the laws and conditions of the "level-green" game in England—a copy of the "Statement of Receipts and Payments" for the fourteenth season ended September 30th, 1917. The auditor is an ex-resident of Montreal and Toronto, Mr. Edmund Woodroffe, C.A. (Ontario), and had the privilege of holding the office of honorary secretary to the Middlesex County Bowling Association at the time this county played the Canadian team at Wood Green, North London, when the teams received a municipal reception and were entertained, together with the guests, including representatives from the government offices in London of Canada, South Africa, New Zealand and Australia, at the Alexandra Palace. The palace and spacious grounds are now an internment camp for German civilian prisoners, a sharp contrast, as the Canadian bowlers can verify, to the inhuman quarters given the British civilian prisoners of war interned in semi-heated horse-boxes and unventilated lofts of the stables on the bitingly cold racecourse of Ruhleben, outside Berlin. To return to our review, we note the annual international contests between the four kingdoms and the individual national championships are abandoned for the duration of the war, but the diminished interest has not yet seriously decreased the annual subscriptions received from the affiliated clubs and counties. The International Bowling Board is being kept in working condition to regulate the future international contests and inter-Imperial tours of bowlers from across the seas. Another war sign is the item of insuring the challenge trophies, valued at £500, against risks of damage by aircraft and bombardment. For five leading competitions there are the Australia cup, the Sir Thomas Lipton cup, the Sir Thomas Dewar cup, the Lord Rosebery (London-Scottish v. London-English) cup, and the John Bull inter-county cup, presented by the paper "John Bull," the virile weekly critic. Incidentally, we know it has been the ambition of the auditor to secure from Canada a trophy, to be called "The Dominion of Canada Cup," in line with the Australian trophy. The publication of the E. B. A. Year Book is being continued. The surplus funds carried forward to the 1918 season are £135, a good showing for an amateur athletic body in semi-active war days. We congratulate the association on the clear exposition of its annual monetary statement, which shows income and expenditures under arranged headings, with the figures relating to the previous season, in parallel columns for comparison purposes.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,091,062.50
Total Assets	4,662,881.00

Debentures of this Society are a legal investment for Trust Funds and carry highest current rate of interest.

Savings Department. Interest allowed on daily balance. Withdrawable by cheque.

MONEY TO LOAN. CORRESPONDENCE INVITED

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE, President D. M. CAMERON, Treasurer

"INVESTMENTS"

A MUCH MISUSED TERM

Many who should be, and think they are laying up money for their old age, are misled into so-called "Investments," where their hard-earned money is jeopardized, and frequently lost, though it is of the utmost importance to them and to those who may be dependent upon them that its absolute safety should be beyond peradventure.

To those who should invest safely and with caution, not speculate, the bonds of the Canada Permanent Mortgage Corporation can be confidently recommended. This Corporation is most conservative in the investment of the funds entrusted to it. For more than sixty years it has held a leading position among Canada's financial institutions, and its bonds are a LEGAL INVESTMENT FOR TRUST FUNDS. They are issued for one hundred dollars and upwards. Write for full particulars.

Canada Permanent Mortgage Corporation

Toronto Street - - Toronto

Paid-up Capital and Reserve Fund $11,000,000.00

ESTABLISHED 1855

"Older than the Dominion of Canada."

THE HURON & ERIE MORTGAGE CORPORATION

Head Offices - - - - LONDON, Can.

Paid-Up Capital and Reserve Fund total over $5,500,000.00

T. G. MEREDITH, K.C., President HUME CRONYN, M.P., General Manager

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 Canada

CAPITAL AND UNDIVIDED PROFITS .. $3,550,000

5% SHORT TERM (5 YEARS) DEBENTURES YIELD INVESTORS 5%

ASSETS OVER $8,000,000

JOHN McCLARY, President A. M. SMART, Manager

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company

520 McIntyre Block, Winnipeg

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY, EDMONTON, SASKATOON, VANCOUVER, VICTORIA, LONDON, ENG. EDINBURGH, SCOT.

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office, 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

The London & Canadian Loan & Agency Co., Ltd.

The Annual General Meeting of the Shareholders will be held at the Company's Offices, No. 51 Yonge Street, Toronto, on Wednesday, 13th February, 1918. Chair to be taken at noon.

By Order of the Directors,

V. B. WADSWORTH, Manager.

Toronto, December 4th, 1917.

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00

Total Assets, $3,141,401.68

President, WELLINGTON FRANCIS, Esq., K.C.

Vice-President, HERBERT LANGLOIS, Esq.

Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on Improved Real Estate on favorable terms.

WALTER GILLESPIE, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. H. SPROULE, Manager.

DOMINION PERMANENT LOAN FAILURE

Searching Inquiry Requested—Caustic Comment of Press —Annual Disclosure Should be Made of Investments

Commenting upon the failure of the Dominion Permanent Loan Company, The Toronto Globe, in its issue of February 4th, said:—

"Blue-sky laws to prevent the flotation of mining and similar speculative companies by means of promises of temptingly large returns will be of little use in safeguarding the public if nothing is done to prevent the recurrence of financial tragedies such as the failure of the Dominion Permanent Loan Company. It appears that for many years one of the chief assets of the company has been a stretch of railway between Grand Forks in British Columbia and the town of Republic in the state of Washington. The financial community has known that the company was in deep water, and that only the sale of the railway to the Canadian Pacific or the Great Northern would enable the management to return even a part of the money invested by thrifty debenture-holders and depositors. Yet so little was known of these things outside of financial circles that the debenture-holders and depositors are taken entirely by surprise. Few of them appear to have known anything about the 'white elephant' their money has been used to feed. It is reasonably certain that these debenture-holders and depositors would have taken their losses years ago and put their savings into some more stable form of investment had the Dominion Permanent been required by law to disclose the number and the amount of its investments in the various classes of securities in which it charter permitted it to venture their money. It is doubtful whether many of the shareholders knew any more about the company's affairs than did its creditors, for on the surface the company's financial statements indicated not only solvency, but a considerable surplus.

Searching Inquiry Demanded.

"A searching inquiry is called for as to the circumstances under which the company put all its eggs into a very insecure basket. That will doubtless do good. But much more good would be accomplished by the prompt adoption of a law requiring companies such as the Dominion Permanent to disclose from year to year the number and the form of their investments. A loan company with a thousand mortgages, ranging from a thousand to five thousand dollars, upon property located all over Canada, would be an immensely stronger institution, and far more able to stand up against the blasts of misfortune, than a company like the Dominion Permanent, with most of its resources tied up in a single speculative enterprise.

"It should be the duty of the government of Ontario at the coming session to require the publication of information as to the form of their investments by all loan companies doing business in the province. This duty is all the more imperative because the name of Dr. Jamieson, speaker of the legislature, appears in the list of those having the direction of the Dominion Permanent's affairs, as vice-president of the company. Dr. Jamieson states that he has been with the company only a few months, and has attended only one or two directors' meetings. He desired to resign, he adds, when he learned of the position of the company, but his fellow-directors objected. The serious thing is that by failing to resign Dr. Jamieson and Attorney-General Johnson, of Manitoba, another director, permitted the small investors, who have in many cases lost the savings of years ot frugal living, to continue putting their money into a hopelessly insolvent concern because of their faith in the integrity of the speaker of the Ontario legislature and the attorney-general of Manitoba. The people demand, and intend to have, a higher standard than that from the men whom they elect to public office.

Should Pass Law.

"The least that Sir William Hearst can do to show that egislature condemns the sort of high finance exemplified e Dominion Permanent management, is to pass a strin- law requiring the annual disclosure in considerable de- the number, amount and kind of investments held by debenture companies doing business in Ontario."

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INTER-IMPERIAL TRADE PREFERENCE

Suggested Establishment of Rates of Exchange Within the Empire

Canadian bank managers express interest in pronouncements of leading British bankers in favor of measures to create inter-Imperial trade preference through the establishing of rates of exchange within the Empire, says a London cable message to the Montreal Star.

If feasible it may prove a greater stimulant of Empire commerce even than tariff preferences which the British government have now followed the example of Canada and other Dominions in making a permanent feature of British policy.

Fixed Exchange Rates.

Mr. Frederick Goodenough, chairman of Barclay's Bank, said: "The extension of banking organizations and the maintenance of fixed rates of exchange within the British Empire will give the dominions and colonies a substantial preference which would serve to consolidate and promote trade within the empire and induce economy in the use of gold and enable gold resources to be utilized elsewhere. Drafts on London at fixed rates would be obtainable at all points. Similarly London would sell in the same manner and the balance of trade within the empire would be adjusted by closer administration of inter-Imperial finance."

Mr. Goodenough announced that in view of greatly enlarged trade after the war, Barclay's Bank had arranged with the Colonial Bank, of which Lord Beaverbrook is president, for working together on joint account in financing exports and imports from and to the West Indies, West Africa, and elsewhere.

Gold Production.

Mr. Charles Milburn, president of the London Joint Stock Bank, strongly urges increased gold production within the empire to rectify the disproportion of gold to war liabilities. Canada has her share of sixty millions sterling of empire gold out of the world's total output of 95 millions.

Mr. Milburn said he foresees the development of a firmly united empire which will carry and ultimately pay off the war debt, heavy though it is, but sound banking must have an adequate gold basis.

MUTUAL LIFE INSURANCE COMPANY OF CANADA

At the end of 1917, the Mutual Life Insurance Company of Canada, which has its head office at Waterloo, Ontario, had total business in force of $123,510,899. During the year nearly $500,000 were distributed in death claims to the families of deceased soldiers who had been insured in the company. The company is one of the oldest life assurance corporations in the Dominion, having been established in 1869. Since that date, it has made continued and substantial progress, as will be seen from the following table:—

Year.	Income.	Assets.	Paid to policyholders.	Business in force.
1877	$ 55,319	$ 110,309	$ 11,064	$ 1,699,301
1887	352,923	1,084,852	114,602	11,081,090
1897	819,980	3,730,777	347,862	21,487,181
1907	2,243,570	11,656,409	680,220	51,091,848
1917	6,424,515	32,165,432	2,513,991	123,510,899

During the past year an excellent record was made. The amount of new assurances written, the decrease in lapses, the lowness of the ratio of expense to income and the substantial increase in assets are all gratifying features of the year's successful operations. The new business issued amounted to 10,251 policies for $20,124,563, and, allowing for discontinued policies, the net increase in the business in force was $13,865,318—that is, the permanent increase in the volume of business was equal to 69 per cent. of the new business issued. This shows clearly how stable the business of the Mutual is and to how small an extent the business has suffered from lapsation.

Mr. George Wegenast is the company's managing director, and Mr. E. P. Clement is president. Under their direction, and with the assistance of a strong board of directors, an energetic field force and a capable head office staff, the Mutual Life of Canada has placed itself in an enviable position among underwriting corporations.

The Toronto General Trusts Corporation

Report of the Proceedings of the Thirty-Sixth Annual General Meeting.

The Thirty-sixth Annual Meeting of the Shareholders of The Toronto General Trusts Corporation was held in the Board Room of the Corporation's Head Office, corner of Bay and Melinda Streets, Toronto, on Wednesday, the 6th of February, 1918.

The President, Mr. Featherston Osler, K.C., D.C.L., took the chair, and Mr. W. G. Watson, Assistant General Manager, acted as Secretary of the meeting.

Mr. A. D. Langmuir, General Manager, submitted and commented upon the financial statements, showing the operations of the Corporation for the year ended 31st December, 1917.

The report to the Shareholders was then read, as follows:—

To the Shareholders:—

The Board of Directors have pleasure in submitting the Thirty-sixth Annual Report of the Corporation, together with the statements of Assets and Liabilities and Profit and Loss for the year ended the 31st of December, 1917.

The net profits for the year, after payment of salaries, advertising, fees and all expenses of management at the Head Office and Branches, and providing for all ascertained or anticipated losses, amount to $300,886.11, to which sum must be added $98,557.00, the amount brought forward from the preceding year, making a total of $399,443.11, which your Directors have dealt with as follows:—

To payment of four quarterly dividends at the rate of ten per cent. per annum		$150,000.00
To amount subscribed as follows:—		
Canadian Patriotic Fund..........	$10,000.00	
British Red Cross Society........	1,000.00	
Y.M.C.A. Military Fund	1,000.00	
		12,000.00
To amount provided for 1917 Federal Income Tax (payable in 1918)		11,000.00
To amount written off Head Office Building......		25,000.00
To amount transferred to Reserve Fund (increasing this Fund to $1,950,000.00)		100,000.00
To balance carried forward		101,443.11
		$399,443.11

The Assets and Liabilities Statement shows that the total assets in the hands of the Corporation amount to $83,286,782.69, an increase of $6,106,269.07 over the preceding year.

The Board of Directors have on your behalf made subscriptions to the Canadian Patriotic Fund, the British Red Cross Society, and the Y.M.C.A. Military Fund, confirmation of which will be asked for at the Annual Meeting.

It is with regret your Directors have to report the death during the year of Sir Wm. Mortimer Clark, K.C., and Mr. W. R. Brock, two valued members of the Board. The vacancies on the Board have been filled by the appointment of Mr. E. T. Malone, K.C., and Mr. H. H. Williams.

All of which is respectfully submitted.

A. D. LANGMUIR, General Manager.
FEATHERSTON OSLER, President.

Toronto, January 22nd, 1918.

Assets and Liabilities Statement for the Year Ended December 31st, 1917

ASSETS.

Capital Account—		
Mortgages on Real Estate..	$ 2,006,165.22	
Government and Municipal Debentures	365,632.65	
Stocks and Bonds	60,000.00	
Loans on Debentures, Stocks and Bonds	103,775.00	
Loans on Corporation's Guaranteed Mortgage Account	200,000.00	
Real Estate—		
Office Premises and Safe Deposit Vaults at Toronto and Ottawa	750,000.00	
Accrued Rents re Offices and Vaults at Toronto and Ottawa	5,469.53	
Sundry Assets	231.86	
Cash on hand and in Banks.	134,354.00	
		$ 3,625,628.26
Guaranteed Account—		
Mortgages on Real Estate..	$ 7,408,774.18	
Government and Municipal Debentures	1,218,323.82	
Loans on Debentures, Stocks and Bonds	179,210.68	
Cash on hand and in Banks.	133,477.08	
		8,939,785.76
Estates, Trusts and Agencies—		
Mortgages on Real Estate..	$14,131,724.28	
Government and Municipal Debentures	6,699,889.47	
Loan Company Debentures.	5,500.00	
Stocks and Bonds	1,154,592.98	
Loans on Debentures, Stocks and Bonds	1,142,525.38	
Sundry Assets	5,143.59	
Cash on hand and in Banks.	1,124,552.47	
	$24,263,928.17	
Original Assets, including Real Estate, Mortgages, Debentures, Stocks and Bonds, etc., at Inventory Value	46,457,440.50	
		70,721,368.67
		$83,286,782.69

LIABILITIES.

Capital Account—		
Capital Stock	$ 1,500,000.00	
Reserve Fund	1,950,000.00	
Dividend No. 86, due January 2nd, 1918	37,500.00	
Interest in Reserve	27,500.00	
Appropriation for Federal Income Tax (payable in 1918)	9,185.15	
Profit and Loss	101,443.11	
		$ 3,625,628.26
Guaranteed Account—		
Guaranteed Funds for Investment	$ 8,939,785.76	
		8,930,785.76
Estates, Trusts and Agencies—		
Trust Funds for Investment or Distribution	$24,263,928.17	
Inventory Value of Original Assets of Estates and Agencies under Administration by the Corporation	46,457,440.50	
		70,721,368.67
		$83,286,782.69

Profit and Loss Statement for Year Ended 31st December, 1917

By Balance brought forward from 31st December, 1916		$ 98,557.00
By Commissions received for Administering Estates, acting as Trustee, Agent, etc.; Interest on Capital and Reserve; Profit on Guaranteed Funds; Net Rents from Office Buildings, Safe Deposit Vaults, etc.	$621,447.89	
To Management expenses, including Directors' and Auditors' fees, salaries, advertising, rents, taxes, etc.	320,561.78	
Net Profits for Year		300,886.11
		$399,443.11
Appropriated as follows:—		
To Quarterly Dividends, Nos. 83, 84, 85 and 86, at the rate of 10% per annum		$150,000.00
To amount subscribed as follows:—		
Canadian Patriotic Fund	$10,000.00	
British Red Cross Society	1,000.00	
Y.M.C.A. Military Fund	1,000.00	
		12,000.00
To Amount provided for 1917 Federal Income Tax (payable in 1918)		11,000.00
To Amount written off Head Office Building		25,000.00
To Amount transferred to Reserve Fund		100,000.00
To Balance carried forward		101,443.11
		$399,443.11

AUDITORS' REPORT.

We, the undersigned, beg to report that we have made a full examination of the books, accounts and vouchers of The Toronto General Trusts Corporation to 31st December, 1917, and find same to be correct and properly set forth in the above statements of Profit and Loss and Assets and Liabilities.

We have examined, and find in order, all the mortgages, debentures, bonds and scrip of the Corporation, as well as those negotiated for the Supreme Court of Ontario, and Trusts, Estates and Agencies in the Corporation's hands, and we have checked same with the mortgage and debenture ledgers and registers.

The trust investments and funds are kept separate from the Corporation's own securities and funds, and all securities are so earmarked in the books of the Corporation as to show the particular Estate, Trust or Guaranteed Account to which they belong.

The Banker's Balances, after deducting outstanding cheques, agree with the books of the Corporation.

All our requirements as Auditors have been complied with.

We have also examined the reports of the Auditors of the Winnipeg, Ottawa, Saskatoon and Vancouver Branches, and find that they agree with the Head Office books.

R. F. SPENCE, F.C.A., "Can." } Auditors.
GEO. MACBETH,

Toronto, January 21st, 1918.

The President, the Hon. Featherston Osler, K.C., D.C.L., in moving the adoption of the report, which was seconded by John Hoskin, K.C., LL.D., D.C.L., addressed the Shareholders as follows:—

The financial statements which have been placed in the shareholders' hands showing the results of the year's business will, the Directors feel assured, be received by them with satisfaction.

That the work of the Corporation has been carried on at a high level of efficiency, notwithstanding the present disturbance of business conditions—if one may judge of efficiency by results, as we are fairly entitled to do—is indicated by the facts that out of the net profits for the year the usual dividend is maintained; the sum of $100,000 added to the Reserve Fund, and an increased balance carried forward to the credit of profit and loss. These facts speak for themselves, and, supported as they are by the reports of the Auditors and the Inspection Committee, need not be further emphasized or enlarged upon. Nor need I go into the details of the work of the Head Office and Branches, as these are fully covered by the statements which have been laid before you and the address you will presently hear from the General Manager.

Perhaps I may usefully direct the attention of the Shareholders to one or two matters of general interest at this time:

First: That the investments of the Corporation are always of a legitimate, non-speculative character, vouched as to value as closely as care and caution can insure. The nature of these investments is disclosed in the yearly statutory returns made to the Government, which are open to inspection and criticism by anyone.

Second: The Corporation does not borrow money on deposit—indeed, every Trust Company is by law forbidden to do so; nor does it issue debentures, and its Guarantee Investment Receipts—the nearest approach to the latter—are non-assignable and are secured by securities ear-marked and appropriated to each Investor.

While it is inevitable that there should be some shrinkage or default in the payments of interest, these payments, considering the times, have been well kept up, and the very moderate extent to which the Corporation has been affected by the Moratorium Acts is indicative of the care taken in the selection of its investments.

The Trustee side—which I regard as the most important side of a Corporation of this character—has been very satisfactorily maintained, and it is this side to which I invite the serious attention of the shareholders, as it is the one which they can best extend and assist by their individual action and manifestation of confidence. The Corporation acts, as you know, not merely as Executor and Administrator and Guardian and Committee of persons and estates, but also in trusts of the most diverse description—charities, settlements, trust mortgages, frequently administering estates, the assets of which include the ownership or a partnership in some going concern or business, either to be sold as soon as convenient or carried on for a certain period. These businesses comprise a great variety of trade and commerce scattered in many cities and towns, for the handling of all or any of which the Corporation has the facilities incident to a trained staff and continuous management.

A resolution will be laid before you to approve and confirm the grants made by the Directors on your behalf to the Canadian Patriotic Fund, the British Red Cross Society and the Y.M.C.A. Military Fund.

The shareholders will join with me in regretting the loss by death during the year of Sir Wm. Mortimer Clark, K.C., and Mr. W. R. Brock, two valued members of the Board, who have been associated with the Corporation for many years. Their places on the Board were filled for the remainder of the term by the appointment of Mr. E. T. Malone, K.C., and Mr. H. H. Williams.

In conclusion, I would direct the thoughts of the Shareholders to the Roll of Honor on the walls of the Board Room—the simple but glorious record of the numerous employees of the Corporation who have devoted, some, their lives and all their service to the cause of their country in the world-war in which Canada is taking so splendid and unforgettable a part.

The President then called upon Mr. Langmuir, the General Manager, to address the Shareholders.

Mr. Langmuir said:—

The results obtained through the operations of the Corporation for the past year, as set forth in the very voluminous statements which have been submitted to you to-day cannot be regarded as anything but most satisfactory.

At the outset of the World War which has convulsed the great nations of the world for the past three and a half years the affairs of this Corporation were found to be in an absolutely sound and satisfactory condition, not only as to its own investments, but also in respect of investments taken by the Corporation for Estates and Trusts entrusted to its care, and we have been able to meet the new and changed conditions in a manner entirely satisfactory to our clients, scattered as they are in many lands.

If ever there was a time in which the advantages of a Corporate Trustee in preference to a private or individual trustee were clearly demonstrated, it has been during these three and a half war years; and it is here in the Corporate Trustee's continuous application of the best methods, in its systematic conduct of business on principles settled and approved by a wide and growing experience, in the facilities due to its great connection, and in its capacity to apply a sound judgment, that the Corporation claims special and marked advantages over any individual, private executor or agent however responsible. Every difficult or important question which may arise, whether in the management of estates, in the investment of moneys or in any other part of the Corporation's business, is carefully considered and disposed of by a trained Executive, in close touch and counsel with a Board of Directors composed of financial, commercial and legal men of ability and standing in the community. Consequently our clients have not only received their income promptly at stated periods during these war years, but they have also received, owing to the character of our investments, the benefit of increased rates of interest, thereby enabling them to meet more easily the increased cost of living, besides being free from the worries and anxieties which have attended under the changing conditions the care and management of such affairs. These changed conditions have entailed great care and thought, and the protection of the assets of estates could only be safeguarded by people of long experience, having practical knowledge of the manner and procedure of providing for same.

In the case of individual Executors and Trustees, many require to seek outside assistance and advice in the care and management of Trusts committed to their charge, often entailing expense and delay; whereas with the Corporate Trustee the responsibility is shifted to experts trained for the performance of just such duties.

The war naturally has brought about certain Federal and Legislative enactments with the object of helping food production and protecting soldiers on active service. These enactments have, however, not always had regard to the contract right of mortgagees, and as a consequence they have been the cause of a good deal of anxiety, and in some instances loss, to mortgagee interests.

The Seed Grain and Relief Act of the Dominion Government placed prior liens on all Northwest farm lands receiving benefits of advances regardless of the rights of existing encumbrances. Although two years have gone by since these advances were made, there still remains outstanding over $5,000,000 of liens on which there are very considerable arrears of interest showing. Having regard to the excellent crops and extraordinarily high prices which farmers have had for their produce, some dissatisfaction is felt by lending interests that more energetic efforts have not been made to collect these arrears.

Then we have had the Moratorium, and Volunteer and Reservist Acts, which protect debtors on active service, many of whom have never been overseas.

These Enactments, operating as they do, in some instances, greatly to the detriment of the mortgagee, are likely, unless some remedial legislation is passed, to have a very deterrent effect on capital being loaned in the Western Provinces or in those provinces that are unnecessarily protecting certain interests to the disadvantage of the lending companies. It is only fair to state that, as a result of the representations made to these provinces, there is an effort being made to rectify some of the unreasonable and prejudicial legislation. I consider the time is not inopportune to impress upon Western interests that, instead of antagonizing capital going into the West, their effort should be to do everything to attract it. The flow of money is, as everyone knows, governed in normal times by supply and demand. At the present time the supply is greatly depleted; Canada's source, which in the past has largely been from Great Britain, is entirely cut off, and so it is from the United States, and we are now almost entirely dependent upon Canadian funds; and having regard to the high rates of interest which lending companies have to pay for this money, it can only be accepted and loaned out again on a basis that will be reasonably profitable, and when it is known that the security will not be interfered with.

With regard to Real Estate conditions: Shortly after the commencement of the war in 1914, Real Estate sales in Toronto were practically at a standstill, and many vacancies were in evidence, compelling the owners to grant large reductions in rent, in order to retain tenants. After the first year of the war conditions began to improve slightly until the spring of 1917, when the demand for leased properties was so improved that rents were increased materially. Latterly there has been a dearth of houses to rent, with the result that there has been a fairly active demand for the purchase of modern houses, and particularly the smaller house. These conditions, however, do not apply to business properties, of which there are a good many vacant, and owners of many of those occupied have been compelled to reduce the rents, notwithstanding the fact that leases were in existence, in order to retain their tenants. In some sections of the city, stores that were vacant for a long time have been turned into apartments by the owners.

In Western cities the settlement of the tax situation is a matter of very considerable interest. Until Western cities can arrange a satisfactory basis for the collection of the great arrears of taxes that are owing on lands, little improvement can be expected in values for some time to come.

In light of these conditions and increasing taxation for patriotic and other purposes, which will make a heavy charge for a considerable number of years, it must of necessity be evident that too great care cannot be had in determining values of real estate taken as security for mortgage investments.

The volume of Trust Estates business entrusted to the Corporation during the year just closed compares favorably with the preceding year; 488 estates have been received having an aggregate inventory value of of $10,090,647.97, as compared with 455 estates in the year 1916, which amounted to $10,075,979.17. In this connection it will be opportune to say a word as to the charges and fees allowed to Trust Companies in regard to the management of estates.

The allowances to a Trust Company are not different from those made by the courts to an individual Executor and Trustee. Companies have no fixed tariff of fees, and if they had such a tariff, it would be optional to the beneficiaries of estates, if they were dissatisfied with the charges, to have the accounts of the estate referred to the courts for the purpose of determining what the charges should be.

It may be that some individual Executors and Trustees are not expected or do not propose to make any charge for their work; with that condition, of course, Trust Companies cannot compete. My experience is, however, that, as a rule, they take whatever is allowed to them by the courts, which is the same as the Corporate Executor and Trustee, with this difference, that no charges are made by the Trust Company for postage, stationery, books, etc.

The amount of investments negotiated by the Corporation during the past year in mortgages, Government and Municipal debentures aggregated the sum of $3,906,574.62. Our total investments, therefore, in these classes of securities (exclusive of original assets) at the end of our financial year amounted to as follows:—

Mortgages on Real Estate	$23,162,992.69
Government and Municipal Debentures	8,289,345.94
Making a grand total of	$31,452,338.63

being an increase during the year of $714,197.69.

Our interest collections have been satisfactorily maintained during the year. Of the interest charged, including arrears brought forward from 1916, there has been received in respect of our Ontario mortgages 97.77%, and with respect of the Mortgages in the Western Provinces 84.98%.

I am pleased to be able to report again this year that we have no unpaid interest on our holdings of Municipal Debentures.

The average rate of interest return from Ontario mortgage investments is 6.33%, and with respect of Western mortgages 7.72%.

With regard to the Corporation's Safe Deposit Vaults, this Department of the Corporation's business is being taken advantage of to a much greater extent, which fact, no doubt, is largely attributable to the great extent to which the public have subscribed for Dominion of Canada War Bond issues, and the desire to have a safe depository for those and other securities. These vaults, as you know, represent the most up-to-date construction; the annual charge for compartments is very low, and there is every facility to enable renters of compartments to transact their business as privately and conveniently as possible.

The net profits for the year, after providing for all ascertained or anticipated losses, amounted to $300,886.11, which with the balance of $98,557.00 brought forward to credit of Profit and Loss for 1916 left an amount to be dealt with by your Directors of $399,443.11. The disposition of this sum is shown in the Profit and Loss statement, and also in the report of the Board of Directors to the Shareholders, so that I need not take up your time in giving you these details again, other than to point out that in transferring $100,000 to the Reserve Account this fund has thereby been increased to the sum of $1,950,000, or $450,000 in excess of our Corporation's paid-up Capital Stock.

The Assets and Liabilities Statement shows a total of assets under the control of the Corporation of $83,286,782.69, or an increase over 1916 of $6,106,269.07, indicating a tendency on the part of the individual to provide in a permanent way by Trust Deed or Will a life income for his family, or friends, or charitable objects.

I very much regret to report that during the past year two additional members of our staff have made the great sacrifice—Lieutenant Hugh J. Watson, son of our Assistant General Manager, and Pte. W. C. McGregor, of our Winnipeg Branch. In addition to these heroes who have fallen we have to report the death of our esteemed Vancouver Branch Manager, Mr. F. M. Pratt, and two old and valued members of our Head Office Staff.

In closing I have pleasure in expressing my appreciation of the very faithful and efficient manner in which the staff of the Corporation both at the Head Office and its Branches have rendered their services during the year.

The Report was unanimously adopted.

It was then moved by Mr. E. R. Greig, seconded by Mr. Herbert Langlois, and resolved, that the following Shareholders be and are hereby appointed Directors for the current year, namely: Hamilton Cassels, K.C., LL.D., Hon. Senator W. C. Edwards, Brig.-Gen. Sir John M. Gibson, K.C.M.G., LL.D., Arthur C. Hardy, John Hoskin, K.C., LL.D., Lieut.-Col. R. W. Leonard, Thomas Long, J. Bruce Macdonald, Hon. Sir. D. H. McMillan, K.C.M.G., W. D. Matthews, Hon. Peter McLaren, Lieut.-Col. John F. Michie, Sir Edmund Osler, the Hon. Featherston Osler, K.C., D.C.L., J. G. Scott, K.C., Sir Edmund Walker, C.V.O., LL.D., E. C. Whitney, Wellington Francis, K.C., E. T. Malone, K.C., H. H. Williams.

At a subsequent meeting of the Directors the following officers were elected:—President, the Hon. Featherston Osler, K.C., D.C.L.; Vice-Presidents, Hamilton Cassels, K.C., LL.D., and Brig.-General Sir John M. Gibson, K.C.M.G., LL.D.

BANK CLEARINGS

The following are the bank clearings for the weeks of February 1st, 1917, and February 2nd, 1918, respectively, with changes:—

	Week ended Feb. 2, '18.	Week ended Feb. 1, '17.		Changes.
Montreal	$ 75,023,124	$ 66,613,747	+	$ 8,409,377
Toronto	56,223,257	50,641,615	+	5,581,642
Winnipeg	35,632,897	36,683,973	—	1,051,076
Vancouver	7,823,971	5,387,031	+	2,436,940
Ottawa	5,185,180	5,040,741	+	144,439
Calgary	6,029,227	4,289,672	+	1,739,555
Hamilton	4,186,938	4,109,820	+	77,118
Quebec	3,310,719	3,581,127	—	270,408
Edmonton	2,879,390	1,705,363	+	1,174,027
Halifax	3,225,856	2,134,480	+	1,091,376
London	1,649,293	1,817,625	—	168,332
Regina	2,498,980	2,097,669	+	401,311
St. John	1,927,169	1,508,665	+	418,504
Victoria	1,581,391	1,041,282	+	540,109
Saskatoon	1,402,256	1,281,536	+	120,720
Moose Jaw	883,599	895,509	—	11,910
Brandon	442,068	396,794	+	45,274
Brantford	672,490	851,618	—	179,128
Fort William	595,423	373,689	+	221,734
Lethbridge	492,673	517,305	—	24,632
Medicine Hat	418,123	426,203	—	8,080
New Westminster ..	303,023	260,466	+	42,557
Peterboro	546,325	551,893	—	5,568
Sherbrooke	624,962	493,998	+	130,964
Kitchener	446,770	463,758	—	16,988
Totals	$214,005,104	$193,165,579	+	$20,839,525

The Toronto bank clearings for the current week are $53,566,128, compared with $57,034,118 for the same week in 1917, and $42,494,062 in 1916.

ONTARIO SELLS BONDS

An issue of the province of Ontario securities was put on the market to-day, in the form of $2,000,000 6 per cent. coupon gold bonds. The bonds are dated February 1, 1918, and mature February 1, 1928, interest being payable on February 1 and August 1 of each year. The bonds will be registered, but may be exchanged for bearer bonds later on. The price is par and interest.

The gross earnings of Canadian railways for the month of January, 1918, owing to the cold and stormy weather and the consequent hindering of traffic, showed a decrease from those for the corresponding month last year. Earnings of the three principal Canadian railways aggregated $17,368.662 this past January, a decrease of $82,326, or .5 per cent. The Canadian Pacific Railway's earnings last month were $10,570,000, an increase of $629,000; Grand Trunk's, $4,083,362, a decrease of $594.026; Canadian Northern Railway's, $2,715,300, a decrease of $117,300.

JANUARY BANK CLEARINGS

The following are the bank clearings for the months of January, 1917, and January, 1918, respectively, with changes:—

	Jan., 1918.	Jan., 1917.		Changes.
Montreal	$343,925,558	$320,446,690	+	$23,478,868
Toronto	259,470,999	246,464,674	+	13,006,325
Winnipeg	176,539,246	160,752,399	+	15,786,847
Vancouver	38,174,171	28,757,111	+	9,417,060
Ottawa	25,528,300	21,974,359	+	3,553,941
Calgary	30,515,776	21,066,862	+	9,448,914
Hamilton	21,228,508	20,066,534	+	1,161,974
Quebec	16,732,685	16,350,128	+	382,557
Edmonton	15,235,467	11,199,510	+	4,035,957
Halifax	15,311,960	12,992,959	+	2,319,001
London	10,506,756	9,537,107	+	969,649
Regina	13,946,415	12,127,928	+	1,818,487
St. John	9,497,410	9,102,643	+	394,767
Victoria	7,518,345	6,241,300	+	1,277,045
Saskatoon	7,302,289	6,701,232	+	601,057
Moose Jaw	5,182,860	5,176,519	+	6,341
Brandon	2,675,515	2,216,315	+	459,200
Brantford	3,623,852	3,600,664	+	23,188
Fort William	3,429,562	2,484,758	+	944,804
Lethbridge	3,001,039	3,116,732	—	115,693
Medicine Hat	2,155,540	2,211,883	—	56,343
New Westminster ..	1,704,615	1,190,503	+	514,112
Peterboro	3,106,791	2,475,068	+	631,723
Sherbrooke	3,091,228	2,477,924	+	613,304
Kitchener	2,318,893	2,247,113	+	71,780
Totals	$1,021,723,780	$930,978.915	+	$90,744,865

EUROPEAN BANK RATES

The following table shows the current official minimum discount rates of all the European state banks, with the respective date at which the present rates were established, and the rates at the corresponding dates in previous years:—

Bank of—	Date of last change.	1918.	1917.	1916.	1915.
England	April 5, 1917	5	5½	5	5
France	Aug. 20, 1914	5	5	5	5
Germany	Dec. 23, 1914	5	5	5	5
Holland	July 1, 1915	4½	4½	4½	5
Austria	April 10, 1915	5	5	5	5½
Italy	Nov. 7, 1917	5½	5	5½	5
Russia	July 29, 1914	6	6	6	6
Spain	Oct. 27, 1914	4½	4½	4½	4½
Switzerland	Jan. 2, 1915	4½	4½	4½	4½
Portugal	Jan. 15, 1914	5½	5½	5½	5½
Sweden	Dec. 12, 1917	7	5½	5½	5½
Norway	Dec. 13, 1917	6	5½	5	5½
Denmark	July 10, 1915	5	5	5	5½

The purchase of $118,000 5 per cent. 1923-1937 bonds of Moncton, N.B., noted in *The Monetary Times* last week, was made by Messrs. Macneill and Young, bond dealers, Toronto.

The Toronto Mortgage Company

The Annual General Meeting of the Shareholders of the Toronto Mortgage Company was held at its offices, No. 13 Toronto Street, at 12 o'clock noon Wednesday, the 6th day of February, 1918.

On the motion of Mr. C. S. Gzowski, seconded by Mr. T. H. Wood, the President, Mr. Wellington Francis, K.C., took the chair and the Manager acted as Secretary. The Secretary read the notes calling the meeting, after which was read the minutes of the last Annual Meeting (which were confirmed), the Financial Statement, Profit and Loss Account for 1917 and the Annual Report.

Before moving the adoption of the Report, the President reviewed the operations during 1917 and spoke of the pleasure it gave him to be able to present such a satisfactory statement of the Company's affairs.

The Reserve Fund is now equal to 81 per cent. of the Capital Stock, now amounting to the substantial sum of $590,000.00. Reference was made to the great loss which the Company had sustained in the death of the late President, Sir William Mortimer Clark.

Financial Statement for the Year Ending 31st December, 1917

LIABILITIES

To the Public			
Debentures, Sterling		$1,368,749.41	
Accrued Interest thereon ..		11,155.38	
Debentures, Currency ...		251,467.65	
Accrued Interest thereon ..		4,523.83	
Deposits, Savings Accounts		138,555.14	
			$1,774,451.41
To the Shareholders			
Capital Stock, fully paid ..		$ 724,550.00	
Reserve Fund	$560,000.00		
Added in 1917	30,000.00		
		590,000.00	
Unclaimed Dividends		38.25	
Dividend payable 1st Jan., 1918		14,491.00	
Balance carried forward ...		37,871.02	
			$1,366,950.27
Total			$3,141,401.68

ASSETS

Mortgage Loans		$2,172,333.44
Office Premises in Toronto Street		45,000.00
Government and Municipal Bonds and Stocks, owned by the Company	$657,367.06	
Call Loans on Stocks and Bonds	145,682.00	
Cash in Banks	119,032.71	
Cash in Office	1,986.47	
		924,068.24
Total		$3,141,401.68

PROFIT AND LOSS ACCOUNT

DR.

Interest on Sterling Debentures, paid and accrued	$ 67,483.94
Interest on Currency Debentures, paid and accrued	12,309.20
Interest on Deposits	3,746.90
Charges on Moneys borrowed and lent	4,197.80
Cost of Management, viz.: Salaries, Directors' and Auditors' Fees, Tax on Capital, Business Tax, Office Rent, etc.	21,072.68
Special War Taxes, Subscriptions to Patriotic Fund, etc.	4,203.82
Dividends on Capital Stock at 8 per cent.	57,964.00
Transferred to Reserve Fund	30,000.00
Balance carried forward	37,871.02
Total	$238,849.36

CR.

Balance brought forward	$ 35,010.99
Interest on Investments, and Net Rental from Office Premises	203,838.37
Total	$238,849.36

WALTER GILLESPIE, *Manager*.

We have audited the Books and Accounts of the Toronto Mortgage Company for the year ending 31st December, 1917. We have examined the Vouchers and Securities relating thereto. All our requirements as Auditors have been complied with. We find the Books carefully kept, and hereby certify that the foregoing Statements are correct.

E. R. C. CLARKSON, F.C.A., }
J. HARDY, F.C.A., } *Auditors.*

TORONTO, January 9th, 1918.

REPORT OF SCRUTINEERS

TORONTO, 6th February, 1918.

We hereby certify that the following gentlemen have been unanimously elected Directors of the Toronto Mortgage Company, at the Nineteenth Annual Meeting, held at the offices of the said Company this day, at 12 o'clock noon:—

Wellington Francis, K.C., Thomas Gilmour, C. S. Gzowski, George S. Henry, M.P.P., Herbert Langlois, Thomas H. Wood and Walter Gillespie.

(Signed) EDWARD R. GREIG, }
(Signed) WM. MARTIN, } Scrutineers.

At a subsequent meeting held by the Board, Mr. Wellington Francis, K.C., was re-elected President, and Mr. Herbert Langlois Vice-President.

The Toronto Railway Company

REPORT OF THE PRESIDENT AND DIRECTORS

For the Year Ending 31st December, 1917

TWENTY-SIXTH ANNUAL REPORT PRESENTED TO THE SHAREHOLDERS AT THE ANNUAL MEETING, WEDNESDAY, FEBRUARY 6th, 1918.

To the Shareholders:

Your Directors with pleasure submit the Twenty-sixth Annual Report, together with Balance Sheet and Profit and Loss Account of the Company, for the year ending 31st December, 1917.

While the gross income of the Company has shown an increase, the net income has been adversely affected owing to increase in wages and to the abnormal war conditions causing the price of all classes of supplies to advance very materially.

The gross earnings amounted to	$6,291,759.06
Charges for operating, maintenance, etc.	3,815,277.82
NET EARNINGS	$2,476,481.24

From which net earnings there was deducted the sum of $2,293,918.98, distributed as follows:—

Dividends	$960,000.00	
Bond Interest, etc.	146,887.66	
		$1,106,887.66
Payments to City:		
Percentage on earnings	$970,512.41	
Pavement charges	98,840.80	
General Taxes	117,678.11	
		1,187,031.32
		$2.293.918.98

The gross passenger earnings show an increase of $321,057.39, being for the year $6.202,562.67, compared with $5,881,505.28 for the year 1916. When one has in mind the large number of our citizens who are still engaged in the war overseas, the income from the operation of the system must be recognized as satisfactory.

The operating charges have increased—(*a*) through the large increase in the wages of conductors, motormen and shop hands; (*b*) owing to the fact that in nearly every line of material used in the upkeep of the Company's plant, the price has advanced greatly—in some cases the material used has increased over 200 per cent.

The operating and maintenance cost for the year amounted to the sum of $3.815,277.82, an increase of 4.5 per cent. over the cost of operation in 1916.

The payments made to the City of Toronto amounted to the sum of $1,187,031.32, which when compared with payments made during the previous year, shows an increase of $74,021.57.

The Company's agreement with its employees under which they were receiving 27½c. an hour, expired in June, 1917. The employees demanded a new agreement with a maximum of 40c. an hour and other onerous conditions. After negotiations and notwithstanding the Company's offer to arbitrate, the men went on strike, which lasted for two and a half days. Upon their return to work an arbitration was held under the Lemieux Act, which resulted in a majority award of 37c. an hour maximum rate. In other respects the previous agreement was substantially confirmed. Owing to the scarcity of labor and war conditions, your Directors reluctantly decided that they had no other course than to accept the award, although it meant an increase in operating expenses of about $600,000.00 per annum. The Directors feel that this award was not warranted by the weight of evidence submitted to the Board of Arbitration; that it was not justified by any comparison with the rates of wages paid for similar work in Canadian or American cities, and was not warranted by the earnings of the Company; that in fact the award was essentially unjust to the shareholders.

The seventh drawing of the Company's currency and sterling bonds, under the terms of the mortgage deed dated 1st September, 1892, took place on the 21st day of June. Under said terms the Company draws annually during the last ten years of its franchise, five per cent. (5%) of the amount of bonds issued, thus reducing during the ten years mentioned, the outstanding bonds to fifty per cent. (50%) of the original issue, and all bonds so drawn are to be redeemed on or after the 31st day of August following the date of drawing, from which date no interest is payable on bonds so drawn. There has been drawn to date a total of $1,592,519.98.

Careful attention has been paid to the maintenance of the plant, rolling stock equipment and other properties of the Company.

Your Directors declared, out of the accumulated surplus earnings of the Company, four quarterly dividends of two per cent. (2%), all of which dividends were paid on the several dates set for payment.

A regular monthly audit and verification of the books, accounts and vouchers, was made by W. S. Andrews & Company, Chartered Accountants, and their certificate has been attached to the Company's balance sheet.

Respectfully submitted,

WILLIAM MACKENZIE,
President.

INCOME ACCOUNT.

GROSS EARNINGS		$6,291,759.06
Operating, maintenance, etc.	$3,815,277.82	
Interest on bonds, etc.	146,887.66	
Percentage on earnings	970,512.41	
Pavement, taxes	264,271.30	
		5,196,949.19
		$1.094,809.87

PROFIT AND LOSS ACCOUNT.

31st December, 1917.

BALANCE from last year		$5,408,873.68
SURPLUS EARNINGS, after payment of all expenses, interest, taxes, etc.		1,094,809.87
		$6,503,683.55
DIVIDENDS, four of 2 per cent. each, on the paid-up capital		$ 960,000.00
Balance from 1916	$5,408,873.68	
SURPLUS carried forward	134,809.87	
		5,543,683.55
		$6,503,683.55

Board of Directors Elected for the Year 1918.

President, SIR WILLIAM MACKENZIE.
Vice-President, LT.-COL. THE HON. FREDERIC NICHOLLS.
BRIG.-GEN. SIR HENRY M. PELLATT, C.V.O.
HON. C. P. BEAUBIEN. FRANK W. ROSS.
E. R. WOOD. GEO. H. SMITHERS.

R. J. FLEMING, *General Manager.*
J. C. GRACE, *Secretary-Treasurer.*

The Toronto Railway Company

General Statement Year Ending 31st December, 1917

ASSETS.

Road and equipment, real estate and buildings, including pavements, etc.		$19,592,694.81
Advances to subsidiary companies		2,914,352.17
Stores in hand	$213,526.23	
Accounts receivable	199,893.43	
		413,419.66
Cash in hand and in bank		860,776.93
		$23,781,243.57

LIABILITIES.

CAPITAL STOCK:—		
Authorized and issued		$12,000,000.00
Bonds outstanding:—		
4½% Sterling	$1,927,200.01	
4½% Currency	1,030,000.00	
		2,957,200.01
Short Term Notes		1,500,000.00
Mortgage		70,000.00
Accounts and Wages payable	$ 696,091.43	
Accrued interest on bonds	44,479.53	
Dividend, No. 86, payable 2nd January, 1918	240,000.00	
		980,570.96
RESERVES:—		
Provision for renewals and ticket redemption	$1,846,651.82	
Less charges to date	1,391,645.06	
	$ 455,006.76	
Insurance fund for injuries and damages	274,782.29	
		729,789.05
Profit and Loss		5,543,683.55
		$23,781,243.57

Certified correct, W. S. ANDREWS & CO., Chartered Accountants.

TORONTO GENERAL TRUSTS CORPORATION

A financial institution, reflecting credit upon the Dominion, managed and directed by capable men of sterling integrity, the Toronto General Trusts Corporation has reached the thirty-sixth year of its career. In addressing the shareholders at the company's annual meeting on Wednesday, Mr. A. D. Langmuir, the general manager, was able to report that the volume of trust estates business entrusted to the corporation during the year just closed compares favorably with the preceding year; 488 estates have been received having an aggregate inventory value of $10,090,647, as compared with 455 estates in 1916, which amounted to $10,075,979. The assets and liabilities statement reflects a strong financial position and shows a total of assets under the control of the corporation of $83,286,782. This is an increase over 1916 of $6,106,269, indicating a tendency on the part of the individual to provide in a permanent way by trust deed or will a life income for his family, or friends, or charitable objects.

The amount of investments negotiated by the corporation during the past year in mortgages, government and municipal debentures totalled $3,906,574. The total investments in these classes of securities (exclusive of original assets) at the end of the company's financial year were as follow: Mortgages on real estate, $23,162,992; and government and municipal debentures, $8,289.346, making a grand total of $31,452,338. This is an increase during the year of $714,197. The company's interest collections were satisfactorily maintained during the year. Of the interest charged, including arrears brought forward from 1916, there was received in respect of the Ontario mortgages 97.77 per cent., and with respect of the mortgages in the western provinces 84.98 per cent., a splendid record.

The company's net profits for the year, after providing for all ascertained or anticipated losses, amounted to $300,886, which with the balance of $98,557 brought forward to credit of profit and loss from 1916 left $399,443 for distribution. In transferring $100,000 to the reserve account that fund was increased to $1,950,000, or $450,000 in excess of the corporation's paid-up capital stock, a creditable feature. Mr. A. D. Langmuir, as general manager, has piloted the company with marked success during the past few years, and he has an unusually experienced and capable assistant general manager in Mr. W. G. Watson. Mr. T. J. McQuire holds the responsible position of secretary. The company, generally, has an excellent personnel and organization.

SUN LIFE ASSURANCE COMPANY

Preliminary figures of the statement to be submitted to the shareholders of the Sun Life Assurance Company of Canada at the next annual meeting show that the total assets of the company on December 31st last amounted to $90,160,174, an increase of $7,211,178 for the year. Cash income from premiums, rents, interest, etc., which created a new record at $19,288,997, increased $789,866 over that for 1916.

At the end of the year the total surplus over all liabilities, including capital, amounted to $8,840,245, after allowing for payment or allotment to policyholders the sum of $1,560,389, an increase over the allotment for the previous year of $449,488. During the year the company paid in death claims, matured endowments and profits, etc., $8,840,245, bringing the total since the company's inception up to $69,094,316. In new assurance issued and paid for in cash the company beat its previous year's record by $5.039.270, with a total of $47.811,567, making the total assurance in force on the books of the company $311.870,945, an increase since December, 1916, of $30.436,245.

Mr. Norman Alan Hill, who was formerly consulting efficiency engineer for a number of United States companies, among them being the E. I. DuPont de Nemours and Company, of Wilmington, Del., has been recently appointed general manager of Carriage Factories, Limited. The company is a merger of Canadian Briscoe Motor Company, Limited, Brockville, Canadian Carriage Company, Limited, Brockville, Heney Carriage and Harness Company, Limited, Montreal, Munro and McIntosh, Limited, Alexandria and Tudhope Carriage Company, Limited, Orillia. The head office is in the Excelsior Life Building, Toronto.

PERSONAL NOTES

Mr. W. F. Tye, the well-known consulting engineer of Montreal, has been appointed a member of the Commission of Conservation in the place of the late Sir Sandford Fleming.

Mr. C. R. Drayton, Canadian manager of the Union Insurance Society of Canton, states that he has received instructions from his head office to subscribe $5,000 towards the Halifax Relief Fund.

Mr. E. F. B. Johnston, K.C., chairman of the board of directors of the Standard Reliance Mortgage Corporation, and a vice-president of the Royal Bank of Canada, has been elected president of the Sterling Trusts Corporation.

Hon. W. J. Hanna, who resigned the office of Food Controller recently, left for Peru this week for the purpose of adjusting some matters between the International Petroleum Corporation and the Peruvian government. Mr. Hanna is a director of the International Petroleum Corporation, which produces a considerable amount of crude oil in Peru.

Mr. W. T. Rundle, general manager of the National Trust Company, has been elected vice-president and a director. Mr. Rundle has managed the affairs of the company with considerable success and its sound and extensive expansion in the past five years is in no small measure due to his personal energy and business acumen. He is surrounded by a capable staff, among whom there is that friendly spirit which helps so much to make an efficient organization.

W. T. RUNDLE,

Elected vice-president and director of the National Trust Company.

Mr. A. D. Braithwaite, assistant general manager of the Bank of Montreal, has resigned his post, after a long and honorable service in the field of Canadian banking. Mr. Braithwaite's career with the bank dates back about 40 years, and before advancing to the position of assistant general manager he had filled a number of important posts, including the managership of the Toronto branch and the superintendency of Ontario branches. The war has laid a heavy hand on Mr. Braithwaite's family circle. Two sons-in-law, Capt. Guy Drummond and Capt. Trumbull Warren, made the supreme sacrifice in France, while a daughter was lost in the sinking of the Lusitania. Mr. Braithwaite's health has been indifferent, and recently he returned from a lengthy trip to Japan. Mr. Braithwaite is succeeded by Mr. F. J. Cockburn, with the title of acting assistant general manager. Mr. Cockburn, like Mr. Braithwaite, has been long in the service of the Bank of Montreal, and latterly had been filling the important post of superintendent of Quebec, Maritime Provinces and Newfoundland branches. Other changes in the list of the officials of the bank include the appointment of Mr. O. R. Sharp, as assistant to the general manager. Mr. Sharp succeeded Mr. James Aird as secretary of the bank about three years ago, and became acting assistant to the general manager, when the late Capt. D. J. Barker went to France. Mr. C. H. Cronyn has been appointed acting secretary of the bank.

A. D. BRAITHWAITE,

Who has resigned after long and distinguished service with the Bank of Montreal.

CITY AUDITOR WANTED

Applications for the position of City Auditor will be received by the undersigned up till twelve o'clock noon of Wednesday, the twenty-seventh day of February, 1918. A full statement of qualifications and experience must accompany applications. Applicants will particularly state whether they hold certificates as certified accountants and any municipal experience. An adequate salary will be arranged.

NORMAN H. H. LETT,
City Clerk.

Ottawa, February 5th, 1918.

WANTED

MONETARY TIMES—Vol. 41, 1907-08

An old subscriber to The Monetary Times desires to complete his files, and in order to do so would like to secure a copy of Volume 41—1907-08.

Anyone possessing such a volume and caring to dispose of it is asked to address "Bound Volume"

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Policies Issued and Revived	**$12,535,832.00**
Total Assurance in Force	**65,213,623.00**
Cash Income	**3,138,817.40**
Assets	**17,268,471.46**
Net Surplus	**2,774,854.38**
Profits Paid Policyholders	**248,857.65**
Total Payments to Policyholders	**1,574,291.23**

A net gain of over Five and a Half Millions in business in force is indicative of the increases made.

THE sum of $11,448,465.06 has been actually paid to Policyholders or their beneficiaries during the past ten years.

Ask for a copy of the Annual Report

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W. K. GEORGE, First Vice-President.
LT.-COL. D. McCRAE, Second Vice-President.

Directors

HAMILTON CASSELS, K. C.
JOHN N. LAKE
J. A. PATERSON, K. C.
M. J. HANEY
C. W. I. WOODLAND
W. CROMWELL GURNEY

W. B. TAYLOR, B.A., LL.B., Secretary.
D. E. KILGOUR, M.A., A.I.A., F.A.S., Actuary.
C. W. STRATHY, Treasurer.
W. M. CAMPBELL, Assistant Secretary.
T. D. ARCHIBALD, M.D., Medical Director.
E. J. HARVEY, Supervisor of Agencies.

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WESTERN CANADA'S MISTAKE

Entire Rental of Land Should Go Into Public Treasury, Says New York Paper

There appeared in *The Monetary Times* of November 16th, 1917, an extract from a report on assessment and taxation by Mr. C. J. Yorath, city commissioner for Saskatoon. "The Public," a journal of democracy, published weekly in New York, in its issue of January 25th last, contains the following answer to Mr. Yorath's article:—

Wide circulation has been given to objections to municipal land value taxation in Western Canada presented by the city commissioner of Saskatoon, Mr. C. J. Yorath. Yet it seems that these objections answer themselves. Commissioner Yorath says of the actual results of the system:—

1. It has proved to be the most difficult method of raising revenue.

2. It induced owners to develop property beyond normal demand, with the result that increased taxation has been incurred and rents have been reduced. Six and ten story buildings were built with the result that store and office accommodations are corralled upon a small parcel of land and owners outside are prevented from development, even if they would.

3. It did not prevent land speculation. While it was in operation Western Canada passed through the greatest period of speculation in its history.

4. No system of taxation can be just which makes it impossible for an owner to earn a fair interest on his investment and result in confiscation of his property.

5. It did not spread the burden of taxation over the community—i.e., through the payment of rents, etc., as owners have been compelled to take in the way of rent whatever they were offered, which in the majority of cases was not sufficient to pay 3 per cent. on the money invested.

These objections may be treated seriatim:—

Due to Defects of Law.

1. Any difficulty in collecting the tax must be due either to needless defects in the law for proceeding against delinquents, or to negligence of officials. No difficulty of that kind has been reported from New Zealand where many localities have had the same system for a much longer time. Mr. Yorath should not blame the system for faulty legislation or administration that interferes with it.

2. How increased development happened to increase taxation, Mr. Yorath does not explain. If, as we are led to suppose, improvements are exempt from taxation in Saskatoon, it could not have increased the taxes of the improvers, unless the law should be improperly administered. In that case the administration is at fault. It may be that the development increased the value of unused property and consequently the assessments. That is as it should be. The same applies to the statements that it encouraged development and reduced rents. That some owners showed bad judgment in building is unfortunate, but whatever may be the evils of an over-production of buildings, it affects fewer people and is more easily borne than a system which makes rents high and withholds land from those who would use it. In the absence of more definite information from Mr. Yorath, it must be assumed that what prevents some unfortunate owners from developing is lack of demand. Now land that is not in demand must be valueless, and being valueless the owners have nothing on which to pay taxes, and can, without loss, refrain from paying. But Mr. Yorath may consider them unfortunate because they have been deprived of a chance to forestall industry and exact heavy tribute. From a predatory point of view that is unfortunate. But it looks otherwise when one considers the producer's interest.

Land Speculation and Taxes.

3. Apparently this contradicts the preceding objection. Mr. Yorath being on the ground, must be credited with knowing whereof he speaks. But he presents a picture hard to visualize: A community where land is being over-developed and at the same time held on speculation on a falling market. However, if there is land speculation—and undoubtedly there is—it is because the land value taxes fell far short of taking the entire rental value for public use. Mr. Yorath should have explained more at length. His two apparently contradictory objections can be reconciled on the assumption that exemption of improvements attracted capital to Saskatoon to invest in buildings, and attracted people. Certain individuals in the hope of indefinite continuation of these conditions sought to monopolize the benefits by grabbing land and holding it at high prices. Had the land value tax been high enough this could have been prevented. But because it was not, speculation proceeded until inflated values kept industry from spreading, and forced it to stop. Hence the corralling of six and ten story buildings on a small space and inability of owners to improve the balance. Saskatoon's remedy is to increase the tax.

Investments on Land.

4. Mr. Yorath should discriminate between investments. His argument is remarkably similar to that advanced by slaveholders against abolition. Investments in land have not the moral basis on which investments in labor products rest.

5. This indicates that the owners of improved building sites were robbed when they purchased. They had to pay so much above the real value of the sites that, in a majority of cases rents are not sufficient to pay 3 per cent. on the combined investment in buildings and land. Such occurrences are inevitable under a system that makes land a salable commodity. Mr. Yorath complains because the robbed ones were not able to shift their loss onto others. That is not an objection but an advantage. If robbery is to be stopped the last victims must not be allowed to hold up others. That may be hard on the last victims, but it is just nevertheless, and beneficial to the rest of the community.

Mistakes and Mistakes.

Mr. Yorath's story does show that Western Canada has made a serious mistake, but it is not what he supposes. The mistake was that, having begun to untax improvements and put all local taxes on land values, the western provinces have not raised provincial revenues the same way and have not insisted that all Dominion revenues be taken from the same source, so that the entire rental value of land would go into the public treasury. Half-way measures cannot be perfect, and must have results far from satisfactory. Canada is suffering from land monopoly. The evil must not be treated tenderly. Its total abolition should be the answer to those who would put the blame for its pernicious results upon a just taxation system.

WESTERN EMPIRE LIFE ASSURANCE COMPANY

The report for 1917 of the Western Empire Life Assurance Company, Winnipeg, indicates that good progress was made during the past year. Applications were received during the year for $1,214,835, and new insurance issued for $1,105,500, an increase of $78.63 per cent. over the business of the previous year. The total amount of insurance in force at the end of the year amounted to $3,234,768, an increase of $531,000, representing an increase of premiums upon business in force of 22.45 per cent.

The assets have increased $36,841, and now total $322,781. The net receipts on revenue account total $95,809, an increase of $23,262, or 32.06 per cent. over the previous year, being premiums, less amount paid for reinsurance, $77,414; interest, $18,304. There were also mortgage repayments $6,488, and policy loan repayments $3.500, which brings the total net cash received up to $120,101. This sum includes $14,302 received from shareholders on account of capital stock. There is a balance of about $49,000 to be collected on this account; the management anticipates that the greater part of that sum will be received during the next two years.

The total amount of claims paid was $9,625, of which $6,125 accrued from the previous year. The death claims for 1917 amounted to $3,500. Other payments were: Annuity instalment, $414; surrender values, $1,275; and dividends, $564. The amount of insurance participating in the dividend was $24,000. Of the death claims paid, $9,500 resulted from the war. The company's mortality experience is favorable, the total losses since the commencement of business being only 30.65 per cent. of the expected. Of the total claims paid, 47.66 per cent. have been war claims.

Mr. William Smith is managing director of the company. Messrs. R. W. Craig, K.C., and W. P. Rundle are vice-presidents, and Mr. Miles M Dawson, of New York, is the consulting actuary. In his report on the company's progress, Mr. Dawson says: "It should be possible to keep up, or even to increase this rate of growth while at the same time building up the company's resources and surplus. It is usually very difficult for a company to reach the stage which the Western Empire has now attained, but after that with care and steady management it has clear sailing."

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EXPANSION OF MINERAL INDUSTRY ESSENTIAL

Instead of Importing, Canada Should Export Mineral Products

Canada pays more money for imported mineral products than she receives from her mines, the commissioner of conservation reminds us. The value of the mineral production for the calendar years 1913, 1914 and 1915 was $145,600,000, $128,865,000 and $137,100,000 respectively. The imports of products of the mine and manufactures of mine products for the same years were valued at $259,300,000, $181,676,000 and $146,324,000. As the imports also include manufactured, or partly manufactured products, they are much more valuable than the minerals we produce. If, however, Canadian minerals were turned into manufactured products in Canada, the present trade balance in minerals would be reversed.

Under Serious Disadvantages.

It is only fair, though, to point out that Canada is under serious disadvantages in the matter of manufacturing. The relatively small and scattered population makes distribution from points of production to points of consumption both difficult and costly. Similarly, where, for example, coal is essential for reducing ore and for manufacturing, the cost of transportation necessary to bring the two raw products together, bears heavily on manufacture. Copper, zinc and lead are produced principally in Western Canada, while the manufacturers and chief markets are in eastern Canada. In spite of these handicaps, a comparison of the figures for imports and those for production shows the opportunity that exists for developing a home market that will increase as the war goes on. Premier Lloyd George in his recent address stated that "Economic conditions at the end of the war will be in the highest degree difficult. . . . There must follow a world shortage of raw materials, which will increase the longer the war lasts, and it is inevitable that those countries which have control of raw materials will desire to help themselves and their friends first."

Export a Surplus.

The mineral resources of Canada, if developed, could supply not only our own needs but also permit the exportation of a surplus to other parts of the British Empire. There is, in Canada, an urgent need for production to pay for our war debt and borrowings before the war, and if we are to get the greatest value out of our mineral industry it is necessary that our metals and minerals be refined and made into manufactured or partly manufactured products in Canada. The production of certain mineral products in Canada has been stimulated by the war and new industries created. In the period of reconstruction, after the war, it will be necessary to safeguard and provide for the further extension of these industries.—W. J. D.

OXFORD PERMANENT LOAN AND SAVINGS SOCIETY

The province of Ontario is the home of a number of enterprising loan companies. Among them is the Oxford Permanent Loan and Savings Society, which, although a comparatively small institution, has been successfully managed, and, according to its latest annual report, is in a good financial condition. The total earnings last year were $58,884. Out of these were paid $22,609 interest on deposits, debentures, etc., and $7,859 for management, expenses and war taxes. This left a balance of $28,414. Out of that sum two half-yearly dividends at the rate of 7 per cent. per annum were paid, accounting for $20,414; $8,000 was added to the reserve fund. The reserve account now totals $144,300, compared with capital stock of $291,640.

The company's liabilities to the public are as follow: Deposits and interest, $357,242; debentures and interest, $246,555; sundry accounts and balances, $261. The assets of the Oxord Permanent, which has its headquarters at Woodstock, Ontario, total $1,051,308, of which $735,056 are represented by mortgages and loans, as follow: Mortgages on realty, $707,215; loans on society's stock, $16,654; loans on society's debentures, $4,367; loans on municipal debentures, $5,665; loans on stocks of other corporations, $1,154. The remaining assets comprise: Stocks and accrued interest, $33,046; government and municipal debentures, $183,455; office building, $6.500; rents, office building, $69; cash, $93,181. Mr. H. A. Finkle is president of the company and Mr. Malcolm Douglas is manager.

DECLINE IN VALUATION OF SECURITIES

The valuation of stock exchange securities by the Bankers' Magazine of London shows a decline of £158,000,000 during 1917 in their list of 387 representative securities, as compared with £149,000,000 in 1916. The total decrease is more than accounted for by a decline of £160,000,000 in the value of United States securities, which is ascribed to entry into the war and her flotation of over £1,000,000,000 in loans.

In other departments there have been considerable increases, especially in the industrial section. Brewery stocks, for example, have risen by no less than 41 per cent., electric lighting and power by 15½ per cent., canals and docks by 14 per cent., insurance shares by 14½ per cent., and shipping shares by 8¾ per cent. In British and Indian funds there is a slight movement in a downward direction, but colonial stocks are a little better on balance. English and colonial railway stocks have declined severely. In the mining departments movements have been slight, and, apart from copper shares, which are rather higher, the changes are adverse.

SASKATCHEWAN LIFE INSURANCE COMPANY

The only life insurance company with head office in the province of Saskatchewan, which is also owned and operated by and for the benefit of the people of that province, is the distinction claimed by the Saskatchewan Life Insurance Company. In submitting the financial statementt for the past year, the directors pointed out that, as upwards of 90 per cent. of the company's business is secured from agriculturists, it might properly be termed "The Farmers Life Insurance Company of Saskatchewan."

The company's premium receipts of over $71,000, with $2,315,000 of insurance at risk at the end of the past year, is evidence of the quality of the business. The favorable rate of mortality during the year (total losses of $5,500 only being reported) indicates that this business has been carefully selected, from a physical point of view. Expenses incurred, despite the increase in prices of all commodities, are moderate, and may be taken as a vindication of the policy of the directors in limiting the operations of the company to the province of Saskatchewan.

The directors' report says that the statement of assets and liabilities has been prepared on a conservative basis. The amount of outstanding and deferred premiums is small compared with the cash premium income, and in the liabilities has been included the sum of $7,500 as a special or contingent reserve fund. The amount of new insurances issued during 1917, all secured in Saskatchewan, was $1,198,998, the total amount in force being $2,315,306, upon which an average premium of over $30 per $1,000 was collected in cash.

In a statement to the shareholders, the directors say: "In a short existence very substantial progress has been made, and we feel justified in predicting that with a continuation of the support of the Saskatchewan people, the company will continue to prosper and reflect credit on the policyholders, shareholders and the great province after which the company is named."

Mr. T. F. Conrod is managing director of the company. He is a practical life insurance man, and has a lengthy experience in the business. The directorate includes a number of other well-known financial and business men of the province as follows—:

Messrs. George H. Barr, K.C., barrister, solicitor, etc., Regina, Sask.; Wm. H. Duncan, contractor, Regina, Sask.; Thos. Lees, farmer, Kisby, Sask.; David Low, physician and surgeon, Regina, Sask. (vice-president and medical referee); Hon. W. M. Martin, premium, province of Saskatchewan, Regina, Sask.; A. A. Meneley, merchant, Maple Creek, Sask.; Wm. T. Mollard, president, Saskatchewan General Trusts Corporation, Regina, Sask.; H. O. Powell (vice-president), general manager, Weyburn Security Bank, Weyburn, Sask.; J. W. Sifton, superintendent city schools, Moose Jaw, Sask.; and Chas. Willoughby (president), contractor, Regina, Sask.

Mr. W. F. Cowan, as president of the Standard Bank of Canada, heads the following directorate of that institution: Messrs. Wellington Francis, K.C. (vice-president), W. F. Allen, F. W. Cowan, H. Langlois, Thomas H. Wood, T. B. Greening and James Hardy. Mr. C. H. Easson is general manager and Mr. J. S. Loudon is assistant general manager.

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The Great-West Life Assurance Company

held its twenty-fifth Annual Meeting on February 5th, 1918

Attention is drawn to the following statements:

Business issued, 1917 . . .	$ 30,309,542
Increase for the year .	4,734,169
Business in force Dec. 31st, 1917 .	152,643,165
Increase for the year .	19,626,717
Income for 1917	6,437,320
Increase for the year .	843,279
Assets, Dec. 31st, 1917 . . .	24,385,666
Increase for the year .	2,683,096

The expense rates were again lowered in 1917, and the interest rate earned was 7.36%. In addition to the actuarial reserves, the balance sheet shows, in surplus, capital and special funds, the sum of $4,493,611, being over 18% of the assets.

Mortality, including war losses of $457,082 only 74% of the "expected."

Canadian Government Bonds held, $2,505,337 (Being over 10% of the total assets.)

The Great-West Life is noted for its large profits to policy-holders. Write for full report and profit booklet.

Head Office:

Winnipeg

NEW INCORPORATIONS

Gold Mining Company, With $1,000,000 Authorized Capital, is Chartered

The largest company incorporated during the past week was the Victory Gold Mines, Limited (no personal liability), with authorized capital of $1,000,000, and head office at Toronto.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Fort William, Ont.—The Jarvis Agency, Limited, $40,000; F. M. Ross, F. Babe, M. M. Parish.

Bracebridge, Ont.—W. W. Kinsey Company, Limited, $40,000; R. Pawson, J. L. Yeoman, C. E. Lount.

St. Catharines, Ont.—H. Braidberg and Company, Limited, $40,000; H. Shapiro, J. Tobias, H. Braidberg.

Massey Station, Ont.—West Lake Telephone Company, Limited, $9,100; D. McAuley, C. Caldwell, J. Witty.

Victoria, B.C.—Bainbridge Lumber Company, Limited, $500,000. Wm. Cathcart Company, Limited, $20,000.

Renfrew, Ont.—Interprovincial Flour Mills, Limited, $500,000; J. A. O'Brien, W. O. Matthews, M. J. Gorman.

Village of Roland, Man.—The Roland Hardware Company, Limited, $25,000; G. Ross, M. J. Horn, W. Watson.

Port Arthur, Ont.—J. F. Hewitson Company, Limited, $40,000; A. J. McComber, W. F. Langworthy, G. A. McTeigue.

Sherbrooke, Que.—G. T. Armstrong and Sons, Limited, $150,000; K. J. Armstrong, J. F. Armstrong, H. S. Armstrong.

Ville Laval de Montreal, Que.—The J. Cadieux Company, Limited, $250,000; H. J. Brunelle, A. Langelier, L'Anse-a-Gilles.

Montreal, Que.—Hagar and Pettigrew, Limited, $50,000; E. E. Howard, J. De Witt, H. E. Rose. Leonard Steam Trawlers, Limited, $250,000; H. G. Lajoie, A. Lacoste, T. J. Shallow. Franklin Railway Supply Company of Canada, Limited, $25,000; J. S. Coffin, S. Coffin, S. G. Allen.

Toronto, Ont.—The British-Canadian Toy, Limited, $40,000; T. G. Clements, D. Clements, W. J. Ambrose. Victory Gold Mines, Limited (no personal liability), $1,000,000; L. C. Leigh, A. Gordon, M. Stern. Canada Decalcomania Company, Limited, $100,000; J. C. Irwin, C. H. J. Jagger, F. L. Burton.

Vancouver, B.C.—Allan and McKelvie Engineering Company, Limited, $50,000. Colonial Shipping Company, Limited, $40,000. Central British Columbia Colonization Company, Limited, $45,000. Estey and Brison, Limited, $10,000. The City Taxi Cab Auto and Sightseeing Company, Limited, $75,000. Seaside Lumber Company, Limited, $12,000.

Winnipeg, Man.—Manitoba Supply Company, Limited, $20,000; A. E. Harris, A. Nemerovsky, A. Harris. The Reliance Fuel, Timber and Lumber Company, Limited, $5,000; H. Leveten, M. Rady, H. Greenberg. Auto Accessories, Limited, $40,000; L. S. Baxter, H. Rennie, W. F. Yeo. Winnipeg and Canadian Northwestern Bible Institute, Limited, $5,000; S. T. Smith, J. Bellingham, C. J. Frogley.

WAR MISSION AT WASHINGTON

Canada has established a war mission at Washington. Mr. Lloyd Harris, who has been associated with the British war mission there for several months, will act as chairman. The Canadian war mission will act in the closest conjunction with the British war mission at Washington, as well as with the British embassy. It will act on behalf of the various departments of the Canadian government in respect of negotiations relating to purely Canadian affairs, and will exercise general supervision and direction over all officers of the government of Canada stationed in the United States in respect of matters connected with or incident to the prosecution of the war.

SURRENDER OF LIFE INSURANCE

Assured is Not Acting in His Own Best Interest—Disability Benefit Clause

"A life insurance company from its inception, passes through many phases of existence," said Mr. E. T. Malone, vice-president of the Imperial Life Insurance Company, Toronto, at the company's recent annual meeting. "At first it is engaged mainly in the collection of premiums and in the investment and apportionment of its funds for distribution in future years. Later it is its pleasant duty to distribute to its clients the moneys which have been so collected and apportioned.

"The beneficent work of life insurance is demonstrated, not only by the payments to beneficiaries under death claims, but by the payments to policyholders themselves on reaching an age when their earning power is impaired. It is also a demonstration of the great benefit to the commonwealth of the daily appeal of the life insurance salesman for the practice of thrift and economy by the public. From this company's point of view the maturing of an endowment policy is of advantage in that it gives our representatives in the field an opportunity of securing new business upon the lives of the policyholders themselves or upon the lives of the children or relatives of such policyholders."

Surrender of Policies.

Speaking of the funds paid out by insurance companies as surrender values to holders of life and endowment policies who have surrendered their contracts, Mr. Malone said:—

"A great part of this amount could be ranked with the payments under endowment policies and be regarded as moneys saved by the insuring public against the loss of earning power in maturer years. I cannot, however, fail to deprecate the tendency of some policyholders at the expiration of the dividend period under their life policies to surrender these contracts for the cash value. It is possible that this tendency is due to the fact that when the contract was sold an undue emphasis was laid upon the return in cash to the assured at the end of 20 years. It cannot be denied, however, that the assured in surrendering such a policy is not acting in his own best interest Without any question it is decidedly to his advantage to maintain his policy in force taking the profits which have been earned, and securing additional profits every five years thereafter. His policy thus provides for him a sure and certain estate and in addition is a revenue producer during his lifetime. By surrendering the policy for its cash value at the end of the dividend period the assured forfeits all of the future payments of profits for which the premiums paid have already provided."

Disability Benefit Clause.

Mr. Malone explained the disability benefit which a number of the Canadian life insurance companies have adopted. This will provide, in event of the total and permanent disability of the assured, a monthly income during the lifetime of the assured of $10 per month for every $1,000 of assurance under the contract. Moreover, on proof of this disability no further premiums are payable under the policy and the policy still continues to earn the regular profits and would have the regular increases in surrender values. The payment of any benefit under this disability provision does not in any way affect the benefit payable at the death of the assured. The extra premium to be paid by the policyholder taking out a contract with the new disability benefit included is not large and the benefit is necessarily restricted to those policyholders who can present an unblemished personal and family history and whose occupation is such as to preclude any undue number of disability claims incident to their occupation.

CANADIANS DOING BUSINESS WITH UNITED STATES

The United States War Trade Board, 1435 K Street, Washington, D.C., invites Canadian firms to communicate direct with the board so that such firms doing an import or export business with the United States may have their names and addresses placed on the mailing list of the War Trade Board to receive direct copies of all publications issued by that board.

A Newspaper Devoted to Municipal Bonds

THERE is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.

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CANADIAN BANKS IN UNITED STATES

Canadian bankers are interested in the measure recently introduced in the Albany legislature, providing that banks organized under the laws of a foreign country, with a duly authorized branch in New York State, may receive deposits and make discounts in the same manner as other banks upon making deposit with the state banking department of satisfactory securities. There will probably be some opposition to the proposed plan by national and state banks. Canadian banks are the principal foreign institutions represented in the New York market.

A Canadian banker says that, in his opinion, "the volume of business will be so great when peace is consummated that both Great Britain and the United States will have more business than they can handle, and there is no reason why Canada should not participate in the great demands for banking accommodation which must arise after the war."

The matter of depositing securities at Albany interests Canadian bankers, and they are curious to know what securities will be required. They will probably be obliged to deposit United States government, New York State and New York city bonds. This is expected to stimulate the market for United States bonds.

CUSTOMS RECEIPTS INCREASED

Customs receipts for the ten months of the fiscal year ended January 31st totalled $136,562,706, an increase of $17,013,310 over the same period last year, when they amounted to $119,549,396. A decrease of $2,637,571 in receipts for the month of January this year, as against January, 1917, is shown by the monthly customs statements. Last year receipts for January totalled $12,936,314, while this year they amounted to $10,298,743.

The Mutual Life Assurance Company of Canada

Established 1869.

Head Office: Waterloo, Ont.

FINANCIAL STATEMENT

For Year Ended December 31st, 1917.

CASH ACCOUNT

INCOME

NET LEDGER ASSETS— 31st December, 1916	$27,722,729.44
PREMIUMS (Net)	4,515,073.09
INTEREST, RENTS, ETC	1,909,441.57
	$34,147,244.10

DISBURSEMENTS

Death and Disability Claims	$ 1,144,523.33	
Matured Endowments	402,292.00	
Surrendered Policies	158,624.45	
Matured Deferred Dividend Policies Surrendered	150,266.42	
Surplus	648,661.50	
Annuities	9,623.53	
	$ 2,513,991.23	
EXPENSES, TAXES, ETC.	1,133,694.51	
BALANCE NET LEDGER ASSETS— 31st December, 1917	30,499,558.36	
	$34,147,244.10	

BALANCE SHEET

ASSETS

Mortgages	$14,542,884.26
Debentures and Bonds	10,584,330.07
Loans on Policies	4,306,774.58
Real Estate	730,518.76
Premium Obligations	42,354.44
Cash in Banks	390,886.57
Cash at Head Office	2,172.27
Due and Deferred Premiums	584,553.84
Accrued Interest, Etc.	924,956.96
Re-Insurance Due	56,000.00
	$32,165,431.75

LIABILITIES

Reserve, 3½% and 3% basis	$25,071,737.59
Special Investment Reserve	542,557.75
Reserve for Unreported Death Claims	45,000.00
Surrender Values claimable on Lapsed Policies	501.07
Death Claims unadjusted	370,503.25
Matured Endowments unadjusted	23,132.00
Present Value of amounts not yet due on Matured Instalment Policies	265,192.86
Dividends due Policyholders	49,405.86
Dividends allotted to Deferred Dividend Policies issued since January 1, 1911	248,568.41
Dividends allotted to Accumulative Dividend Policies other than Deferred Dividend Policies	526,697.07
Due on account of Office Expenses and Medical Fees	20,007.69
Taxes and Rents accrued	49,750.97
Premiums and Interest paid in advance	88,614.96
Credit Ledger Balances	100,362.59
Surplus 31st December, 1917	4,763,399.68
	$32,165,431.75

Audited and found correct,
J. M. SCULLY, F.C.A.,
Auditor.
Waterloo, January 21st, 1918.

GEO. WEGENAST,
Managing Director.

Statement Showing the Progress of The Mutual Life Assurance Company of Canada

BY DECENNIAL PERIODS

YEAR	INCOME	ASSETS	PAID TO POLICYHOLDERS	BUSINESS IN FORCE
1877	$ 55,319	$ 110,309	$ 11,064	$ 1,699,301
1887	352,923	1,084,852	114,602	11,081,090
1897	819,980	3,730,777	347,862	21,487,181
1907	2,243,570	11,656,409	680,220	51,091,848
1917	6,424,515	32,165,432	2,513,991	123,510,899

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DIVIDENDS AND NOTICES

THE QUEEN CITY FIRE INSURANCE COMPANY

The Annual General Meeting of the Shareholders of this Company will be held pursuant to the Act of Incorporation on Wednesday, the 20th day of February, 1918, at 12 o'clock noon, at the Company's Office, Queen City Chambers, No. 32 Church Street, Toronto, to receive the report of the Directors for the past year, to elect Directors for the ensuing year, and for the transaction of such other business as may be transacted at a General Meeting of Shareholders.

By order,
JOSEPH WALMSLEY,
Secretary.

Queen City Chambers, 32 Church Street,
Toronto, February 1st, 1918.

THE HAND-IN-HAND INSURANCE COMPANY

(Mutual and Stock)

The Annual General Meeting of the Members and Shareholders of this Company will be held on Friday, the 22nd day of February, 1918, at 12 o'clock noon, at the Company's Offices, No. 32 Church Street, Toronto, for the Election of Directors for the ensuing year, and the transaction of other business relating to the management of the Company.

By order,
F. E. DINGLE,
Secretary.

Toronto, February 1st, 1918.

BANK OF MONTREAL

Notice is hereby given that a **Dividend of Two-and-one-Half per Cent.**, upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after Friday, the **First Day of March** next, to Shareholders of record of 31st January, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 22nd January, 1918.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 124.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Friday, 1st March, 1918, to shareholders of record at the close of business on the 14th day of February, 1918.

By Order of the Board.
JOHN AIRD,
General Manager.

Toronto, 19th January, 1918.

THE RIORDON PULP AND PAPER COMPANY, LIMITED

COMMON STOCK DIVIDEND No. 8

Notice is hereby given that a quarterly dividend of 1½ per cent., being at the rate of 6 per cent. per annum, and a bonus dividend of 1 per cent. has been declared on the Common Stock of the Company for the fourth quarter of the year 1917, payable February fifteenth, 1918, to shareholders of record at the close of business on February eleventh, 1918.

By order of the Board,
F. B. WHITTET,
Secretary-Treasurer.

Montreal, February Second, 1918.

MILLERS & MANUFACTURERS' INSURANCE COMPANY

(Stock and Mutual)

The Annual General Meeting of the Members and Shareholders of this Company will be held on Tuesday, the 26th day of February, 1918, at 2.30 o'clock p.m., at the Company's offices, No. 32 Church Street, Toronto, Ont., for the election of Directors for the ensuing year, fixing their remuneration, and the transaction of other business relating to the management of the Company.

By order,
C. H. C. FORTNER,
Secretary.

Queen City Chambers, 32 Church Street,
Toronto, February 1st, 1918.

THE FIRE INSURANCE EXCHANGE CORPORATION

(Stock and Mutual)

The Annual General Meeting of the Members and Shareholders of this Corporation will be held on Monday, the 25th day of February, 1918, at 12.30 p.m., at the Company's Offices, No. 32 Church Street, Toronto, for the election of Directors for the ensuing year, and the transaction of other business relating to the management of the Corporation.

By order,
ARTHUR DWYER,
Secretary.

Toronto, February 1st, 1918.

THE ROYAL BANK OF CANADA

DIVIDEND No. 122

Notice is hereby given that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this Bank has been declared for the current quarter, and will be payable at the Bank and its branches on and after Friday, the first day of March next, to shareholders of record of 15th February.

By order of the Board,
C. E. NEILL,
General Manager.

Montreal, Que., January 15th, 1918.

UNION BANK OF CANADA

Dividend No. 124

Notice is hereby given that a Dividend at the rate of 9 per cent. per annum upon the paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Friday, the 1st day of March, 1918, to shareholders of record at the close of business on the 15th day of February next.

The Transfer Books will be closed from the 16th to the 28th day of February, 1918, both days inclusive.

By order of the Board,
H. B. SHAW,
General Manager.

Winnipeg, January 17th, 1918.

Mr. Herbert W. Taylor, who, for six years before the war, was branch manager at Regina for the London Guarantee and Accident Company, went overseas as an officer in the 46th South Saskatchewan Battalion. After 25 months' service in England, Belgium and France, he has resumed his position as western supervisor of the company, with headquarters in the Paris Building, Winnipeg.

THE WESTERN EMPIRE LIFE ASSURANCE CO.

SIXTH ANNUAL REPORT

The sixth annual meeting of the shareholders of The Western Empire Life Assurance Company was held at the company's offices, 701 Somerset Building, on Wednesday, the 23rd day of January, 1918, when a large number of shareholders were present.

The Directors' Report and Financial Statement, as set out below, were presented to the meeting and unanimously adopted. The following gentlemen were elected to the Board of Directors: R. W. Craig, K.C., W. P. Rundle, Dr. A. J. Fraser, F. D. Byers, S. D. Hannah, G. N. Broatch, G. E. Graham, William Smith.

Directors' Report for Year ending December 31st, 1917

To the Shareholders, The Western Empire Life Assurance Company:

Gentlemen,—Your Directors find pleasure and satisfaction in submitting to you their report for the year 1917, being their sixth annual report, together with the balance sheet and statement of receipts and disbursements.

New Business.—Applications were received during the year for $1,214,835.00, and new Insurance issued for $1,105,500.00, an increase of 78.63 per cent. over the business of the previous year.

Business in Force.—The total amount of Insurance in force at the end of the year amounted to $3,234,768.00, an increase of $531,000.00. Representing an increase of Premiums upon business in force of 22.45 per cent.

Assets.—The assets have increased during the year $36,841.10, and have now reached a total of $322,781.58.

Income.—The net receipts on revenue account total $95,809.42, an increase of $23,262.47, or 32.06 per cent. over the previous year; being premiums, less amount paid for re-insurance, $77,414.72, interest, $18,394.70. We also received from Shareholders $14,302.94. Mortgage repayments $6,488.41, and policy loan repayments, $3,500.60, which brings the total net cash received up to $120,101.37.

Interest.—The interest collections are the best yet experienced; the same pleasing statement applies to the premium Receipts. The amount of interest collected is 7.41 per cent. of the gross invested assets.

Expenses.—The total expenses of management amount to $60,018.50.

Payments to Policyholders and Beneficiaries.—The total amount of claims paid was $9,625.00. of which $6,125.00 accrued from the previous year. The death claims for 1917 amounted to $3,500.00. Other payments were: Annuity Instalment, $414.00; surrender values, $1,275.30, and dividends, $564.81. The amount of insurance participating in the dividend was $24,000.00. The surrender values are exceptionally low and reflect the satisfaction of the policyholders. Of the death claims paid, $9,500.00 resulted from the war.

Our mortality experience continues to be exceptionally favorable, the total losses since the commencement of business being only 30.65 per cent. of the expected. Of the total claims paid, 47.66 per cent. have been war claims.

Liabilities and Surplus.—The total liabilities, exclusive of capital stock, amount to $172,595.28. The surplus to policyholders has increased to $150,186.30.

Investments.—Your Directors are well satisfied with the investments. The amount of interest collected during the year is evidence of their quality. The greatest care has been exercised in the matter of investments, absolute security being the watchword. Victory Bonds were subscribed for to the extent of $75,000.00.

Government Deposits.—Our deposits with the governments have increased to $138,000.00. This amount is exceeded by only two other Canadian Life Insurance Companies.

Audit.—A continuous audit was carried on throughout the year by the Auditor and his staff as usual; who also examined at the year-end the Company's securities.

Our Agency Staff are entitled to commendation for the splendid increase in volume of new business written during the year.

The Company's Officers and Head Office Staff continue to perform their respective duties to the satisfaction of the Board.

The Directors retire annually and are all eligible for re-election.

(Signed) WM. SMITH,
President and Managing Director.

Authorized Capital	**$1,000,000.00**
Subscribed Capital	**564,600.00**
Called Capital	**141,150.00**
Paid Up in Cash	**131,666.55**

BALANCE SHEET

Assets.

Cash on hand and in Bank	$ 8,958.99
Real Estate (Revenue Bearing)	15,125.35
Mortgages	97,940.98
Debentures	69,110.00
Policy Loans	10,005.37
Calls on Capital in Course of Collection	9,483.45
Premium on Capital in Course of Collection	39,051.80
Policy Loans (Non-forfeiture)	7,295.35
Accrued Interest	8,918.14
Outstanding and Deferred Premiums, reserve included in liabilities, less cost of collection	48,795.36
Office Furniture, less Depreciation	3,891.90
Agents' Balances	4,204.89
	$322,781.58

Liabilities.

Reserve, Dominion Government Standard to cover Liabilities under all Policies in Force	$150,430.00
Death Claims Payable in instalments	1,538.68
Premiums Paid in Advance	1,053.10
Mortgage Assumed by Company	8,900.00
Sundry Accounts Payable	673.50
Overdraft Investment Account	10,000.00
Total Liabilities, excluding Capital	$172,595.28
Surplus	$150,186.30

RECEIPTS AND DISBURSEMENTS.

Receipts.

Cash received for First Premiums	$30,903.51	
Cash received for Renewals	49,200.11	
	$80,103.62	
Less Re-insurance	2,688.90	
		$ 77,414.72
Cash Received for Interest		$ 18,394.70
Cash Received from Shareholders		14,302.94
Mortgage Repayments		6,488.41
Policy Loans Repaid		3,500.60
		$120,101.37

Expenses.

License Fees	$ 1,365.52
Legal Fees	1,203.67
Rent and Taxes	1,978.49
Head Office Salaries, Travelling Expenses, Auditors' Fees, and Directors' Fees	12,687.60
Agents' Salaries, Travelling Expenses and Commissions	27,921.03
Actuary's Fees	600.00
Medical Fees	2,522.95
Printing, Stationery and Advertising	2,096.68
Interest and Exchange	1,580.71
Postage and Telephone	948.77
Investment Expenses	2,669.38
Sundries	3,443.7
Total Expenses of Management	$ 60,018.50

Payments to Policyholders.

Death Claims Accrued in Previous Year	$6,125.00	
Death Claims, 1917	3,500.00	
Annuity Instalment	414.00	
Dividends	564.81	
Surrender values	1,275.30	
		11,879.11
		$71,897.61
Balance		48,203.76
		$120,101.37

AUDITORS' REPORT.

We have examined the Books and Accounts of The Western Empire Life Assurance Company for the year ended December 31st, 1917. Satisfactory Vouchers were produced for all disbursements, and, in our opinion the above statement exhibits a true and correct view of the Company's affairs, as shown by the books of the Company at the said date. The securities, excepting those lodged with the Provincial Governments, of which we have seen satisfactory evidence, have been exhibited to us and found in order.

(Signed) STIRLING & RANKIN,
Chartered Accountants, Auditors.

Winnipeg, January 7th, 1918.

A copy of the Annual Report will be mailed on application.

THE TWENTY-FIFTH ANNUAL REPORT OF

THE HOME INVESTMENT AND SAVINGS ASSOCIATION

The 25th Annual Meeting of the Shareholders of the above Association was held at the Head Office, Winnipeg, on Monday, February 4th, A.D. 1918, at 4 o'clock p.m. The President, Mr. M. Bull, acted as Chairman, and the Managing Director, Mr. W. A. Windatt, as Secretary. The Secretary read the Directors' Report, Financial Statement and Auditors' Report as follows:—

Your Directors have pleasure in submitting the Balance Sheet and Statement of Profit and Loss Account for the year ending December 31st, 1917.

In spite of the difficulty experienced in loaning our funds owing to the limited demand for good loans, the results of the year's operations are very satisfactory.

We do not anticipate any change in the conditions until after the war, when doubtless the development of the country will call for all the capital available.

The usual examination by the Inspection Committee has been made and their report will be laid before the meeting.

M. BULL,
President.

BALANCE SHEET, DECEMBER 31, 1917.

ASSETS.

Loans on First Mortgages on Improved Real Estate	$1,820,445.77
Interest on Mortgages accrued, due	104,839.38
Interest on Mortgages accrued, not due	12,736.77
Municipal Debentures	8,640.58
Dominion Government War Bonds and Interest accrued	77,994.82
Real Estate	213,197.68
Office Furniture	1.00
Cash on hand and in Bank of British North America	66,915.98
Mortgages in the amount of $185,981.30 are deposited as collateral with trustees for Debenture Holders.	
Total	$2,304,771.98

LIABILITIES.

To the Public—		
Debentures and Accrued Interest	$234,594.47	
Deposits at Call	376,143.83	
Deposits for Fixed Term	85,772.36	
Sundry Accounts	4,680.19	
		$ 701,190.85
To the Shareholders—		
Capital Stock paid up (Subscribed ($1,000,000)	989,131.63	
Reserve Fund	500,000.00	
Contingent Fund	50,000.00	
Dividend Payable January 2, 1918	22,249.30	
Profit and Loss Account	42,200.20	
		1,603,581.13
Total		$2,304,771.98

We have to report to the Shareholders that we have audited the books of The Home Investment & Savings Association for the year ended December 31, 1917.

We hereby certify that the accompanying Balance Sheet and Profit and Loss Account are in accordance with the books, and, in our opinion, are properly drawn up so as to exhibit a full and fair statement of the financial position of the Association as at December 31, 1917, and the result of the operations for the year ended that date. All our requirements as Auditors have been complied with.

MARWICK, MITCHELL, PEAT & CO.,
Chartered Accountants.

Winnipeg, Man., January 26, 1918.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 1917.

Balance brought forward from previous year			$ 21,636.65
Add Premiums on Capital Stock			835.70
Net Profits for the year after deducting interest on borrowed capital, expenses of management and making provision for any shrinkage in securities		$113,809.31	
Provincial Government and Business Tax	$1,130.12		
Dominion Supplementary Revenue Tax	1,632.17		
Dominion Income Tax	2,550.17		
		5,312.46	
			108,496.85
			$130,969.20
Four quarterly dividends at rate of 9% per annum			88,769.00
Balance carried forward			$ 42,200.20

THE INSPECTION COMMITTEE'S REPORT.

To the President and Directors of The Home Investment and Savings Association,—

Your Inspection Committee having completed the duty assigned to it of checking over the loans of the Association begs to report as follows:—

Every loan entered in the records was examined most carefully and where arrears of interest for over six months existed note was taken of same. The list thus prepared is herewith submitted for your information, and for whatever action you may deem necessary under the circumstances.

Speaking generally, we have pleasure in stating that the loans as a whole were found in better condition than at the time of our inspection twelve months ago.

We again observe that a number of properties were taken over by the Association during the year, but there was also a large increase in the number of parcels disposed of over the previous year, so that the net increase in our holdings is less than we anticipated. Any possible losses we may sustain in connection with these properties have, in our opinion, been well provided for by the Contingent Reserve created for this purpose.

It is also satisfactory to find that the amount received from the rental of properties which have come into our possession is much larger than formerly.

Your Committee desires to thank the officials of the Association for assistance rendered while the work of inspection was in progress. We also note with satisfaction the condition in which the loan ledgers are kept and the attention to duty of the staff in this department of the office.

P. C. McINTYRE,
F. H. SCHOFIELD,
Committee.

Winnipeg, January 26th, 1918.

The retiring Directors, Messrs. M. Bull, P. C. McIntyre, W. A. Black, F. W. Drewry, F. H. Schofield, H. Byrnes, W. H. Cross and W. A. Windatt, were re-elected, and at a subsequent meeting of the new Board Mr. M. Bull was re-elected President, Mr. P. C. McIntyre, Vice-President, and Mr. W. A. Windatt, Managing Director.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Feb. 6th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi com.	....	....	....	....
Ames-Holden com.	....	....	....	....
" pref.	....	....	....	25
Asbestos Corporation	....	....	....	....
" " pref.	....	....	....	....
Bell Telephone	....	....	....	202
British Columbia Fishing & Packing	....	....	....	....
Brompton	....	....	....	103
Brazilian	....	....	....	2375
Canada Car com.	....	25	24½	360
" pref.	....	....	....	345
Canadian Converters	....	....	....	....
Canada Cement com.	....	....	....	880
" pref.	....	....	....	41
Canada Cottons	....	....	....	125
" pref.	....	....	....	....
Canadian Con. Rubber com.	....	....	....	....
Canada Foundry and Forgings	....	....	....	55
Canadian General Electric	....	103½	102	395
Canadian Locomotive com.	....	....	....	140
Canadian Pacific Railway com.	....	....	....	40
Canada Steamship Lines com.	....	42½	42	2907
" " " pref.	....	....	....	1297
Civic Investment	....	....	....	726
Civic Power	....	....	....	48
Cons. Mining and Smelting	....	....	....	1823
Consumers Gas com.	....	....	....	....
Dominion Bridge	....	....	....	....
Dominion Coal pref.	....	....	....	....
Dominion Iron pref.	....	89	88½	132
Dominion Steel Corporation com.	....	61½	60½	6155
Dominion Textile	....	81½	81½	373
" pref.	....	....	....	....
Goodwins Limited pref.	....	....	....	....
Gould Manufacturing	....	....	....	....
Howard Smith Paper Mills pref.	....	....	....	....
Illinois Traction pref.	....	....	....	....
Lake of the Woods Milling com.	....	....	....	25
Laurentide Co.	....	....	....	457
Lyall Const. com.	....	....	....	367
Macdonald	....	....	....	115
Mackay Cos. com.	....	....	....	....
" " pref.	....	....	....	5
Maple Leaf Milling com.	....	....	....	30
Montreal Tramway	....	29	27½	235
" " deb.	....	....	....	18200
Montreal Cotton com.	....	....	....	5
" " pref.	....	....	....	5
Nova Scotia Steel	....	68½	68	581
" " pref.	....	....	....	....
Ogilvie Flour Mills pref.	....	....	....	5
Ontario Steel com.	....	....	....	430
Ottawa Light, Heat & Power	....	....	....	5
Penmans	....	....	....	25
" pref.	....	....	....	....
Price Bros.	....	....	....	....
Riordan Paper	....	....	....	65
" pref.	....	....	....	5
Quebec Railway, Light, Heat & Power	....	19	18¾	2843
Shawinigan Water & Power	....	....	....	839
" " " rights	....	....	....	6282
Spanish River com.	....	....	....	612
" pref.	....	....	....	60
Steel Co. of Canada	....	....	....	1379
" pref.	....	....	....	6
Tooke com.	....	....	....	....
Toronto Railway com.	....	62¼	60¾	487
Wabasso Cotton com.	....	....	....	5
Winnipeg Railway	....	....	....	....
Wayagamack	....	....	....	55
Bank of British North America	....	....	....	....
Bank of Commerce	....	....	....	7
Bank of Montreal	....	....	....	5
Bank of Ottawa	....	....	....	....
Bank of Toronto	....	....	....	....
Bank d'Hochelaga	....	....	....	19
Banque Nationale	....	....	....	....
Bank of Nova Scotia	....	....	....	22
Dominion Bank	....	....	....	....
Merchants Bank	....	....	....	10
Molsons Bank	....	....	....	....
Quebec Bank	....	....	....	....
Royal Bank	3¼	....	....	22
Standard Bank com.	....	....	....	....
Union Bank	....	....	....	....
Montreal Bonds	Last Sale			
Asbestos	72½	....	....	1000
Bell Telephone	98½	....	....	....
Canadian Car	....	....	....	....
Canada Cement	96¾	....	....	....
Canadian Consolidated Rubber	....	....	....	....
Canadian Converters	....	....	....	....
Cedars Rapids	90	....	....	....
Dominion Coal	94½	....	....	....
Dominion Cotton	90	....	....	....
Dominion Iron and Steel	97	....	....	....
Dominion Textile A	97½	....	....	....
" " B	97	....	....	....
" " C	97	....	....	....
" " D	96½	....	....	....
Lake of Woods Milling	103	....	....	....
Laurentide	101	....	....	....
Lyall Construction Co.	83¾	....	....	....
Montreal Light, Heat & Power	101	....	....	....
Montreal Tramways	91¼	....	....	....
National Breweries	90	....	....	....
Nova Scotia Steel	90	....	....	....
Ogilvie A	10	....	....	....
" B	103	....	....	....
" C	103	....	....	....
Penmans	....	....	....	....
Price Bros.	....	....	....	....

Montreal Bonds (*Continued*)	—	Asked	Bid	Sales
Quebec Railway, Light and Power	67	....	....	500
Riordan Paper	....	....	....	....
Sherwin-Williams	....	....	....	....
First Dominion War Loan	98¼	....	....	11800
Second Dominion War Loan	98½	....	....	7300
Third Dominion War Loan	....	....	....	40800
Wabasso Cotton	....	....	....	4100
Wayagamack	81	....	....	100

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden pref.	....	50	....	....
American Cynamid	....	25	20	....
" pref.	....	....	52	....
B. & L. (Landed)	....	....	....	....
Barcelona	....	9½	9	170
Bell Telephone	....	....	....	28
Brazilian	...	36	35	2789
Canada Bread	....	17	16	....
" pref.	....	....	....	....
Canadian Car & Foundry	....	28	24	30
" " " pref.	....	60	57½	30
Canadian Canners pref.	....	....	....	....
Canadian General Electric	....	103	102	103
" " " cum div. pref.	....	....	....	....
Canada Landed & National Investment	....	....	....	....
Canadian Locomotive	....	56½	....	5
" pref.	....	....	82¾	20
Canadian Pacific Railway	....	147	145½	20
Canada Permanent	....	....	....	....
Canada Steamship	....	42½	42	1375
" " pref.	....	77½	77	1081
" " (voting trust)	....	....	....	....
Cement com.	....	58¼	57¾	130
" pref.	....	....	90	....
City Dairy	....	....	....	....
" pref.	....	60	....	....
Colonial Loan com.	....	....	....	....
Coniagas com.	....	....	....	....
Confederation Life	....	375	....	....
Consumers Gas	....	147	....	10
Crow's Nest Pass com.	....	50	....	...
Detroit	....	....	....	....
Dome	....	900	850	400
Dominion Canners	5	....	....	....
Dominion Iron com.	....	....	....	....
" " pref.	....	....	....	....
Dominion Steel Company	....	61	60¼	1673
Duluth Sup.	....	41	....	33
F. N. Burt	....	....	....	....
" pref.	....	....	....	10
Hamilton Provident	....	....	....	21
Huron & Erie com.	....	....	....	....
Lake of the Woods com.	....	....	....	....
La Rose com.	....	....	....	....
Mackay Companies	....	77	76	156
" pref.	....	60½	59½	35
MacKinley Darragh com.	....	....	....	....
Maple Leaf Milling	....	99	95	23
" " " pref.	....	95	93½	28
Monarch	....	....	30	....
" pref.	....	....	....	....
Nat. S. Car	....	....	6½	....
" pref.	....	27	24	....
Nipissing	....	825	810	56
Nova Scotia Steel	....	68	67	105
" " " rights	....	....	....	..
Pacific Burt com.	....	....	....	....
" pref.	....	....	....	....
Penmans com.	....	....	....	....
Petroleum	....	....	....	100
Riordon	....	....	....	....
" pref.	....	....	....	....
Rogers com.	....	....	....	....
" pref.	....	....	....	....
Russell Motor	..	60	53	....
" pref.	....	....	....	10
Sawyer-Massey	....	....	10	25
" pref.	....	41	....	....
Shredded Wheat	....	....	....	....
Spanish River	....	15	14	10
" pref.	....	50	....	....
Cons. Smelters	....	25	24¾	74
Standard Chemical	....	....	....	....
" " pref.	....	57	....	....
Steel Company of Canada	....	55	54½	110
" " " pref.	....	84⅞	83	2
Toronto General Trust	....	....	....	....
Toronto Paper	....	72	....	....
Toronto Railway	....	63	62	20
Trethewey S. Mines com.	....	16	14½	....
Tucketts	....	19	....	....
" pref.	1½	....	....	....
Winnipeg Electric	....	48	....	....
Twin City	....	66	65	165
Bank of Commerce	....	185	....	15
Bank of Ottawa	....	201	....	....
Bank of Hamilton	...	184	....	20
Bank of Montreal	....	210	....	....
Bank of Nova Scotia	....	218	....	....
Bank of Toronto	....	187	....	....
Dominion Bank	....	202	....	....
Imperial Bank	...	....	....	....
Merchants Bank	2½	....	167	....
Molsons Bank	....	179¾	....	....
Royal Bank	....	208	....	....
Standard Bank	....	200	....	3
Union Bank	....	....	140	....
Toronto Bonds	Last Sale			
Canada Bread	92½	....	....	...
Canada Locomotive	95	....	....	....
Penmans	89	....	80	....
Riordon	....	....	....	....
Sao Paulo, 1929	84	....	....	...
Steel Company of Canada	96½	89	88	500
First War Loan	98	95	94¾	7300
Second War Loan	98½	93⅞	93⅛	7600
Third War Loan	....	93¼	93¼	19900

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BRITISH COLUMBIA WILL TAKE OVER RAILWAY

Suits brought by the government against Foley, Welch and Stewart and the Pacific Great Eastern Railway property have been settled. The government will take over the entire Pacific Great Eastern project and the contractors will drop out of it.

Following an official announcement on the terms of the settlement, which is expected to be made by the premier or minister of railways shortly after the opening of the House, legislation may be introduced that will provide for the completion of the Pacific Great Eastern from the present end of steel, a point 23 miles north of Clinton, to Prince George.

Under the proposal to settle what probably will soon remove the Pacific Great Eastern question from the courts, administration of the railroad will pass into the hands of the minister of railways. Foley, Welch and Stewart are to give up all their interest in the property, and will leave on the ground a great deal of equipment and material that they had on hand. The lands and property of the Pacific Great Eastern Land Company and all subsidiary companies are to be handed over to the government.

A sum of approximately $441,000, which remained to the credit of the Pacific Great Eastern in the Union Bank, Victoria, at the time of the Victoria investigation, also passes into the provincial treasury. The government, on its part, relieves the contractors from their obligations.

There are now on hand 8,000 tons of rails available for the completion of the road through to Prince George, and there is standing an order for 21,000 tons of rails recently financed by the government, let to the United States Steel Corporation, which, on instructions, must commence delivery. Thus, enough rails are on hand or on order to finish the line.

Representations are being made to Sir Robert Borden by Premier Brewster to the effect that some assistance from the federal government may be secured, not only for completing the line to Prince George, but also for continuing it to Peace River.

EXCELSIOR LIFE INSURANCE COMPANY

An excellent report was presented at the annual meeting last week of the Excelsior Life Insurance Company, Toronto. Mr. J. H. Black, managing director, and his colleagues on the board are to be congratulated on the results of the past year's operations, results to which an active field force and head office staff have also materially contributed. The new assurances written in 1917 totalled $6,191,154, an increase of 27 per cent. over the previous year. The total assurances in force amount to $24,118,126. A notable feature last year was the increased number of applications from male lives under twenty and from self-supporting women.

The mortality experience of the company was again favorable, the total claims amounting to only 64 per cent. of the expected. There was an increase of $54,524 in the surplus, a reduction of 22 per cent. in the expense ratio, and a reduction in the lapse rate as compared with 1916, a combination of gratifying features.

The amount paid to policyholders, added to the amount set aside for their future benefit during the year, totalled $734,521, being over 92 per cent. of the premiums actually received from policyholders during the year. The directors have made generous provision for all liabilities. In addition to the policy and annuity funds, amounting to $3,648,644, a special reserve has been set aside for possible unreported death claims. The investment reserve account has been increased to $16,316.

The total assets of the company show an increase of over $400,000, the investments during the year being confined to war loans, the company's holdings of which are now $587,500.

PROTECTION OF LIFE INSURANCE

"The increase of insurance in force indicates that tl war and business conditions generally have turned the min of people more to the subject of life insurance than ever b fore," said Mr. W. K. George, vice-president of the Nor American Life Assurance Company, at the company's annu meeting at Toronto last week. "I know from coming in co tact with business men and others that they now realize mo forcibly the importance of protection by way of life insuranc This applies in so many different ways and in such a bett manner than was the case when I first took out insurance c my life. A man nowadays can insure his life, nominate h wife as beneficiary, and provide under the policy that she to have a certain monthly income payable as long as sh lives. Thus he is absolutely assured beyond question that i case he predeceases his wife she is sure of a stated su monthly. Business men are now able to take out joint insu ance to protect their respective interests, while corporatior have insurance on the life of an expert who is in their en ploy, because in case of his death it would be difficult to r place him. The banks now require that manufacturers, bus ness men and others indebted to them shall insure their live and assign the amount by way of security, and in many case where this has been done it has been the salvation of th partners engaged in special business. I think Peter McArthu puts the question of life insurance in a very apt manner b stating: 'There was never a time when the benefits of lit insurance meant so much to the home-makers of the countr as they do to-day. In this crisis, when the future is unce tain, it is the duty of every father to see to it that the hom he is establishing for his family is made secure.' "

PRELIMINARY STATEMENT OF THE TRADE OF CANADA FOR DECEMBER

	Month of December			Twelve Months ending December		
	1915	1916	1917	1915	1916	1917
IMPORTS FOR CONSUMPTION.	$	$	$	$	$	$
Dutiable Goods	24,805,899	38,177,116	36,363,034	261,842,173	422,173,311	557,636,509
Free Goods	20,884,822	29,723,418	25,271,628	188,705,601	344,328,201	447,435,207
Total imports (mdse.)	45,690,721	67,900,534	61,634,662	450,517,774	766,501,512	1,005,071,716
*Coin and bullion	9,429,288	611,512	657,769	21,275,888	37,352,622	15,334,673
Total imports	55,120,009	68,512,046	62,292,431	471,823,662	803,854,134	1,020,406,389
Duty Collected	9,242,125	12,085,082	10,860,805	91,907,722	139,002,178	167,041,330
EXPORTS.						
Canadian Produce—The mine	5,632,984	8,457,039	5,026,041	61,814,582	81,281,244	77,389,963
The fisheries	2,067,132	2,630,149	3,016,059	21,673,415	24,349,835	28,323,877
The forest	3,553,083	4,262,423	3,836,909	49,779,509	55,224,919	52,280,875
Animal produce	9,430,534	12,882,235	11,433,910	94,513,460	117,909,753	170 561,884
Agricultural produce	49,389,763	47,213,553	91,216,447	230,644,063	364,605 703	531,300,259
Manufactures	21,810,697	54,261,266	33,635,790	151,751,844	440,477,143	682,521 692
Miscellaneous	287,209	330,509	246,763	3,952,972	7,857,806	5,052,305
Total Canadian produce	92,171,402	130,037,174	148,411,919	614,129,845	1,091,706,403	1,547,430,855
Foreign produce	1,423,201	2,496,831	2,475,129	39,358,567	20,738,599	46,155,194
Total exports (mdse)	93,594,603	132,534,005	150,887,048	653,488,412	1 112,445,002	1,593,586,049
Coin and bullion	101,342	147,143	126,185	128,337,710	196,468,416	3,240,914
Total exports	93,695,945	132,681,148	151,013,233	781,826,122	1,308,913,418	1,596,826,963
AGGREGATE TRADE.						
Merchandise	139,285,324	200,434,539	212,521,710	1,104,036,186	1,878,946,514	2,598,657,765
Coin and bullion	9,530,630	758,655	783,954	149,613,598	233,821 038	18,575,587
Total trade	148,815,954	201,193,194	213,305,664	1 253,649,784	2,112,767,552	2,617,233,352

*NOTE.—It will be noted that the figures relating to the imports and exports of coin and bullion for the twelve months ending Dec., were: imports 1915, $21,275,888; 1916, $37,352,622; 1917, $15,334,673; and exports 1915, $128,337,710; 1916, $196,468,416; 1917, $3,240,914. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Feb. 6th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......com.	41	45	Chapman Ball Bearing ..	20	29.50	Imperial Trust Co.......	...	55	Peoples Loan...........	81	90
Alberta Pac. Grain..pref.	85	92	Chic. N. S. & M. Ry. 1st pf.	. .	50	Lambton Golf Club.. ...	340	380	Rosedale Golf Club......	290	350
" " " com.	97.50	....	Collingwood Ship...com.	25	....	London Loan & Savings.	100	115	South Can. Power....6's	....	92.50
American Sales..Ex pref.	....	90	Cockshutt Plow.....pref.	65	74.50	Loews Theatre ......com.	77	84.50	Stan. Reliance ... (par 50)	45	48
Atlantic Sugar......pref.	25	30	Continental Life.........	19.50	24.50	Maritime Coal ....5's	67	72	Sterling Coal........com.	9.75	11
Black Lake Bonds.......	19.50	22	Dom. Fire	19	21	Mexican North........5's	10	14	" " ......bonds	70	73
Brand-Henderson .....6's	94	....	Dom. F'dry & Steel 8% pf.	80	89	Matthew-Laing.. 6's	92	97	Sterling Bank.	80	89
Brantford Roofing.......	95	....	" " " com.	57	63.50	M'Donald...........pref.	80	85	St. Lawrence Flour...6's	95	100
Belding Paul........ pref.	72	75.50	Dom. Iron & Steel 5's. 1939	74	78.50	Milton Pressed Brick....	25	...	Toronto Paper........6's	85	89.50
Can. L. & P. ....5's	42	46	D. Po'er & Trans......5's	81.50	86	Monarch Life............	50	85	Trust & Guarantee.......	85	90
Can. Marconi............	1.75	2.75	Dunlop Tire....... pref.	89	95	Morrow Screw........6's	85	92	Toronto Y'k Rad. 5's. 1919	....	96
Canada Machinery..com.	8.50	12	Eastern Car...........6's	90	95	Mutual Steamships ...6's	95	....	West. Assurance	4.75	6.25
" " ..pref.	43	50	E. B. Eddy 6's 1935... ..	95	....	National Brick ....6's	19	25	West Can. Flour....com.	92	115
Can. Oil.............pref.	80	92.50	Home Bank..............	61.50	66	National Life.............	30	....	" " 6's (1928)	93	98
Can. Steel Foundry...6's	83	89	Imperial Oil..............	280	300	North. Crown Bank	71	....	West Can. Power. ...5's	48.50,	53
Carter Crume.......pref.	....	70	Imperial Steel......pref.	....	4	Nor. Ont. L. & P,. ....6's	. . .	82	....	....	....
....	....	....	....	....	....	....	..	....	....	....	...

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

THE EMPLOYERS'
LIABILITY ASSURANCE CORPORATION
OF LONDON, ENG. LIMITED

ISSUES
Personal Accident
Employers' Liability
Workmen's Compensation
Sickness
Automobile
Fidelity Guarantee
and Fire Insurance Policies

C. W. I. WOODLAND
General Manager for Canada and Newfoundland

Lewis Building, MONTREAL
JOHN JENKINS, Fire Manager
Temple Bldg., TORONTO

Merchants Casualty Co.
Head Office: Winnipeg, Man,

The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments. Embracing the entire Dominion of Canada.

SALESMEN NOTE

Our accident and health policy is the most liberal protection ever offered for a premium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.

Good Openings for Live Agents

Eastern Head Office...1 Adelaide St. E., Toronto
Home Office .. ...Electric Railway Chambers, Winnipeg, Man.

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance
Sickness Insurance
Plate Glass Insurance
Burglary Insurance
Automobile Insurance
Guarantee Bonds

The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

GOVERNMENT AND DOMINION PERMANENT LOAN

"There is no inspection of these loan companies," said Hon. I. B. Lucas, attorney-general of Ontario, in the course of an interview this week. "No government has instituted inspection, because that would ultimately involve responsibility for their solvency. We are ready to do anything we can, and if the assignee, as a result of his enquiry into the company's affairs, can suggest anything that might help to prevent a repetition of such an affair we would be ready to consider it."

* * *

Production of spruce in British Columbia for aeroplane purposes is being achieved on a large scale. This activity will continue until the end of the war and will mean a large increase in the value of timber products, probably bringing the figures of this business for 1918 into first place again among British Columbia's industries.

Hon. Walter Mitchell's bill dealing with taxes on estates was given third reading in the Quebec legislative assembly last week. Under one clause beneficiaries under insurance policies must pay succession duties on the proceeds of such policies. The present law had several clauses touching on this, but they were not clear nor operative, consequently Mr. Mitchell aims to put the matter beyond doubt. It is stipulated, however, that every insurance beneficiary shall be personally liable for the duties due in respect of his share in the succession, and for no more.

LONDON
GUARANTEE AND ACCIDENT COY.
Limited
ESTABLISHED 1869
Head Office for Canada:
TORONTO

Employer's Liability
Elevator
Contract
Personal Accident
Fidelity Guarantee
Internal Revenue
Sickness
Court Bonds
Teams and Automobile

AND FIRE INSURANCE

The Imperial Guarantee and Accident Insurance Company of Canada

Head Office, 46 King St. W., TORONTO, Ont.

IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital - - -	$200,000.00.
Authorized Capital - - -	$1,000,000.00.
Subscribed Capital - -	$1,000,000.00.
Government Deposits - -	$111,000.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word, Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

THE STORY OF A YOUNG FINANCIAL MAN'S SUCCESS.—A financial man, thirty-three years of age, came to our office four years ago to take up a new line of business—a line against which he had been prejudiced, but which he knew carried great rewards for the successful. His average commissions this year will be over $5,000.00, and he has built up a future income of over $3,000.00 a year on business already written. We are enlarging our organization to prepare for an enormous expansion of business during the next few years. We have positions for two good men with successful records. This offer will be open during the next week. Only applicants of unquestioned integrity and with the highest references will be considered. W. A. Peace, Manager Toronto Branch, Imperial Life Assurance Company, 20 Victoria Street, Toronto.

WANTED.—Fire Insurance Inspector for Ontario Field; headquarters, Toronto. Must be capable draftsman and familiar with schedule rating. Apply stating age, whether married or subject to military draft, also state experience and salary expected. Applications will be treated in strictest confidence. Box 143, *The Monetary Times*, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

THE TRAVELERS

HARTFORD, CONNECTICUT - - L. F. BUTLER, President

ANNUAL STATEMENT

January 1, 1918

THE TRAVELERS INSURANCE COMPANY

CAPITAL $6,000,000

Life, Accident, Health, Workmen's Compensation and Liability Insurance

Assets	**$129,311,109**
Reserves and Liabilities	**115,248,166**
Capital and Surplus	**14,062,943**
Life Insurance Paid for, 1917	$186,357,301
Life Insurance in Force	617,239,004
Increase—Life Insurance Paid for	$ 70,876,608
Increase—Life Insurance in Force	$140,923,162
Paid Premiums for Life Insurance	16,516,888
Paid Premiums for Accident and Health Insurance	5,880,176
Paid Premiums for Liability Insurance	$ 6,384,290
Paid Premiums for Workmen's Compensation	11,335,400
Increase—Premium Income	7,983,976
Total Income	46,411,911
Increase—Total Income	9,360,411
Total Paid to Policyholders to End 1917	195,314,111
Paid for Prevention of Accidents by Inspection	3,591,523

THE TRAVELERS INDEMNITY COMPANY

CAPITAL $1,000,000

Automobile, Steam Boiler, Flywheel, Burglary and Plate Glass Insurance

Assets	**$4,199,461**
Reserves and Liabilities	**2,583,688**
Capital and Surplus	**1,615,773**
Total Paid Premiums	$ 2,745,259
Total Income 1917	2,899,369
Increase—Premium Income	$940,649
Increase—Total Income	965,169
Total Paid to Policyholders to End 1917	3,021,693
Paid for Prevention of Accidents by Inspection	867,083

Moral: Insure in The Travelers

NEW SHIPBUILDING ENTERPRISES

A number of representative citizens of Sault Ste. Marie called upon Sir William Hearst, premier of Ontario, last week to discuss with him plans for establishing a shipbuilding industry at Sault Ste. Marie. Before the war steps were taken to establish a shipbuilding plant and drydock, but work has been delayed. Now it is proposed to begin the construction of wooden ships in connection with the steel plant, with a view to steel-ship construction later.

The British Columbia shipbuilding programme is to be augmented by the construction of forty wooden ships, aggregating a total of 140,000 tons. Twenty of these ships will be built in Victoria by a syndicate of capitalists, headed by Mr. J. G. Price, president of the Cameron-Genoa Mills Shipbuilding, Limited, the new shipbuilding concern to be known as the Victoria Shipbuilding, Limited, while the remainder will be built by the British-American Shipbuilding and Engineering Company, Limited, which had secured the lease of a shipbuilding site on the old Kitsilano Indian reserve at Vancouver. The larger company is headed by Mr. J. A. Sears, of Vancouver.

Mr. Charles Magee, a former president of the Bank of Ottawa, and in his 77th year, was found dead in his office on Monday. Death was due to natural causes.

Mr. Charles Archibald, who is one of the prominent citizens of Halifax, and pursued the vocation of mining engineer early in his professional life, becoming a mine owner in the Cape Breton coal field, has been appointed to the presidency of the Bank of Nova Scotia. He retired from his activities in that connection a number of years ago. He took an active interest in the promotion and management of West Indian traction enterprises and is president of the Camaguey Electric Company, and a director of Demerara and Trinidad Electric Railway companies. He has been a director of the bank for 20 years.

CONFEDERATION LIFE
ASSOCIATION

Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:
W. D. MATTHEWS, ESQ.
Vice-President
SIR EDMUND OSLER, M.P.

John Macdonald, Esq.
Joseph Henderson, Esq.
Lt.-Col. A. E. Gooderham
Thos. J. Clark, Esq.
Lt.-Col. J. F. Michie
Peleg Howland, Esq.
Lt.-Col. The Hon. Frederic Nicholls
John Firstbrook, Esq.

Gen. Supt. of Agencies, J. TOWER BOYD
Actuary, V. R. SMITH, A.A.S., A.I.A.
Secretary, J. A. MACDONALD.

Medical Director:
ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)

HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION
The Western Life Assurance Company

have made the following increases for the quarter ending March 31st, over the corresponding period of last year:

NEW BUSINESS.....	280%
CASH RECEIPTS	140%
— and —	
INVESTED ASSETS have increased during the quarter by	83%

Work for a PROGRESSIVE COMPANY. We want two more District Agents for the West. If you are an up-to-date Agent, write at once to the Head Office of the Company,

WINNIPEG .. .. MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds.........$	66,500,000	Investments under Canadian Branch, over...$	16,000,000
Deposited with Canadian Government and Government Trustees, over..............	7,000,000	Revenue, over...............	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

The largest commissions are not payable by

The London Life Insurance Co.

London ... ... Canada

The largest earnings are, however, possible on account of its liberal policy contracts.

POLICIES "GOOD AS GOLD." 7

FOR INFORMATION RE

AGENCY OPENINGS

Address H. A. KENTY,
Superintendent of Agencies.

Continental Life Insurance Co., Toronto

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"

HEAD OFFICE - TORONTO, CANADA

"MUTUAL" PROTECTION AGAINST DISABILITY AND DEATH

Many Policyholders fear that a time will come when, owing to permanent disability from illness or accident, they will be disqualified from earning an income and paying their premiums. The Mutual Life of Canada issues a Policy which not only waives further payment of premiums but provides a monthly income of $10.00 per thousand of Insurance, should such a condition develop and be clearly proven. This is a Policy which affords protection to the full amount of the policy at death for the beneficiary and protection for the assured while helpless—Write for full particulars.

One of the most perfect Insurance Policies issued.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario

THE UNAVOIDABLE "IF"

If a man were certain of living a specified time—IF he could foresee the future—perhaps he could do without Life Insurance. But the elements of uncertainty enters, and makes the best schemes of no account. It is this uncertainty that makes Life Insurance so invaluable. A Life Policy is the one certain way of providing for an uncertain future.

The Great-West Life Policies embody all the essentials of profitable Life Insurance. Low premium rates are charged—these premiums may be paid annually or otherwise, as suits the insured—the Policy conditions are liberal and clearly expressed, and the profit returns to Policyholders are so satisfactory that seldom does a participant fail to express both gratification and surprise at returns under his Policy.

Full particulars of suitable Policies will be mailed to any applicant.

The Great-West Life Assurance Co.
DEPT. "F"
HEAD OFFICE : : WINNIPEG

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

The three bills of Hon. Walter Mitchell, provincial treasurer of Quebec province, providing for the creation of a department of municipal affairs were given second reading in the legislature last week. The minister of the new department who will be named later, will have supervision over the administration of the laws concerning the municipalities of the province. To this department will be entrusted the complete control of municipal finances, the issuing of loans, the provisions for sinking funds, as well as the methods of book-keeping to be employed. According to the new law municipalities must deposit with the provincial treasurer moneys to meet municipal and school corporation bonds when these fall due. In order to defray the expenses of the new department a system of fees is provided, payable by municipalities which make and withdraw the deposits with the provincial treasurer. The government will pay interest of 3½ per cent., and will be able to make a good margin by re-investing the money.

Oakville, Ont.—Messrs. A. E. Ames & Company have purchased $43,564 6 per cent. 20-instalment electric light and highway debentures of the town.

Walkerville, Ont.—The following bids were received for the town's $88,365 6 per cent. 9, 10 and 25-instalment bonds awarded to Messrs. A. E. Ames & Company, Toronto, as reported in *The Monetary Times* last week:—

A. E. Ames & Company	94.40
C. H. Burgess & Company	94.11
Wood, Gundy & Company	93.31
Canada Bond Corporation	93.24
W. A. Mackenzie & Company	93.05
Brent, Noxon & Company	92.76

Montreal, Que.—The Bank of Montreal is prepared to make advances to the city to the extent of $2,000,000 in anticipation of revenue, on the following conditions.

"It is understood the said advances are to be repaid from the taxes for this year. No portion of the proceeds to be used for capital expenditure. The $1,000,000 treasury bills now held by us overdue, to be repaid from the proceeds, and that no large cheques be issued without being first referred to the bank."

The board of control have resolved to issue treasury notes to the extent of $1,500,000 in favor of the Bank of Montreal, and further that the attention of the Bank be drawn to the fact that all the large cheques now issued do not cover expenses and capital, but represent salaries and other current outlay.

Ottawa, Ont.—The city last week awarded to the Bank of Ottawa three bond issues, aggregating $223,484, at a price to cost the city approximately 6⅛ per cent. The following were among the tenders received:—

Bank of Ottawa	94.875
A. E. Ames & Company	93.69
Wood, Gundy & Company	93.525
Canada Bond Corporation	92.69
Housser, Wood & Company	92.61
Dominion Securities Corporation	92.17
W. A. Mackenzie & Company	92.15
Morrow & Jellett	92.00
Brent, Noxon & Company	91.87

The issues comprised $120,984 5½ per cent. 20-instalment local improvement; $100,000 5 per cent. 10-instalment Patriotic and Red Cross and $2,500 5½ per cent. 10-year Y.M.C.A. grant bonds.

Prince Rupert, B.C.—In view of the fact that so much publicity was given the city regarding the temporary default in taking up their treasury certificates in London, brought about by the action of the Imperial treasury in 1914, it is interesting to know of the progress made by the city since that date. In a statement to *The Monetary Times*, Mr. E. D. Johnson, city treasurer and collector, points out that in 1914 the city's total bonded indebtedness was $2,594,838, of which only $250,070 was permanently sold; $1,371,000 was represented by treasury certificates which were renewed for one year (conditionally that they were taken up by cash payment); $202,237 were hypothecated to the bank for loans made; and $771,530 unsold. The assessed valuation for taxation was $17,486,485, and the gross mill rate was 13.975 mills. The city borrowed from the bank, $37,000 against current revenue. In 1915, $70,990 of short-term debentures matured and were taken up. In 1916, a further $25,870 matured and were paid for. The same year the whole of the debt was converted into serial bond form; two by-laws repealed, and the remaining debt permanently sold in the United States.

In 1917, the entire debt stands at $1,624,000, a reduction since 1914 of $970,838; besides which the city has on deposit $78,560 earning interest to meet payment of interest and principal on serial bonds due April 1st, 1918, and $48,210 to meet local improvement debentures due June 10th, 1918, and the whole transactions of the city for 1917 were carried on without borrowing from the bank against current revenue, or for any other purpose.

The assessed valuation for taxation for 1917 levy was $11,596,295, a reduction of $5,890,190 since 1914, and our tax rate 10 mills gross. Our local improvement levy in 1914 of $146,643 was reduced in 1917 to $81,000, making a total reduction in taxation since war was declared of 62 per cent., with arrears of taxes, $178,000; all sinking funds completed, and no obligations outstanding.

"I therefore submit," says Mr. Johnson, "having regard for the unenviable position in which the city stood in 1914, the fact of having resources sufficient to enable it to recover in this way, in spite of war conditions, should confirm the high regard bond houses have for Canadian municipal bonds, especially when applied to the older established cities, and argues well for the possibilities of British Columbia."

MANITOBA TELEPHONES LOSE MONEY

The report of the Manitoba government telephones for the year, which was tabled by the Hon. T. H. Johnson in the provincial legislature recently, shows a deficit of $30,349. The revenue for the year is reported to have been $1,847,704, while the operating expenses totalled $1,406,940, showing the net telephone earnings as $440,764. Against this were items of $45,450 for salaries to men of the department in military service and $425,663 interest charges.

HOME INVESTMENT AND SAVINGS ASSOCIATION

Difficulty was experienced by the Home Investment and Savings Association, Winnipeg, in loaning its funds last year owing to the limited demand for good loans. That has been the experience of other companies. An examination of the Winnipeg company's balance sheet, however, shows that, despite this drawback, the results of the year's operations were satisfactory. The net profits, after making the usual deductions, were $113,809, compared with $115,153 a year ago. Various taxes absorbed $5,312. Dividends were paid at the rate of 9 per cent. per annum, accounting for $88,769. There was a balance of $42,200 carried forward, which is twice the amount of the balance of profit and loss account at the end of 1916.

The company's total assets are $2,304,771, of which loans on first mortgages on improved real estate represent $1,820,445. The interest on mortgages totals $117,575. The company has an inspection committee, whose duty it is to check the loans. Every loan entered in the records was examined by the committee, who state that the loans as a whole were found in a better condition than at the time of inspection twelve months ago. They report that a number of properties were taken over by the company during the past year, but, as there was also a large increase in the number of parcels sold, the net increase in the company's holdings was less than anticipated. Any possible losses which may be sustained in connection with these properties the committee believe have been well provided for by the contingent reserve created for that purpose. This reserve is shown in the balance sheet at $50,000. The company holds $213,197 real estate. Office furniture is put in the balance sheet at the nominal figure of $1. There is cash on hand and in bank amounting to $66,915.

Of the liabilities to the public, debentures and accrued interest represent $234,594. There are deposits of $376,143 at call and $85,772 for fixed term. The company's paid-up capital stock is $989,131, and there is a substantial reserve fund of $500,000. Mr. M. Bull is president and Mr. W. A. Windatt is managing director. Judging by the annual statement, the company is in good financial condition, and has reason to be well satisfied with the past year's operations.

A SQUARE DEAL
IN LIFE ASSURANCE

Do YOU know anything about "loadings" ? ? ?

When the average Life Assurance Actuary figures out your premium he first finds the "net" premium, then adds to it a percentage called a "loading" to provide for expenses.

This method has been condemned by world famous actuaries for over half a century.

"First in the Northwest."

The Northwestern is the only Canadian Life Company that uses a scientific method of providing for expenses, and this results in

LOWER PREMIUMS

Write for our circular entitled "Life Assurance Rates" exposing the unsound methods generally followed and justifying our claim to be

Canada's only scientific Life Company.

The Northwestern provides the highest reserves of any Canadian Company.

The Northwestern Life
Assurance Company
WINNIPEG CANADA

THE PRUDENTIAL has a large force of Canadian employees at work in every large city in the Dominion selling Gibraltar-like life insurance policies and industriously paying death claims in afflicted homes day after day. The Prudential has throughout the United States and Canada Fifteen Million Policies in Force, equal to nearly twice the population of the Dominion, and indicating the popularity of this big American Company.

Founded by JOHN F. DRYDEN
THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR
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The holder of an Equitable agency contract benefits not only by the impregnable strength and prestige of the Society, but also through being able to offer a variety of policies that meet with precision the requirements of the insuring public. Profitable openings at various points in Canada for men of character and ability, with or without experience in life insurance.

The Equitable Life Assurance Society of the U.S.
120 Broadway, New York

TRAVELERS INSURANCE COMPANY

The statement of the Travelers Insurance Company for the past year again shows an increase in business greater than that of any previous year. It is pleasing to note that L. F. Butler, the president, in the annual report, pays a tribute to the efforts of the field men in increasing the volume of business, as well as to their co-operation in maintaining the company's standard of quality. This old and substantial underwriting corporation has its head office in Hartford, Conn., but has a large volume of business in Canada, having commenced operations here in 1865, only two years after that company's incorporation.

Last year the company received premiums of $40,116,754, divided as follows: For life insurance, $16,516,888; accident insurance, $4,679,368; health insurance, $1,200,808; workmen's compensation insurance, $11,335,400; and liability insurance, $6,384,290. These figures do not include reinsurance premiums. In addition, there was received a sum of $6,295,157 for interest, dividends, rents, etc., making the total income for the year $46,411,911. The company paid claims of $18.272,297 in 1917, and for the prevention of accidents by inspection the large sum of $531,146 was paid. At the end of the year the company was able to record increases in every important department as follows: In assets, $14,215,836; life insurance paid for, $70.876,608; life insurance in force, $140,923.162; total income, $9,360,411; payments to policyholders, $2,641,246; reserves for protection of policyholders, $14,624.223; premiums for life insurance, $2,856,392; premiums for accident insurance, $180,823; premiums for health insurance, $254,104; premiums for workmen's compensation, $3,450,093; premiums for liability insurance, $1,242,564, while the increase in total premium income was $7.983,076.

Some idea of the strength of this corporation is gathered from the fact that its total assets amount to $129.311,109. It has reserves and all other liabilities of $115,248,166. Its capital and surplus total $14,062,943. Since its inception payments of $195.314,111 have been made to policyholders.

The company's chief agent in Canada is Mr. F. F. Parkins, with head office for the Dominion at Montreal. There is an excellent organization throughout Canada. At the end of 1916, its total assets in this country amounted to no less than $5,580,976. Its income here in the same year was $998,070, and its expenditure in Canada was $541,771.

ELECTRIC SMELTING IN CANADA

Not many years ago the opinion prevailed in Canada that, while electric smelting was interesting, the time was far distant when it would be put into practical operation. The situation, however, has radically changed. There are, at the present time, 32 Heroult electric furnaces in Canada and 22 of other types—in all, 54 furnaces using the electric process. These furnaces have a capacity of 173,000 tons of iron and steel, 50,000 tons of ferro-silicon, and 8,000 tons of other ferro-alloys per annum. The British Forgings plant at Toronto has ten electric furnaces of the Heroult type and a total capacity of 60 tons per heat, or about 72,000 tons per annum, making it the largest electric-process steel plant in the world.

FLAX STRAW FOR BINDER TWINE

The Flax Fibre Development Association of Regina, Sask., announces that it has discovered a process for manufacturing flax straw into binder twine, commercial twine and yarns for weaving into heavy sacking and toweling. Heretofore, the flax straw of the three western provinces, amounting to over 1,000,000 tons annually, has been burned after thrashing.

It is said that experiments carried out this autumn with the new binder twine showed that it bound 99 per cent. of the sheaves perfectly, a better result than was obtained with sisal twine. A co-operative company is being formed to manufacture the new twine.

JANUARY FIRE LOSSES

Six Business Sections Destroyed Last Month—Many Large Fires Reported

The Monetary Times' estimate of Canada's fire loss during January, 1918, is $2,688,556, compared with the December, 1917, loss of $5,144,100 and $1,918,660 for January, 1917. The following is the estimate of the January losses:—

Fires exceeding $10,000	$2,222,900
Small fires reported	114,975
Estimate for unreported fires (15 per cent. of total)	350,681
Total	$2,688,556

The Monetary Times' record of the past four years shows the following monthly losses:—

	1915.	1916.	1917.	1918.
January	$ 1,249,886	$ 1,649,217	$ 1,918,660	$ 2,688,556
February	1,019,556	3,275,600	2,009,953	....
March	1,632,696	1,406,501	2,050,650	....
April	1,463,747	1,460,437	1,317,714	....
May	881,855	1,850,205	1,163,110	....
June	1,157,156	494,557	1,184,627	....
July	773,269	3,039,634	1,101,734	....
August	403,693	1,057,109	1,230,183	....
September	1,116,109	981,703	1,301,700	....
October	1,290,325	1,077,815	704,605	....
November	1,087,980	923,235	959,049	....
December	1,595.255	3.271,496	5,144,100	....
Totals	$13,671,527	$20,487,509	$20,086,085	$ 2,688,556

The fires reported in January at which the losses amounted to $10,000 and over were:—

Hartland, N.B., January 4, C. H. Taylor's brick block, $18,000.

Hamilton, Ont., January 9, Gage Avenue School, $14,000.

Hamilton, Ont., January 9, Rilett block, $33,000.

Knowlton, Que., January 4, summer residence of John Bailey, $15,000.

Montreal, Que., January 1, Arena Ice Plant and several houses, $100,000.

Munson, Alta., January 2, business block, $35,000

Peterboro, Ont., January 6, Peterboro Canoe Company's factory, $40,000.

Quebec, Que., January 4, employees' residence, storage house and many motor and other vehicles, $10,000.

Toronto, Ont., January 6, Toronto Ferry Company's dock, $30,000.

St. Joseph, Que., January 3, four houses, $10,000.

St. John, N.B., January 2, jewelry store of A. B. Smalley, $50,000.

St. John, N.B., January 2, Hamm Brothers' biscuit manufacturing buildings, $100,000.

St. John, N.B., January 4, residence of Mr. F. E. Williams, $35,000.

Vancouver, B.C., January 8, H. A. Timms' printing plant, $30,000.

Westmount, Que., January 5, block of brick houses, $15,000.

Winnipeg, Man., January 8, Winnipeg Brass Company's premises, $10.000.

Listowel, Ont., January 13, large business block, $200,000.

Peterboro, Ont., January 10, Boston Cafe, $15,000.

Welland, Ont., January 16, premises of the Chinese Y.M.C.A. and two adjoining houses, $25,000.

Bathurst, N.B., January 20, Robertson Hotel, $22,000.

Edmonton, Alta., January 15, John McKinnon's livery barn and 19 horses, $10,000.

Montreal, Que., January 18, B. Silver & Company's furrier establishment, $25,000.

St. Catharines, Ont., January 21, Daily Journal newspaper office, $15,000.

St. John, N.B., January 20, Main Street tenement, $10,000.

Toronto, Ont., January 23, Ticonix building, $8,300.

Brandon, Man., January 23, business block, $200,000.

Peterboro, Ont., January 26, business block, $500,000.

Guelph, Ont., January 27, dry goods establishment of G. B. Ryan & Company, $225,000.

Edmonton, Alta., January 26, Sandison block, $25,000.

St. Lambert, Que., January 29, large office building, $20,000.

Cabono, Que., January 20, D. Frazer & Sons' lumber mills, $20,000.

Picton, Ont., January 28, Picton Hotel, $10,000.

Hespeler, Ont., January 23, Hespeler Roman Catholic church, $13,000.

Joliette, Que., January 25, St. Viateur Academy, $100,000.

New Ross, N.S., January 28, mill of N. S. Manganese Company, $100,000.

Winnipeg, Man., January 26, Monadnock block, $20,000.

Parry Sound, Ont., January 15, Rose Point Hotel, $25,500.

Bardon, Ont., Blubacher factory, $22,400.

Chatham, Ont., January 5, Dominion Steel Company's plant, $15,000.

Gananoque, Ont., January 14, Ontario Steel Products Company's plant, $14,700.

Norwich, Ont., January 13, Wood Flour Mills, $12,000.

Ottawa, Ont., January 10, Water Street Catholic Hospital, $25,000.

Destroyed or Damaged.

The structures damaged or destroyed last month were:—Residences, 16; stores, 4; vacant house, 1; printing plants, 3; factories, 6; brick blocks, 2; business buildings, 3; hotels, 5; plants, 7; livery barns, 2; boathouses, 2; shoe repair shop, 1; army building, 1; frame shed, 1; freight shed, 1; lumber mill, 1; boarding house, 1; flour mills, 2; woolen mill, 1; farm house, 1; club building, 1; apartment house, 1; theatre, 1; school, 1; employees' residence, 1; convent, 1; storage shed, 1; manufacturing buildings, 3; Jewish synagogue, 1; dairy, 1; hospital, 1; cafe, 1; oil tanks, 3; church, 1; military hospital, 1; academy, 1; warehouse, 1; ferry dock, 1; tenement, 1; barns, 3; roundhouse, 1; railway station, 1; business blocks, 6.

The causes of fires reported were:—Conflagration after an explosion, 1; hot ashes, 1; overheated stove, 2; defective controller, 1; playing with matches, 1; fire from blazing dock, 1; spontaneous combustion, 1; overheated stove pipe, 1; crossed electric wires, 1; igniting of gas from oil tank, 1; cat upsetting oil stove, 1; thawing out frozen pipes, 2; chimney fire, 1; explosion of oil stove, 1; explosion of gas main, 1; rats nibbling matches, 1; explosion of gas, 1; explosion of acetylene tank, 1; gas left burning over night, 1.

Many Fatalities Last Month.

The following is a list of the fires at which fatalities occurred last month:—

Ingersoll, Ont., January 3	Explosion at plant	2
Quebec, Que., January 4	Trapped in employees' residence	1
Dawson, Man., January 4	Trapped in burning house	1
Winnipeg, Man., January 5	Fire from gas grate	1
Stoneham, N.B., January 7	Clothing took fire from stove	1
Westlock, Alta., January 7	Trapped in burning house	1
Edmonton, Alta., January 7	Trapped in burning house	1
Ottawa, Ont., January 10	Trapped in burning hospital	5
Peterboro, Ont., January 10	Trapped in burning cafe	1
Mimico, Ont., January 11	Trapped in burning train caboose	3
Windsor, Ont., January 23	Trapped in burning house	2
London, Ont., January 20	Playing with matches	1
Guelph, Ont., January 24	Igniting coal oil	1
Montreal, Que., January 25	Trapped in burning house	4
Toronto, Ont., January 31	Fire from gas heater	1
Regina, Sask., January 31	Trapped in burning house	2
Total		28

The following table compiled by *The Monetary Times*, shows deaths caused by fire during January, as compared with previous returns:—

	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.
January	27	27	14	26	3	10	21	28
February	12	11	21	18	11	23	19	..
March	18	24	22	27	23	23	20	..
April	20	15	11	22	14	6	15	..
May	28	18	33	8	5	14	12	..
June	13	6	18	12	2	6	9	..
July	110	9	9	8	13	268	19	..
August	22	16	29	3	14	30	12	..
September	13	6	27	9	27	6	21	..
October	17	21	15	9	7	39	23	..
November	20	22	24	14	12	12	21	..
December	17	28	13	19	11	94	15	..
Totals	317	203	236	175	142	531	207	28

Licensed by the Dominion Government

W. E. BALDWIN
Manager

THE FIDELITY-PHENIX

FIRE INSURANCE COMPANY OF NEW YORK

HENRY EVANS, President

"THE OLD PHENIX"

ASSETS EXCEED : $20,000,000

Head Office for Canada and Newfoundland,

17 ST. JOHN ST.,
MONTREAL

E. N. KILLER, Special Agent,
31 Scott Street,
TORONTO

1828

L'UNION

Fire Insurance Company, Limited of PARIS, FRANCE

Capital fully subscribed, 25% paid up	$ 2,000,000.00
Fire Reserve Funds	5,539,000.00
Available Balance from Profit and Loss Account	111,521.46
Total Losses paid to 31st December, 1916	100,942,000.00
Net premium income in 1916	5,630,376.43

Canadian Branch, 17 St. John Street, Montreal; Manager for Canada, Maurice Ferrand, Toronto Office, 18 Wellington St. East
J. H. Ewart, Chief Agent.

ROYAL EXCHANGE ASSURANCE

FOUNDED A.D. 1720

Losses paid exceed $235,000,000

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ROYAL EXCHANGE BUILDING,

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Arthur Barry, General Manager

Correspondence invited from responsible gentlemen in unrepresented districts re fire and casualty agencies.

Head Office:
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Guardian Assurance Company Limited - - Established 1821.

Assets exceed Thirty-Five Million Dollars

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First British Insurance Company established in Canada, A.D. 1804

Phoenix Assurance Company, Limited

FIRE of London, England **LIFE**

Founded 1792

Total resources over	$ 90,000,000
Fire losses paid	425,000,000
Deposit with Federal Government and Investment in Canada for security of Canadian policy holders only exceed	2,500,000

Agents wanted in both branches. Apply to

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100 St. Francois Xavier Street, Montreal, Que.

All with profit policies affected prior to the 31st December will rank for a full year's reversionary bonus at that date.

The Northern Assurance Company, Ltd. of London, Eng.

Accumulated Funds, 1916 ....$39,935,000.00
Including Paid up Capital Amount, $1,460,000.00

Head Office for Canada, 88 Notre Dame Street West, Montreal

O. E. MOBERLY, Manager

CALEDONIAN INSURANCE COMPANY

The Oldest Scottish Fire Office

Head Office for Canada MONTREAL

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(FIRE)

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Corporation, Limited

OF GLASGOW, SCOTLAND

The Right Hon. J. Parker Smith, Pres. D. W. Maclennan, Gen. Mgr.
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Liberal Contracts to Agents in Unrepresented Districts

BRITISH AMERICA ASSURANCE COMPANY

FIRE, HAIL, OCEAN MARINE and INLAND MARINE INSURANCE

Incorporated 1833

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JOHN SIME, Asst. Gen. Mgr. E. F. GARROW, Secretary.

Assets, Over $3,500,000.00

Losses paid since organization over $41,000,000.00.

WESTERN
Assurance Company

INCORPORATED 1851

FIRE, EXPLOSION, OCEAN MARINE & INLAND MARINE INSURANCE

Assets .... over $5,000,000.00
Losses paid since organization " 66,000,000.00

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British Northwestern Fire
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Head Office .... WINNIPEG, Can.

Subscribed Capital $594,400 Capital Paid-up $242,000
Security for Policyholders $677,000

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THE OLDEST INSURANCE CO. IN THE WORLD

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Incorporated 1875

All Policies Guaranteed by the LONDON AND LANCASHIRE FIRE INSURANCE COMPANY OF LIVERPOOL.

Waterloo Mutual Fire Insurance Company

ESTABLISHED IN 1863

Head Office, Waterloo, Ont.

Total Assets 31st December, 1915..................$908,244.00
Policies in force in Western Ontario, over 30,000.00

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Assurance Company Limited
OF LONDON, ENGLAND

The Company commenced business in the **REIGN OF GEORGE III.** and the following figures show its record:—

At the Accession of		Income		Funds
KING GEORGE IV.	...	$ 387,065	...	$ 800,605
KING WILLIAM IV.	...	657,115	...	3,038,380
QUEEN VICTORIA	...	789 865	...	4,575,410
KING EDWARD VII	...	3,500,670	...	11,185,405
KING GEORGE V.	...	6,846,895	...	15,186,090
and at 31st DECEMBER, 1916	...	7,980,685	...	20,730,010

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which $1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada, 260 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager

UNION
ASSURANCE SOCIETY
LIMITED
(FIRE INSURANCE SINCE A.D. 1714)

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Agencies throughout the Dominion

THE LAW UNION & ROCK INSURANCE CO., Limited
OF LONDON Founded in 1806
Assets exceed $48,000,000.00 Over $12,500,000.00 invested in Canada
FIRE and ACCIDENT RISKS Accepted
Canadian Head Office: 57 Beaver Hall, Montreal
Agents wanted in unrepresented towns in Canada.

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The LONDON ASSURANCE

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HEAD OFFICE .... KITCHENER, ONTARIO
CASH AND MUTUAL SYSTEMS
TOTAL ASSETS, $800,000 AMOUNT OF RISK, $28,000,000
GOVERNMENT DEPOSIT, $50,000

JOHN FENNELL, President
GEO. G. H. LANG, Vice-President
W. H. SCHMALZ, Mgr.-Secretary

FIRE LOSSES IN WAR INDUSTRIES

The National Board of Fire Underwriters of the United States has compiled a list of losses in excess of $100,000 of war materials and munitions by fire from all causes from the time war was declared by the United States on Germany last April. Some of the losses are believed to be of incendiary origin, but many were the result of other causes, including criminal carelessness and preventable physical conditions. The losses in foods, clothing, metals, oils, lumber, leather, coal, chemicals and other war supplies, as well as damage to piers and grain elevators, aggregated $43,558,000 from April 1st to December 31st, 1917. The grain losses alone were approximately $6,000,000. It is pointed out that losses on this scale indicate the need for an efficient, armed watch service, as well as the utmost care in the prevention of accumulation of fire-breeding materials, the elimination of physical hazards as far as possible, and thorough inspection of the fire protection in order that it may be certain to be ready for service should occasion demand.

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President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

Immigration to Canada in War Time

THE DOMINION *Has Received 300,000 Immigrants Since the Struggle Commenced—New Population from United Kingdom Naturally has been Small—United States Has Sent Us Many Citizens—What is the Outlook after the War?*

By **CHARLES W. STOKES**

IN the matter of immigration there is a tendency to allow the possible phenomena of the future to overshadow the *faits accomplis* of the present. It is the most monotonous of bromides to predict an enormous immigration into Canada after the war, sometimes with very superficial consideration of the very complex problems involved, very often as a panacea for all the abnormal circumstances that will demonstrate themselves at the cessation of hostilities, and occasionally as a probable menace to industrial conditions. But what is most often overlooked is that immigration is going on at the same time, and has, indeed, shown a very marked revival.

War, theoretically, should terminate immigration. On one hand is the difficulty if leaving belligerent countries; on the other is the patriotic aversion to seeking material advancement (for that is what immigration means) during a period of national stress. Habituated, as we are in Canada, to considering immigration in the mass, most of us fail to remember its unit origin; or, to put it in other words, the reason why we have immigration at all is because a number of men and women in other countries have, separately and individually, resolved to seek their fortunes here. There is every theoretical argument why this class should disappear during the war; but the fact remains that social dissatisfaction, as expressed in the process of emigration, has not been stifled, even in the clash of arms.

Whether or not the result is in the best national interests of the various countries concerned is a matter for debate, but it is still remarkable that Canada, during the three years and more that it has been at war, has received about three hundred thousand immigrants, and that the last fiscal year witnessed a 50 per cent. increase over the previous year.

War, in fact, has failed to stop immigration. True, it has greatly reduced its volume; but, as a compensation, it has improved its quality. Instead of the 402,000 immigrants who entered Canada during the fiscal year 1912-13, only 75,374 entered in the year 1916-17; but there was an evident difference in the composition of the immigrating class. Instead of the four hundred thousand assorted human beings who clamored at our gates, of every nationality, trade, and condition of life, physique and mentality, we had last year seventy-five thousand who exhibited their faith in Canada by braving the dangers of reaching it, and—in the case of American immigrants, for the United States was not then at war—by leaving the haven of neutrality for the uncertainties of a country at war.

An organized campaign of mendacity, it must not be forgotten, was conducted by unseen interests in the United States previous to the entry of that country into the Allied ranks with the object of preventing American migration into Canada. It took the form, generally, of the dissemination of "reports," chronicling the imposition of heavy war taxes, the confiscation of land, the conscription of Americans, and the oppression of neutrals not openly sympathetic with the Allies. There is a great amount of credit due to the two hundred thousand sturdy Americans who refused to accept such puerile detraction, and, between August, 1914, and April, 1917, crossed the border to make their homes on belligerent soil.

War eliminated the curiosity seekers and revealed the really serious in intent, thereby purifying immigration of much that was inimical to progress, but was difficult to avoid without recourse to absolute mandatory prohibition. With the exception of 1915-16 (48,537 immigrants) immigration in 1916-17 was the smallest since 1903; but, nevertheless, it comprised 22,715 farmers, a percentage of 30. In 1912-13 the percentage was 28—only 2 per cent. difference, it is true, but sufficiently encouraging in a change that takes years to accomplish. In 1916-17, only 31,440 declared their occupations as being general laborers, mechanics or clerks as against 218,582 in 1912-13—42 per cent. against 54 per cent. An upward tendency manifested itself, even in the westernization of immigrants. In 1916-17, 27,539 (37 per cent.) stated upon arrival, or showed railroad transportation proving, their destination as the prairie provinces, against 137,033 (34 per cent.) in 1912-13. It is the prairie provinces that need the immigrant, not the East, and to see him on his way there instead of being stranded in Montreal or Toronto is not the least remarkable happening of the present unusual condition.

As would have been expected, British immigration has been very small in volume. The following table shows the decline from the bumper year, 1912-13. It is a little misleading, perhaps, in regard to the first year of war, owing to the fact that, the fiscal year beginning April 1st, the major part of the immigration season—the spring and early summer months—is not separated from the period of collapse from August 1st; but it will illustrate how the war has reduced British immigration to the lowest since 1899:—

Year ending. March 31st.	Total.	British.	American.
1913	402,432	150,542	139,009
1914	384,878	142,622	107,530
1915	144,789	43,276	59,779
1916	48,537	8,664	36,937
1917	75,374	8,282	61,389

Of the British immigrants in the last year, 1,803 declared their occupations as agricultural; of the Americans, 20,822. Of the other nationalities, the greatest immigrant class has been Newfoundlanders (1,243) and Italians (758). To bring these figures down to date, to illustrate the marked revival in American immigration, it can be added that during the first ten months of 1917, 33,134 United States immigrants entered western Canada—an immigrant being a person who states his intention of living permanently in a country—bringing with them $4,932,190 in cash and $1,488,808 in effects. These totals are more than double those of the same period of 1916 and nearly four times those of the same period of 1915.

If, as J. Obed Smith, commissioner of Canadian immigration in London, once declared to the writer, the personal value of each immigrant to Canada, represented by his wealth-producing power, is $1,200 per annum, it is a fact that must not be allowed to escape observation that Canada, since it has been engaged in war, has actually imported a total of about $360,000,000 of wealth-producing power.

The cause of the increased American immigration has, perhaps, been threefold. It represents, of course, the consummation of the advertisnig efforts of the Dominion; but these three causes, although embodied in the advertising, have really an independent origin. First, here was the enormous Canadian harvest of 1915, as a result of which western Canada's extraordinary wheat average of 29 bushels per acre received very widespread publicity in the United States, which has only 17 bushels. The immigration statistics for the fiscal year, 1916-17, which comprised the whole of the summer of 1916, show how rapidly the American market responded to this leading publicity feature.

Activity in Agriculture.

Secondly, there has been the universal activity in agriculture as a result of the scarcity of food and the prosperity of the agricultural class. This boom has nowhere been more pronounced than in western Canada, whose farmers are walking examples of the unexpected prosperity that has come to the man on the soil. Concurrent with this has been the advertising of the cheapness of western land. Selling prices of Canadian Pacific Railway land in 1916 averaged only $16.12 per acre, and Hudson Bay lands only about $18, which prices, in comparison with prices in the United States, have not escaped the land-hungry man. Thirdly, the demand for farm labor in the west, both in spring and autumn, and the high prices paid for it, have attracted a great number of foot-loose men, whose occupations have been more or less close to the soil. To get these men, the Canadian government lent its assistance in the shape of advertising campaigns; and a very large percentage of these imported laborers have remained in the west, buying lands or filing on homesteads.

Immigration propaganda is still being continued in London with hardly unabated force. Advertising is still continued both by the Canadian government and by the various parties interested in the immigration business—and this, withstanding the heavy demands upon the Canadian government, the Canadian Pacific, and every other Canadian interest in London, with office organization and space for various forms of personal service in the ranks of the Canadian forces. There could scarcely be a more convincing belief in advertising as a means of creating future "goodwill" than that the Canadian government still buys advertising space in order to stimulate a desire—intangible and complex at the best of times—in the minds of those who, for the present, owing to military necessity, constitute an absolutely non-responsive market.

Future of British Immigration.

What will be the future of British immigration is difficult to say, bearing in mind the uncertain quantity of discharged soldier movement. Only a vague outline of the subject could be attempted; but it is fairly safe to hazard a guess that it will be composed largely of non-agricultural immigration. Every European country is going to offer the brightest possible inducements to keep its agriculturists and would-be agriculturists at home. The war has created amongst other problems, entirely new considerations of nationality, and it is obvious that if Canada is to specialize in agricultural immigration, it must go outside the British Isles. The United States will in the future be the biggest immigration field, and next to it, probably, will be the Scandinavian countries. Nationality, indeed, is only one of the vexed questions that will arise for early settlement. The attitude of labor—more especially, organized urban labor—is, for example, an uncertain factor that already casts its shadow upon the future. The workingman is already awake to the possible depreciation in the labor market consequent upon the arrival of a great mass of discharged soldier labor that may find its way to the farm, but, on the other hand, may fail to get farther than the cities. It is impossible to do more than mention this important aspect of post-bellum immigration; but, as was suggested at the beginning of this article, we are all apt, when predicting large immigration after the war, to do so somewhat superficially, without regard to what the active resumption of immigration, even on the old basis, would actually mean.

DOMINION PERMANENT LOAN STATEMENT

Position of Assets and Liabilities—Fair Return for Shareholders and Depositors Expected

The following interim statement of assets and liabilities of the Dominion Permanent Loan Company, Toronto, which closed its doors two weeks ago, has been issued by Mr. G. T. Clarkson, of E. R. C. Clarkson and Company, interim liquidator for the company:—

LIABILITIES.

Due to Creditors—		
Debentures, with accrued interest		$2,555,312.39
Savings deposits		208,974.5
Unclaimed dividends		45.00
Sundry Creditors		5,282.18
		$2,769,614.13
Due to Shareholders—		
Permanent stock subscribed	$1,410,700.00	
Prepaid shares subscribed	118,400.00	
		1,529,100.00
Total		$4,298,714.13

ASSETS.

Cash on hand and in banks	$ 7,705.19	
Call loans	825.92	
Loans against shares of company	320.00	
		$ 8,851.11
Loans secured by mortgages—valued at—		
In Ontario	$ 2,968.78	
In British Columbia	7,684.48	
In Manitoba	2,390.76	
In other Western Provinces	8,465.33	
In Nova Scotia	8,020.14	
Of Provincial Loan Company	9,007.27	
		38,536.76
Due by Shareholders:		
On Permanent shares	273,121.97	
On prepaid shares	45,878.43	
		319,000.40
Real estate owned by the company, valued at		13,155.00
Advances to Grand Forks Townsite Company and Spokane and British Columbia Railway, including interest charged thereupon, book value		4,389,520.91
Office furniture and motor		1,250.00
Total		$4,770,314.18

Those in control of the liquidation proceedings are of the opinion that the Spokane and British Columbia Railway and townsite properties, which represent the most substantial part of the company's assets, are good assets. It is hoped to realize upon them and to deal with them so that a very fair return will be obtained for the debenture holders and depositors of the Dominion Permanent. Under present conditions, it is entirely impossible to forecast the result of negotiations which will be commenced in respect to these properties, or to predict how these matters will ultimately be settled. The railway was built as an investment, when the mines at Republic, Washington State, were active. It is said to run through good territory, from Republic to Grand Forks. The section from Republic to Spokane is not served by a railway, and that section is also considered sufficiently good to support a railroad. This is the unconstructed portion of the line in which the Dominion Permanent is interested. The railway company has met with difficulty in financing the construction of that part of the road. With the continuance of the war and the disturbed railroad situation, its opportunities for financing the new construction are poor.

In connection with the townsite lands, it appears that the Dominion Permanent advanced moneys to the Grand Forks Townsite Company, which in turn advanced funds to the railroad company for the construction of its undertaking.

It is improbable that the Dominion Permanent Loan Company has advanced more than $1,750,000 of actual capital, but it has been crediting interest from year to year upon such advances and carrying this to the credit of profit and loss account, out of which dividends have been paid. In view of the condition of affairs, it is therefore a question whether the company actually earned the profits out of which it is authorized to pay dividends. That is a matter which will undoubtedly be inquired into during the liquidation proceedings.

ONTARIO'S WORKMEN'S COMPENSATION ACT

Chairman Price Explains How Assessments are Determined—Experience of Previous Years

The workings of the Workmen's Compensation Act of Ontario and the determination of assessments for the different classes was the subject of an address by Mr. Samuel Price, chairman of the Ontario Workmen's Compensation Board, at the annual convention of the Canadian National Clay Products Association, at Toronto. Mr. Price stated that under the present law the workman or his dependants are compensated in a larger number of cases than under the former law, the underlying principle being that the industry should bear a portion of the loss caused by injury to its workmen just as it must bear the expense of replacing broken machinery.

He continued:—"Among the other advantages of the new law are the speedy and inexpensive mode of payment to the workman; immunity of the employer from litigation and from what might be ruinous liability for damages; and the removal of a prolific cause of friction between workmen and employer.

"The questions to be determined in the allowance of compensation are usually few and simple, and the amount in the great majority of cases is fixed by the act or is merely a matter of computation.

Must Notify Board.

"The workman is required to notify the accident promptly to his employer and the employer to notify the board. Reports giving the necessary information for determining the right to and fixing the amount of compensation are required from the workman, from the employer, and from the attending doctor, further inquiry or investigation being made where it seems necessary. In ordinary cases the award is made within a few days after the receipt of the last report and payments go forward promptly, cheques for temporary disability being sent bi-weekly, and pension payments monthly.

"The employer is notified of every award made to any of his workmen and of every payment made for medical aid, and the board is always glad to receive from him any useful suggestion or information concerning the case.

"The industries covered by the new law (omitting railways and other industries under schedule 2) are enumerated in what is called schedule 1 of the act. They are divided now into 34 classes or groups.

"For assessment and compensation purposes each class stands upon its own footing. Each carries its own burden, except only that a small general fund, one per cent. per year, known as the Disaster Reserve, is set aside to assist in meeting any extraordinary call that may arise in any class.

"Separate accounts are kept of all assessments received and all compensation awarded for each of these classes. Any balance at the end of the year, after all credits and charges have been made, is carried forward to the credit or debit of the class. Each of the 34 classes of industry is thus in effect a mutual insurance association of the employers in that class.

Governed by Requirements.

"The rates for each class are fixed and the assessments made much in the same way as a municipality levies its taxes. They are governed by the requirements. The assessment is in the form of a rate or percentage on every $100 of pay-roll. The rates fixed for the year are intended to cover the burden of that year. At the beginning of the year an estimate of his probable pay-roll is obtained from each employer and he is assessed provisionally upon that estimate. At the end of the year the actual amount of pay-roll is obtained and the assessment is adjusted accordingly.

"In fixing the rate the experience for previous years is used as a guide. The amount of compensation and the amount of assessments in the class for the preceding year are ascertained, an estimate being made of the amount still remaining to be paid for accidents which by reason of continuing disability or for lack of reports have not been finally disposed of before the end of the year, and an estimate being also made of the extent to which the actual pay-roll statements received from employers at the end of the year will exceed the estimates given by them at the beginning of the year. In this way the total expenditure and the total income of the class for the year are arrived at as nearly as possible, and the sufficiency or insufficiency of the rate charged determined.

"If it is seen that the rate charged has produced sufficient money, or if the surplus or deficit is small, the same rate will be continued for the current year. If there is any considerable difference, the rate will be increased or decreased accordingly; and if the difference is large, the rate will also be altered retroactively for the prior year.

"Any surplus to the credit of the class remains in the class funds, and this is also taken into consideration in fixing the rate. Any additional matters, such for instance as medical aid which went into effect the middle of last year, must be provided for by making an estimate of the probable amount of expenditure therefor, and this must be considered in fixing the rate.

"Where there are different lines of industry in the same class, each bearing a separate rate, the experience in each separate line of industry is also considered, and if the situation calls for it the proportionate ratings as between the different lines of industry in the class are altered. As, however, each class in the schedule is an insurance group, all lines of industry in the class must share to some extent the good or ill-fortune of the class as a whole, and the rating for each separate line of industry cannot be made to depend upon the experience in that line of industry alone. The experience of the class as a whole must be considered. This is especially the case where the amount of pay-roll in any line of industry is small. To charge that line of industry with its own cost might leave a very excessive burden on its employers for one year while perhaps relieving them almost wholly from assessment another year. This would destroy the underlying insurance principle which is the basis of the system.

Was the Best Estimate.

"The first table of rates fixed for the different classes of industry upon the coming into force of the act in 1915, and before there was any actual experience to go upon, was merely the best estimate that could be made of the requirements with such assistance as could be obtained from other rating schedules. At the end of the first year it was found that a general reduction could be made. This was done in a number of cases retroactively; and the rates for 1916 were made upon the whole considerably lower than the original 1915 rates. The 1917 rates, while making adjustments in a number of cases, were, even with the allowance estimated to be necessary for the new medical aid provisions, only slightly higher upon the whole than the 1916 rates. It is hoped that in general little increase will be required for 1918, even with the full year's medical aid to be provided for as against the half-year's medical aid in 1917.

"For the manufacture of clay products the original rate in 1915 was fixed at 90 cents per $100 of pay-roll. In 1916 this was reduced to 60 cents. At the end of 1916 it was found that the experience for the class was not as good as had been expected, and the rate was raised retroactively to 90 cents; and a 90 cent rate was also fixed for 1917. It is hoped that this rate may still be sufficient for 1918, but this cannot be definitely settled until the experience for the past year has been fully tabulated.

"Comparing this 90 cent rate with the rates elsewhere, we find that Ohio charges $1.45; Michigan, $2.06; New York, $2.91; Pennsylvania, $1.31; Illinois, $2.37; Wisconsin, $2.32; Indiana, $2.25; Kentucky, $1.97; Colorado, $1.53; Washington, $1.50; California, $2.30.

"The way to keep the rate low is to avoid accidents. This will now be a matter of special individual concern to each employer, inasmuch as under the system of merit rating which is to be adopted the employer having a bad accident experience will pay a higher rate of assessment than the employer whose accident experience is good. The adjustment will be made after the accident experience of each employer has been finally ascertained.

For Medical Aid.

"It is a gratifying feature of the administration of the Ontario Act that, apart from the contribution for the expenses of the employers' accident prevention associations, practically all the money contributed by employers goes to the workmen or their dependants as compensation or is paid for medical aid. For the year 1917 the total amount contributed by employers toward the expenses of administration will be less than one and one-sixth per cent. of the amount of compensation awarded. During the year awards of compensation amounting approximately to $2,900,000 involved an administration expense to employers of only $33,000, the remainder of the expense being borne by the province.

"The system of state insurance for compensation to workmen, to which the Ontario Act belongs, is one of recent growth. In 1911 it existed in only one state upon the continent. Now it prevails in fifteen of the United States and three of the provinces of Canada. Employers and workmen alike are interested in making it a success. Properly carried out it should be cheaper, more beneficial, and more equitable than any other system. Profits and unnecessary expenses are eliminated. The administrative body in such a system has no personal motive to give the workman or his dependants less than they are entitled to and no motive to charge the employer more than he should pay."

METHODIST CHURCH MAY CARRY FIRE RISKS

It is proposed that the Methodist Church establish a fire insurance company of its own, to carry risks on the church property held in Canada, Newfoundland. Japan and China, under the Canadian General Conference. Rev. Dr. Chown, the general superintendent, has prepared statistics supporting the scheme. He says: "The value of the property of the Methodist Church, as reported to the last General Conference, was $41,905,245. Deducting land values, there is insurable property worth $31,241,584. Upon this we are carrying insurance to the extent of $15,729,517, or about 50 per cent. of its estimated value. The manager of many an insurance company would be happy if he could step into a business of such dimensions. It should not be beyond the ability of the Methodist Church to provide for intelligent and economic administration of fire insurance as a branch of the Church's affairs.

"Fire insurance is not in general an unprofitable business. It usually earns dividends for its stockholders. These should be earned and applied to the support of worn-out ministers' fund or some other worthy object."

HOME INSURANCE COMPANY

Not only is the Home Insurance Company, of New York, known by its exceptional size—for it is the largest fire insurance company on this continent—but it is known also for its unusual strength and the excellent service it gives to clients. The company was incorporated in 1853, and since that time has built up an enviable financial position. At the end of the past year its cash assets exceeded $44,000,000 and its net surplus over liabilities was more than $13,000,000. Its surplus as regards policyholders is more than $19,000,000. The company's authorized capital is $6,000,000, all of which is paid up. According to the latest statement, the liabilities are approximately $25,000,000.

The Home Insurance Company has always had a serviceable organization, which has catered to the needs of both large and small insurers. In Canada, where it has done business for sixteen years, it has a splendid staff. Mr. Fred. W. Evans is the company's chief agent and attorney for the Dominion, with headquarters at Montreal. Mr. A. M. M. Kirkpatrick is the chief agent for the province of Ontario, with office at Toronto. Mr. A. C. Baillie acts as special agent for Canada, with headquarters at Winnipeg, and Mr. F. W. Underdown is special agent for the province of Quebec. In 1917, the company's total income in Canada amounted to over $2,000,000, representing the various lines transacted in this country, namely, fire, automobile, hail, windstorm, sprinkler leakage and explosion insurance. The income last year showed a substantial increase over that of 1916.

According to the Dominion government returns for 1916, the company had total assets in this country of $1,383,907, and this sum was materially increased in 1917. Among its holdings on deposit with the Dominion government at Ottawa are $1,283,733 par value of Canadian securities. In addition, $250,000 was subscribed by the company to our Victory Loan last fall. Mr. E. G. Snow is president of the Home Insurance Company and A. M. Burtis is secretary. The Canadian organization has achieved excellent results. They reflect in Canada the policy of the home office in New York, which has built up such a splendid business during the past sixty-five years.

NEW BRUNSWICK BORROWS $1,000,000

The province of New Brunswick is making an issue of $1,000,000 through Messrs. A. E. Ames and Company, Toronto. The bonds are 10-year sixes, dated February 15th, 1918, and due February 15th, 1928. The issue price of 99.08 and interest gives a yield to the investor of 6.18 per cent. The bonds are payable in gold, both for principal and interest, in Canada and the United States.

WORK ON FIRST STEEL SHIP

Fabrication and assembling of materials for the first of the fleet of merchantmen to be built by the Dominion government has been commenced, and a similar work for two other vessels will shortly be undertaken, according to Ottawa despatches. The first ship, which will be a steel steamer of 4,350 tons burden, will be laid down at the Canadian Vickers yard at Montreal. A second of 8,200 tons will follow at the same establishment, and, it is expected, a contract for a third ship of 3,800 tons will soon be made with the Collingwood Shipbuilding Company, which has a vacant berth in its yard. It is hoped that the ships to be built at the Vickers yard will be in commission by September next.

The government's shipbuilding programme contemplates the laying down of the keels of some forty ships to June, 1919.

Arrangements have been made whereby the government is assured of a supply of ship plates and steel materials for its shipbuilding programme to June, 1919.

WESTERN LIFE ASSURANCE COMPANY

A substantial volume of business was written by the Western Life Assurance Company, of Winnipeg, last year, the new policies issued and revived amounting to $1,054,750. The total insurance in force at the end of the past year was $2,091,899, an increase of $495,430, or 31 per cent., over the business of the previous year. As is the case with other insurance companies, the death losses of the Western Life included a substantial amount as the result of the war, $5,250 of total death claims of $8,309 being due to war.

The company received cash revenue from premiums and interest amounting to $78,058, an increase of $26,195, or 50 per cent., over 1916. A large sum of $115,739 was received from stockholders. This is a satisfactory feature of the financial statement. There is a balance of $36,945 owing on capital stock notes and a balance of $15.024 owing on stock premium notes. The company's total assets are shown at $193,153, of which mortgages represent $20,778; policy loans, $12,021; bonds and debentures, $78,849; cash on hand, $66,824; and net outstanding and deferred premiums, $11,093. Taking this total of assets, there is a surplus of $70,203. There are further assets which are not reckoned in the above figures. These include office furniture and equipment, bills receivable, capital called and paid, the balances owing and interest accrued on stock notes, and a small amount of agents' balances. If these assets are included, the total surplus to policyholders is increased to $134,445.

The reserves held for the security of policies in force, computed on the Om. (5) table of mortality, with interest at 3½ per cent., being in accordance with the Dominion Insurance Act, now amount to the sum of $110,917, an increase of $20,815, or 23 per cent., over 1916.

Mr. Adam Reid is managing director of the company, and has been energetic and enterprising in the always difficult work of building up a new life insurance company. The Western Life recently obtained a Dominion license. Mr. A. E. May, of Edmonton, is president of the company.

Mr. Adam Reid, managing director and founder of the Western Life Assurance Company, Winnipeg, was presented, at the company's annual meeting last week, with an illuminated address and a gold watch, suitably inscribed, by the field force, the branch office and the head office staffs of the company. The address expressed their appreciation of his services in the past and pledged their loyalty and confidence in his leadership for the future. The presentation was made to commemorate the granting of a Dominion license to the company.

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INCOME TAX

According to the income Tax Act which operates in Canada for the first time this year, returns must be made to the Dominion government before February 28th. The taxes are payable on June 1st next. Returns of income in 1917 must be made by all married persons in receipt of income in excess of $3,000 and unmarried persons in receipt of incomes in excess of $1,500. The law applies to all residents of Canada within that category and all corporations operating in the Dominion. There has been delay in issuing the necessary forms on account of exceptionally heavy work in the government printing office. Because of this delay, the date by which returns should be made, namely, February 28th, will be extended. Copies of the Act may be obtained from the Department of Finance, Ottawa. Useful summaries and comments regarding it have been issued by the Royal Bank of Canada, Montreal, and the Bank of Hamilton, Hamilton.

In its compilation, the Bank of Hamilton points out that if one is the member of a partnership, or syndicate, one pays on one's share of the partnership, or syndicate, profits (the actual partnership is not taxed) and is liable to taxation on profits made but not distributed, as well as on what one actually withdrew during the year.

If in addition to salary, or fixed income from a trustee, one has real estate affording a revenue, expenses such as interest on mortgage, taxes, insurance, repairs and possibly reasonable depreciation on buildings (but not depreciation on the general value) may be deducted from the gross revenue, and on what is left of the income derived therefrom pay tax.

If one has a fixed salary and unproductive real estate, the cost of carrying this cannot be deducted from the income by way of salary, but if there are other sources of income one may, as far as they go, charge the expense of carrying the unproductive asset to them.

If outside salary or regular income a person invests, say, in bonds or stocks, profit on the capital invested is not taxable, nor loss deductible from income, but interest or dividends (unless in the latter case the company declaring them has paid tax under the Act, or in the former case they be Dominion bonds issued free of tax) received therefrom are taxable. As in the case of the business profits tax, many queries will arise but the act should be working smoothly in the near future. In the meantime, enough is known of its provisions for the public to prepare to complete their forms, as soon as received and return them promptly to the authorities.

INVESTORS AND PEAT

The shortage of fuel has revived interest in the proposal to manufacture peat fuel. Already there are signs of the organization of many companies to develop the peat bog areas of Canada. Appeals will probably be made to the public for capital for this purpose. In that event, investors will do well to remember that the Dominion government, through the mines branch of the Department of Mines, thoroughly investigated the manufacture of peat fuel some years ago. The investigation proved that, as the water in peat is in what is called the "colloidal" form, it cannot be expelled by pressure. Similarly, processes for expelling the moisture by the application of artificial heat will inevitably fail on account of excessive cost.

In a timely warning, the Commission of Conservation, Ottawa, states that it is because such methods of manufacture have been stubbornly adhered to in the past, that so much money has been lost in attempts to create a peat fuel industry in Canada. Raw peat contains from 80 to 90 per cent. of water. Pressure will not reduce this to less than 80 per cent. The only economical method for expelling the moisture is by the action of the sun and wind. The chemical properties of the raw peat foredoom to failure any process of manufacture utilizing pressure to reduce the moisture content.

REBATING AND INSURANCE

Various insurance departments have been advised that insurance agents have made a practice of agreeing with the insured before the issuance of the policy to accept goods in lieu of cash in the payment of premiums—that is, "to trade out the premium." The Minnesota state insurance department has been asked to give its opinion as to whether or not this constitutes rebating within the meaning of the law. The Minnesota law provides that no agent, special agent, broker, solicitor, employee, intermediary or representative of any insurance company shall permit any advantage or distinction in favor of any insured with respect to the amount of premium on any policy or shall offer to pay or allow directly or indirectly as an inducement any rebate on the premium on the policy, or any valuable consideration or inducement not specified in the policy, or to give, sell or purchase or offer to give, sell or purchase as an inducement to insure or in connection therewith anything of value whatsoever not specified in the policy.

The law further provides that no person shall receive or accept from any agent, special agent, broker, solicitor or employee, intermediary or representative or any other person any rebate or premium, special favor or any valuable consideration or inducement not specified in the policy of insurance. Any person violating any of the provisions of the law above referred to is punishable by fine of not less than sixty nor more than two hundred dollars.

The Minnesota commissioner of insurance is of the opinion that any agreement entered into by an insured and an agent whereby the agent agrees to take from the insured goods in lieu of cash in payment of the premium upon any policy would be a valuable consideration or inducement not specified in the policy and would therefore be in violation of the law. Where such an agreement was entered into the agent and the insured would be equally guilty of violating the law.

Occasional rebating is reported among Canadian insurance men. The practice, however, has almost ceased. The good work of the life underwriters' associations of Canada has been largely responsible for the improvement. During the past few years these associations have raised the standard of ethics in the life insurance business to a high plane. At the same time, the calibre of life insurance salesmen has rapidly improved. To-day the Canadian life insurance salesmen are, as a group, among the most straightforward and capable business men of the country.

PROVINCIAL RESOURCES

One of the most interesting statements in the budget speech of Hon. Edward Brown, provincial treasurer of Manitoba, referred to the suggested transfer by the Dominion to the province of its natural resources. This is a matter in which he has been active and the general subject will probably be discussed by the various provincial premiers in conference at Ottawa this week. Should this transfer take place, Manitoba will acquire title to 26,000,000 acres of lands held by the Dominion, in addition to large mineral resources, timber and fisheries. Mr. Brown emphasized the necessity, in view of these facts, of establishing now the principle in law that only the interest arising out of the sale of provincial assets should be treated as revenue, and that the principal moneys shall be placed in a special fund, ear-marked for investment, and invested so as to assist in developing the province and building up its industries.

Mr. Brown anticipated that, were this legislation passed and followed by the receipt by the province of its natural resources, during a period of 10 to 20 years of activity in these resources, a fund could be built up by way of mortgage investment that would not only be equal to but would make entire provision for the liquidation of the present provincial debt, at the same time aiding materially in settlement, production and in stimulating the trade of the province. This is an ambitious programme and naturally some difficulties will be met. However, it is a worthy plan for this great western province, which led the way in per capita subscriptions to our recent Victory Loan.

FINAL RETURNS OF CANADA'S VICTORY LOAN

	Population.	Number of subscribers.	Per capita.	Amount subscribed.	Subscription per capita.
Alberta	496,000	56,117	1 in 8.8	$ 16,515,150	$33.29
British Columbia	394,000	50,563	1 in 7.8	18,814,700	47.75
Manitoba	555,000	78,856	1 in 7.0	32,326,600	58.25
New Brunswick	350,000	26,469	1 in 13.2	10,463,350	29.89
Nova Scotia	508,000	39,521	1 in 12.8	18,588,150	36.59
Ontario	2,582,000	363,000	1 in 7.11	204,185,400	79.08
Quebec	2,263,000	126,534	1 in 17.88	94,287,250	41.66
Prince Edward Island	93,000	5,300	1 in 17.54	2,331,350	25.07
Saskatchewan	650,000	73,675	1 in 8.82	21,777,050	33.50
	7,891,000	820,035	1 in 9.62	$419,289,000	$53.13

The above are the final returns of the Canadian Victory Loan, issued in November last. The total subscriptions of $419,289,000 include $6,000,000 of conversions which have not yet been allocated to the various provinces, and adjustments made accordingly.

There were 820,035 subscribers to the Loan as compared with 40,800 subscribers to the previous loan. One in every 9.62 of our population subscribed to the Victory Loan, a remarkable record. In per capita subscriptions Manitoba did best with 1 subscriber to every 7 of population, followed by British Columbia, 1 in 7.8, and Ontario 1 in 7.11. Ontario furnished $204,185,400, or nearly half of the Loan. The total subscriptions were equal to $53.13 for every man, woman and child in the Dominion. If the war continues it will be necessary to float another large domestic loan, probably for as substantial an amount as the Victory Loan. This, however, is not a matter for consideration until possibly November or December next, except that in the meantime it is vital to the winning of the war that thrift should be practised and money saved for investment in our war loans.

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MANITOBA'S BUDGET

Hon. Edward Brown, Provincial Treasurer, Reports Deficit of Only $184,000

The Manitoba government concluded the fiscal year ended November 30th last with a deficit of only $184,000. Analysing the provincial statement of assets and liabilities, Hon. Edward Brown, provincial treasurer, stated in his budget speech that following the plan adopted in the new system of accounting, the assets were classified as capital, current and deferred. They present a total, speaking in round figures, of $70,000,000, as compared with $66,500,000 last year, or an increase of $3,500,000. This increase is made up principally of an increase in the school land funds held in trust by the Dominion of some $200,000; an increase in the public buildings and public utilities of the province of $1,500,000, and a new item, the claim of the province against Thos. Kelly and Sons of $1,400,000, which includes interest to the date of the statement.

"Dealing with the other side of the ledger," said Mr. Brown, "namely the liabilities, we find that the bonded indebtedness of the province is made up of $18,000,000 of revenue-producing debt, which pays its own way, represented by the telephones, elevators, drainage and judicial district bonds, and $14,000,000 of non-revenue bonds, represented by public buildings. This debt shows an increase of $2,000,000 during the year, which was authorized at the last session of the legislature, and was disposed of on a basis of 5½ per cent. A considerable amount of this, however, is still on hand.

Two Treasury Bills.

"In addition to the increase in the bonded debt of the province there appears in the statement of current liabilities two treasury bills for $500,000 and $300,000 respectively, both of which have since been paid. The first-mentioned of these was issued for the purpose of supplying seed grain to the farmers, and the further purposes of advancing money to farmers to buy stockers and further of buying the wool product of the province in order that the highest price might be obtained for the aggregate quantity.

"In spite of high money rates the money for seed grain was advanced to the farmers of the province for the first time in our history at a rate of 5 per cent. This rate was made on the distinct understanding that repayments would be made by the end of the fiscal year, and it is a matter of some gratification to me that on January 2, when payment of the treasury bill had to be made of $500,000, we had actually in the bank by way of collections the sum of $183,000. Since that time the balance has been entirely wiped out.

"Of the amounts advanced for stockers only one account is at present unpaid, and we have the satisfaction of knowing that the stockers made money for their owners. This little item of business cost the province some $4,600, made up principally of exchange in paying the treasury bill $1,750, and the difference between the deposit rate of interest, namely 3½ per cent. and the 5 per cent. we paid for the loan during the period of collection. The other treasury bill mentioned in the statement, namely $300,000, was issued for the purpose of supplementing the revenue previous to the receipt of the Dominion half-yearly subsidy and has since been repaid.

Wrote Down Indebtedness.

"While we show an increase of $2,000,000 in our bonded indebtedness we wrote down our bonded indebtedness by $440,000 being the profit arising out of our bond conversion scheme for the benefit of the British treasury, and which appears for the first time in this statement. We fully expected a year ago to have carried out a further conversion of our sterling debt, but the entrance of the United States into the war closed the New York market to foreign securities and prevented us from doing so. If we were to deduct from this item the entire amount of discounts which have arisen out of the sale of our securities since the war period, putting these securities on a net 5 per cent. basis, we would still have a handsome balance. This cannot be said of the record made by any other province in Canada.

"Without going into further details of the assets and liabilities we find the surplus of assets over liabilities to be $34,000,000, or a gain of $950,000 since the last statement.

"The total amount of the provincial bonds or stock which has been acquired by our sinking fund has been definitely allocated in reduction of the telephone debt, namely, $455,530.

"Before the fiscal year closed, following our established custom, we advertised for claims against the province for 30 days, and that we actually succeeded in paying every claim whatsoever outstanding, except a sum of $17,000, which sum is shown in the balance sheet as 'unpaid accounts.' We have reckoned accrued interest on our bonded indebtedness to the date of the statement, charging ourselves with this amount, and have adjusted all revenues paid in advance, crediting ourselves only with the amount earned to the date of the statement, and we have also charged ourselves with all grants partly earned but not actually due at the date of the statement, these three items involving an amount of $550,000, which are items governments as a rule do not take cognizance of.

Unpaid Revenue.

"We have outstanding unpaid revenue as follows:—

Interest past due on school lands contracts held at Ottawa	$ 521,122
Interest past due on provincial land contracts	334,445
Amount outstanding of succession duties	278,178
Making a total of unpaid revenue of	$1,133,745

"We have not taken this unpaid revenue into our operating account at all. We not only charge ourselves with all unearned income and grants partly earned but not due, and with all unpaid bills, but we do not take into account on the other side all this unpaid revenue, merely showing it as a deferred asset in our balance sheet of assets and liabilities. The estimates approved by the legislature at the last session foreshadowed a probable deficit of $250,000.

"On a strictly revenue basis there is an adverse balance of only $184,175 for the fiscal year ended November 30 last.

Cash Balance.

"The following is a concise statement of the cash balance held by the province as at November 30, and upon which the province is receiving interest in every case at the rate of 3½ per cent. on the daily balances:—

Cash to credit of consolidated revenue ...	$ 191,437
Cash, seed grain and other collections ..	447,377
Unexpended capital for public buildings ..	1,473,806
Cash in hands municipal commissioner, judicial districts	406,003
Special provincial funds (trust accounts)	952,749
Cash in treasury of telephone commission	392,115
Total cash	$3,863,487

"The following investments are held within the province by the treasury department, in addition to the above cash:—

Province of Manitoba debentures	$1,000,000
Provincial bonds held by telephone commission	250,000
Provincial bonds held as investment for judicial district funds	50,000
War loan bonds telephone commission ...	100,000
War loans held for drainage districts	207,500
War loans held for trust account	36,920
Bonds of the municipality of Franklin	96,000
School district debentures	65,198
Town of Emerson bonds	24,315
Manitoba Farm Loans Association stock ..	100,000
War loan bonds held for town of Pipestone	18,010
Provincial bonds redeemed by sinking fund, and allocated in reduction of telephone debt	455,530
	$2,403,473

or a gain in investments over the previous year of $471,371.

"While the bonded indebtedness of the province has been increased by $5,000,000, the investments of funds within the province, together with the cash in hand amount to over $6,000,000, and by means of legislation introduced this session, it is proposed to increase the investments from year to year until such time as these amount to and provide for the entire debt of the province."

Hon. Frederic Nichols, Toronto, president of the Canadian General Electric Company, has been elected to the directorate of the United States Fidelity and Guarantee Company.

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LIFE INSURANCE LEGISLATION

Differences in Provincial Legislation Affecting Life Insurance Contracts in Canada

BY WILLIAM B. TAYLOR, B.A., LL.B.

(Conclusion.)

Dominion of Canada.

Legislation under the Parliament of Canada affecting Life Insurance. Relates to those Insurance Companies licensed by the Insurance Department of the Dominion or incorporated under the laws of Canada.

The provisions of the Insurance Act of the Dominion, assented to on September 20th, 1917, do not relate to contracts of insurance in the same way as the legislation of the other provinces. The companies licensed or incorporated under the Dominion law carry out the provisions and restrictions of the Insurance Act of Canada.

Relating to Life Insurance Companies Generally.

The license of a company expires on the 31st day of March in each year but may be renewed from year to year; such renewal may be subject to any qaulification or limitation.

Policy Contract.

1. The policy contract must be contained in the policy and no provision shall be incorporated therein by reference to rules, by-laws, application or any other writing unless they are endorsed upon or attached to the policy when issued.

2. To furnish any estimate or statement of future dividends or surplus is forbidden.

3. No rebates or discrimination or distinction of any kind in favor of individuals of the same class in equal expectation of life in the amount of premiums charged or dividends payable under the policy shall be permitted. Penalties are imposed for breach of these conditions.

4. Each company shall deposit with the superintendent of insurance a copy of its rates for all plans of insurance.

5. Surplus on participating policies shall be ascertained and distributed at not longer intervals than every five years, provided that, where the company issues deferred dividend policies, it shall ascertain and apportion once in every five years to each class thereof the share in such surplus to which such class is equitably entitled, and the total sum of the shares so ascertained and apportioned shall be charged and carried in the company's accounts like a reserve until such fund has been actually disposed and paid to the policyholder entitled.

6. Where the policyholder upon receiving notice of the allotment of surplus to his policy does not elect to take any of the options given in the notice within three months after the date of mailing of the notice, the surplus shall be applied by the company to the purchase of a paid-up addition thereto, except in the case of term or industrial policies, where it is applied in payment of any premium that may be payable.

Policy.

1. No policy of life insurance shall be delivered in Canada by any company until a copy of the policy form has been sent by registered mail to the superintendent of insurance.

2. Every policy shall contain the following privileges:—

(a) Thirty days' grace for payment of premiums except in the case of the first premium. A company may, however, charge 6 per cent. interest during the days of grace.

(b) The insured may, without the consent of the company, engage in active service of the Militia of Canada. Notice is required to be given by or on his behalf to the company within 90 days after date of such engagement and such extra premium is to be paid during the continuance of such service as the company shall fix in pursuance of the terms of the policy.

(c) The policy shall be incontestable after two years from its date except for fraud, non-payment of premiums or for violation of the condition respecting military service and except as to adjustment of the amount on account of understatement of age.

(d) The policy and the endorsements or attachments thereto constitute the entire contract and in the absence of fraud all statements are deemed representations and not warranties.

(e) In case of understatement of the age the amount payable shall be such as the premium would have purchased at the correct age.

(f) A statement of surrender values, paid-up insurance or extended insurance to which the policyholder is entitled.

(g) After three years' premiums have been paid the company shall loan 95 per cent. of the surrender value of the policy at a rate of interest not exceeding 7 per cent. per annum to the insured upon production and assignment of the policy to the company, under form to be approved of, but after which the policy is to be returned to the policyholder if he so requests.

(h) A table showing surrender and loan values.

(i) A table showing the amount of instalment and annuity payments if provided for in the policy.

(j) Provision for renewal of the policy within two years from date of lapse under condition.

[The articles of Mr. Taylor, of which the above is the sixth and concluding, will be reprinted by *The Monetary Times* in pamphlet form, constituting a valuable reference. Orders are being received now.]

ALBERTA'S FUR INDUSTRY

That Alberta will this year have a fur production amounting to between $10,000,000 and $15,000,000 is the assertion of H. A. Simpson, of Calgary. This is a large increase over previous years, and the production this season is developing an export business that a few years ago was undreamed of It was estimated that 50,000 coyote pelts alone will have been shipped out of the province this year before the summer comes, and 1,500,000 rat hides. A great percentage of the rat skins are going to England to be used by the militia in lining coats for men in the aviation division, while the United States vies with England in bidding for the coyote hides. Five years ago $1 to $1.50 was considered a fair return to the trapper for coyote hides; this year the average for one hundred skins sold by one trapper was $15.50, while some sold at $18 in their raw state.

MANITOBA PUBLIC UTILITIES

The sixth annual report of the Manitoba Public Utilities Commission was tabled in the provincial legislature on February 4th.

The commissioner considered it advisable to address all municipalities and corporations operating or intending to install utilities, calling attention to the provisions of the Public Utilities Act, which require that authority be first obtained from the commission before issuing any stocks, certificates, bonds or other evidences of indebtedness (payable in more than one year from date thereof).

The purpose of this provision is to see that convenience and necessity warrant the proposed expenditure; that the securities to be issued are compatible with the value of the properties covered by same, and the application of proceeds to said purpose, to prevent the diversion of capital funds from proper channels, and the increasing of a debt to refund prior indebtedness. Obviously, securities so regulated and approved by the commission would be more readily negotiated, and have an enhanced market value.

The importance of establishing a uniform system of accounting for public utilities has been demonstrated in the case of the city of Winnipeg, in respect of its hydro-electric and waterworks utilities, as shown in the published annual reports.

The principle was also applied by the commission to the Winnipeg Electric Railway Company and subsidiary companies, which were ordered to separate the various utilities in accordance with a prescribed classification of accounts prepared by the commission. This work was accomplished by an eminent firm of engineers and accountants, and the annual statements of the several utilities as at December 31st, 1916, bear ample testimony to the value of the commission's requirements. The statements have not been analyzed and are given with reserve. The system is being gradually applied in the case of lesser utilities throughout the province, but this commission is not satisfied with the progress made. To obtain the desired results it will be necessary to add an accounting department to the activities of the commission.

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ESTABLISHED IN 1864

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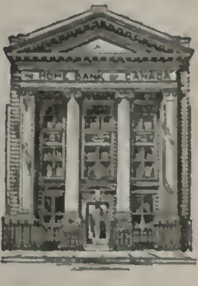

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BRANCHES AND CONNECTIONS THROUGHOUT CANADA

ONTARIO HAS LARGE SURPLUS

Hon. T. W. McGarry Presents His Budget—Provincial Borrowings

In three and a half years of wartime, which called for many unusual disbursements, Ontario piled up a surplus of over $3,000,000, including a net surplus of $1,751,374 for 1917, the largest in the history of the province, according to the budget speech in the legislature on Tuesday, by the Hon. T. W. McGarry, provincial treasurer.

"A statement of the first year of the war, a review of the year 1913-14, discloses the fact that there was a deficit of $697,928.58," he said. "As explained at the time, that deficit was due partly to the refusal of certain companies to pay taxes and partly to the fact that we had expended the sum of $294,000 in advances for flour for Great Britain and the Belgian people.

"In the following fiscal year, that of 1914-15 (the first full year of the Hearst administration), we were able to announce a surplus of ordinary receipts over ordinary expenditures of $271,370.

"Last year, when presenting the financial sheet for the fiscal year 1915-16, there was announced 'the greatest surplus that had been,' namely, $1,134,996.74. During 1917 our total ordinary receipts amounted to $18,269,597.23, and our total ordinary expenditures were $16,518,222.64, leaving a net surplus on the year's operations amounting to $1,751,374.59.

Reduced Net Debt.

"Not only have we the greatest surplus ever announced in this House, but we have, in addition, reduced the net debt by $1,216,301.70, and have expended on capital account $5,155,000 in excess of the amount borrowed for these purposes. Altogether we have expended on capital account the sum of $10,155,245.35. Our total borrowings were $5,000,000, so that, as stated above, we expended over $5,000,000 out of ordinary revenues and the balance carried over from last year.

"Of this sum of $10,000,000, $5,700,000 was for Hydro-Electric, $410,000 for Timiskaming and Northern Ontario Railway and $2,000,000 to pay off a loan. So, on the whole, our capital expenditure, outside of these particular items, was very considerably reduced.

"Last year we received from the provincial war tax the sum of $2,050,128.39, and we expended $2,414,447.55, or $364,319.16 more than we received, and this additional sum has been charged up to ordinary expenditures."

United States Money Markets.

The United States money markets had been closed to Ontario since the Republic entered the war and the province had been able to "carry on" financially as a result of the income and the balance from other years, said Mr. McGarry. Ontario was undoubtedly "the soundest province, Dominion or nation engaged in the war." During the year the province borrowed five millions. Of this, two millions were borrowed at 5.006 per cent. without any commission and one million at 4.92 per cent. No other province or country had been able to borrow at such favorable rates. In addition, two millions had been borrowed at one of the banks at the end of the year at 6 per cent. An extremely acute situation developed when the United States was shut off to Ontario for borrowing. It was not a favorable time to put on a loan here. The finance minister at Ottawa sent for the Ontario treasurer some weeks ago and satisfactory arrangements were made for financing Ontario so long as the war continues for what is absolutely essential. Some bonds would be placed locally in a short time at a lower rate than it would be possible to secure from the finance minister.

Mr. McGarry furnished the following figures showing the estimated receipts and the estimated expenditure for the fiscal year ending October 31, 1918:—

Estimated Receipts.

Subsidy, $2,396,378.88; interest on common school funds held by the Dominion ($75,000), interest on investments ($150,000), $225,000; lands, forest and mines department, $2,875,000; public institutions, $300,000; education department, $65,000; provincial secretary's department, $210,350; motor vehicles licenses, $1,100,000; agriculture, $200,000; casual revenue, $400,000; insurance department, $73,000; the amusement tax act, $500,000; succession duties, $2,500,000; corporation tax act, $1,800,000; the Ontario temperance act, $150,000; law stamps, $125,000; game and fisheries, $615,000; earnings Timiskaming and Northern Ontario Railway, $250,000; Hydro-Electric Power Commission, interest, etc., $1,200,000; provincial war tax, $2,060,000; total estimated receipts, $17,044,728.88.

Civil government, $1,109,478.36; legislation, $326,018; administration of justice, $807,097.05; education, $2,571,479.23; public institutions maintenance, $2,143,486.70; agriculture, $1,017,468; colonization and immigration, $98,112; hospitals and charities, $611,015.11; maintenance and repairs of government buildings, $257,628.49; public buildings, $277,347.28; public works, $117,800; colonization roads, $87,000; highways department, $81,604; game and fisheries, $340,804.87; attorney-general's department, miscellaneous, $186,355.75; treasury department, miscellaneous, $75,519.79; provincial secretary's department, miscellaneous, $303,693.74; charges on Crown lands, $955,543.35; refund account, $105,573.74; miscellaneous expenditure, $97,508.36; total, $11,570,533.82.

Capital Expenditure.

Purchase of No. 17 Queen's Park, $20,000; hospital for insane, Kingston, additional land, $30,000; hospital for feeble-minded, Orillia, additional buildings (part re-vote), $63,500; hospital for insane, Woodstock, additional buildings, $40,000; hospital for insane, Hamilton, additional buildings, $50,000; hospital for insane, London, new wing, $20,000; hospital for the insane, Whitby, additional buildings, etc. (part re-vote), $110,000; hospital for insane, Mimico, additional buildings, $75,000; educational buildings, $66,500; agricultural buildings, $37,500; court houses, industrial farms, jails and registry offices, districts, $64,000; total, $12,147,033.82.

CANADIAN CAR COMPANY'S CONTRACT

The Canadian Car and Foundry Company has obtained a contract for the construction of twelve mine sweepers for the French government, all for delivery this year. They will be built at the Fort William plant. This is the contract which street gossip had credited to the United States government. So Mr. W. W. Butler, general manager, informs *The Monetary Times.*

SOVEREIGN LIFE ASSURANCE COMPANY

Another strong financial statement has been submitted by the directors of the Sovereign Life Assurance Company of Canada, which has made satisfactory progress during the past few years. This company is one of the eastern institutions which moved to the West some years ago, and, under the management of Dr. H. J. Meiklejohn, managing director, has grown into a substantial underwriting corporation. Dr. Meiklejohn has been properly cautious in his policy, receiving the active support of his colleagues on the board, headed by Mr. R. R. Scott as president. The company's officers have watched the expenditures, both large and small, very closely and have managed affairs with economy, at the same time not losing sight of the important factors of enterprise and progress. The result has been shown in the annual statements of the past few years.

During 1917 policies were issued and revived during the year amounting to $2,237,500, an increase over the amount written in the previous year of $544,000, and the largest amount written in any one year since the company's inception The total assurance in force at December 31st amounted to $7,626,684, which is an increase of $1,232,600 over the amount in force one year previously. The net cash income from premiums was $257,572, which is $40,493 in excess of 1916. The cash interest income amounted to $78,282, exceeding the corresponding income for 1916 by $5,137. The total cash income, $335,998, exceeded that of 1916 by $45,701, and represents an increase over that of the previous year of 15.7 per cent.

Expenditures under all heads were $168,040, compared with $162,829 in 1916. The total amount paid to policyholders during the year (including claims, surrenders, profits on policies, etc.), was $55,690, comparing with $69,712 paid the previous year. The difference is largely accounted for by a number of claims reported towards the close of the year, in respect of which settlement will fall in 1918. The total assets increased from $1,358,587 at the beginning of the year to $1,538,840 at the end of the year (the actual net increase being thus $180,253—by far the largest in the company's experience).

THE STERLING BANK
OF CANADA

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58

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

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BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)

AUSTRALIA

PAID UP CAPITAL	$ 18,526,600.00
RESERVE FUND	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916	$277,488,871.00

J. RUSSELL FRENCH, General Manager

338 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

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AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

ESTABLISHED 1865

Union Bank of Canada

Head Office - WINNIPEG

Paid-up Capital	$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	140,000,000

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BANK OF HAMILTON
HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

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CYRUS A. BIRGE, Vice-President.

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Robert Hobson
W. E. Phin
I. Pitblado
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Brantford
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Dundas
Dunnville
Fordwich
Ft. William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St.
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
Lucknow
Midland
Milton
Milverton
Mitchell
Moorfield
Neustadt
New Hamburg
Niagara Falls
Niagara Falls, S.
Oakville
Orangeville
Owen Sound
Palmerston
Paris
Port Arthur
Port Elgin
Port Rowan
Princeton
Selkirk
Simcoe
Southampton
Teeswater
Toronto
" Queen & Spadina
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" Yonge & Gould
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Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Treherne
Winkler
Winnipeg
" Norwood
" Princess St.

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LIFE INSURANCE COMPANIES' INVESTMENTS IN OUR FOUR WAR LOANS

COMPILED BY THE MONETARY TIMES

LIFE INSURANCE COMPANY	First War Loan		Second War Loan		Third War Loan		Victory Loan		Remarks
	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment	
	$	$	$	$	$	$	$	$	
Aetna	525,000	525,000	100,000	100,000	250,000	250,000	300,000	300,000	—
British Columbia	20,000	20,000	......	......	20,000	20,000	40,000	40,000	This company was absorbed by the Sun Life Co. of Canada in December, 1917. $40,000 subscription represents conversion of 1st and 3rd War Loan Bonds, difference paid in cash
Canada	1,500,000	1,500,000	1,000,000	407,500	4,000,000	2,890,000	8,407,500	6,282,500	$1,500,000 of the 3rd War Loan subscription represents conversion of the issue due 1925 into the 1937 maturity. Since the allotment of the last loan, the company has purchased an amount of bonds to bring its holding of the 1937 issue to an even $3,000,000. $3,000,000 of subscription to Victory Loan represents conversion of 3rd War Loan and $407,500 conversion of 2nd War Loan
Capital	25,000	25,000	20,000	20,000	100,000	90,000	140,000	140,000	—
Confederation	500,000	500,000	250,000	207,500	2,000,000	1,440,000	2,500,000	2,273,750	The holding of the 2nd loan and $1,090,000 of the 3rd loan were turned in on account of the Victory Loan subscription
Continental	100,000	100,000	100,000	47,500	200,000	155,000	500,000	500,000	$292,500 of 1st, 2nd and 3rd War Loans were turned in on account of Victory Loan subscription
Crown	100,000	100,000	150,000	67,500	200,000	156,500	79,000	79,000	On the subscription of the 1931 War Loan, the company made a further purchase of $12,000. The company turned in its old bonds, and its new subscription of $79,000 was extra
Dominion	115,000	115,000	115,000	69,500	200,000	155,000	500,000	500,000	The company converted its previous holdings of $290,000 into the new Victory Loan, paying the difference in cash
Excelsior	150,000	150,000	100,000	82,500	300,000	255,000	200,000	200,000	The company subscribed for $200,000 of the Victory Loan, and converted the amounts it held of the second and third war loans so that the total holdings in the Victory Loan are $587,500. The company disposed of $50,000 of the first loan and converted the balance into the 3rd loan, this amount being included in the $300,000 mentioned as subscribed. To the 2nd loan $100,000 was subscribed, $82,000 of which was allotted. The company later purchased $50,000 of the 2nd loan.
Great-West	1,000,000	1,000,000	1,000,000	407,500	1,500,000	940,000	4,500,000	3,829,000	The company surrendered the full amount of war bonds held under allotment of previous loans in part settlement of allotment under Victory War Loan
Gresham	30,000	30,000	25,000	25,000	20,000	20,000	25,000	25,000	In addition, the company bought further bonds of the 1925 loan amounting to $25,000, making its total holdings $100,000. These figures are of local application only, as the Society has a total holding of $4,250,000 in the British War Loans, and a further $940,000 in war loan stock issued by the Allies and the British Colonies
Imperial	350,000	350,000	750,000	307,500	1,500,000	1,132,500	2,465,000	2,340,000	—

Continued on Page 20

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Secretary of the North American Life Assurance Co.

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Inquiries Invited

General Manager - - Lieut.-Col. G. H. DORRELL

LIFE INSURANCE COMPANIES' INVESTMENTS IN OUR FOUR WAR LOANS—*Continued from Page 18*

LIFE INSURANCE COMPANY	First War Loan		Second War Loan		Third War Loan		Victory Loan		Remarks
	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment	
	$	$	$	$	$	$	$	$	
London & Lancashire	100,000	100,000	100,000	82,500	120,000	120,000	150,500	150,500	In addition to the original subscriptions there have been several exchanges and additional purchases made by the company, but no sales. The total holdings at date amount to $806,000, and are exclusive of the company's holdings at home in the British War Loans
London	250,000	250,000	300,000	127,500	500,000	425,000	1,300,000	1,300,000	The company subscribed for $1,300,000 of the Victory Loan, and converted all previous War Loan Bonds ($812,500) then held, now holding a total of $1,300,000.
Manufacturers	500,000	500,000	700,000	287,500	1,000,000	715,000	1,500,000	1,125,000	The company purchased later $335,000 of the 1st War Loan, turning in their total holding of $835,000 to the 2nd loan, thus gaining a holding of $1,122,500 of the 2nd loan. The company also purchased in the open market $285,000 of the 3rd loan, making a holding of $1,000,000 of that loan. At the time the Victory Loan was issued, $2,131,700 of old war loans were held. This sum was all turned into Victory Loan, making, with the new money subscribed, a total holding of $3,256,000 of Victory Bonds.
Metropolitan, New York	3,000,000	2,000,000	3,000,000	2,725,000	3,000,000	3,000,000	5,000,000	5,000,000	Victory Loan allotment includes subsequent purchases
Monarch	40,000	35,000	50,000	43,000	100,000	94,600	125,000	125,000	—
Mutual, of Canada	500,000	500,000	1,500,000	537,500	2,500,000	1,843,700	5,400,000	4,265,600	The company made a subsequent purchase of $325,000 of the 1st War Loan. Ultimately, all earlier holdings were converted into Victory Loan
National	150,000	100,000	150,000	67,500	175,000	137,500	345,000	345,000	$220,000 of former loans was converted, the total holding of the company being $345,000
New York	1,000,000	1,000,000	......	......	1,000,000	715,000	2,000,000	1,875,000	The company purchased $1,000,000 1st War Loan Bonds, due 1925, which were later used in part payment for subscription to Victory Loan. It also purchased $285,000 additional 3rd War Loan Bonds, making holding of $1,000,000.
North American	500,000	500,000	500,000	207,500	1,000,000	715,000	1,000,000	1,000,000	$500,000 of 3rd War Loan converted
Northern	105,000	105,000	50,000	32,500	210,000	165,000	235,000	235,000	The company has made a number of exchanges but no sales, and the total holding of paid-for war bonds was, at December, 1917, $230,000. This total is large for the company, and is partly attributable to the fact that the amount of deduction for policy loans made which is allowed by Life Insurance Investment Act, was very small, owing to special efforts made
Prudential, Newark	500,000	500,000	700,000	287,500	500,000	365,000	2,200,000	2,200,000	Subsequent purchases increased holdings of the first three loans to a total of $2,200,000, all of which was converted into Victory Loan Bonds
Saskatchewan	......	......	......	......	10,000	......	20,300	20,300	The company subscribed for $20,300 of the Victory Loan, converting $300, 1925; $5,000, 1931; and $5,000, 1937 loans. This leaves the company with $10,000 of the third loan, or a total subscription to the various loans of $30,300.
Security	......	......	......	......	10,000	......	12,000	12,000	The company converted 3rd War Loan of $10,000 into Victory Loan
Sovereign	60,000	60,000	60,000	35,500	60,000	53,000	100,000	100,000	The company converted prior holdings into Victory Bonds, with a further small subscription to bring to even figures. Total of Canadian War Loans now held is $250,000, represented by 1937 maturity

Continued on Page 22

Put the Burden on Those Trained to Carry It.

One business man should not be asked by another to give the time required to perform the duties of Executor when a capable and experienced Corporation makes that work a regular business and performs the service at no greater cost. The remuneration for the services of this Corporation is fixed by the Court in the same manner in which the fees of an individual Executor are determined.

We will gladly explain the many advantages to be gained by the appointment of this Corporation as Executor. Wills in which we are appointed Executor may be filed in our Safety Vaults free of charge.

THE TORONTO GENERAL TRUSTS CORPORATION

Established 1882 — Head Office TORONTO

Branches: Ottawa, Winnipeg, Saskatoon, Vancouver

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors

B. F. B. Johnston, K.C., *President*. Hon. W. A. Charlton, W. J. Gage, Noel Marshall, *Vice-Presidents*. W. K. George, W. R. Hobbs, Jas. B. Tudhope, R. Wade, Jacob Kohler, A. McPherson, D. B. Hanna, John J. Gibson, *Managing Director*.

Chartered Trust and Executor Company

Traders Bank Building Toronto

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company

WINNIPEG, Man.

WANTED

MONETARY TIMES—Vol. 41, 1907-08

An old subscriber to The Monetary Times desires to complete his files, and in order to do so would like to secure a copy of Volume 41—1907-08.

Anyone possessing such a volume and caring to dispose of it is asked to address "Bound Volume"

MONETARY TIMES - 62 Church St., Toronto

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited

Toronto

HENRY F. GOODERHAM, President — J. M. McWHINNEY, General Manager.

THE ROYAL TRUST COMPANY

EXECUTORS AND TRUSTEES

HEAD OFFICE, MONTREAL

Capital Fully Paid - $1,000,000 Reserve Fund - $1,000,000

BOARD OF DIRECTORS

Sir Vincent Meredith, Bart., *President.*

Sir H. Montagu Allan, C.V.O., *Vice-President.*

R. B. Angus
E. W. Beatty, K.C.
A. D. Braithwaite
E. J. Chamberlin
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William McMaster
Major Herbert Molson, M.C.
Lord Shaughnessy, K.C.V.O.
Sir Frederick Williams-Taylor

Toronto Branch
59 Yonge Street

BRUCE L. SMITH, Manager

A. E. Holt Manager

THAT many people of business judgment and financial standing have appointed this institution their executor, is an evidence of the satisfactory quality of the service the Company renders in managing property.

We are glad to be consulted about the problems such management involves.

National Trust Company Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000

18-22 King Street East, Toronto

Going Overseas?

To those going overseas, whether in a military or civil capacity, to do their bit, or to those who contemplate spending the Winter away from home, and who may need a strong, reliable corporation to look after their affairs in their absence, we offer the suggestion that they leave a Power of Attorney in our favor. It will relieve them of all the details and worries incidental to looking after their Estates. Compared with the relief afforded and the service rendered, the charge would be small and the satisfaction great. Interviews invited; correspondence solicited. All business treated as strictly confidential.

The Standard Trusts Company

346 MAIN STREET - - WINNIPEG

LIFE INSURANCE COMPANIES' INVESTMENTS IN OUR FOUR WAR LOANS—*Continued from Page 20*

LIFE INSURANCE COMPANY	First War Loan		Second War Loan		Third War Loan		Victory Loan		Remarks
	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment	
	$	$	$	$	$	$	$	$	
State	300,000	300,000	100,000	100,000	.....	.....	.....	.....	—
Sun	2,000,000	2,000,000	5,500,000	2,487,700	10,000,000	4,765,000	11,500,000	9,444,850	—
Travelers, Hartford	100,000	100,000	100,000	47,500	200,000	155,000	750,000	687,500	Through additional purchases and conversion, the company's holdings are at present $1,250,000 of the three loans.
Travelers, of Canada	15,000	15,000	25,000	25,000	25,000	25,000	50,000	50,000	The company subscribed $50,000 to the Victory Loan and the allotment was $50,000. Of this amount $35,000 was new money, the balance representing a conversion of $15,000 of the 1st War Loan
Western	.....	.....	15,200	15,200	20,000	20,000	65,000	65,000	The figures of the 2nd War Loan include $5,000 purchased from brokers; all former holdings were converted in payment of the subscription of $65,000 to Victory War Loan.
Western Empire	.....	.....	20,000	20,000	.....	.....	75,000	75,000	The 2nd War Loan Bonds of $20,000 were applied on the Victory Loan

WAR TRADE BOARD CREATED

Representative Men Have Been Named by Dominion Government

The Dominion government has decided to create a War Trade Board. The members are: Sir George Foster, minister of trade and commerce; Messrs. Frank P. Jones, Montreal; John W. McConnell, Montreal; James H. Gundy, Toronto; Charles B. McNaught, Toronto; Joseph Gibbons, Toronto. Mr. C. A. Magrath as fuel controller, and the Hon. H. Laporte as chairman of the war purchasing commission, are to be members of the board ex-officio. The minister of trade and commerce is appointed chairman. The members of the board will elect a vice-chairman.

The executives of the labor organizations were asked to nominate a representative of labor. Mr. Gibbons, whose name was among those submitted, will represent organized labor on the board.

The powers and duties of the board are officially announced as follows:—

Powers and Duties of Board.

(1) To have direction of licenses for export and to make recommendations with regard thereto.

(2) To have direction of licenses for import and of applications to the proper authorities of exporting countries for permit to export to Canada, and to make recommendations with regard thereto.

(3) To undertake and carry out such supervision as may be necessary of all industrial and commercial enterprises, and by co-operation with producers to prevent waste of labor, of raw materials and of products.

(4) To make recommendations for the maintenance of the more essential industries as distinguished from those of a less essential character.

(5) To investigate and keep records of the country's stock of raw materials, partly finished products and finished products, and when necessary to direct their distribution so as to obtain the best results in the national interest.

(6) To consider and recommend methods of curtailing or prohibiting the use of fuel or electrical energy in the less essential industries.

(7) To direct priority in the distribution of fuel, electrical energy, raw materials and partly finished products.

(8) To investigate generally conditions of trade, industry and production (except food production) and to make recommendations with regard thereto.

(9) To work in co-operation with the Canadian War Mission at Washington, and, through that mission or otherwise, to co-operate with the War Trade Board of the United States, or other bodies constituted for the like purpose, with a view to securing the most effective unity of action by the two countries for war purposes.

Co-operation of Departments.

It is provided that any department of the government may attach to the board such of its officers as may be deemed advisable.

The board is to co-operate with the several departments of the government in any matter requiring common or united action, and each department is to assist and co-operate with the board and its officers.

The order-in-council creating the board also contains a proviso that nothing therein shall take away or affect the powers of the food controller. It contains a further proviso that for the present the powers of Mr. Magrath as fuel controller and of Sir Henry Drayton as controller of electrical energy shall continue pending further arrangements as to united control and direction in both fuel and power.

An official statement issued by the prime minister declares that the board is constituted, "following very careful consideration of more effective organization for the purpose of the war, and having regard to the necessity of more effective measures for maintenance of industries essential for that purpose."

The Ontario fire marshal has ordered an enquiry into the fire which destroyed the plant of the Office Bureau in Aurora, Ont., on the same day that an application was made at Osgoode Hall, Toronto, to wind up the concern. One of the largest creditors, who lives in Toronto, has demanded a complete investigation into all the circumstances. The night the fire took place many of the town hydrants were frozen, severely handicapping the work of the fire-fighters.

The Hamilton Provident and Loan Society

Notice is hereby given that the Forty-sixth General Annual Meeting of the Shareholders of this Society will be held at the Society's Office, in Hamilton, on Monday, Fourth day of March next, at twelve o'clock noon, for the purpose of electing Directors to serve for the ensuing year, and for all other general purposes relating to the management of the Society.

A full statement of the Society's affairs for the year ending December 31st, 1917, will also be submitted to the Meeting.

D. M. CAMERON, Treasurer.

"INVESTMENTS"

A MUCH MISUSED TERM

Many who should be, and think they are laying up money for their old age, are misled into so-called "investments," where their hard-earned money is jeopardized, and frequently lost, though it is of the utmost importance to them and to those who may be dependent upon them that its absolute safety should be beyond peradventure.

To those who should invest safely and with caution, not speculate, the bonds of the Canada Permanent Mortgage Corporation can be confidently recommended. This Corporation is most conservative in the investment of the funds entrusted to it. For more than sixty years it has held a leading position among Canada's financial institutions, and its bonds are a LEGAL INVESTMENT FOR TRUST FUNDS. They are issued for one hundred dollars and upwards. Write for full particulars.

Canada Permanent Mortgage Corporation

Toronto Street - - Toronto

Paid-up Capital and Reserve Fund $11,000,000.00

ESTABLISHED 1855

The Canada Trust Company

has had over sixteen years of successful experience in handling Estates. It is closely affiliated with the Half-Century-Old Huron and Erie Mortgage Corporation.

Head Offices: London, Can.

T. G. MEREDITH, K.C., President
HUME CRONYN, M.P., General Manager

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 **Canada**

CAPITAL AND UNDIVIDED PROFITS .. $3,550,000

5% SHORT TERM (5 YEARS) DEBENTURES YIELD INVESTORS 5%

ASSETS OVER $8,000,000

JOHN McCLARY, President
A. M. SMART, Manager

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY,
EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
LONDON, ENG. EDINBURGH, SCOT.

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President
NATHANIEL MILLS, Manager

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 **51 YONGE ST., TORONTO**

Paid-up Capital, $1,250,000 Rest, $800,000 Total Assets, $4,968,953

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary.
V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00
Total Assets, $3,141,401.68
President, WELLINGTON FRANCIS, Esq., K.C.
Vice-President, HERBERT LANGLOIS, Esq.
Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on improved Real Estate on favorable terms.
WALTER GILLESPIE, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. H. SPROULE, Manager.

AGRICULTURE IS THE BACKBONE

Canadian Farmer Becoming One of Most Up-to-date and Prosperous Agriculturalists, Says Mr. E. R. Wood

That investors of the United Kingdom had placed through our loaning institutions many millions of pounds sterling in farm mortgages throughout Canada, was one of the many interesting statements of Mr. E. R. Wood in presenting the report of Central Canada Loan and Savings Company at the recent annual meeting. Mr. Wood recalled that not only have the people of Britain loaned their funds in generous amounts to the Canadian farmer through these channels, but they have also purchased the bulk of Canada's farm products. Britain has largely financed the Canadian farmer, and at the same time has been his best customer. We shipped to Britain, for example, during he fiscal year ended March, 1917, $230,000,000 of our grain exports out of a total valued at $289,000,000. The United Kingdom bought in the same year $90,000,000 of the $128,000,000 of animal produce which we exported.

"During the three years of war, our farm products have been exported in increasing volume and at rising prices," continued Mr. Wood. "In 1915 we shipped over $209,000,000 worth of Canadian agricultural and animal products abroad; in 1916 $352,000,000; and in 1917 $501,000,000. Most of this went to the United Kingdom.

Agricultural Exports Lead.

"Despite the great impetus given to Canadian manufacturing by the munitions industries, the exports of Canadian animal produce and agricultural products continue to exceed those of factory products. For many years the exports of our farm products have exceeded those of our manufactures. The exports of Canadian agricultural products, including animal produce, for the fiscal year 1914, totalled $251,000,000 and for 1917 $501,000,000. The exports of Canadian manufactures in the same years were valued at $57,000,000 and $477,000,000 respectively.

"Agricultural conditions throughout the Dominion are unusually satisfactory. The farmers, generally speaking, are in excellent financial shape. They were, in the aggregate, substantial contributors to Canada's Victory Loan in November last. They have taken advantage of prevailing conditions to pay their obligations, to increase their savings and to invest their surplus funds in the government's war securities. The Federal and provincial governments have active departments of agriculture, which are furthering the interests of the industry in a way that will make the Canadian farmer one of the most up-to-date and prosperous agriculturalists of the world.

Future of Interest Rates.

"The future of interest rates is a subject on which opinions are sharply divided. The duration of the war is obviously an important factor. As this is unknown, the question is problematical. Canadian government borrowing for war purposes was the outstanding feature last year, and our war loans will certainly have the right of way during 1918. Provinces, municipalities and corporations, however, will require to make issues, and the extent of these and the rates it will be necessary to pay will determine the rate to be paid on mortgages. No doubt, this will be somewhat higher than last year.

"The past year has been, financially, a somewhat remarkable one in Canada. One of the outstanding features was the growing investment power of the country; an important consideration in view of the necessities of war financing. The Canadian bond sales in 1917 totalled $756,000,000, making a new high record. Dominion government loans—and chiefly war issues—accounted for $675,000,000 of the total. Of the total loans of $756,000,000 Canadian investors purchased no less than 75 per cent. as compared with only 33 per cent. in 1916; which, up to that time was the highest percentage share ever taken by this country's investors.

"The Canadian people realize that, in view of war finance requirements in the United Kingdom and the United States, they must finance, for the time being, at least, the development of their natural resources, the nation's daily business, and their share of the war. In addition, they must be prepared to advance substantial credits to the United Kingdom for her large purchases in this country. The task is heavy for a young country, which until very recently was one of the foremost borrowing nations in the money markets.

"The achievement of Canada in connection with the Victory Loan in November, however, is an indication of what the Dominion is able to do with proper organization. As is generally known, while the finance minister asked for $150,000,000, the national organization responsible for the sale of the bonds in co-operation with the minister, made the objective $300,000,000. That amount was surpassed by $118,000,000, making a total subscription of $418,000,000. The fact that there were over 800,000 subscribers to the loan, as compared with only 40,000 to the previous war loan, is very gratifying. One in every 9.76 of the population is a holder of Victory bonds; thus having a direct stake in the country's welfare and in its share of war financing. Our Victory Loan record compares well with, and in most cases surpasses, the war finance achievement of other countries. The second Liberty Loan of the United States, for example, was subscribed to by one in every 10.74 of the population, compared with our record of one in every 9.76. The Liberty Loan subscriptions included many substantial amounts from the banks. The Canadian banks were not asked to subscribe to the Victory Loan, they having other important government financing in hand. The Victory Loan was entirely subscribed by the people and by financial, industrial and other corporations.

Down to War Basis.

"In 1917 our Federal and provincial government borrowings accounted for over 90 per cent. of our bond issues. Our municipal, railroad, corporation and other loans were responsible for less than 10 per cent. This illustrates the sharp curtailment effected in all other than war expenditures. Financially, Canada is down to a war basis. Our municipal bond issues, for example, last year were $25,000,000, compared with over $50,000,000 in 1916. In order to still further conserve our financial resources for war purposes, an order-in-council was passed in December last, making it necessary for the finance minister's authority to be obtained for the issue of new securities.

"For the past three years Canada has participated in what we may term the prosperity of war. This has been due to the receipt of war orders from the United Kingdom, the United States and elsewhere. High prices have been realized for all we have produced on farm and in factory. Estimates, based on the official figures available, indicate that up to the end of 1917 the Dominion had received $1,810,000,000 of war orders. Of that sum $1,000,000,000 represents orders placed here by the Imperial Munitions Board on behalf of tbe British government.

"War orders have been instrumental in building up a record export trade. For the fiscal year ended March 31st, 1917, our total exports were $1,179,211,100; which, together with our imports of $845,356,306, gave us a total trade of $2.024,517,400. The balance in our favor was $354.000,000. For the 12 months ended September last our favorable balance was $415,000,000, and for the 12 months' period ending March next it will probably be $500,000,000. At the end of the fiscal year, 1912, we had an unfavorable balance of $214,000,000. Our reversal from a debtor to a creditor nation in this way, in such a comparatively short period, is a matter for considerable gratification. It is a good omen for our future financing, particularly in regard to the war.

Debt and Production.

"The debt continues to increase substantially on account of the war, but with thrift, greater production and the development of our vast natural resources, no one doubts our ability to pay the annual interest charges, and, in addition, to provide a part of the war principal. It is good to know that an increasingly large share of the interest payments on our debt is being made to the Canadian people, who, consequently, are not only taxpayers but bondholders also. The payment of interest in this country, rather than its export abroad, is very desirable.

"For the first time in our history the value of our crops last year exceeded a billion dollars. They contributed $1,089,000,000 to the value of our primary production, as compared with $825,000,000 in 1915. From the field crops, forests, mines and fisheries of Canada in 1917, we obtained new wealth of $1,507,000,000, as against $975,000,000 in 1914. The value of our production in those four items alone last year exceeded the total of the national debt by over $500,000,000. With the requisite capital and labor after the war, drawn from our own country, from the United Kingdom and from our other Allies, there is before Canada an era of growth which, when in progress, will surprise not only ourselves but other countries which have sent new citizens and capital for Canadian expansion. The value of our primary production, after a few years of development of our great resources, will materially exceed even the remarkable record which the Dominion made last year."

The Union Trust Company Limited

HEAD OFFICE, TORONTO

Winnipeg, Man. London, England. Regina, Sask.

BOARD OF DIRECTORS

Henry F. Gooderham, Toronto, President.
H. S. Strathy, Toronto, Vice-President.
H. H. Beck, Victoria, B.C.
George S. May, Ottawa.
Mark Bredin, Toronto.
J. H. McConnell, M.D., Toronto.
Rt. Hon. Lord Hindlip, Worcester, Eng.
Walter C. Laidlaw, Toronto.
W. H. Smith, Toronto.
A. Percy Taylor, Toronto.

The Seventeenth Annual Statement submitted to the Shareholders at the Annual Meeting held at the Head Office, Toronto, Thursday, February 14th, 1918.

CAPITAL ACCOUNT.

ASSETS			LIABILITIES		
Mortgages and other securities on real estate and Interest thereon to Dec. 31st, 1917	$ 726,197.35		**Capital Stock,** fully paid	$1,000,000.00	
Municipal Debentures, Bonds and Stocks and Interest thereon to Dec. 31st, 1917	45,845.96		**Reserve Fund**	450,000.00	
Loans on Debentures, Bonds and Stocks and Interest thereon to Dec. 31st, 1917	140,307.60		**Profit and Loss Account**	15,702.77	
Real Estate	542,413.26		**Dividend No. 42,** payable January 2nd, 1918	20,000.00	
Real Estate (foreclosed)	14,059.83		**Other Liabilities**	7,213 09	
Other Assets	10,581.48		**Suspense**	66,092 62	
Cash on Hand, and in Banks	93,141.71		**Items Accrued** (not yet payable)	13.538.71	
		$1,572,547.19			$1,572,547 19

GUARANTEED INVESTMENT ACCOUNT.

Mortgages on Real Estate	$3,463,330.39		**Guaranteed Investment Certificates**	$6,055,901.44	
Municipal Debentures, War Loans, Bonds and other Securities	3,784,224.69		**Trust Savings Accounts**	1,605,980.81	
Cash on hand, and in Banks	414,327.17				
		$7,661,882.25			$7,661 882 25

ESTATES AND AGENCIES.

Inventoried Value of Real Estate Mortgages, Stocks, Bonds and Debentures, etc., in the hands of the Company as Executors, Trustees, Agents, etc.	$5,908,258.98		**Value of Assets of Estates and Agencies** in hands of the Company	$6,031,762 78	$6,031,762 78
Cash on hand, and in Banks	123,503.80				
		$6,031,762.78			
Total		$15,266,192.22	Total		$15.266,192 22

PROFIT AND LOSS ACCOUNT.

Quarterly Dividends Nos. 39, 40, 41 and 42	$85,000.00		**Balance** brought forward December 31st, 1916	$36,531 13	
Patriotic Funds	2,250.00		**Net Profits for year** after defraying cost of management, fees, and expenses of every kind	98,446 64	
Federal Income Tax	4,259.29				$134,977 77
Transferred to Reserve Account	27,765.71				
Balance carried forward	15.702.77				
		$ 134,977.77			

C. D. HENDERSON,
Secretary.

JAMES K. PICKETT,
Acting General Manager

AUDITORS' CERTIFICATE.

We have made a continuous audit of the Cash and Bank Accounts with the books and vouchers of The Union Trust Company, Limited, for the year ended 31st December, 1917, and have verified the securities, and we hereby certify that the accompanying balance sheet, bearing our signature, is a true and correct statement of its affairs at the date named. The books are properly kept, and all required information has been freely given.

A. C. NEFF, F.C.A.
HARRY BURCH. Auditors.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions Dividends and Future Plans

Canada Copper Corporation, Limited.—The company is making rapid progress in its preparation to extract ore at a minimum cost, according to New York dispatches. A main transportation tunnel, to be 2,900 feet long, was started in September and is now two-thirds completed. Recent rate of progress exceeds 600 feet a month. On finishing the tunnel the company will immediately drive a large raise to connect with the upper tunnel and works, where preparations have been practically completed for mining the overlying ore body. The power line, which transmits a current generated at Bonnington Falls, 100 miles distant, is ready for operation, and the Canadian Pacific Railway has completed the preliminary work on the branch line to connect the mines with Princeton, B.C., where the mill is located. These facilities will effect the highest degree of operating economy.

Penman's, Limited.—Shareholders are looking forward with considerable interest to the forthcoming financial statement for 1917, as it is expected that the showing will equal, if not exceed, the record showing of the preceding year, according to Montreal advices. Incidentally, the question of an increased dividend rate is giving the shareholders cause for considerable thought, in view of the large earnings. In 1916 the profits amounted to 31 per cent., and it might be added that since 1910 only twice have they gone under 10 per cent., and very slightly at that, while in 1915 they ran as high as 27 per cent. The dividend record shows that since 1907 up to 1916, the dividend rate was 4 per cent., while a bonus of 1 per cent. was added in 1916, which has since prevailed, making the current distribution 5 per cent. The shareholders think they might reasonably expect 7 per cent. under the circumstances.

City Dairy Company.—The financial statement for the year ended December 31, 1917, shows profits considerably in excess of those for the preceding 12 months, with the 1917 profits at $70,274, as compared with $18,018 in 1916. Profits in 1915 were $101,647, but fell off substantially in the following year, by reason of increased costs of products, materials and supplies.

The past year the company, under new management, notwithstanding the heavy increases in operating expenses, has increased the volume of business transacted, resulting in a corresponding substantial gain in the year's profits. Important operating economies introduced during 1917 have effected beneficial results, and the taking over by the City Dairy organization at the end of December last of the entire distribution of milk and dairy products formerly made by S. Price and Sons, Limited, as pointed out by President C. B. McNaught, will show during the current year significant operating economies.

Ottawa Traction Company.—In the fourth annual report for the year ended December 31, 1917, both gross and net earnings were in excess of the previous 12 months, with the increase in net amounting to slightly more than 10 per cent., with the respective totals at $535,289 and $484,564 for the last two years, a balance of $50,724 in favor of the 12 months just closed. The company's gross figures for 1917 were given as $1,240,627, comparing with $1,154,918 for 1916. Operating expenses for the two periods amounted to $705,338 and $670,348, respectively, showing an increase closely proportionate to the increase in net earnings. During the 12 months 29,347,692 passengers were carried, as compared with 27,033,778 in the preceding year. The rolling stock was augmented to the extent of three pay-as-you-enter cars and the roadbed was improved at a cost of $50,000. Four quarterly dividends of 1 per cent. each and a bonus of 1 per cent. were paid. Interest on bonds accounted for $44,079. Mileage payments totalled $16,442, taxes $24,484 and business war tax $40,615. The company laid aside $110,000 for depreciation and $18,085 was transferred to the profit and loss account. Assets amounting to $3,432,959 were shown in the balance sheet, comparing with $3,395,342 at the end of 1916.

Belding Paul-Corticelli, Limited.—The net profits of the company amounted to $142,754 in the year ended November 30th last, against $135,984, the previous high record established in 1916, and only $18,123 in 1915. Profits were equal to 16.5 per cent. on the preferred stock issue and to 10.9 per cent. on the common. Payments of two years' back dividends on the preferred, taking $120,457, were, therefore, made possible without impairment of the improved position into which the company had worked the previous year. The return of $35,000 from a mortgage investment which matured during the year added that much to the cash assets of the company and practically accounted for the difference in working capital shown in the balance sheet. At the end of 1916 working capital was $701,918, and at the end of 1917 it was $736,663. Three years ago it was $500,676. Changes in the character of current assets and current liabilities were favorable in each case. Cash and receivables accounted for gains in the former, inventories being slightly lower, while bank loans were reduced $20,000 to $175,000, against $452,000 three years ago. In the same three years there has been a reduction in funded debt through sinking fund account of about $70,000. After paying two years' dividend arrears and reserving $5,000 for accidents, $17,296 was added to profit and loss, which stands at $240,475.

BOND DEALERS' ASSOCIATION

Mr. E. R. Wood was elected hon. president of the Bond Dealers' Association of Canada at the annual meeting which was held in Toronto, on February 12, following a meeting of the executive on the previous day. There are 69 firms identified with the organization and owing to its widespread nature, it was decided to divide it into three sections, embracing Quebec and the Maritime Provinces, with the exception of Prince Edward Island, in the east, Ontario in the centre, and Manitoba, Saskatchewan, Alberta and British Columbia in the west. It was from the Bond Dealers' Association that the Dominion executive of the Victory Loan was formed, and the amazing showing made at that time was a tribute to the organizing ability of the Canadian bond dealers. A permanent paid secretary will shortly be appointed, but in the meantime the secretarial duties will be carried on by Mr. C. H. Burgess, who has been acting secretary for the past year.

J. M. MACKIE, MONTREAL,
Elected President of the Bond Dealers' Association of Canada.

The officers elected for the current year are as follow: Hon. president, Mr. E. R. Wood; president, Mr. J. M. Mackie, Montreal; vice-presidents, Mr. J. H. Gundy (Toronto), Sir Augustus Nanton (Winnipeg), and Mr. Edwin Hanson (Montreal); treasurer, Mr. A. H. B. Mackenzie, Montreal. The executive is composed of 18 members: Messrs. J. M. Mackie, Edwin Hanson, R. P. Leclerc, A. G. Nesbitt and R. A. Stevenson, in the east; J. H. Gundy, J. W. Mitchell, A. E. Ames, W. C. Brent, R. C. Matthews and W. L. McKinnon, in Ontario; and Sir Augustus Nanton, Hon. Edward Brown, A. L. Crossen, Manitoba; G. H. Sneath, Saskatchewan; and F. B. Pemberton, British Columbia. Alberta's representative has not yet been chosen.

THE pioneer American fire insurance company to recognise and provide for the needs of both large and small insurers everywhere, by establishing numerous, well selected and widely distributed local agencies, and by conservatively and steadily enlarging its underwriting capacity to meet the needs of all.

"The Largest Fire Insurance Company on the Continent."

THE HOME INSURANCE COMPANY NEW YORK

Home Office: No. 56 Cedar Street, New York

ELBRIDGE G. SNOW, President

AUTHORIZED, SUBSCRIBED AND PAID-UP CAPITAL, $6,000,000.00

One Hundred and Twenty-Ninth Semi-Annual Statement
January, 1918

CASH ASSETS	$44,048,651.58
CASH CAPITAL	6,000,000.00*
LIABILITIES	25,047,401.00
NET SURPLUS OVER LIABILITIES	13,001,250.58*

*Surplus as regards Policyholders, $19,001,250.58

$1,283,733 Par Value of Canadian Securities on Deposit with Dominion Government at Ottawa

In addition, $250,000 subscribed to New Victory Loan

FIRE, WINDSTORM, HAIL, SPRINKLER LEAKAGE, AUTOMOBILE, WAR RISK

STRENGTH REPUTATION SERVICE

WAR-TIME BUSINESS AND PROFITS—BOTH ARE VITAL

Vicious Tendencies Toward Business Life—Need of Fair Play—Farmers, Manufacturers and Other Producers and Their Products—Danger of Strangling Industry and Drying Up the Sources of Our Wealth—Taxation and Expansion—Unworthy Socialism

Being the Text of An Address Delivered Before the Canadian Club of Orillia by S. R. Parsons, President of the Canadian Manufacturers' Association, and Published Under the Sanction of the Executive Committee of the Association, as Being of Interest to All Canadians at This Time

"Canadians, let us know each other better—let us understand and sympathize with each other's problems—for in that knowledge lies increased production, good feeling between city and country, prosperity in reason and fair play for all," was the burden of a thoughtful and far-reaching address by Mr. S. R. Parsons, President Canadian Manufacturers' Association, speaking, February 8, before a very large meeting of the Canadian Club of Orillia.

Continuing, Mr. Parsons said:—

"It should surely be possible to discuss dispassionately, and with fairness to all interests, some present tendencies in our public mind toward the business life of the country. If ever we needed calm deliberation and clearness of vision it is at the present critical time. We are all more or less on edge owing to war conditions, and in our anxiety that each individual or interest should play a worthy part we too easily, and oftentimes with lack of knowledge through inexperience, strike at the other fellow or group. People are unsettled and out of sorts. The farmer denounces the Government, the railways, the manufacturer and the storekeeper. The professional man, be he minister, doctor, lawyer, or what not, curses everybody within reach because war prices prevail, and seems to think all others are profiteers and sharks, holding him up at every turn. The manufacturer and merchant rail at conditions of labor, soaring pay rolls, shortage and tremendously increased costs of raw materials, Government and railway embargoes, increasing taxes, and threatened extinction of reasonable profits. The workers, notwithstanding heretofore unheard of wages, are aggravated at the figures they have to pay for all supplies, and therefore grumble at all and sundry.

"Tennyson tells us:

> " 'In wars of freedom and defence
> the glory and grief of battle won or lost
> Solders a race together.'

If so, the surface signs of unity of thought and purpose of working are certainly lacking in Canada.

City and Country in Same Boat.

"One curious phase of our disturbed mental condition is that it leads some people to believe that the good, fair-minded, honest folk for the most part live in the country and all the opposite kind are to be found in the towns and cities and engaged in business life. This tendency was well illustrated recently in two editorials appearing in the same number of a religious weekly, published in Toronto. The one was headed 'Prosperous Farming,' and detailed with evident approval and satisfaction the case of a farmer in Saskatchewan, who last spring bought a section of land for which he agreed to pay over twenty-one thousand dollars, and upon which he made but a trifling payment. At the end of the year, the article stated, he had about twenty-five thousand dollars in returns for the wheat grown, or—to quote from the editorial—'more than enough to pay for the whole farm.'

"The other editorial, referring quite evidently to war-time commercial life and conditions, denounced the making of money in war time and condemned in unmeasured terms those who are heaping up profit at such a time as this. Now, to an average business man it would appear that a little consideration should show that the farmer referred to made his enormous and extraordinary profit on account of war prices on wheat; in other words, if there is such a thing as a 'war profiteer,' surely this man was one, for profits anything like his upon the actual capital invested were never heard of in the making of munitions, the curing of bacon, or any other line; yet the farmer is commended and the manufacturer or trader condemned. Why? Is it any worse to make profits out of manufactured goods, or by other means, than out of wheat? Of course the case of this particular farmer was, no doubt, somewhat exceptional and perhaps seldom duplicated but this surely is also equally true of a manufacturer or trader who makes abnormal profits.

The Farmer and His Buggy.

"Another case in point along the line of the farmer more than holding his own as compared with the manufacturer is well illustrated by a recent occurrence. A certain farmer desired to purchase a buggy, and having used one that was in every way satisfactory, he went to the manufacturer and asked if another one could be supplied of the same kind. The manufacturer replied affirmatively, and the farmer asked the price, which was stated to be one hundred and eighty dollars. At this he held up his hands in holy horror and stated that his father had paid only eighty dollars for the buggy he was now using, and that he certainly would not pay any such outrageous figure for a new one. The manufacturer then looked up his records and stated to the farmer that it was quite true that his father had purchased the buggy at a price of eighty dollars. 'But,' said he, 'I find the record states that your father paid for this not in cash, but by giving me one hundred bushels of wheat. Now,' said the manufacturer, 'I will give you this new buggy for one hundred bushels of wheat, and in addition I will buy your wife a new dress and you a new suit of clothes.' This the farmer would not agree to, and the manufacturer's efforts to convince him that the price was fair, under present conditions, were unavailing.

Need be no Antagonisms.

"Now, there should be no antagonism whatever between the farmer and the manufacturer or trader. They are all necessary to the country's well-being and prosperity, despite the erroneous impression of some people to the contrary, and it would be better if they exercised more confidence in and good-will towards each other. It should be a matter for congratulation if the farmers, manufacturers, mine owners and all other producers are prosperous. It is a belief held very widely by men of lengthened and varied experience that the average farmer in Canada, over a series of years, makes as large a return upon his invested capital as does the average trader or manufacturer. One thing is certain, and that is that seldom does a farmer fail to make a living at all events. This cannot be said of many manufacturing and trading ventures, as farmers and other investors know to their sorrow. In this connection it is interesting to note the profits of the Grain Growers' Grain Company of Manitoba, and associated companies, from the Presidency of which Hon. Mr. Crerar, the capable and well-regarded Union Government Minister of Agriculture, has been drafted to serve his country at Ottawa. The total profits of the three concerns (which, according to newspaper reports, have recently amalgamated) handling grain, running elevators and stores, buying and selling live stock, coal, binder twine and other supplies, etc., for the year 1915-16 were over $1,800,000 on a capital, it is stated, of $2,000,000, which is equal to a 90 per cent. return. No doubt the profits of the new amalgamated company for the present year will be equally good, if not very much better. The huge profits made, fortunately go into a great many hands, as the shareholders are numerous and are associated to some extent on a co-operative basis. This feature of the wide distribution of profits among numerous shareholders also characterizes many of our large industrials.

Productive Power Is Vital.

"It should never be forgotten for a moment that we could not exist as a nation if it were not for what we produce—what we grow, take out of the earth, make in various ways and sell at a profit. A few figures will indicate the chief sources of our wealth. For the year 1916 the estimated values of our main products were as undernoted:—

Manufactured products	$1,621,000,000
Field crops	886,000,000
Animal products	303,000,000
Forest products	173,000,000
Minerals (unsmelted)	138,000,000

"The producer of minerals at Cobalt and elsewhere received the highest price on record for his silver on account of war conditions, and yet there was no outcry about inordinate profits. This is true of producers in other fields as well, outside of manufactured products. In a recent despatch from Ottawa it is stated that the total catch of sea fish in Canada for the month of November realized a value of about double as compared with the same month one year ago, largely on account of higher prices being paid to the fishermen.

"It is quite clear that this war is a contest of productive power—the power of the armies in the field backed by the power of men in fields, factories and elsewhere.

"He certainly is very short-sighted who sees only the incomparable sacrifices our brave boys are making at the front, but overlooks the essential aid that producers and others at home are rendering in the great war. A graduate of Toronto University, a well-known editor, now an officer on active service in France, wrote the speaker recently and magnanimously said: 'I often think that you in Canada, who are struggling to keep the country going, have a harder task than ours.'

Criticism of Manufacturers.

"Now, in connection with the production of the lines enumerated there seems to be little criticism on the part of the public against prices obtained and profits made except in the matter of manufactured goods. It ought, however, to be remembered that in addition to the question of ethics involved in this criticism Canada would have been in a deplorable condition, financially and commercially, without her great manufacturing industries during the war—aside altogether from the magnificent contribution to the war needs of the Allies. Nor should it be overlooked that in 1914-15 there were heavy losses in manufacturing, yet, notwithstanding this, employers were in most cases holding on to their men and obligating themselves in connection with those who recruited, besides contributing largely to all patriotic funds. Of course it is quite easy to understand that the farmers of the Northwest or elsewhere can hardly object to a price being fixed for wheat that enables them to make such large profits—profits on a scale that they would take strong exception to if made in ordinary manufacturing. It should also be borne in mind that these high prices for farm products are sure to apply for some years—war or no war. The present prosperity of many manufacturers, though, will largely come to an end when war ceases.

Curbing Manufacturers' Profits.

"Is it not possible, though, that the Government, in yielding to the popular cry for a curbing of the profits of manufacturing in one particular line, has been unfair and unwise in singling out any industry for its control In limiting the profits of an industry to a maximum of eleven per cent. the question is, too, if it will not have the opposite effect to that desired.? In the first place, such limitation is likely to do away with that initiative and ambition so necessary to the success of all undertakings. In the next place, as interest on investments, in general, bears from six to seven per cent., it would appear that a company having money in such an undertaking could only receive at the maximum four or five per cent. over and above what they could make in simply investing their means here and there within the channels of safety. Aside from the special risks involved in manufacturing, it is well known to all business men that four or five per cent. will not enable any rapidly expanding manufacturing company to properly extend its operations, provide for additional plant, larger stocks and higher values of raw and finished products, increased accounts receivable, and more working capital, all of which is essential. In this respect it is quite different from a financial institution that has its resources in a liquid form and whose working capital is largely supplied by a confiding public.

"A manufacturer, generally speaking, has very little, if any, cash, but has his assets spread over real estate, buildings, plant, book debts, materials finished and unfinished, etc., etc. Further, manufacturers in this country have no surplus of capital and, therefore, depend upon the banks for a line of credit to enable them to conduct their business through the busy seasons. Now, it is quite conceivable, in fact, altogether likely, that a company, limited as indicated, might go to a bank and ask for a line of credit, say a million or several million dollars, according to the capital turnover, etc., to be used at a certain season or seasons of the year. A banker, naturally, would ascertain whether the company would be able, out of its sales and earnings, to pay back the money borrowed in addition to providing for necessary expansion. If there was not a fair prospect of doing this, owing to Government or other limitations, the money would not be loaned and the business would thus be crippled or might even be ruined.

Big Profits, But No Cash.

"Taking a hypothetical case, it is, therefore, probable that the 'sixty-nine per cent.' spoken of recently, which the Government think they will get back at the end of the year from a company said to be making eighty per cent. profits, could at best only be largely, if not wholly, in assets of one kind and another other than cash, and the Government would, in consequence, have to take stock in the company instead of getting cash out of it, or in the event of the latter would compel the company to liquidate. If winding up were not advisable or possible the Government might very properly be called upon to assume its share of the liabilities which a growing and rapidly developing business forces upon the enterprise.

"This is no fancy picture, as any experienced manufacturer or banker will declare; in fact, confirmation is contained in a despatch from New York to The Toronto Globe of November 29th, telling of prosperous industrials being short of working capital to meet current bills, owing to present conditions, and omitting well-earned dividends, as well as trying to devise plans to borrow money to meet excess profits taxes. A very important consideration also is that conditions such as outlined above would, in turn, deprive farmers and other initial producers of a favorable market, such as they now have, for their products. It is officially admitted that limiting profits will make little, if any, reduction in prices. What is, perhaps, at present the most serious phase of this particular Government limitation is the fact that it is sure to limit the total output of packing house products at the very time when the world is crying out for them.

Tax Abnormal Profits.

"It is a crucial question, therefore, to face as to what should be done on the one hand to maintain to the fullest extent all our producing interests, and on the other hand, especially in the times through which we are passing, to have these interests contribute properly to the enormous expenditure which the country is called upon to make. If industries, such as farming, manufacturing, mining, cattle raising, trading, financial institutions, insurance companies, etc., etc., are worth anything to the country at all, they should be strengthened and maintained to the fullest possible extent. **The Government, however, should tax extraordinary profits, wherever made, in a manner that, while providing needed revenues for the country, would neither destroy the incentive to effort nor deprive the business of those surplus profits with which alone legitimate and necessary expansion can be taken care of.**

"Of course, a huge and extraordinary turnover, even at a very reasonable and quite proper margin of profit, will in any year yield a specially large return upon the capital; on the other hand, a normal turnover at the same margin might show a small return or even a loss. It is often impossible to forecast the result. No manufacturer, farmer or other producer, trader or speculator ought, however, to object to the Government taxing abnormal profits. There must, though, be a fair appreciation of the value of all industry and the fullest encouragement given to same. Further measures of taxation approaching confiscation—which are being advocated in some quarters, but mostly by irresponsible and immature writers and talkers—whether applied to manufacturing, agricultural, or other essential producing industries, will speedily destroy all enterprise and initiative and bring about chaotic conditions. It should never be overlooked that individuals or groups of men, whether engaged in manufacturing, farming, mining, trading, or any other line, cannot make profits for themselves without at the same time benefiting the country at large. The Finance Minister understands this perhaps better than anyone else.

"The question of moral obligation in connection with the proper use of holdings is not germane to this discussion, but in this regard manufacturers and other classes, in large numbers, have played a worthy part.

Expansion is Essential.

"If ever there was a time when all kinds of industry should be reasonably stimulated and put in a shape to bring national prosperity it is the present. This point of view is clearly set forth by Mr. C. W. Barron, publisher of the Philadelphia and Boston News Bureaus, and one of our foremost economists. It will be remembered that Mr. Barron was in Toronto during the first year of the war and delivered one of the sanest and most helpful addresses on war conditions and outlook that has ever been heard. On October 30th last, Mr. Barron, in referring to the enormous obligations the United States was undertaking in connection with the war, said, in part, in a carefully prepared statement:

" 'All this borrowing to carry Uncle Sam's financial burden in the form of Liberty Loans is dangerous, unless assets in transportation and other public utilities and all investment fields are conserved and built up. In other words, earnings must be expanded and values must be built up in this country behind Uncle Sam and his Liberty Bonds. If it is decreed that this is inflation, the answer must be that contraction spells disaster, and we have contracted values in this country, especially in the transportation field, by many billions, and they should be promptly restored as the foundation of war loans and the prosperity necessary for a successful war. **You do not win wars with shrinking assets, but you do win them with expanding values—expanding values in all fields where live and work the heart and hand and brain of man.**

" 'Let it not be forgotten that the two and one-half billions paid in taxes next year from this year's profits will be deducted from next year's earnings, and unless there are expanded profits and expanded values, our war finance will be on a dangerously contracting base.

" 'The sooner a few wholesome truths are understood, both locally and nationally, the safer will be the cause of liberty throughout the world, for the United States and her credit resources, as well as her men and munitions, are today the reserve power for Liberty.

" 'Economists figure that to properly sustain the continuous burden of war our savings must be put up from six billions per annum to at least twelve billions per annum.

" 'If we put Judge Gary's one hundred billions into the war we must prepare to raise the interest to pay the cost of the war loan.

Germany is Bankrupt To-day.

" 'Germany is bankrupt to-day because she promised to make Paris and London pay her war bills, and she is meeting the interest on her war loans, not from taxes or income, but from new borrowings. She is fighting the whole world for a gambler's stake of make or break.'

"The reference to Judge Gary's one hundred billions is a remark which the Judge made at the Japanese Commissioner's reception, stating that the United States could put one hundred billions into the war for human freedom. If the above arguments are sound as applying to the United States, they surely apply with life force to Canada. **It would not be at all difficult to dry up the sources of our wealth.**

"Since Mr. Barron's article was published it has been announced that the United States Government has taken over the control of all the Railways in that country, thus securing to some extent the financial results aimed at in that portion of his statement concerning the Transportation Companies. From the purely monetary standpoint, if large savings can be effected through co-ordination and co-operation (a probable result) the country will benefit; if not, higher rates will have to be put into effect or the National Treasury be called upon to make up any loss.

Fair Play for Every Class.

"It must be admitted that there are certain classes in our country who are neither farmers, manufacturers, miners or other producers, traders, workers in munition or other factories, etc., to whom profits, high salaries, or increased wages do not apply. In some cases these classes are not getting their fair share of the fruits of prosperous years, which, unfortunately, are likely to be soon followed by leaner ones. It should, therefore, be the endeavor of all right thinking people to try and secure proper adjustments so that mutual helpfulness might prevail among all classes of the country, and injustices removed, and every man should get a square deal as far as this is possible. It appears, however, that what we are drifting into, perhaps unconsciously, is the cheapest form of unworthy socialism, which is chiefly concerned in tearing down that which is stable in the hope of getting some share of the plunder. The pendulum is swinging that way and if it goes too far, as it now promises, it will bring about a condition which is inimical to all virtue and honesty, worthy ambition and fair dealing between man and man. **If, individually, some of us cannot make money at present it is well to remember that the one who can is a valuable asset to his country in her present need, and that upon all of us rests a very serious national obligation not only to try and make but to save.** As citizens of a great commonwealth, destined to be much greater if we play our part like men, and remembering our obligations to the body politic, no matter what class we may belong to, we should be much more concerned for what is right, straightforward, and of permanent value to the country at large than in trying to secure for any one interest or group that which is purely selfish or sectional. Should we not also in our discussions in private and on the platform, in the pulpit and the press, have a broader outlook based on larger knowledge of all great questions of production and trade, so vital to a new country, in order that we could thus deal with same on a non-partisan, less personal, but more logical and scientific basis? Unthinkingly we may help destroy that which is nationally indispensable, and in sowing the wind we shall reap the whirlwind."—Advertisement.

UNION TRUST COMPANY

Commendable action was taken by the directors of the Union Trust Company, Toronto, in making a stringent revaluation of its assets. It was rightly believed to be in the best interests of the company to have the securities tabulated in the annual statement on an absolutely sound and conservative basis. The assets were therefore specially revalued and a portion of the reserve fund was used to effect the necessary adjustment. Even after this change the company's reserve fund stands at $450,000, which is equal to 45 per cent. of the paid-up capital of $1,000,000. There is a possibility of recovering some of this depreciation when normal times return. In the meantime, it is undoubtedly a wise policy to carry the assets on the basis of values prevailing at the close of the year. The Union Trust Company, with other financial corporations has, as pointed out by Mr. H. F. Gooderham, the company's president, at the meeting, suffered from the depreciation in the value of securities. The wastage of capital due to the war has caused a severe reduction in the market value of first-class securities, such as Dominion and provincial government and municipal issues and has also had a serious effect upon the value of other investments.

The directors were able to report, at the annual meeting on Thursday, a satisfactory year's business. The company's income was somewhat less than that of the preceding year because of the generally disturbed financial conditions. In addition to the earnings shown in the statement, there are some accruing but not actually received. The net profits for the year, after payment of interest on guaranteed funds, cost of management, and expenses, amounted to $98,446 to which sum was added $36,531, the amount brought forward from the preceding year. This gave a total of $134,977 for distribution. Payment of quarterly dividends aggregated $85,000. War taxes, patriotic and other funds absorbed $6,509. To the reserve account $27,765 was transferred, leaving a balance to be carried forward of $15,702.

The retirement of Mr. J. M. McWhinney as general manager of the company was announced. Mr. James K. Pickett has been appointed acting general manager and will probably become general manager. He has managed the company's Winnipeg branch for nearly three years, having met with marked success in that position. Mr. Pickett is also well known in Eastern Canadian financial circles, and the affairs of the company should be well administered under his care as general manager. Mr. C. D. Henderson is secretary.

The London Life Insurance Company

HEAD OFFICE - - LONDON, CANADA

Forty-third Annual Report shows Wonderful Progress during 1917

BUSINESS WRITTEN .	$15,703,593.10	A GAIN OF .	$2,667,647.30
BUSINESS IN FORCE .	$50,787,365.64	A GAIN OF .	$9,072,048.23

Lapse Ratio and Expense Ratio again reduced in both Departments.

Quinquennial Profit Distributions for 1918, 155% of Estimates.

SYNOPSIS OF FINANCIAL STATEMENT

Revenue Account.

Receipts.		Disbursements.	
Total Premium Income	$1,908,100.62	Paid Policyholders or Heirs	$ 646,726.30
Interest on Investments	474,524.13	All Other Disbursements	716,995.57
Items in Suspense	2,472.93	Balance to Investment Account	1,021,375.81
	$2,385,097.68		$2,385,097.68

Balance Sheet.

Assets.		Liabilities.	
Mortgages, Debentures and Stocks	$6,798,746.83	Policy and Annuity Reserves	$7,270,186.00
Loans on Policies and Other Invested Assets	852,582.61	Accumulating and Accruing Profits	224,974.00
Outstanding and Deferred Premiums, Net	223,578.27	Investment Reserve and Other Liabilities.	249,883.64
Interest Due and Accrued	175,361.48	Surplus on Policyholders' Account	305,225.55
	$8,050,269.19		$8,050,269.19

THE ANNUAL REPORT EMBRACES THE FOLLOWING PARTICULARS:

BUSINESS. The gain in amount of New Business was over 20%. The Business in Force has more than doubled in five years and more than quadrupled in ten years.

INCOME. The Income shows a splendid gain of $400,000, also over 20% of the Income in 1916.

EXPENSE. RATE. Both branches of the business again show a reduction in the expense ratio as compared with the previous year, which again was very favorable, as compared with previous years.

ASSETS AND LIABILITIES. All Bonds, Debentures and Stocks owned by the Company have been carried into the Statement at a figure considerably below the current market value. As usual, the Liabilities have been provided for in the most ample manner—the reserve basis being more stringent than that adopted by any similar Company in Canada or the United States. The Liabilities include full reserve for all profits accrued under participating policies to date of statement.

WAR CLAIMS. Including the claims due to the Halifax Disaster, the War Claims of the year amounted to over $200,000—which, it is anticipated, is the largest strain the Company will be under in this connection in any future calendar year. The total claims of the year were well within the expected.

PROFIT DISTRIBUTIONS. The financial position of the Company is so strong that notwithstanding the heavy war mortality the liberal profit scale now in force is maintained and will give, during 1918, actual results 55% in excess of original estimates under present rates.

SURPLUS. The Surplus according to the Government Standard has increased from $834,642.58 at the beginning of the year to $945,513.55 at the close of the year. After deducting the amount necessary to bring the Reserves to the Company's Standard and providing for other special funds, the Net Surplus on Policyholders' Account is $305,225.55.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Armour Heights, Ont.—February 7—The building, six automobiles, five motorcycles and five side cars of the Royal Flying Corps were destroyed. Estimated loss, $15,000.

Belleville, Ont.—February 11—The Caldwell block on Front Street was damaged. Estimated loss, $7,000.

Dundas, Ont.—February 10—The Boyle block was destroyed. Estimated loss, $25,000.

Halifax, N.S.—February 6—St. Mary's Temperance Society Hall on Barrington Street was damaged. Estimated loss, $5,000.

London, Ont.—February 7—Office of the Grand Trunk Railway freight sheds and many books and records damaged. Caused by overheated stove. Estimated loss, $1,000.

Montreal, Que.—February 5—The "British 5, 10 and 15 cent store," at 2289 Ontario Street E., was damaged.

Moose Jaw, Sask.—February 4—Residence of S. Hutchins, 213 Hochelaga Street W., was damaged. Estimated loss, $700.

Oakville, Ont.—February 12—Major W. F. Eaton's country residence was destroyed.

Pottersburg, Ont.—February 5—The Dart's butcher shop was damaged.

Redbank, N.B.—February 1—House of John Arsenau's was destroyed.

Toronto, Ont.—February 11—Planing mills of C. B. Williams, on St. Albans Street was damaged. Estimated loss, $2,000. The building of the Canadian Novelty Wood Company was damaged. Estimated damage to building, $800; to contents, $200.

Wainfleet, Ont.—February 5—Barn of Mr. McCullom was destroyed. Estimated loss, $8,000.

Welland, Ont.—February 10—Hagar place was destroyed. Estimated loss, $5,000.

Weston, Ont.—February 12—Enameling room of the Canada Cycle and Motor Company was damaged. Estimated loss $300.

Windsor, Ont.—February 5—Home of Mr. Brady at 70 Crawford Avenue was destroyed.

Winnipeg, Man.—February 4—Restaurant of D. Rezzeni, 184 Higgins Avenue, was damaged. Caused by hot ashes left in wooden receptacle.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Fullarton, Ont.—December 20, 1917.—Chopping mill, saw mill and cheese box factory of R. J. Harmer was destroyed. Estimated damage to stock, $15,050; to buildings, $3,000. Insurance on buildings, $1,750; on stock, $700. Carried in the Waterloo Fire Insurance Company and Merchants Fire Insurance Company.

Toronto, Ont.—February 4—Passenger station and offices of Canadian Northern Railway were destroyed. Caused by defective electric wiring. Estimated damage to stock, $2,000; to buildings, $2,700. Insurance carried on stock, $2,000; on building, $2,700. Carried in the Western Assurance Company.

Vancouver, B.C.—Fire Chief Carlisle submits the following report for the month of January, to *The Monetary Times*: The estimated total damage resulting from fires (excluding figures in connection with the A. H. Timms Printing Company's loss, January 8th, which has not as yet been adjusted), was $12,620, of which amount $12,293 was covered by insurance, leaving the property loss above insurance at $327. The total value of the property involved was $720,850. The causes of fires are as follow: Backfire (carburetter), 2; backfire (from oil-burning furnace), 1; children playing with matches, 2; chimney fires, 24; defective chimney, 1; defective furnace, 1; defective furnace pipe, 1; defective stove pipes, 2; electrical origin (defective wiring), 3; hot ashes falling from forge, 1; hot ashes placed in garbage can left on floor, 1; match under flooring ignited by hot water pipe, 1; oil stove upset, 1; overheated furnace, 1; overheated stove, 1; spark igniting escaping gas near tar well, 1; spontaneous combustion (oily waste), 1; striking match near gasolene (auto tank), 1; tarpot boiling over and exploding gas meter underneath, 1; and Xmas tree decorations catching fire, 1.

Victoria, B.C.—Fire Chief Davies gives the following report for December, 1917, to *The Monetary Times*: Number of alarms received, 16; loss, buildings, $65; contents, $165; total, $230; insurance, buildings, $56,000; contents, $45,000; total, $101,000; property at risk, $694,550.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 3-16 pm	1 7-32 pm	....
Mont. funds	par	par	⅛ to ¼
Sterling—			
Demand	$4.81	$4.81.25	$4.83½
Cable transfers	$4.82.10	$4.82.40	$4.84½

New York rates: Sterling demand, $4.75 5-16.
Bank of England rate, 5 per cent.

CANADA LANDED AND NATIONAL INVESTMENT CO.

Notwithstanding the high rates of interest demanded for debenture securities and the dearth of satisfactory mortgage investments, the Canada Landed and National Investment Company was able last year to meet all its obligations, to pay its usual dividend of 9 per cent., and to place to the credit of the profit and loss account $50,000, and this after making ample provision for any losses which may arise. The company's financial report shows that the reserve fund equals the paid-up capital, a condition which must be gratifying to the shareholders. The debenture debt has diminished by reason of the stringent financial conditions existing in Great Britain, and the consequent high rate of interest prevailing, conditions which naturally have a profit-reducing effect, a result not likely to improve during the continuance of the war.

Despite the high interest rates in Scotland, the limited demands for loans in Canada and the necessity to keep strong cash reserves, the company was able, after payment of all expenses, including war taxes and contributions to various patriotic objects, to show a net income of $158,209, equal to 13.129 per cent. of the paid-up capital. The company carried forward a balance of $197,601.

Mr. Edward Saunders is the managing director of the company, which is one of the oldest and most reliable of our mortgage loan companies. He has the support of a strong directorate, with Dr. John Hoskin as president. The company's financial statement reflects a substantial position.

CANADIAN GUARANTY TRUST COMPANY

The financial position of the Canadian Guaranty Trust Company, of Brandon, was considerably improved last year, judging by the satisfactory financial statement presented at the recent annual meeting. Most companies doing a trust and loan business have been affected materially by war conditions but notwithstanding that fact, this progressive little Brandon company was able to increase its earnings during 1917. Its net profits for the year after making the usual deductions were $14,509. These profits were made on a paid-up capital of $194,119. The company's rest and undivided profits are over $30,000. The net earnings, together with the balance brought forward, gave a sum of $20,215 for distribution. The company first transferred $5,000 of this amount to its reserve fund, which now totals $25,000. A small amount, $433, was written off office furniture and safety deposit boxes. Dividends absorbed $9,683. A balance of $5,099 was carried forward. This is slightly less than a year ago, but at the same time the reserve fund, as previously stated, was strengthened by $5,000.

In presenting the director's report to the shareholders, Mr. A. C. Fraser, president, pointed out that the company's assets were of the highest character, such as Dominion and municipal bonds, first-class mortgages and cash in bank. Mr. Fraser has, with Mr. John R. Little, the company's manager, taken an active part in its progress. The special work of the Canadian Guaranty Trust Company is the administration of estates. The company has an inventory value of unrealized original assets of estates, agencies, etc., under administration of $1,125,637. This corporation has been doing business for eight years and has made excellent progress.

Safeguarding the Investor

The Investor—whether he deals in large or small sums—should make sure of the reliability of the investment house with which he does business. He should know that he is receiving or paying the actual market price for his investment.

This is ensured when you deal with a member of the Toronto Stock Exchange.

If you are interested in buying or selling any security, you will get full information from any member of the Toronto Stock Exchange, without obligating you in any way. The following is a complete list of the members:

Ames & Co., A. E.	Union Bank Building
Anderson & Co., T. O.	33 Melinda Street
Baillie & Co., Jas. W	33 Melinda Street
Blaikie & Co , Geo. W	Standard Bank Bldg.
Bongard, Ryerson & Co.	85 Bay Street
Brent, Tovell & Co	Dominion Bank Bldg.
Brouse, Mitchell & Co.	71 Bay Street
Buchanan, Seagram & Co.	23 Jordan Street
Burritt & Co , A. P.	12 Jordan Street
Cassels & Biggar	Standard Bank Bldg.
Cassels, Browne & Co.	Dominion Bank Bldg.
Cassels, Son & Co.	Canada Life Bldg.
Croft & Murphy	6 King Street West
Cronyn & Co., Edward	71 Bay Street
Deacon & Co., F. H	97 Bay Street
Duncanson, How & Co.	10 Jordan Street
Dyment & Co., Albert E.	Dominion Bank Bldg.
Fergusson & Co., G. Tower	23 Toronto Street
Fletcher, Macfarlane & Co.	60 Bay Street
Green, Dodds & Co	Royal Bank Bldg.
Hambly & Co., G. W	12 King St. East
Heron & Co	4 Colborne Street
Jarvis, Aemilius.	103 Bay Street
Lawson & Co., Edward E.	C. P. R. Building
Lyon & Plummer	21 Melinda Street
Martens & Co , A. H.	Royal Bank Building
McMillan Nicholson & Co	Royal Bank Building
Mitchell & Co , W. G.	36 Victoria Street
Morris & Wright	Hamilton, Ont.
Morrow & Jellett	103 Bay Street
Mulock & Co., Cawthra	12 King St. E., Toronto Hamilton, Ont.
Niven & Co., J K.	47 Wellington St. E.
O'Flynn, H H	Bank of Hamilton Bldg.
O'Hara & Co., H	Royal Bank Building
Osborne, J. Ewart	59 Yonge Street
Osler & Co., A. E.	7 Melinda Street
Osler & Hammond	21 Jordan Street
Pardoe & Co , Avern	C. P. R Building
Pellatt & Pellatt	Bank of Hamilton Bldg.
Perry & Co , Norman D.	Lumsden Building
Playfair, Paterson & Co.	2 Toronto Street
Stark & Co , John	Royal Bank Building
Stewart, Fred. J.	C. P. R Building
Tomenson, Forwood & Co.	42 King W., Toronto Hamilton, Ont.
Watt & Watt	Bank of Hamilton Bldg.

Toronto Stock Exchange

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

About $20,000,000 of Canadian municipals will mature in the United States this year. In view of the war financing requirements in that market, not only is it practically impossible to sell new issues there, but only in a few instances will we be able to effect renewals. This means that arrangements must be made in Canada to take up the greater part of the $20,000,000 municipal maturities.

Municipal finance will probably be one of the topics discussed at the conference of provincial premiers at Ottawa this week. It is generally conceded that we cannot afford to impair Canadian credit by defaults of bond interest or principal on the part of municipalities which have financed with a little too much optimism during the past few years. The primary responsibility is with the municipality, but the provincial authorities should be acting as counsel in their affairs at present.

Sarnia, Ont.—Tenders are called for $24,031 5½ and 6 per cent. bonds. M. J. Woods, city treasurer.

Dundas, Ont.—The tax rate will be thirty mills on the dollar. The estimated expenditure for the present year is $69,811, and receipts, $67,546.

Vancouver and North Vancouver.—The figures regarding the financial position of North Vancouver and printed under this heading in our issue of January 18th, were then incorrectly credited to Vancouver.

Vernon, B.C.—The land assessment within the city limits amounts to $2,173,296, with improvements valued at $1,517,000. The school district is assessed at $797,966 for land and $118,015 for improvements. The total this year shows a reduction of $31,481 from last year's assessment.

Victoria, B.C.—The city will float an issue of $300,000 worth of debentures locally. The sums obtained last year by sales of local improvement bonds justify the experiment, it is said. Data respecting the possibilities of subscriptions will be obtained in view of their experience with recent Victory Loan sales.

Brandon, Man.—The statement of assessment for 1918 issued by city assessor W. H. Bates shows a total of $15,050,025 assessed on the lands and buildings within the five wards of the city. In addition the statement contains a notice of a special B. tax of $70,000 levied in Ward Three. Business taxes amount to $333,268. The population of the city is given as 14,608.

Montreal, Que.—New taxation sanctioned by the Quebec legislature will enable the city of Montreal to raise an extra $4,500,000 per annum. The total revenue to be raised will be $16,000,000. The new taxation will bring in revenue as follows:—$10 per annum levy against bachelors, $200,000; increase in realty tax to five mills, $3,000,000; surtax of from one to five per cent. on plants of public utilities' companies on streets, $247,097; surtax of three per cent. on all paying rent over $150, $400,000.

Ladysmith, B.C.—The total assets of the city for 1917 aggregate approximately $200,000 while the liabilities, including all bond issues, only amount to a trifle over $100,000, this leaving a surplus of assets over liabilities of nearly $100,000. Of these liabilities $96,000 are bond issues, $85,000 of this amount is revenue producing, and the balance is practically all for permanent street work under the Local Improvement Act.

The city's most valuable asset is probably the electric plant, which is owned and operated by the municipality. During the past year this plant has furnished current for house, store, and street lighting, from which the revenue totalled about $11,000, with an operating expense of about $7,000. In addition to this, the city employs an electrician, who does practically all the electrical wiring and repair work in the city. This work is done at a minimum price for the citizens, and any profit that accrues from this source belongs to the public.

St. Lambert, Que.—A block of $175,000 town of St. Lambert, Que., 20 years 5¼ per cent. gold bonds is being offered by Messrs. Hanson Brothers, Montreal. The price is 93 and accrued interest yielding 6¼ per cent. On purchases of blocks of $10,000 and over, a concession of 1 point is being made, bringing the price to 92 and interest, yielding 6.65 per cent. The issue has been approved by the priority board of the Department of Finance. The following is a financial statement of the municipality as furnished by the town officials:—Assessed value of taxable real estate, $6,743,840; general debenture debt (including present issue), $555,992; less waterworks debentures, $137,091; electric light debentures, $33,224; sinking fund, $20,770—$191,085; net debenture debt, $364,907; local improvement debt (property owners share only), $601,898. Population, 5,000. Tax rate, 8½ mills.

The town of St. Lambert is an important residential suburb of Montreal, situated on the south shore of the St. Lawrence River, immediately opposite the city. By means of the Montreal and Southern Counties (Electric) Railway, via Victoria Jubilee Bridge, the business district of Montreal is reached in fifteen minutes. The municipality owns and operates its own water and electrical distribution systems. There is a provision in the by-law covering this issue, under which the annual sinking fund shall be deposited with and administered by a responsible trust company. St. Lambert is one of the few municipalities in the province of Quebec which has adopted this conservative plan whereby an annually increasing fund is deposited with a trustee for the redemption of bonds.

Lethbridge, Alta.—Mayor Hardie addressed a letter to the city council in regard to the proposed tax sale to include 1914, 1915 and 1916 arrears. After reviewing the tax situation he submitted the following plans for a reduction in the mill rate:—

1. (a) From the people by paying taxes promptly, reduction of luxuries in city affairs and an increase in electric light rates, 5 mills.

(b) By suspending the sinking fund for 5 years on the assumption that at the end of that period the population would be 20,000 souls, 7 mills. Total, 12 mills.

2. (a) Same as section (a) in first plan, 5 mills.

(b) Levying sinking fund on 5 per cent. basis instead of 3 per cent., 1¾ mills. Total, 6¾ mills.

3. (a) Same as section (a) in No. 1 plan, 5 mills.

(b) Extending sinking fund collection over 50 years on a 5 per cent. basis, 6 4-10 mills. Total, 11 4-10 mills.

"The above plans," he says, "would not be unjust to anyone. It is a matter of keeping faith, and in this connection the suspension of a sinking fund is at times deliberate and is essential in sound finance if money must be borrowed to maintain it.

"To borrow to keep up the sinking fund is purely a fictitious operation which really adds to the debt and in no wise reduces it. Of course the financial people do not recognize impossible conditions and say 'live up to your contract.' In the commercial world it has been found that this is not always possible, and the impossibility need not be followed by bad results, in fact in most cases where the situation is sound, as in Lethbridge, and carefully handled the result is good."

Calgary, Alta.—Arrangements have been made by the city of Calgary with The Molsons Bank for taking care of the city's $2,000,000 loan which falls due on March 15th next. The bank will pay off the $2,000,000 obligation to Spitzer, Rorick & Company, and the Quebec Bond Company, and act as agent for the city in the sale of treasury notes to an equivalent amount, at six per cent. for two and three years. The mayor at a recent meeting of the finance committee detailed his negotiations with United States financiers, and said the best offer that could be obtained from them was an extension of the $2,000,000 loan for six, ten and twelve months, at a substantial interest rate. It was to prevent the sacrifice of its debentures, or the payment of an exorbitant rate of interest that The Molsons Bank agreed to step in and meet the city's obligation on March 15th. The bank will charge no commission. It was pointed out that the arrangement is especially favorable in that the Dominion government has agreed to advance money to the provincial governments at 6½ per cent., or ½ per cent. more than the rate at which The Molsons Bank is undertaking to sell the city's treasury notes.

The proposed arrangement, recommended by the city's finance committee, in detail, is as follows:—

This committee recommends that the offer of The Molsons Bank to loan the city $2,000,000 on the security of a demand note for the said sum, bearing interest at the rate of 6 per cent. per annum, payable monthly, for the purpose of retiring the $2,000,000 issue of treasury notes maturing March 15th, 1918, be accepted.

It is understood that this agreement with the said bank for the said advance is to include the following terms:—

1.—A new issue of treasury notes for $2,000,000 maturing March 15th, 1921, bearing interest at 6 per cent. per annum, payable half-yearly, is to be deposited by the city with the said bank.

2.—The city is to hypothecate to The Molsons Bank as trustee for any subsequent purchaser or purchasers of the said treasury notes, the debentures now hypothecated to the said bank as security for the said issue which is to be retired.

3.—The said bank may sell the said treasury notes at its discretion on giving 60 days' notice of its intention so to do to the city, unless the city sells or redeems same in the meantime.

4.—In case of a sale of the said treasury notes by the said bank, the purchaser or purchasers of any such notes shall have the right, on thirty days' notice to the city, during the first two years from the date thereof, to exchange said notes for such amount of the said debentures held by the said bank as trustee for the said purchaser, and at such price as will return to the said purchaser 6 per cent. on his investment, this right of the purchaser to be exercisable only in the event the said debentures are not sold as hereinafter provided for.

5.—The city shall have the right to sell the said debentures at any time, on depositing the net sale price thereof, with the said bank as trustee, provided that if the city does not sell same within two years from the date of the said treasury notes, the bank, as trustee, may sell the said debentures on giving to the city sixty (60) days' notice of its intention so to do, unless the city, within the said period, sells the said debentures, or deposits with the bank a sum equal to the net sale price contemplated in such proposed sale. In the event, however, of the city or the bank selling the said debentures for more than is sufficient to redeem the said treasury notes, or such portion thereof as may then be outstanding, only such sum as is required for the purposes of redemption shall be deposited or retained.

6.—It is further understood that any further terms or conditions required by the said bank shall be submitted to the council for approval, and the solicitor of the city is hereby authorized to prepare and submit the necessary by-laws, agreements and form of treasury notes to the council for its consideration.

Incidentally, the committee also approved the tentative agreement made by the mayor with The Molsons Bank for advancing the city $1,000,000 for current expenses on the same terms as last year; that is, the money is advanced against the 1918 taxes at 5 per cent. up to the amount in the city's sinking fund, approximately $6,000,000, and at 6 per cent. above that sum.

ABITIBI POWER AND PAPER COMPANY

The annual statement of the Abitibi Power and Paper Company, Limited, submitted at the meeting of the shareholders on Monday, showed that the company's earnings for the year 1917, before providing for depreciation, exhaustion of timber areas, interest, etc., were $1,323,001. For depreciation, writing off, etc., there was appropriated $981,879, and a balance of $341,123 was carried forward. This, added to a surplus of $360,925 at the end of 1916, made a total of $702,047, out of which were paid dividends on the preferred stock amounting to $70,000, leaving a net surplus of $632,048 at December 31st, 1917.

The year's net surplus of $341,123 before dividends compares with $256,164 in 1916. If a full year's dividend on the preferred stock were allowed for in each case the surplus would equal 5.4 per cent., earned in 1917, against 3.7 per cent. in 1916. In view of the fact that no details are given as to the nature of the large appropriation for reserves, etc., no other comparisons are possible. The gross profit, $1,323,001, compares with $625,878 in 1916. The only point of difference in this comparison is that interest was deducted after showing gross profit in 1917 and before showing gross profit in 1916. In the property account for the year was included an expenditure of $2,162,897 on extensions and improvements by which the daily capacity of the plant is increased to 325 tons ground wood pulp, 130 tons sulphite pulp and 225 tons of paper.

Additional capital, rendered necessary by increased production and increased cost of operation, was obtained through the issue and sale of $1,000,000 of 15-year 7 per cent. convertible debenture stock.

Canadian Guaranty Trust Company

Report of the Proceedings of the Eighth Annual Meeting of Shareholders

The Eighth Annual General Meeting of the Shareholders of the Canadian Guaranty Trust Company was held in the Company's Board Room, 1031 Rosser Avenue, Brandon, on Wednesday, the 6th day of February, 1918.

Those present were: J. B. Beveridge, A. C. Fraser, A. A. Cameron (Oak Lake), Robt. Johnston, Elam H. Smith, G. R. Campion (Belleview), J. S. Maxwell, John R. Little, J. A. McDonald, D. A. Reesor, Thos. Beattie, H. L. Adolph, John Crawford, G. S. Munro (Reston), J. K. McInnis (Regina), S. S. Simpson, J. A. Dempsey (Neepawa), Wm. Ferguson, John A. Dyer, Hon. G. R. Coldwell, J. S. Nelson, Jos. Donaldson, John T. Clark.

The Secretary called the meeting to order. On motion of Mr. George R. Campion, seconded by Mr. J. S. Maxwell, the President, Mr. A. C. Fraser, was called to the chair.

The Secretary read the notice calling the meeting and proof of mailing the same; also reported as to quorum.

After the Minutes of the previous Annual General Meeting had been read and adopted, the Secretary read the Eighth Annual Report of the Directors, the Financial Statement and the Auditor's Report, as follows:—

To the Shareholders:—

In submitting the Eighth Annual Report of the Company for the year ending 31st December, 1917, your Directors have pleasure in noting the satisfactory results obtained.

Notwithstanding all the adverse circumstances which were experienced because of war conditions, the earnings of the Company have been increased and its financial position considerably improved.

After providing for the regular dividend for 1917, the Rest and Undivided Profits of the Company are now over thirty thousand dollars on a paid-up capital of less than two hundred thousand dollars.

The assets are of the very highest character, the greater portion of them being Dominion of Canada Bonds, First Class Mortgages, Municipal Securities, and Cash in the Bank.

The special work of our Company, which is the Administration of Estates, is rapidly growing, as is indicated by the financial report. It is gratifying to know that the handling of this important part of our business has given great satisfaction, as is shown by the written and personal approval received from those with whom we have done business.

Your Board specially recognize the commendation due the employees of the Company for their faithful services.

Respectfully submitted.

A. C. FRASER,
President.

FINANCIAL STATEMENT FOR YEAR ENDING DECEMBER 31st, 1917.

ASSETS.

Capital—		
Mortgages on Real Estate	$ 67,299.69	
Bonds and Debentures	45,819.87	
Bills Receivable	1,909.00	
Interest and Commission Accrued	36,793.02	
Office Furniture and Safety Deposit Boxes	2,805.58	
Advances to Estates	65,701.42	
Cash on Hand and in Bank	13,757.17	
		$ 234,085.75
Trust, Guarantee and Agency Accounts—		
Mortgages on Real Estate	$247,046.69	
Stocks, Bonds and Debentures	3,943.66	
Cash on Hand and in Bank	44,709.66	
		$ 295,700.01
Trust, Estates and Agencies—Unrealized Original Assets, including Real Estate, Mortgages, Stocks, etc., at inventory value		$1,125,637.61
		$1,655,423.37

LIABILITIES.

Capital—(Subscribed $593,050.00)		
Paid thereon	$194,119 21	
Unclaimed Dividends	5.07	
Reserved for War Tax for 3 months, ending 31st of December, 1917	179.19	
Reserve	25,000.00	
Dividend No. 5	9,683.28	
Balance to Profit and Loss	5,099.00	
		$ 234,085.75
Trust, Guarantee and Agency Accounts		
For Investment and Distribution		295,700.01
Trust, Estates and Agencies—		
Inventory Value of Unrealized Original Assets of Estates, Agencies, etc., under Administration		1,125,637.61
		$1,655,423.37

PROFIT AND LOSS.

Dr.

To Written off Office Furniture and Safety Deposit Boxes	$ 433.12
" Dividend No. 5	9,683.28
" Transferred to Reserve Fund	5,000.00
" Balance Carried Forward	5,099.00
	$ 20,215.40

Cr.

By Balance Brought Forward from 1916	$ 5,714.37
" Net Profits for the year after deducting Cost of Management, Directors' Fees, Auditors Fees, Rent, Taxes, etc.	14,501.03
	$ 20,215.40

AUDITOR'S CERTIFICATE.

I hereby certify that I have made a monthly audit of the books of accounts of the Company, and that the above Balance Sheet and Profit and Loss Statement are true, correct and full statements of the condition of the affairs of the Company as on December 31st, 1917, as disclosed by the said books of accounts.

The Cash and Bank Balances have been certified, and the Mortgages found duly certified as valid by the Company's Solicitor. The Trusts and Estates are in good order and are being well and carefully administered.

J. B. BEVERIDGE,
Auditor

Brandon, Manitoba, January 9th, 1918.

The Scrutineers reported the following elected as Directors for the ensuing year, namely: A. C. Fraser, Lieut.-Col. A. L. Young, John R. Little, Hon. George W. Brown, Wm Ferguson, H. L. Adolph, E. O. Chappell, J. S. Maxwell, John A. McDonald, G. S. Munro, Hon. W. M. Martin, John E. Smith, A. A. Cameron, D. A. Reesor.

At a meeting of the Directors held subsequent to the meeting of the Shareholders, Mr. Alex. C. Fraser was appointed President; Lieut.-Col. A. L. Young, Vice-President; and Mr. John R. Little, Managing Director.

C.N.R. OWNS 51 PER CENT. OF STOCK

That Mackenzie, Mann and Company, as owners of 49 per cent. of the stock of the Duluth, Winnipeg and Pacific Railway, would be entitled to a pro rata share of the profits from this road, even after the arbitration on the value of Canadian Northern Railway shares is decided, was the interesting admission which government counsel, W. N. Tilley, K.C., elicited from D. B. Hanna in his cross-examination of the Canadian Northern Railway's third vice-president at the arbitration proceedings at Osgoode Hall on Tuesday. The Canadian Northern Railway owns the remaining 51 per cent. of the stock in this company in return for guaranteeing the bonds of the road, Mr. Hanna stated. He also admitted, in reply to Mr. Tilley, that the earnings of this and other subsidiary lines where minority stock is held were included in the statement of Canadian Northern Railway earnings.

PREFERENCE IN EXCHANGE DISCUSSED

Much hard thinking is going on respecting Anglo-Canadian and Empire finance, as shown by such suggestions as made by Frederick Goodenough, general manager of Barclay's Bank, who proposes an inter-imperial trading preference by the creation of a fixed rate of exchange between London and all Empire centres.

Moreton Frewer, an acknowledged authority on monetary questions, gives the Montreal Star's London correspondent the following forecast of Canada's position: "Mr. Goodenough's rank compels respect for his suggestion, but what regulates exchange is the bill market, some relation between exports and imports, which, again, depends upon the weather, harvests and other things. Canadian exchange must always be more closely associated with exchange with New York, Chicago and St. Louis than London. Nothing we do could dissociate the exchange of Winnipeg with Chicago. Canadian exchange on London after the war should strongly favor Canada. We here are likely to see strange results. London exchange on New York, and thus on Montreal may go for a long period to some point well below $4.50, and perhaps to $4. That makes the United States market the one for Canada to sell in rather than the English market. On the other hand, it would greatly stimulate British exports to Canada and the United States, and in this way ultimately restore exchange. There is no exchange trouble ahead for Canada."

BANK CLEARINGS

The following are the bank clearings for the weeks of February 8th, 1917, and February 9th, 1918, respectively, with changes:—

	Week ended Feb. 9, '18.	Week ended Feb. 8, '17.		Changes.
Montreal	$ 72,815,914	$ 81,715,255	—	$8,899,341
Toronto	53,566,128	57,034,118	—	3,467,990
Winnipeg	39,677,076	38,723,968	+	953,108
Vancouver	8,826,365	5,824,281	+	3,002,084
Ottawa	5,615,195	4,939,424	+	675,771
Calgary	6,517,822	3,861,545	+	2,656,277
Hamilton	4,660,822	4,189,058	+	471,764
Quebec	4,195,951	3,968,641	+	227,310
Edmonton	2,918,667	1,967,143	+	951,524
Halifax	3,928,212	2,595,660	+	1,332,552
London	2,373,643	2,314,133	+	59,510
Regina	2,831,298	2,185,448	+	645,850
St. John	2,232,737	2,030,291	+	202,446
Victoria	1,871,148	1,324,146	+	547,002
Saskatoon	1,490,488	1,202,873	+	287,615
Moose Jaw	1,137,615	821,108	+	316,507
Brandon	547,665	367,438	+	180,227
Brantford	845,785	732,579	+	113,206
Fort William	699,884	536,320	+	163,564
Lethbridge	667,788	592,787	+	75,001
Medicine Hat	558,681	355,346	+	203,335
New Westminster	400,193	235,044	+	165,149
Peterboro'	686,588	522,037	+	164,551
Sherbrooke	696,714	574,674	+	122,040
Kitchener	653,141	499,746	+	153,395
Totals	$220,415,520	$219,113,063	+	$1,302,457

UNITED STATES CREDITS TO ALLIES

Since January 30th, the United States government has extended to the Allies additional credits totalling $437,000,000. In other words, the amount already extended this month is within about $70,000,000 of the estimated monthly total of $500,000,000. Of the credits extended so far this month, Great Britain has received $275,000,000, France $155,000,000, and Belgium $7,000,000. The total now stands at $4,684,400,000.

The following shows the credits in detail at present compared with what they were as of January 30th:—

	February 8.	January 30.
Great Britain	$2,320,000,000	$2,045,000,000
France	1,440,000,000	1,285,000,000
Italy	500,000,000	500,000,000
(x) Russia	325,000,000	325,000,000
Belgium	93,400,000	86,400,000
Serbia	6,000,000	6,000,000
Total	$4,684,400,000	$4,247,400,000

(x) Includes $5,000,000 to Rumania for which Russian "Government" has assumed responsibility.

RAILWAY EARNINGS

The following are the earnings of Canada's transcontinental lines for the first week in February:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
February 7	$1,890,000	$2,096,000	+ $206,0

Grand Trunk Railway.

February 7	$ 928,462	$ 675,115	— $253,347

Canadian Northern Railway.

February 7	$ 493,000	$ 634,600	+ $141,000

The Canadian Northern Railway's earnings for the month of December, 1917, were:—

	1917.	1916.	Inc. or dec.
Gross	$3,273,200	$3,485,400	+ $212,2
Expenses	3,207,900	2,661,600	— 546,3
Net	$ 65,300	$ 832,800	— $758,5

Gross earnings of Canadian railroads for January, owing to the bad weather prevailing and the consequent hindrance to traffic, showed a decrease from those for the corresponding month a year ago. Earnings of the three principal Canadian roads aggregated $17,368,662 for this January, a decrease of $82,326, or .5 per cent., but an increase over the aggregate for any previous year.

The aggregate earnings for the month by roads are as follows:—

Road.	1918.	Increase.	Per cent.
Canadian Pacific Railway	$10,570,000	$629,000	6.3
Grand Trunk Railway	4,083,362	*594,026	12.0
Canadian Northern Railway	2,715,300	*117,300	4.1
	$17,368,662	*$ 82,326	5

*Decrease.

The following is a comparison of the earnings of the last ten days of January:—

Road.	1918.	Increase.	Per cent.
Canadian Pacific Railway	$ 3,535,000	$464,000	15.1
Grand Trunk Railway	1,302,645	*262,015	10.7
Canadian Northern Railway	948,200	18,600	2.0
	$ 5,785,845	$220,585	4.0

*Decrease.

Gross earnings for January, 1918, compare with those for the seven previous years as follows:—

January.	Total gross earnings.
1918	$17,368,662
1917	17,450,988
1916	14,724,216
1915	10,758,213
1914	13,056,233
1913	15,080,648
1912	11,851,386
1911	9,853,839

Government of the Province of Manitoba

SUMMARY OF BALANCE SHEET

NOVEMBER 30th, 1917

CAPITAL ASSETS

Dominion of Canada	$11,874,963.27
Public Utilities, Property Assets and Investments—Book Values	26,891,792.37
Capital Expenditures by Drainage and Judicial Districts, etc.	6,124,110.53
Investments of Special Funds (see Contra)	860,559.86
Cash Available for Specific Capital Outlay	1,473,806.03
Current Account—(Liabilities unpaid by late Administration)	462,022.82
	$47,687,254.88

CAPITAL LIABILITIES

Stocks and Bonds		$32,196,870.34
Deduct—Held in Treasury		1,000,000.00
		$31,196,870.34
Profit on Bond Conversion		449,403.30
Manitoba Farm Loans Association		1,000,000.00
Special Funds (see Contra)		860,559.86
Capital Surplus (see below)		14,180,421.38
Indirect Liabilities	$28,625,134.70	
		$47,687,254.88

CURRENT ASSETS

Cash on Hand	$ 638,815.10
Other Accounts	671,865.32
Telephone Stock—Redemption Fund	455,530.80
Advances re Investigations of Public Buildings (see below)	296,286.95
	$ 2,062,498.17

CURRENT LIABILITIES

Accounts Payable	$ 17,470.09
Interest and School Grants Accrued	538,020.00
Treasury Bills	800,000.00
Revenue Received in Advance	270,447.47
Drainage Districts—Interest in Advance	58,475.69
Current Account—(Liabilities Unpaid by late Administration)	462,022.82
	$ 2,146,436.07
DEDUCT—Revenue Deficit	83,937.90
	$2,062,498.17

DEFERRED ASSETS

Lands Sold—School Lands	$ 2,933,264.14	
Provincial Lands	2,321,436.17	
		$ 5,254,700.31
Unsold—School Lands	$12,891,233.00	
Provincial Lands	312,391.69	
		13,203,624.69
Succession Duties and Interest thereon		278,178.12
Thomas Kelly & Sons—Judgment and Interest		1,413,607.55
Cost of Investigations of Public Buildings		296,286.95
		$20,446,397.62

DEFERRED LIABILITIES

Deferred Surplus	$20,150,110.67
Advance from Revenue re Investigations of Public Buildings	296,286.95
	$20,446,397.62

COMBINED SUMMARY, NOVEMBER 30th, 1917

	Assets.	Liabilities.	Surplus.
CAPITAL	$47,687,254.88	$33,506,833,50	$14,180,421.38
REVENUE	2,062,498.17	2,146,436.07	83,937.90*
DEFERRED	20,446,397.62	296,286.95	20,150,110.67
	$70,196,150.67	$35,949,556.52	$34,246,594.15

Note.—Item marked (*) denotes a deficit.

J. G. STEELE,
Comptroller-General.

NATIONAL IMPORTANCE OF LIFE INSURANCE

Heavy War Claims Paid by the Companies—Substantial Investments in War Loans

The national importance of life insurance was the subject of interesting comment by Mr. J. F. Weston, managing director, at the annual meeting of the Imperial Life Insurance Company recently. He stated that it was an astonishing fact in these days of frequent considerations of the relative importance of institutions to the state the question is so often seriously asked by tribunals, "Is life insurance of real national importance?" "It would seem," said Mr. Weston, "that we, who are constantly engaged in the business had become so familiar with the affirmative evidence on this question that we had come to consider the fact of its national importance so completely obvious that it did not require to be urged. It is apparent, though, that we must state and restate the case many times and in high places before life insurance receives in Canada the national recognition and support it has had in England and other European countries. We do not expect, or ask, such consideration at the present time, but simply that we be left free of any additional imposts in the way of increased taxes, which would add anything to the burden which our policyholders are now carrying in the heavier mortality which we are experiencing as a result of the war.

Increase of War Claims.

"In the companies licensed to do business in Canada, the war claims on Canadian business increased from $1,957,000 in 1915 to $4,961,000 in 1916. The total death claims of the same companies in 1915 amounted to $13,481,000 and in 1916 to $17,396,000, so the war claims in 1915 were 14 per cent. of the total and in 1916 they amounted to 26 per cent. It certainly is in the national interest that so considerable an amount should have been paid to the beneficiaries of those who have fallen in the national cause.

"The companies have borne this increased mortality without any effect upon their solvency. They continue the strongest of our financial institutions, with unimpaired ability to discharge their full liabilites to their policyholders and to extend the beneficent protection which they afford, to meet the growing demand for it amongst the Canadian people. These war claims, however, do affect the amount of profits, which otherwise would be paid to policyholders. This sacrifice on their part must continue to be very considerable while the war lasts and should be considered so far as it relates to their insurance as their full and reasonable contribution to its cost.

"In this connection we should acknowledge the wisdom and justice of the minister of finance in exempting life insurance from the federal tax, which, if it had been imposed, would have borne unduly on a class which is already paying more than other classes.

Life Companies' War Risks.

"These war claims we have paid cheerfully and without a single complaint from policyholders. If it were possible we would like to extend protection to embrace all who are exposing their lives in the interest of the country, but this is not possible to the companies at premium rates which would prove practicable. We are carrying the extra risks under policies issued before the outbreak of the war without extra charge, and a small amount at an extra premium under policies issued since. The amount of war risks now carried by the companies is such as they can safely assume without any risk to their solvency. Life insurance companies in all the belligerent countries have furnished a splendid example of the solvency and safety of the institution of old line legal reserve insurance. Under the present unexpected and trying conditions none have failed to meet their obligations. Considering the heavy strain to which European companies have been subjected by comparison with any demands which can be made on Canadian companies, we have no ground for the slightest apprehension as to our ability to meet any exigencies which may arise as a result of the war.

Life Insurance as a Stabilizer.

"Life insurance has become so general that it now constitutes the chief asset in a vast majority of estates left by the Canadian people. In addition to its being the great stabilizer of business and social life, which it has become in normal times, it has demonstrated its great importance to the nation under the emergency caused by the disintegrating influence of the war.

"In regard to war loans the life insurance companies demonstrated again their peculiar advantage to the state. For generations the agents had carried on their persistent propaganda of thrift, educating the people as to the advantage of protection and saving till at the end of 1916, as shown by the report of the superintendent of insurance, there were in force in Canada 2,183,381 policies for $1,422,179,000 of insurance and the assets in Canada of the companies operating here amounted to $418,526,000. This large sum of assets, made up of the small individual savings of millions of people, at once became of great importance to the state. The companies have invested heavily, not only of their current income, but have disposed of other securities where it was practicable to subscribe heavily for Dominion bonds. Assuming that on the average the companies have subscribed 15 per cent. of their assets, and the total assets as I have stated are $418,526,000, then the amount of these bonds taken up by the life companies aggregate $62,779,000. This percentage will be greatly increased as new issues offer. The nature of the business of life insurance makes the holdings of these bonds by the companies of peculiar importance for they will largely be held as permanent investment till they mature and so remove them from becoming a disturbing factor by being thrown on the market at some inopportune time.

"The fact that our business has demonstrated such usefulness in an unexpected emergency by furnishing available funds for government needs and by meeting the claims resulting from war, without impairment of our financial strength, has served to stimulate all of us who are engaged in its service to increased endeavor to extend its advantages to cover a large portion of modern need."

ALBERTA'S FARM PRODUCTS

Two hundred million dollars from Alberta farms, without including the live stock, is a conservative estimate of the yield in 1917. The provincial department of agriculture issued the following final estimate of the yield:—

Crops.	Acres.	Yield per acre, bushels.	Total yield, bushels.
Spring wheat	2,845,600	18.25	51,932,200
Fall wheat	51,700	20.50	1,059,900
Oats	2,537,900	34.00	86,288,600
Barley	472,100	22.00	10,386,200
Rye	30,880	20.50	633,000
Peas	1,851	17.50	32,400
Mixed grains	24,027	25.75	618,700
Flax	139,800	7.00	978,600
Potatoes	48,917	151.46	7,409,000
Turnips, etc.	10,947	207.56	2,272,000
		Tons.	Tons.
Hay and clover	493,522	1.48	730,400
Fodder corn	3,976	1.00	4,000
Alfalfa	31,396	2.05	64,400

CANADIAN WAR TRADE BOARD DECIDED UPON

The proposed Canadian War Trade Board has been decided upon by the Dominion government. It is to consist, in the main, of men already in the service of the government, who have been doing much of the work that will come under the supervision of this body. By selecting officials, such as Mr. F. C. T. O'Hara, deputy minister of trade and commerce; Mr. E. Fitzgerald, of the Munitions Board; the food controller; Dr. A. B. Macallum, chairman of the Honorary Advisory Council of Scientific and Industrial Research, and the chairman of the Canadian Wool Commission, it is declared that much valuable time will be saved, as they are all familiar with the aims and objects of a war trade board.

For several months past the manufacturing interests more particularly have been urging the appointment of this body, but it was only recently that the idea took root at the capital. The United States embargoes and the many other interferences with the United States-Canadian trade have made it very difficult for many Canadian industries to carry on, and it is expected that the board will soon be able to give much of its time towards facilitating the transfer of necessary raw materials and other commodities to and fro across the border.

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CRISIS IN PULP AND PAPER INDUSTRY?

C. Howard Smith Predicts Strenuous Times Ahead—Manufacturing Conditions

"The year 1917 will live long in the annals of the pulp and paper trade, as being one of the most critical and important periods of the industry," said Mr. C. Howard Smith in his address at the fifth annual meeting of the Canadian Pulp and Paper Association held at Montreal last week. "In the early part of the year," he continued, "the extraordinary demand for pulp and paper that had commenced in 1916 continued, and to a certain extent increased, the peak being reached in March and April, the demand then slackening gradually to a normal and in some lines a subnormal demand. Notwithstanding this enormous demand of pulp and paper for export, the mills continued to supply the regular requirements of Canadian trade, and no Canadian industry suffered for want of paper.

"The constant attacks on the industry by the publishers, and notwithstanding the fact that they were being supplied with paper at more than 15 per cent. less than the paper would have brought in foreign markets, led the government to fix a price of 2½ cents per pound on newsprint. As the consumption of newsprint in Canada is only approximately 14 per cent. of the total manufactured, the manufacturers were compelled to accept this price, and to endeavor to meet the situation by a distribution of tonnage and an arbitrary cash contribution from the different mills, who were not manufacturing for Canadian requirements."

"The investigation made by Controller R. A. Pringle, K.C., has borne out the contention of the manufacturers, as to costs, etc.

Importance of Industry.

"The pulp and paper industry is one of the basic industries of this country, and it is of the utmost importance that it should expand and increase its exports, so as to help maintain Canada's favorable trade balance." Mr. Smith then quoted the following figures:—

In the year ended March 31, 1890, the exports of pulp and paper were $168,302. For the year ended March 31, 1912, the exports were $8,961,424. For the year ended March 31, 1917, the exports were $46,476,699, an increase in five years of $37,515,275. These exports can still be increased and a greater amount of prosperity brought to Canada provided the manufacturers of pulp and paper are not hampered by unjust legislation, but are treated in the same manner as any other manufacturers.

The imports for the year ended March 31, 1912, were $6,352,463. The imports for the year ended March 31, 1917, were $6,848,422. These imports are made up of a great variety of paper and paper products, but there is room here for several mills to specialize and take care of this demand. The development of pulp and paper manufacturing requires large capital investment and great risks, as it is always a pioneer industry and means the opening up of new country. An adequate return on capital must therefore be allowed for, and an opportunity to obtain a return commensurate with the risk involved. A return of 7 per cent. on an industry of this nature is not sufficient, when governments are offering 5.86 per cent. on bonds, and many municipal and foreign bonds will yield a return of 8 per cent.

Manufacturing Conditions Severe.

In referring to the general conditions, Mr. Smith said: "The manufacturing conditions for 1918 will be severe, supplies of raw material are low, and almost impossible to secure. The coal situation could not be worse and there does not seem to be any immediate prospects of improvement. It is a serious menace to Canada, as the country only supplies about half the regular consumption, the total consumption being some 300,000,000 tons of both bituminous and anthracite. The coal production of Canada should be increased to the greatest possible extent, and so far as possible Canada should supply its own requirements. The production of other sources of fuel such as lignite and peat should receive the greatest possible attention from the government and every facility given to develop these different sources of fuel.

"In this connection the development of Canada's water powers assumes even greater importance.

"The labor market is short of men, and with the continued call on men for the front and for the vital industries, there is no sign of improvement. This shortage in labor has materially increased the cost of wood, and has seriously reduced the amount of wood gotten out. In the last ten years the cost of getting out wood has more than doubled. The car shortage has already been the cause of several periods of shut downs in some mills.

"Regarding the pulp industry," said Mr. Smith in conclusion, "it is of vital importance that technical education be greatly extended in this country, so that properly equipped men may be available to meet the growing demand for trained men. This section is doing pioneer work in this respect, and deserves the greatest encouragement from the executives of the different companies."

CANADIAN NORTHERN RAILWAY'S STOCK

Vice-President Hanna Outlines History of Road—Anticipated Country's Development

Mr. D. B. Hanna, third vice-president of the Canadian Northern Railway, a witness heard by the Board of Arbitration sitting at Osgoode Hall, Toronto, to determine the value of the shares of Canadian Northern Railway stock, outlined the company's history. He gave details as to company's progress from a 100-mile-line in 1896 to a completed transcontinental with 10,000 miles of track, showing that the management had earned a surplus over expenses and fixed charges since the first year of operation and pointed out that in annual periods since the transcontinental line had been completed the surplus had approximated 9 per cent. on the common stock. No dividends had been paid, he said, and the surplus had been put back into improvements.

Anticipated Country's Development.

His recital of the history of the enterprise also indicated that the expansion of the railway had anticipated the development of the country and had been an important factor in the settlement of the west. The company had been the first to introduce a competitive element in the transportation situation in the west, he remarked, and since 1901 the farmers of the prairie provinces had been relieved of freight charges approximating $39,000,000 on grain alone, owing to the reduction of rates instituted by the Canadian Northern Railway. The policy of the company regarding the construction of branch lines had, he said, been dictated by the provincial governments concerned, but, he added that there was not a branch line in the prairie sections of the system which would not justify its existence.

Goosa Lake Line.

Questioned by Sir William Meredith as to the value of the Goose Lake Line between Saskatoon and Calgary, Mr. Hanna ridiculed the suggestion that the particular branch was behind in values. "It is one of the most valuable parts of the system," he said. It had opened up one of the richest sections of the Saskatchewan valley, and in addition to the many millions of bushels of wheat which the railway now hauled out of the newly opened territory they were hauling an average of 150 cars of coal each day from the mines at Drumheller, and extensions to the coal mining operations indicate that next year a minimum of 250 cars a day will be brought over the line from the mines.

Speaking more directly of the valuation of the system Mr. Hanna called attention to a factor of values that had been overlooked in the Drayton-Acworth report in the form of the physical advantages of the road, which had been secured by low gradients and easy curvatures.

Fifty Cents on Dollar.

In further evidence before the Commission on Monday, Mr. D. B. Hanna, third vice-president of the Canadian Northern Railway, in reply to Mr. Pierce Butler, an American attorney representing Messrs. Mackenzie and Mann, declared that the Canadian Northern Railway stock is worth fifty cents on the dollar. In dollars and cents Messrs. Mackenzie & Mann want $30,000,000 for 600,000 shares of stock upon which the Drayton-Acworth report placed no potential value, while the government suggests $10,000,000 as the outside figure upon which the arbitrators are to base their finding. Mr. Hanna said that the company had no alternative but to give the government $40,000,000 worth of stock for guaranteeing a bond issue of $45,000,000.

Mr. Hanna criticized the Drayton-Acworth report, which declared that the stock of the Canadian Northern Railway was valueless, and noted the omission of many of the assets of the company in the report, calling them "inexcusable omissions of assets." If the arbitrators accepted the reserve

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gure of $40,000,000 for depreciation, there was still a sur-lus of over $52,000,000.

"Had the Canadian Northern Railway supplied erroneous nformation," continued Mr. Hanna, in charging the Drayton-cworth report in being probably wrong in its conclusions re-pecting assets and liabilities, "or had the company concealed s assets or liabilities improperly, there might have been ome reason for the inexcusable omissions of the assets of ie company. The figures furnished the Commission were ot gathered together in a haphazard manner; they were pre-ared by careful investigation and approved by the govern-ent auditors." At this point, Sir William informed Mr. anna that he did not think it proper for him to criticize the eport of the Royal Commission.

aith in Possibilities.

Mr. Hanna stated he had sufficient faith in the future ossibilities of the Canadian Northern Railway to predict iat the company will give more than a substantial return the government for the money invested, providing politics re kept out.

"Nothing has been charged in the capital account know-ngly," added Mr. Hanna. "In other words, the statements the Canadian Northern Railway from year to year have not een cooked so as to make a better showing of the financial osition of the company than really was the case."

Sir William—Were the lines drawn as to maintenance and etterments?

Mr. Hanna—Certain items of improvements were divided artly to maintenance and partly to betterments. Things ay not have been done with the accuracy that they ought to ave been done. I might add that the interest on discount nd bonds issued was charged to the capital account. It is till there, and I make no bones about it.

ubsidiary Roads in West.

Tracing the history of the various subsidiary roads in the est, and their connection with the Canadian Northern Rail-ay, Mr. Tilley pointed out that of the Duluth, Winnipeg and acific line, in which the Canadian Northern Railway own 51 per cent. interest, and the Mackenzie & Mann Company 49 per cent. interest, with no working lease of the road, the earnings in the report were shown as Canadian Northern Railway earnings. Mr. Hanna said this was attributable to the fact that the Canadian Northern Railway had guaranteed the bonds of the company.

INDUSTRIAL ACTIVITY IN BRITISH COLUMBIA

(Staff Correspondence.)

February 9th, 1918.

Industrial activity in British Columbia continues. The receipt of further shipbuilding orders by the Wallace Shipyards means that for many months the North Vancouver waterfront will be busy. The construction of another large pulp plant has been announced. With the settlement of the strike at the Trail smelter, mining has now no untoward feature, and the outlook is for large production during 1918. The output of coal last year was big, and this year it will be greater.

The contract for the Wallace Shipyards is for four steel steamers to be built for the Canadian government. They will be each 5,100 tons, 337 feet long, 46 feet 6 inches beam and 25 feet depth. The aggregate cost will be over $5,000,000. The placing of this order means that sixteen steel ships are being built or about to be built in Vancouver in addition to the large number of wooden steamers and auxiliary ships now under construction.

A pulp plant is to be erected by White Brothers, of Boyne City, Mich. About ten years ago they secured large timber areas at the northern end of Vancouver Island from McLean Brothers, Vancouver. Although members of the firm have been on the coast from time to time since then investigating conditions, development of the limits has not been proceeded with, and recently it was stated that something was proposed. The mill will be located at Beaver Cove, five miles from Alert Bay, where deep water facilities are excellent.—R. B. Bennett.

VICTORIA'S TAX SITUATION

Committee Recommends That Arrears Be Payable Over Long Period

A special committee has made its report regarding the tax situation in Victoria, B.C. The committee states that it felt obliged to consider the position not only of the delinquent taxpayers, but the effect of continued delinquency upon the value of all other property and upon the financial obligations of the city. It was deemed advisable to deal with the problem as a whole and not to limit the recommendations of the committee to any one phase.

The following are reported as the dominating factors:—

(1) Less than two-thirds of the taxes, both general and local improvement, for 1916 and 1917, were paid at the end of these years respectively, as the following table shows:—

Proportion of Taxes Paid General.

1912.......	97 per cent.	1915.......	69 per cent.
1913.......	96 per cent.	1916.......	61 per cent.
1914.......	82 per cent	1917.......	62 per cent.

Local Improvement.

1915	56.20 per cent.
1916	47.8 per cent.
1917	38.74 per cent.

(2) Present arrears of taxes amount to $3,351,883.

(3) There is a tendency among those who can pay taxes not to do so, because others in arrears are not forced to pay.

(4) A very considerable portion of the total assessed values of the city is now not paying taxes.

(5) The value of all property in the city is being affected by the mass of property which in the future may be offered at tax sales.

(6) It is in the interest of all property owners that some solution should be found of the present difficulties. No such solution is possible unless the causes which have led to the non-payment of taxes are included in a comprehensive scheme.

Special Attention to Causes.

Among these causes the committee has given special attention to the following:—

(a) Over-assessment of some properties so that the general taxes more than absorb the equity.

(b) Local improvements charges which more than absorb the equity in some arrears.

(c) Accumulation of arrears which the owners are not in a position to pay in any one year.

(d) Position of those who have paid taxes if those in arrears are relieved.

(e) Disputes in respect to some local improvement bylaws.

(7) The Municipal Act provides that no assessment can be increased without giving the taxpayer the right of appeal to a court, and under present conditions such appeals might lead to undesirable reductions in assessments.

(8) Reduced aggregate assessments do not lessen the taxes which will have to be obtained from the land, as the same proportion of the city's revenue has to be obtained from these taxes under any circumstances.

Should Restore Equity.

(9) It is in the general interest that an equity should be restored if possible to properties which are now overwhelmed by general and local improvement taxes.

The committee makes the following recommendations, which will remove the principal causes of the non-payment of taxes:—

1. Arrears of taxation to the end of 1917:—

(1) Arrears of taxation, both general and local improvement, subject to any relief which may be granted as hereinafter provided, should be made payable in fifteen yearly instalments covering the net amount of the taxes when originally due, with interest at the rate of 7 per cent. computed annually.

(2) All taxpayers paying the first instalment before the 30th June, 1918, should be entitled to the benefit of this extension, which should not imply any further personal covenant than at present exists in respect to taxes.

(3) All taxpayers in arrears to the end of 1917 should be allowed the privilege of paying the net amount of the taxes, with interest at the rate of 5 per cent. per annum, on or before the 30th June, 1918.

(4) There should be a tax sale this year of all properties in respect to which the taxes for 1914 or earlier have not been paid, unless the arrears of taxes have been extended or paid as provided above.

Would Readjust Valuation.

2. Assessment:—

(1) Powers should be obtained to fix the aggregate assessment of all land within the city at a figure which shall be approximately that of the aggregate assessment for 1918.

(2) An independent commission be appointed to readjust the relative assessment of all lands within the city so that the aggregate assessment so made shall be within 5 per cent. of the pivot assessment above-mentioned.

(3) The readjustment so made shall remain in force for three years.

(4) There should be no appeal from the decisions of the commission, providing, however, that any taxpayer who considers that an error has been made may appeal to the commission itself within a stated period.

3. Excessive Local Improvement Charges:—

Roads, sidewalks, etc.—A charge per front foot should be made against all properties, with assessments for roads, sidewalks, etc., representing the fair charge which such properties should pay for the benefit received from the improvement. That where the present levy exceeds the standard charge any excess should be absorbed by the general revenue.

Commission on Expropriations.

4. Expropriations, etc.:—

A commission should be appointed to decide what relief, if any, should be granted in respect to cost of expropriations, taking into consideration the desirability of restoring an equity to properties now overwhelmed by local improvement outlays, and that the decision of such commission should be final. That if relief be granted to taxpayers no distinction should be made between those who received compensation and those who did not.

5. Cases where by-laws cannot be passed owing to disputes:—

Where by-laws are held up owing to disputes, the commission dealing with the expropriation questions should be authorized to draw up a settlement fair to all parties.

6. If assessments for local improvements are reduced, those taxpayers who have paid instalments of the original assessments should receive credit for any excess over what they would have paid on the reduced basis, in the form of a voucher, which may be applied to succeeding payments of the assessment reduced, or if there are no further payments to be made on account of the assessments in question, then in payment of other city taxes due by the holder of the voucher, or if the holder of the voucher has no property subject to taxation, then the vouchers may be transferred to another taxpayer.

Should Have Statements.

7. If the foregoing or any other remedial scheme is approved, statements should be prepared giving as far as possible the effect on the properties affected and on the city finances, taking into consideration the probable early payment of a considerable portion of the taxes now in default.

The committee recommends that legislative powers be obtained to bring a comprehensive scheme into force, as they feel that good results will not follow an attempt to deal with the difficulties in a piecemeal manner.

Discussing the proposal to have arrears paid in fifteen yearly instalments, it was held by some members of the council that twenty years would be a more suitable arrangement, the contention being that Mayor Todd's proposal for a ten-year period would fail to meet the situation. However, the clause was left as it stood.

Sell 1914 Delinquent Lands.

It was held that the tax sale should be made to extend to 1914 delinquent property, it being claimed that to include only 1913 and previous years would be useless to the city. The possible revenue that the 1913 sale would bring in totalled $87,000, but probably sixty per cent. of this would be written off the books by the taxpayers who met the 1913 dues and thus became exempt for the following years.

Respecting the appointment of a commission, it was advocated that its personnel be strictly independent and that the city assessor wield no power whatever, being confined to only a consulting and advisory capacity.

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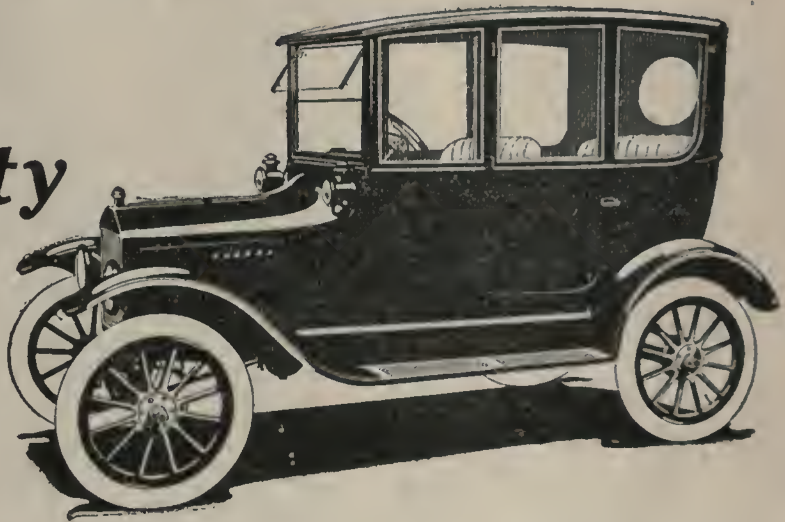

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THE SOVEREIGN LIFE
ASSURANCE COMPANY OF CANADA

Head Office : WINNIPEG

AT THE ANNUAL GENERAL MEETING of the Company, held on the 6th inst., the Financial Report and Statement of affairs showed that the steady, solid growth which has characterized the Company in recent years was amply maintained in 1917. The year was, in fact, one of the best in the Company's history. A few of the more prominent features are as follows :—

TOTAL ASSETS	$1,538,840.77	Increase	$180,253.44
TOTAL ASSURANCES IN FORCE	7,626,684.00	Increase	1,232,600.00
NEW ASSURANCES ISSUED	2,237,500.00	Increase	544,000.00
TOTAL CASH INCOME	335,998.70	Increase	45,701.76
RESERVES FOR POLICYHOLDERS	1,040,215.33	Increase	120,324.38
GROSS SURPLUS EARNED	167,399.59	Increase	35,856 51

THE SOVEREIGN LIFE IN 1917—

MAINTAINED AN INTEREST RATE ON INVESTED ASSETS OF 6.63%.

EFFECTED A REDUCTION IN ITS EXPENSE RATE OF ABOUT 17%.

VOLUNTARILY INCREASED CERTAIN SPECIAL RESERVE FUNDS (AGAINST POSSIBLE INVESTMENT LOSSES, Etc.) to $78,500.00.

HAD AT DECEMBER 31st A TOTAL INVESTMENT IN WAR BONDS OF THE DOMINION OF CANADA OR GREAT BRITAIN OF $343,895.85.

BALANCE SHEET, December 31st, 1917

ASSETS

Bonds, debentures and debenture stocks (ledger value)	$ 682,214.84
Stocks owned by the Company (ledger value)	13,400.00
First mortgages on real estate	507,848.34
Value of real estate held by the Company	27,599.33
Loans on policies secured by reserves	217,096.15
Liens on policies under non-forfeiture provisions	12,938.86
Cash in Banks, Head Office and Agencies.	29,302.77
Interest accrued and outstanding	46,831.82
Net outstanding and deferred premiums (with allowance for deduction of 35% of first year premiums and 10% of renewal premiums)	38,929.45
Office furniture (less 10% written off)	2,429.21
Deposits held in trust (see contra)	250.00
	$1,578,840.77

LIABILITIES

Reserve fund on Government standard to cover the Company's entire liability under policy contracts, together with additional reserve voluntarily maintained	$1,040,215.38
Reserve for extra mortality and contingencies	18,500.00
Investment Reserve	60,000.00
Surrenders claimable on cancelled policies.	315.00
Policyholders' dividends due and unpaid	383.23
Reserve for matured instalment policies	6,265.00
Death claims reported, proofs not completed	19,100.65
Premiums and interest paid in advance	6,367.74
License fees and taxes due and accrued	2,684.73
Sundry accounts due and accrued	2,588.38
Deposits held in trust	250.00
Shareholders' account	26,776.07
Instalments due on bonds purchased	40,000.00
Capital paid up	209,995.00
	$1,433,441.18
Surplus to Policyholders and Shareholders above all liabilities	**145,399.59**
	$1,578,840.77

DIRECTORS FOR 1918—

PRESIDENT—R. R. Scott, President the Scott Fruit Company, Winnipeg

FIRST VICE-PRESIDENT—William Grayson, K.C., Moose Jaw, Sask.

SECOND VICE-PRESIDENT—D. E. Williams, Director Traders Trust Company, Winnipeg

DIRECTORS—W. Sanford Evans, Ottawa; E. E. Sharpe, Winnipeg; W. F. Hull, Winnipeg; George N. Jackson, Winnipeg; John Graham Winnipeg; John McClelland, Toronto; R. G. MacDonald, Brandon; Alexander Melville, Winnipeg; H. J. Meiklejohn, M.D., Managing-Director, Winnipeg.

Full Annual Report and Statement Gladly Furnished Upon Request.

DIVIDENDS AND NOTICES

BANK OF MONTREAL

Notice is hereby given that a **Dividend of Two-and-one-Half per Cent.**, upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after Friday, the **First Day of March** next, to Shareholders of record of 31st January, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 22nd January, 1918.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 124.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Friday, 1st March, 1918, to shareholders of record at the close of business on the 14th day of February, 1918.

By Order of the Board.
JOHN AIRD,
General Manager.

Toronto, 19th January, 1918.

UNION BANK OF CANADA

Dividend No. 124

Notice is hereby given that a Dividend at the rate of 9 per cent. per annum upon the paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Friday, the 1st day of March, 1918, to shareholders of record at the close of business on the 15th day of February next.

The Transfer Books will be closed from the 16th to the 28th day of February, 1918, both days inclusive.

By order of the Board,
H. B. SHAW,
General Manager.

Winnipeg, January 17th, 1918.

THE ROYAL BANK OF CANADA

DIVIDEND No. 122

Notice is hereby given that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this Bank has been declared for the current quarter, and will be payable at the Bank and its branches on and after Friday, the first day of March next, to shareholders of record of 15th February.

By order of the Board,
C. E. NEILL,
General Manager.

Montreal, Que., January 15th, 1918.

THE OGILVIE FLOUR MILLS COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of one and three-quarters per cent. has been declared on the Preferred Stock of **The Ogilvie Flour Mills, Company, Limited**, payable Friday, the first day of March, 1918, to Shareholders of record at the close of business Thursday, the twenty-first day of February, 1918.

By Order of the Board.
G. A. MORRIS,
Secretary.

Montreal, February 12th, 1918.

CITY AUDITOR WANTED

Applications for the position of City Auditor will be received by the undersigned up till twelve o'clock noon of Wednesday, the twenty-seventh day of February, 1918. A full statement of qualifications and experience must accompany applications. Applicants will particularly state whether they hold certificates as certified accountants and any municipal experience. An adequate salary will be arranged.

NORMAN H. H. LETT,
City Clerk.

Ottawa, February 5th, 1918.

TOKIO MARINE INSURANCE COMPANY

Messrs. Dale and Company, Limited, the well-known marine and fire underwriters, Montreal, are the provincial agents in British Columbia of the Tokio Marine Insurance Company. Messrs. Dale and Company are not the company's agents for the Dominion as previously stated.

LONDON LIFE INSURANCE COMPANY

One of the many substantial corporations of London, Ontario, which have helped materially to give that city its reputation as a solid financial and business centre, is the London Life Insurance Company. Having done business for 43 years, in that period, the company has built up a strong position. At the end of last year, it had in force business of $50,787,365. Its business during the past five years has been doubled, in the past ten years quadrupled. Mr. John G. Richter, F.A.S., is the manager and secretary. He has conducted the affairs of the company with marked ability and in close co-operation with a helpful directorate headed by the president, Mr. John McClary, and the vice-president, Dr. A. O. Jeffery, K.C. The head office staff are men of experience, Mr. Edward E. Reid, B.A., A.I.A., acting as actuary.

As a result of a progressive policy and proper co-operation between head office and an energetic field force, the company was able to write last year business of $15,703,593, an increase of $2,667,647 over that of the previous year. The gain in business in force was $9,072,048. The net premium and interest receipts of the year were respectively $1,908,100 and $474,524, a total of $2,382,624. The increase over the previous year is $408,844. The payments to policyholders or heirs, for cash profits, surrender values, annuities, matured endowments and death and disability claims, aggregated $646,726, an increase over 1916 of $139,142. The insurance in force on the company's books at the close of the year, after deducting all reinsurances, aggregated $50,787,365, under 25,789 ordinary and 169,296 industrial policies, an increase of 4,838 ordinary and 17,752 industrial policies, for insurance of $9,072,048 for the year. The company's assets, consisting of stocks, bonds and debentures, first mortgages on real estate and other approved securities, amount to $8,050,269, making an increase of $1,074,505 over the previous year. The interest and other payments falling due during the year were generally well met. The liabilities of the company under outstanding policies, and in all other respects, have been provided for in ample manner, the whole amounting to $7,745,043. The surplus on policyholders' account, exclusive of subscribed but uncalled capital, is $305,225. After deducting paid-up capital, the net surplus over all liabilities and capital is $255,225. The company has good reason to be satisfied with the results of the past year.

BASIS AND PRACTICE OF SCHEDULE RATING

Universal Mercantile Schedule Rating—Loss Situation Serious—Methods Used in Canada and United States

"There is nothing that is so much to the forefront in the fire insurance business as the rate," said Mr. John B. Laidlaw, Canadian manager of the Norwich Union Fire Insurance Society in an address before the Vancouver Insurance Institute recently.

"If you are canvassing an insured," he continued, "the first question asked, is as to the rate and if you are offering a risk to the company, the first question they ask is as to the rate, and the difficulty always is to fix a rate which is equally satisfactory to the insured and to the company; for if it is not satisfactory to the insured he will not insure, and if it is not satisfactory to the company they will refuse it, and the problem is to make the rates so just and equitable that they will be acceptable to the public, and at the same time do justice to the companies.

"You will often hear men who are considering the question of rates lament the fact that the companies are not able to show a reason for a rate by statistics relating to the particular class of risk that extend over a period of years, and you will find men who perhaps have not looked into the matter very deeply who think it should be a very simple thing, because all they would have to do would be to ascertain what the losses had been and fix the rate upon that basis. Now that is a very false idea, and one that as insurance men it is wise to combat. The mutual companies do levy an assessment, and their rate is an assessment or in the nature of an assessment based upon past experience, but our rate is a premium which the insured pays in advance, and for which we carry the risk during the term agreed upon.

Accurate Estimate for Success.

"What we have to do with our problem is, in fixing the rate, not so much to look upon what has happened, but to look particularly upon what may happen, and so in practice a mill may be insured at 10 per cent., and it will burn down and be rebuilt and then be insured at 3 per cent. Now that rate is not based on past experience; it is based on the future probability. If a company fixes its rates or guides its affairs solely on past experience, without regard to the present conditions, they will be behind the times continually, and they will never succeed. The secret of success in the insurance business is to so appreciate the hazard and the constant changes that occur as to estimate accurately the probability of loss, and base your rate and your practice thereon. For that reason, often a company that is a non-tariff will succeed, the reason being that the companies through their associations were behind the times. They were fixing their rates too much on past experience, and too little on present conditions; so if the waterworks in Vancouver were to break down or if a number of manufactories, very dangerous manufactories, were to be established in the city it would be no proper guide for you to say, 'well, the loss experienced in Vancouver for the past number of years has been very slight, and you should not increase the rates.' You should deal with the changed conditions. And conversely, if you have had a very bad experience in Vancouver, and have lost a great deal of money in the city, but if the city makes fire breaks and removes hazardous conditions and provides good waterworks and fire appliances you will be justified and warranted in reducing rates. For that reason, the companies or any organization of companies which base their rates solely upon the past experiences will never be able to accomplish what is intended, that is, to fix a rate which will enable the companies to carry the risk during the period of the policy. We promise to carry the risk for one or three years, and our rates should be fixed accurately, so that we will be able to carry the hazard during the term of the policy.

"In formulating the rates and estimating what should be a fair charge, the companies as a whole have gradually developed the present system of schedule rating. There was a time, when fire insurance first started, when uniform rates were charged for all classes of risks, dwellings, stores and factories, without regard to their construction, whether brick or frame, or the difference between furniture or buildings, or whether there were fire appliances or whether there were none; but it was not long before there was a distinction made and going back 100 years you will find very crude schedules being used wherein a distinction was made between brick and frame, dwellings and stores, and stores and factories.

"It was found that although these were varied from time to time, it was necessary to make still greater variation and so about 40 or 50 years ago there grew up the practice in the United States and Canada of having expert rating officers. These were men who had had considerable experience as managers or special agents of companies, who were employed to go from town to town and prepare a book of rates, which was their estimate of the rate which should be charged on each risk. They had nothing to guide them except a sort of intuitive knowledge and their past insurance experience. They would know that a frame building was more likely to burn than a brick, that a carpenter's shop was more hazardous than a machine shop, and upon this they developed a system of rating. In some parts of Canada that system is followed to a greater or less extent to-day. It was found, however, that these men would sometimes get up in the morning with a slight bilious attack, and it would be found that where under exactly similar conditions they had named 1 per cent., they would be naming 1½ on an identical risk on a different day. Then possibly they fell sick and a substitute was obtained to do the work, and he would make a different guess; so the system brought about gross, unfair discrimination between similar risks and it was seen that some sort of a guide had to be formed. Thus was formed the system of schedule rating, based on the opinion of several experienced men that a frame building used as a store should be rated so and so, if it had a shingle roof it should be a little more, if it was used for a carpenter's shop it should be a little more, and from that beginning schedules have been formed which are varying in their structure and more or less intricate, more or less analytical, but all following the general principle of taking into consideration the varying features of each risk, and fixing for each particular feature of the risk a certain definite charge and making up in that way the rate which should be charged. In other words, an analysis of the varying factors that entered into the mind of the original expert rater so he would not be unduly affected by a bilious attack, and a consistent system be established.

Discrimination is Rating Basis.

"In regard to discrimination, our whole modern system of rating is based principally on discrimination, but it is fair discrimination as against unfair. If we rate two risks exactly alike, one at 1 per cent. and the other at 1½, that is unfair discrimination, but if we rate a brick building at 1 per cent. and a frame building badly exposed at 3 per cent., we have made a rate relatively in accordance with the hazard, and that is fair discrimination, and it is necessary that we deal fairly with the public.

"The public are interested in the solvency of fire insurance companies and they are also interested in being fairly treated. The difference between a fire insurance policy and a pound of sugar that may be sold by a merchant is this: that when you go into a store and buy a pound of sugar the party who sells it to you is in no way interested in you, and you are not afterwards interested in him, but when you buy an insurance policy you are interested in the company issuing it and they in you as long as the policy lasts. You have bought the company's credit; that is what you have bought, its promise, which is a contingent promise, and so as a policyholder you are vitally interested in the solvency of the company which sold the contract, and it is therefore in the interest of the public that laws should be passed regulating insurance companies so that they be solvent and able to carry through their promises. The public is interested that the company charge an adequate premium, because if they do not the public may be losers as well as the companies. The public are interested first in seeing that the companies charge an adequate rate, and secondly that they charge a fair rate, that is discriminate fairly between the different risks insured.

(To be Concluded.)

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended February 8th, 1918:—

McKinley-Darragh-Savage Mines, 86,145; Coniagas Mines, 88,000; Aladdin Cobalt Mines, 66,000; La Rose Mine, 103,059; Buffalo Mines, 371,875; Dominion Reduction Company, 176,000. Total, 891,079 pounds, or 445 tons.

The total shipments since January 1st, 1918, now amount to 392,477.8 pounds, or 1,962 tons.

An Outstanding Financial Authority

THE financial pages of THE GLOBE are confidently consulted by financiers, business men and investors. All are agreed that THE GLOBE'S financial comment is dependable and unbiased, and that it is prepared with a full appreciation of a newspaper's responsibility to the public.

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The Globe

Canada's National Newspaper
Toronto, Ont.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Feb. 13th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi.....com.	....	....	....	....
Ames-Holden.....com.	....	....	....	....
" .....pref.	....	47	....	....
Asbestos Corporation.....	....	....	....	....
" " .....pref.	....	....	....	5
Bell Telephone.....	....	....	....	76
British Columbia Fishing & Packing.....	....	....	....	....
Brompton.....	....	47	....	10
Brazilian.....	....	36	35⅛	10
Canada Car.....com.	....	....	....	50
" .....pref.	....	58	55	25
Canadian Converters.....	....	....	....	....
Canada Cement.....com.	....	57¾	....	200
" .....pref.	....	....	....	145
Canada Cottons.....	....	48¾	....	330
" .....pref.	...	....	....	40
Canadian Con. Rubber.....com.	....	....	....	....
Canada Foundry and Forgings.....	....	....	....	25
Canadian General Electric.....	....	....	102	60
Canadian Locomotive.....com.	....	59	58	....
" " .....pref.	....	....	....	10
Canada Steamship Lines.....com.	....	42½	42⅜	700
" " " .....pref.	....	....	....	235
" " " .....Voting Trust	....	....	....	435
Civic Investment.....	....	73¾	73½	178
Cons. Mining and Smelting.....	....	25½	25	535
Consumers Gas.....com.	....	....	....	....
Dominion Bridge.....	....	....	....	....
Dominion Coal.....pref.	....	....	....	....
Dominion Iron.....pref.	....	....	90	117
Dominion Steel Corporation.....com.	....	61½	61¼	2725
Dominion Textile.....	....	84	83	303
" .....pref.	....	100	....	2
Goodwins Limited.....pref.	....	11	....	....
Gould Manufacturing.....	....	....	....	....
Illinois Traction.....pref.	....	....	....	....
Intercolonial Coal.....com.	....	....	....	90
Lake of the Woods Milling.....com.	....	129	....	27
Laurentide Co.....	....	156	154	5
Lyall Const.....com.	....	....	....	50
Macdonald.....	....	15	11	20
Mackay Cos.....com.	....	....	....	....
" " .....pref.	....	....	...	....
Maple Leaf Milling.....com.	....	....	....	....
Montreal Tramway.....	....	....	....	....
" " .....deb.	....	....	73	7900
Montreal Cotton.....com.	....	....	50	5
" " .....pref.	....	....	....	....
Nova Scotia Steel.....	....	68	66½	97
" " .....pref.	....	....	....	35
Ogilvie Flour Mills.....com.	....	....	....	78
Ontario Steel.....com.	....	25	23½	25
Ottawa Light, Heat & Power.....	....	....	....	....
Penmans.....	....	72	70	305
" .....pref.	....	....	....	....
Price Bros.....	....	120	....	35
Riordan Paper.....	....	....	....	210
" .....pref.	....	....	....	....
Quebec Railway, Light, Heat & Power.....	....	19½	17	655
Shawinigan Water & Power.....	....	111	110	101
" " " .....rights	....	20	17	6948
Sherwin-Williams.....com.	....	....	...	5
Spanish River.....com.	....	....	....	40
" .....pref.	....	....	....	....
Steel Co. of Canada.....	....	54	53⅛	260
Tooke.....com.	....	....	....	....
Toronto Railway.....com.	....	61	60½	216
Wabasso Cotton.....com.	....	....	....	....
Winnipeg Railway.....	....	....	....	....
Wayagamack.....	....	....	....	....
Bank of British North America.....	....	....	...	....
Bank of Commerce.....	....	....	....	17
Bank of Montreal.....	....	210	....	10
Bank of Ottawa.....	....	201	....	....
Bank of Toronto.....	....	....	....	....
Bank d'Hochelaga.....	....	140	....	29
Banque Nationale.....	....	....	....	....
Bank of Nova Scotia.....	....	218	....	117
Dominion Bank.....	....	....	....	....
Merchants Bank.....	....	....	....	1
Molsons Bank.....	....	....	....	....
Quebec Bank.....	....	....	....	....
Royal Bank.....	3½	208	....	98
Standard Bank.....com.	....	....	....	....
Union Bank.....	....	....	141	....
Montreal Bonds	Last Sale			
Asbestos.....	72½	....	....	1000
Bell Telephone.....	98½	....	....	....
Canadian Car.....	....	....	....	....
Canada Cement.....	96¾	97	96	2200
Canadian Consolidated Rubber.....	....	....	....	....
Canadian Converters.....	....	....	....	1000
Cedars Rapids.....	90	....	....	12000
Dominion Coal.....	94½	....	....	500
Dominion Cotton.....	90	....	....	....
Dominion Iron and Steel.....	97	86½	....	1000
Dominion Textile.....A	97½	....	....	....
" " .....B	97	97½	....	1000
" " C	97	....	....	....
" " .....D	96½	....	....	....
Lake of Woods Milling.....	103	....	....	....
Laurentide.....	101	....	....	....
Lyall Construction Co.....	83¾	....	....	....
Montreal Light, Heat & Power.....	101	....	....	....
Montreal Tramways.....	91½	....	....	....
National Breweries.....	90	....	....	....
Nova Scotia Steel.....	90	....	....	....
Ogilvie.....A	10	....	....	....
" .....B	103	....	....	....
" C	103	....	....	....
Penmans.....	....	....	....	....
Price Bros.....	....	60	....	700

Montreal Bonds (Continued	—	Asked	Bid	Sales
Quebec Railway, Light and Power.....	67	....	....	....
Riordan Paper.....	....	....	....	....
Sherwin-Williams.....	....	95	....	1900
First Dominion War Loan.....	98½	....	93½	6500
Second Dominion War Loan.....	98½	....	93	13700
Third Dominion War Loan.....	....	84	....	1000
Wabasso Cotton.....	....	79½	....	2800
Wayagamack.....	84	....	....	....

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden.....pref.	....	14½	....	....
American Cynamid.....	....	25	20	....
" .....pref.	....	....	52	...
B. & L. (Landed).....	....	....	....	...
Barcelona.....	....	9½	9⅛	85
Bell Telephone.....	. ..	....	....	....
Brazilian.....	...	35½	35	123
Canada Bread.....	....	17	16	....
" .....pref.	....	....	....	....
Canadian Car & Foundry.....	....	24	21	....
" " " .....pref.	....	57½	....	....
Canadian Canners.....pref.	....	....	....	....
Canadian General Electric.....	....	103	102	....
" " " .....cum div. pref.	....	....	....	....
Canada Landed & National Investment.....	....	....	....	...
Canadian Locomotive.....	....	....	....	....
" .....pref.	....	....	82¾	10
Canadian Pacific Railway.....	....	147	145	20
Canada Permanent.....	....	162½	....	101
Canada Steamship.....	....	42½	42¼	185
" " .....pref.	....	77½	76½	35
" " .....(voting trust)	....	....	....	....
Cement.....com.	....	58¼	57½	....
" .....pref.	....	....	90	...
City Dairy.....	....	....	....	...
" .....pref.	....	60	....	....
Colonial Loan.....com.	....	....	....	....
Coniagas.....com.	....	....	....	....
Confederation Life.....	....	375	....	....
Consumers Gas.....	....	147	....	16
Crow's Nest Pass.....com.	....	50	....	...
Detroit.....	....	....	....	....
Dome.....	....	900	875	50
Dominion Canners.....	5	....	....	....
Dominion Iron.....com.	....	....	....	....
" " .....pref.	....	....	....	....
Dominion Steel Company.....	....	60¾	60¼	620
Duluth Sup.....	....	41	....	....
P. N. Burt.....	....	....	....	....
" .....pref.	....	....	....	10
Hamilton Provident.....	....	....	....	....
Huron & Erie.....com.	....	....	....	....
Lake of the Woods.....com.	....	....	....	...
La Rose.....com.	....	....	....	500
Mackay Companies.....	....	76½	76	180
" .....pref.	....	60½	59½	27
MacKinley Darragh.....com.	....	....	....	....
Maple Leaf Milling.....	....	98	95	60
" " " .....pref.	....	95	93½	10
Monarch.....	....	....	30	3
" .....pref.	....	....	....	....
Nat. S. Car.....	....	9	7	....
" .....pref.	....	30	25	10
Nipissing.....	....	825	800	....
Nova Scotia Steel.....	....	68	66½	17
" " " .....rights	....	....	....	...
Pacific Burt.....com.	....	....	....	....
" .....pref.	....	....	....	....
Penmans.....com.	....	....	....	....
Petroleum.....	....	1325	1300	....
Riordon.....	....	....	....	10
" .....pref.	....	....	....	....
Rogers.....com.	....	...	....	....
" .....pref.	....	....	....	....
Russell Motor.....	.. .	60	53	....
" .....pref.	....	....	....	35
Sawyer-Massey.....	....	....	10	....
" .....pref.	....	41	....	....
Shredded Wheat.....	....	....	....	20
Spanish River.....	....	15	14	....
" .....pref.	....	50	....	....
Cons. Smelters.....	....	26	25⅛	205
Standard Chemical.....	....	....	....	....
" " .....pref.	....	57	....	....
Steel Company of Canada.....	....	54	53	24
" " " .....pref.	....	84⅞	83	....
Toronto General Trust.....	....	....	....	....
Toronto Paper.....	....	72	65	....
Toronto Railway.....	....	61½	60½	....
Trethewey S. Mines.....com.	....	15½	14	17000
Tucketts.....	....	19	....	....
" .....pref.	1¾	....	....	....
Winnipeg Electric.....	....	....	....	....
Twin City.....	....	66	65	....
Bank of Commerce.....	....	185	....	25
Bank of Ottawa.....	....	201	....	....
Bank of Hamilton.....	...	....	184	34
Bank of Montreal.....	....	210	....	....
Bank of Nova Scotia.....	....	....	218	....
Bank of Toronto.....	....	187	....	10
Dominion Bank.....	....	202	....	....
Imperial Bank.....	....	....	....	....
Merchants Bank.....	2½	....	167	....
Molsons Bank.....	....	179¾	....	....
Royal Bank.....	....	208	....	....
Standard Bank.....	....	200	....	....
Union Bank.....	....	....	141	....
Toronto Bonds	Last Sale			
Canada Bread.....	92½	....	....	...
Canada Locomotive.....	95	....	....	....
Penmans.....	89	....	80	....
Riordon.....	....	....	....	....
Sao Paulo, 1929.....	81	....	....	....
Steel Company of Canada.....	96½	89	88	...
First War Loan.....	98	94⅞	94⅝	2600
Second War Loan.....	98¾	93¼	93⅜	8200
Third War Loan.....	....	93½	93⅛	10400

CLARKSON, GORDON & DILWORTH
Chartered Accountants, Trustees, Receivers, Liquidators
Merchants Bank Building, 15 Wellington Street West, Toronto
E. R. C. Clarkson. G. T. Clarkson.
H. D. Lockhart Gordon. R. J. Dilworth.
Established 1864

Charles D. Corbould
Chartered Accountant and Auditor
ONTARIO AND MANITOBA
806 Sterling Bank Bldg. .... Winnipeg
Correspondents at Toronto, London, Eng., Vancouver

A. A. M. DALE
CHARTERED ACCOUNTANT
WEYBURN SASK.

EDWARDS, MORGAN & CO., Chartered Accountants
Canadian Mortgage Bldg., 10 Adelaide St. E. .... TORONTO, Ont.
614 Herald Building, First Street West .... CALGARY, Alta.
705 London Building, Pender St. W. .... VANCOUVER, B.C.
705 Electric Railway Chambers, Notre Dame Avenue WINNIPEG, Man.
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HENDERSON, REID AND COMPANY
CHARTERED ACCOUNTANTS
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HENDERSON, REID AND PATERSON
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F. C. S. TURNER & CO.
Chartered Accountants
Successors to
LAING & TURNER
Trust & Loan Building, WINNIPEG
McCallum Hill Building, REGINA

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86 Adelaide Street East TORONTO
604 McGill Building MONTREAL
Cable Address—"WILLCO."
Represented at Halifax, St. John, Winnipeg, Vancouver

VICTORY BONDHOLDERS SHOULD NOT SELL

It has been reported to the Department of Finance that in some cases investors have been induced to dispose of Victory bonds at extremely low prices. Taking advantage of the fact that many of the 800,000 people who bought these bonds are not accustomed to buying securities, unscrupulous agents have persuaded some who are ignorant of the true situation or are misinformed to sell their bonds at heavy loss. These agents immediately resell the securities at fair prices through the proper channels and pocket the profit.

Victory bonds have as their security the Dominion of Canada, and holders, the officials say, should see that they obtain a fair price. Those who find it necessary to sell should make enquiries from their bankers or a recognized broker, and should not deal with unknown agents.

It is inevitable that from time to time there will be people who desire to turn some or all of their holdings into cash, just as others find themselves in a position where they can add to their purchases of Victory bonds. These buyers and sellers are brought together through the medium of the recognized dealers in securities and there is no reason why at the present time those finding it necessary to sell should not receive a price approximating the cost of their bonds.

It is to be pointed out, however, that while it was a patriotic duty to subscribe to the Victory Loan, it is a part of that duty to hold the bonds, unless it is imperatively necessary to sell. It is not merely the subscribing, it is the actual lending of the money for the period of the loan that helps our war finance.

ONE THOUSAND FORD TRACTORS PURCHASED

The Dominion government has purchased 1,000 Ford tractors at cost. They will be sold to Canadian farmers also at cost, plus freight. Details of freight costs have not yet been worked out, but it is estimated that the average cost to the farmer, including freight, will be about eight hundred dollars. In addition, the government has secured options on another thousand of the Ford tractors.

The Ford tractor has not so far been supplied to any private individual. The Ford factories are now engaged on an order for some thousands of the new tractors for the British government. When that order is completed—probably by the end of March—delivery in Canada will begin.

Purchases were completed for Canada after tests made of the tractor by Hon. C. A. Dunning, of Regina, and J. D. MacGregor, of Winnipeg, representing the minister of agriculture. Both Mr. Dunning and Mr. MacGregor express themselves as fully satisfied with the work of the tractor, and are convinced of its practicability.

The tractor burns either kerosene or gasoline. It is designed as a two-plough machine. A fuel consumption of 2½ gallons of kerosene per acre is regarded as a fair average. It is claimed for the tractor that it can plough an average of eight acres in ten hours. The ploughing speed is given as 2¾ miles per hour.

Conditions of sale will be for cash only. The scheme of distribution still remains to be worked out in detail. In all probability, however, orders will be placed through provincial departments of agriculture.

UNITED STATES TRADE WITH CANADA

Rapid Growth of Business Since 1914—Financial Relations Strengthened

Shortly after William Clarke Teagle who was recently elected president of the Standard Oil Company of New Jersey, was chosen president in 1914 of the Imperial Oil Company of Canada, which then was and still is a subsidiary of the Standard Oil Company of New Jersey, he made up his mind that in order to be well prepared for his new duties he should become familiar with Canada. So says "Holland" in his interesting daily article in the Wall Street Journal, who continues:—

He knew that great empire to the north of the United States somewhat vaguely and was familiar with its boundaries because he had occasion to look at the maps now and then. Yet he felt sure he had no broad, comprehensive knowledge of the Dominion. He therefore made an excursion throughout practically the length and breadth of Canada, at least from Manitoba eastward as far as Quebec. All that he saw and heard caused him to speak upon his return with enthusiasm of Canada and enabled him to look forward to a day when its resources would be magnificently developed and the international trade established between this country and Canada would be very large.

That excursion throughout Canada was made five years ago. Three of those five years Mr. Teagle lived in Toronto from which city he was transferred to the presidency of the Standard Oil Company of New Jersey. He saw something of the wonderful growth of Canada in the three years since 1914 when he was directing the affairs of the Imperial Oil Company. He perceived that the forecast of Canada's growth and of her trade with the United States which he made some years earlier—and which he presumed would not be realized until ten or fifteen, perhaps twenty, years had passed—is now fully justified by the event.

Trade With United States.

Thomas W. Lamont, partner of the house of J. P. Morgan & Company, who has made a careful study of conditions in Canada, set forth in an address to the members of the Canadian Society of New York, in a few impressive figures, the growth of Canada since war began, and especially the magnitude of her increased relations with the United States. As recently as 1910, Canada borrowed in the United States only $3,600,000. That loan was for a special purpose. Presumably it was related to the establishment of Canadian internal improvements. Six years later, Canada approached the United States markets successfully for a loan in the aggregate of $270,000,000, and the average of her loans for each year since the war began has been $183,000,000. That is almost as much as the average yearly borrowing Canada used to secure in London before the war began.

Financial Relations With Canada.

There was a curious change (itself one of the remarkable phenomena associated with the early days of the war) from the days in late August and early September, 1914, when the United States sent through the agency of J. P. Morgan & Company $200,000,000 in gold to Ottawa, Canada; and the time a few months later, when substantially all of that gold was returned. In addition, Canada began to borrow heavily. Ottawa, so far as this American gold was concerned, was to all intents and purposes the Bank of England. Great Britain treated that deposit of gold in Ottawa substantially as though it had been deposited in the Bank of England.

Astonishing as these figures that tell of Canada's financial relations with the United States are, Mr. Lamont regarded them as of less importance than the official figures which tells of the United States trade with Canada. There is the great outlook for future development of international trade upon the American hemisphere in which the United States will secure so great a share.

American Trade With Canada.

The United States trade with Canada and with South America should, after the war is ended, increase so greatly as to surpass the aggregate of American trade with all the other nations of the world. Five years before the European war began the United States had established an excellent trade with Canada according to Mr. Lamont. In 1909 the money value of the commodities Canada bought in the United States was $180,000,000 whereas, on the other hand, they bought in the same year Canadian commodities of the money value of $92,000,000. Therefore the trade balance of the United States in that year was about $90,000,000. That balance was presumably liquidated through London. But it is an astonishing jump from the figures of 1909 to those which Mr. Lamont reports for the year 1917. In that year Canada bought United States commodities of the money value of $664,000,000 and the United States bought Canadian commodities of the money value of a little under $300,000,000. Therefore the total of the international trade in which Canada and the United States took part in 1917 was almost exactly $1,000,000,000.

A favorable trade balance for the United States of nearly three hundred and seventy-five million dollars was created by Canadian trade for 1917. This balance, in addition to the loans which Canada secured in America, makes the United States a creditor of Canada for a little under a billion dollars.

Development of Resources.

The entire Dominion of Canada contains a population approximately the same as that of the Metropolitan district of New York. This makes it easier to realize the magnitude of Canadian fiscal and trade operations since the beginning of the war. Great as these are Mr. Lamont, President Teagle of the Standard Oil Company, and others who are qualified to speak, believe that the impulses to vast development of Canadian resources which have been occasioned by her war activities will remain and, in fact, be accelerated after the war is ended.

American capital is already heavily invested in manufacture and industries in Canada and presumably much more will be invested when the war is ended because Canada offers certain advantages for capital investment which cannot be fully matched in the United States. Mr. Lamont regards the increase in mutual confidence, in common respect each for the other nation, and in admiration for the achievements of each since the war began, as possibly one of the most beneficial of the influences which the war has occasioned, concludes the writer.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto.
(Week ended Feb. 13th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......pref.	80	87.50	Chapman Ball Bearing ..	20	29	Imperial Oil..............	280	310	North. Crown Bank	72	....
" " ......com.	41	46	Collingwood Ship...com.	25	....	Imperial Steel......pref.	....	4	Nor. Ont. L. & P,. ....6's	75	82.50
Alberta Pac. Grain..com.	98	....	Cockshutt Plow.....pref.	85.50	75	Imperial Trust Co........	....	54	Peoples Loan............	81	90
American Sales....Ex 6's	92.50	....	Crown Life	70	....	Lambton Golf Club......	340	380	Rosedale Golf Club......	300	360
Atlantic Sugar......pref.	24	29	Dom. Fire	19	21	London Loan & Savings.	100	115	Sovereign Life...........	14	20
" " .... 6's	80	85	Dom. F'dry & Steel 8% pf.	80	88.50	Maritime Coal & Ry.com.	17	22	Sterling Coal........com.	10	12
Brand-Henderson .....6's	93.50	....	Dom. Iron & Steel 5's.1939	74	78.50	Maritime Coal ....5's	67	72	" " ......bonds	69.50	73.50
" " ..com.	35	45	Dom. Linseed Oil	70	....	Massey Harris...........	115	130	Sterling Bank....	80	87.50
Belding Paul....... pref.	73.50	77	D. Po'er & Trans...:..5's	80	86	Matthew-Blackwell com.	41	51	St. Lawrence Sugar...6's	91	95.50
" " ......com.	10	14	Dom. Power........com.	50	55	Matthew-Laing.. .... 6's	92.50	97	Temple Theatre.....com.	55	....
Can. Cons. Felt.....pref.	24	30	" ....pref.	89.50	95	M'Donald...........pref.	80	85	Toronto Paper........6's	85	90
Can. Marconi............	1.75	2.65	Dominion Sugar.........	112	130	Murray-Kay ....pref.	....	25	Trust & Guarantee.......	83.50	90
Canada Machinery..com.	9.50	12.50	Dunlop Tire.......... 6's	95	100	Morrow Screw........8's	85.50	92.50	West. Assurance	5	6.50
" " ..pref.	45	50	Eastern Car..........6's	90	95	Mutual Steamships ...6's	95	....	West Can. Flour....com.	93	115
Can Salt............... 6's	93	....	" " ....pref.	45	55	National Life	30	....	" " 6's (1931)	92	96
Can. Steel Foundry...6's	85	90	Home Bank.............	60	65	National Telephone...5's	49	54	West Can. Power.....5's	49	55
Can. Westinghouse......	100	115	....	. .	....	....	...	. ..	....	....	....

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

THE EMPLOYERS'
LIABILITY ASSURANCE CORPORATION
OF LONDON, ENG. LIMITED
ISSUES
Personal Accident Sickness
Employers' Liability Automobile
Workmen's Compensation Fidelity Guarantee
and Fire Insurance Policies
C. W. I. WOODLAND
General Manager for Canada and Newfoundland
Lewis Building, MONTREAL
JOHN JENKINS, Fire Manager
Temple Bldg., TORONTO

The Imperial
Guarantee and Accident
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Head Office, 46 King St. W., TORONTO, Ont.
IMPERIAL PROTECTION
Guarantee Insurance, Accident Insurance, Sickness
Insurance, Automobile Insurance, Plate Glass Insurance.
A STRONG CANADIAN COMPANY
Paid up Capital - - - $200,000.00.
Authorized Capital - - - $1,000,000.00.
Subscribed Capital - - $1,000,000.00.
Government Deposits - - $111,000.

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Employer's Liability Personal Accident Sickness
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THE DOMINION OF CANADA
GUARANTEE & ACCIDENT INS. CO.
Accident Insurance Sickness Insurance Plate Glass Insurance
Burglary Insurance Automobile Insurance Guarantee Bonds
The Oldest and Strongest Canadian Accident Insurance Company
Toronto Montreal Winnipeg Calgary Vancouver

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

THE STORY OF A YOUNG FINANCIAL MAN'S SUCCESS.—A financial man, thirty-three years of age, came to our office four years ago to take up a new line of business—a line against which he had been prejudiced, but which he knew carried great rewards for the successful. His average commissions this year will be over $5,000.00, and he has built up a future income of over $3,000.00 a year on business already written. We are enlarging our organization to prepare for an enormous expansion of business during the next few years. We have positions for two good men with successful records. This offer will be open during the next week. Only applicants of unquestioned integrity and with the highest references will be considered. W. A. Peace, Manager Toronto Branch, Imperial Life Assurance Company, 20 Victoria Street, Toronto.

WANTED.—Casualty and Bond man with technical experience required by Western Canada general insurance agency to take charge of their Casualty, Bond and Miscellaneous Insurance Department, which is well established and has a large premium income. Canvassing experience and ability not essential, but knowledge of how to handle business offered and give service to present clients is essential. Present manager leaving for family reasons. Answers, Box 145, *The Monetary Times*, Toronto.

WANTED.—Inspector to represent large Tariff Company in Eastern Canada. Answer in own handwriting, stating experience and salary expected. Only thoroughly competent men need apply to Alpha, care of *The Monetary Times*, Toronto.

PUBLICATIONS RECEIVED

Finance.—Statement of the public accounts of the pro- ce of Quebec.

Income Tax.—"The Income War Tax Act of 1917 of the minion of Canada and Some Comment Thereon." Issued the Bank of Hamilton, Hamilton, Ont.

Finance.—"Canada's War Loans," pamphlet issued by E. Ames and Company, Union Bank Building, Toronto, tains interesting information regarding Canadian war ns.

Japan.—What his reviewers call a "fervent loyalty" to the ited States (the land of his adoption) leads Mr. Kawakami this investigation of her friendship for Japan. He shows v this began and how it has been impaired. As an in- med internationalist, believing in fair play, he patiently es up the alleged causes for disagreement. He then ex- ines the reasons leading toward a restored and developed eement between the two nations. He speaks with au- rity, and, whatever views the reader has on Anglo-Japanese l American-Japanese topics, the book will prove of great erest

"Japan in World Politics." By K. K. Kawakami. Pub- hed by the Macmillan Company of Canada, St. Martin's use, Bond Street, Toronto. Price, $1.50.

Trade.—"Conservation of Canadian Trade". By Hon. ederic Nicholls, care of Canadian General Electric Com- ny, Toronto. In his foreword Senator Nicholls says:—

"The uncertainty regarding trade conditions after the war presently giving cause for grave anxiety to business men oughout Canada.

"The balance of trade is now greatly in our favor and nada is prosperous; in fact, so prosperous that little heed being given to preparation for the inevitable "slump" that l be experienced when the demand for our output diminishes d present high prices are no longer current.

"Undoubtedly much could be accomplished by the mobili- ion of our resources, intelligent co-operation in producing and selling, and courageous effort on the part of the government, which is well advised as to the problems to be met.

"In time of war we should prepare for peace, and it will be unfitting to our dignity as a patriotic and resourceful Dominion if prompt and decisive preparations are not made to meet the new conditions which we will soon be called upon to face"

*TOTAL TRADE OF CANADA BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	36,937,713	28,391,640	50,147.830	86,807.809
May	45,076.939	34,390,808	69,697,812	107,596,379
June	45,750.793	35,324,739	66,399,538	97,515,067
July	42,964,467	36.557,691	63,622,687	90,181,595
August	44,390,603	40,806,865	72,331,114	91,931,009
September	36,567,572	38,028,156	68,766,262	75,893,365
October	35,113.730	39,515,144	71,196,252	....
November	31,552,190	45,217,559	72,579,445	....
December	30,392,913	45,690,721	67,900,534	....
January	30,300,157	50,170,465	72,823,074	....
February	35,912,910	51,654,968	68,030,469	....
March	40,411,384	62,034,605	102,335,886	....
Totals, Fiscal Years	455,371,371	507,783,361	845,330,903	....

EXPORTS OF CANADIAN MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	17,753,071	28,691,889	55,092,035	65,145,449
May	30,005,635	42,080,486	94,653,138	149,057,236
June	28,000,200	42,805,846	95,635,862	116,285,841
July	41,807,648	45,590,036	104,964,270	177,366.148
August	31.510,732	41,094,154	96,091,028	146,387,586
September	31,796,613	46,129,735	90,285,181	112,621,462
October	45,883.422	80,038,582	85,312 175	....
November	42,872,109	92,931,916	109,558,950	....
December	37,193,609	92,171,402	130,037,174	....
January	28,595,598	83,731,184	99,106.259	....
February	28,881,277	57,931,168	68,224,383	....
March	45,118,922	88,414,238	122,415,313	....
Totals, Fiscal Years	409,418,836	741,610,638	1,151,375,768	....

EXPORTS OF FOREIGN MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	662,190	2,584,685	809,061	1,795,814
May	2,885,528	1,440,434	1,175,211	3,233,110
June	2,611,309	4,552,656	2,490,104	3,725,824
July	8,507,322	2,916,682	1,590,422	2,850,372
August	12,549,622	7,904,330	2,230,133	6,175.759
September	8,747,481	7,586,147	1,986,218	2,855,585
October	5,652,809	4,063,483	2,003,559	....
November	3,370,152	1,504,177	2,243,423	....
December	1,654,488	1,423,201	2,496,831	....
January	1,371,732	1,715,862	3,445,807	....
February	1,240,624	831,865	3,254,865	....
March	2,770,416	1,165,910	4,109,698	....
Totals, Fiscal Years	52,023,673	37,689,432	27,835,332	....

TRADE OF CANADA WITH UNITED KINGDOM BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM UNITED KINGDOM.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	6,718,774	4,829,105	6,953,307	6,754,791
May	8,864,524	5,297,150	10,015,047	8,028,763
June	9,243,234	5,693,544	9,170,364	8,489,191
July	9,064,290	6,307,797	9,463.316	6,902,611
August	9,517.335	6,315,225	9,699,705	8,008,713
September	7,132,304	5,902,915	8,818,520	6,368,729
October	7,350,472	5,688,293	8,506,096	....
November	5,873,854	7,338,718	8,462,892	....
December	5,644,400	6,243,327	8,112,981	....
January	6,692,555	7,327,255	9,455,133	....
February	7,013.754	6,978,123	8,139,966	....
March	6,967,682	9,449,230	10,273,854	....
Totals, Fiscal Years	90,083,178	77,370,682	107.071,181	....

TRADE OF CANADA WITH UNITED KINGDOM BY MONTHS—*Continued.*

EXPORTS OF CANADIAN MERCHANDISE TO UNITED KINGDOM

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	7,000,680	18,192,655	35,847,117	....
May	12,154,115	24,643,519	62,310,274	....
June	8,636,470	21,783,968	61,850.279	....
July	18,026,788	22,739,381	71,317,030	....
August	12,543,233	17,925,332	59,153,587	....
September	12.752,854	22,189,301	55,804,371	....
October	24,745.143	45,765,452	47,171,629	....
November	22,150,800	59,584,272	70,141,525	....
December	17,971,518	66,405,670	93,348,306	....
January	12,686,992	59,236,993	65,987,895	....
February	14,301,759	34,445,583	42,590,593	....
March	23 698,202	58,940,273	76,624,931	....
Totals, Fiscal Years	186,668,554	451,852,399	742,147,537	....

EXPORTS OF FOREIGN MERCHANDISE TO UNITED KINGDOM.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	43,676	42,153	280,260	....
May	962,478	186.497	313.643	....
June	671,925	2,060,035	1,135,051	....
July	3,159,958	1,121,625	611,253	....
August	8,358,515	2,125,681	1,425,947	....
September	5,323,124	3,908,253	810,545	....
October	3 128,638	592,942	961,527	....
November	1,708 608	145,768	1,330,290	....
December	698,363	353,252	1,595,448	....
January	158,424	416,103	1,498,945	....
February	159.908	69.803	2,005,942	....
March	715,547	206,730	1,954,671	....
Totals, Fiscal Years	25,089,164	11,228,842	13,923,522	....

TRADE OF CANADA WITH UNITED STATES BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM UNITED STATES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	25,088,785	20,059,097	38,283,790	74,611,244
May	28,421,096	24,683,167	52,543,423	91,332,166
June	29,571,954	25,412,590	50,754,009	82,035,864
July	26,894,617	25,989,742	48,370,692	76,163,533
August	26,663,285	28,255,575	56,433,525	75,034,983
September	25,297,147	26,986,214	53,345,945	61,040,349
October	23,346,870	28,381,750	56,081,018	....
November	21,387,196	32,419,421	58,496.757	....
December	20,037,155	34,449,039	53,917,608	....
January	18,506,108	37,337,914	57,847.927	....
February	23,505,889	38.945,968	53,517,508	....
March	27,912.404	47,577,390	84,627,451	....
Totals, Fiscal Years	296,632,506	370,497,867	664,219,653	....

EXPORTS OF CANADIAN MERCHANDISE TO UNITED STATES

Months.	1914-15	1915-16	1916-17	1917-1918
	$	$	$	$
April	8,056,633	7,951,610	12,791,903	....
May	14,156,947	12,256.856	22,871,262	....
June	14,934,723	13,914,300	21,729,722	....
July	18,746,186	16,589,693	23,458,183	....
August	15,922,271	16,290,685	23,987,082	....
September	16,242,895	18,410,017	22,814,216	....
October	17,138,777	24,140,559	26,336,639	....
November	16,468,038	22,540,375	29,008,668	....
December	15,341,608	18,448,862	27,363,888	....
January	11,225,623	15,200,296	22,026,268	....
February	10,601,127	15,315,328	16,826,311	....
March	14,485,388	20,047,677	31,402,188	....
Totals, Fiscal Years	173,320,216	201,106,488	280,616,330	....

(*Continued on Page 52*)

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*Figures of the Department of Trade and Commerce.

CONFEDERATION LIFE
ASSOCIATION
Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:
W. D. MATTHEWS, ESQ.
Vice-President
SIR EDMUND OSLER, M.P.
John Macdonald, Esq.
Joseph Henderson, Esq.
Lt.-Col. A. E. Gooderham
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Lt.-Col. J. F. Michie
Peleg Howland, Esq.
Lt.-Col. The Hon. Frederic Nicholls
John Firstbrook, Esq.
Gen. Supt. of Agencies, J. TOWER BOYD
Actuary, V. R. SMITH, A.A.S., A.I.A.
Secretary, J. A. MACDONALD.
Medical Director:
ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)
HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION

The Western Life Assurance Company

have made the following increases for the quarter ending March 31st, over the corresponding period of last year:

NEW BUSINESS..... .... 280%
CASH RECEIPTS 140%
— and —
INVESTED ASSETS have increased during the quarter by 83%

Work for a PROGRESSIVE COMPANY. We want two more District Agents for the West. If you are an up-to-date Agent, write at once to the Head Office of the Company,

WINNIPEG .. .. MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds.........$ 66,500,000
Deposited with Canadian Government and Government Trustees, over.............. 7,000,000
Investments under Canadian Branch, over...$ 16,000,000
Revenue, over.............. 7,900,000
Bonus declared 40,850,000
Claims paid 151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

ENDOWMENTS AT LIFE RATES
ISSUED ONLY BY
The London Life Insurance Co.
LONDON ... ... CANADA
POLICIES "GOOD AS GOLD." 1

FOR INFORMATION RE
AGENCY OPENINGS
Address H. A. KENTY,
Superintendent of Agencies,
Continental Life Insurance Co., Toronto

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE • TORONTO, CANADA

"MUTUAL" PROTECTION AGAINST DISABILITY AND DEATH

Many Policyholders fear that a time will come when, owing to permanent disability from illness or accident, they will be disqualified from earning an income and paying their premiums. The Mutual Life of Canada issues a Policy which not only waives further payment of premiums but provides a monthly income of $10.00 per thousand of insurance, should such a condition develop and be clearly proven. This is a Policy which affords protection to the full amount of the policy at death for the beneficiary and protection for the assured while helpless—Write for full particulars.

One of the most perfect Insurance Policies issued.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario

THE UNAVOIDABLE "IF"

If a man were certain of living a specified time—IF he could foresee the future—perhaps he could do without Life Insurance. But the elements of uncertainty enters, and makes the best schemes of no account. It is this uncertainty that makes Life Insurance so invaluable. A Life Policy is the one certain way of providing for an uncertain future.

The Great-West Life Policies embody all the essentials of profitable Life Insurance. Low premium rates are charged—these premiums may be paid annually or otherwise, as suits the insured—the Policy conditions are liberal and clearly expressed, and the profit returns to Policyholders are so satisfactory that seldom does a participant fail to express both gratification and surprise at returns under his Policy.

Full particulars of suitable Policies will be mailed to any applicant.

The Great-West Life Assurance Co.
DEPT. "F"
HEAD OFFICE : : WINNIPEG

ALWAYS A PLACE
FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, President HENRI E. MORIN, Supervisor

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

The Western Life Assurance Company

SIXTH ANNUAL REPORT

Your Directors have pleasure in submitting to the Shareholders and Policyholders their report of the Company's business for 1917.

ASSURANCES—New Policies were issued and revived amounting to $1,054,750.00, so that the total insurance in force now stands at $2,091,899.00, an increase of $495,430.00 over 1916, or 31%.

INCOME—The gross cash revenue from Premiums and Interest amounted to $78,058.46, an increase of $26,195.89 over 1916, or 50½%.

ASSETS—The Assets of the Company have now reached the total of $257,395.31. The increase in admitted assets over 1916 was $86,792.66, or over 81%.

SURPLUS—The Assets exceed the total Liabilities to Policyholders by $134,445.34.

POLICY RESERVES—The Reserves held for the security of Policies in force computed on the Om. (5) Table of Mortality, with interest at three and one-half per cent., being in accordance with the Dominion Insurance Act, now amount to the sum of $110,917.00, an increase of $20,815.00 over 1916, or 23%,

DEATH LOSSES—During the year Death Claims paid amounted to $8,309.20, of which $5,250.00 was the result of the War; $3,059.20 only being due to natural causes.

SECURITY FOR POLICYHOLDERS—The Security for our Policyholders, including Policy Reserves, Net Surplus and Capital Stock, has now reached the total of $1,108,552.34, an increase of $69,247.15 over 1916, or 6.6%.

A. E. MAY,
President,

ADAM REID.
Managing Director.

FINANCIAL STATEMENT FOR THE YEAR ENDING 31st DECEMBER, 1917.

CASH ACCOUNT

INCOME

Gross First Year Premiums	$ 32,174.56	
Gross Renewal Premiums	36,144.90	
Total Gross Premiums	$ 68,319.46	
Less Re-Insurance	1,959.40	
Total Net Premiums		$ 66,360.06
Interest		9,739.00
Received from Stockholders		115,739.27
From all other sources		8.95
Total Income		$191,847.28

EXPENDITURES

Death Claims	$ 8,250.00	
All other payments to Policyholders	6,382.70	
Total payments to Policyholders		$ 14,632.70
Taxes, License Fees and Fines	1,183.52	
H.O. Salaries, Directors' and Auditors' Fees and Travelling Expenses	14,475.28	
Agents' Salaries, Commissions and Expenses	31,613.57	
All other Expenditures	12,348.82	
Total Expenses of Management		59,621.19
Organization Expenses		25,914.13
Total Expenditures		$ 100,168.02
Excess Income over Expenditures		91,679.26
Total		$ 191,847.28

BALANCE SHEET

ASSETS

Mortgages on Real Estate		$ 20,778.45
Loans on Policies		12,021.75
Bonds and Debentures (Market Value)		78,849.06
Cash on Hand and in Bank		66,824.38
Deposit with B.C. Government		187.00
Interest Due and Accrued		3,399.20
Net Outstanding and Deferred Premiums		11,093.30
Total Assets		$ 193,153.14
Surplus as above		70,203.17
Further Assets as shown by the Company not included in the above :—		
Office Furniture and Equipment (less depreciation)		4,000.00
Bills Receivable and Judgments		1,496.04
Balance Owing on Stock Premium Notes		16,024.07
Capital Called	$ 132,410.00	
Capital Paid	95,464.52	
Balance Owing on Capital Stock Notes		36,945.48
Interest Accrued on Stock Notes		2,500.00
Agents' Balances (Net)		3,276.58
Total Surplus to Policyholders as shown by the Company		$ 134,445.34

LIABILITIES

Reserve on Policies in Force, Om (5) 3½ per cent. (Dominion Government Standard)	$ 110,917.00
Death Claims Unpaid	5,058.00
Death Claims Payable in Instalments	2,879.35
Unpaid Medical Fees and Current Account	290.00
Premiums Paid in Advance	705.62
Net Re-Assurance Premiums Unpaid	60.45
Items in Suspense	39.55
Taxes Payable in 1918 on 1917 Income	500 00
Investment Reserve	2,500.00
Surplus to Policyholders under Dominion Government Standard, including Paid Capital $95,464.52	70,203.17
	$193,153.14

AUDITORS' CERTIFICATE

The audit of the Company's Books, which has been carried on continuously throughout the year, has been completed to December 31st, 1917.

The various securities representing the Company's Loans and Investments have been examined and the Cash and Bank Balances verified.

I certify that satisfactory vouchers have been produced for the various entries in the books, which I believe to be correct.

The accompanying statement of Receipts and Disbursements and of Assets and Liabilities I believe to fairly set forth the position of the Company's affairs at the close of the year.

The Reserves are vouched for by the Dominion Insurance Department.

(Signed) CHARLES D. CORBOULD, C.A.,
Auditor.

Winnipeg, January 28th, 1918.

BOARD OF DIRECTORS

President, A. E. MAY, Edmonton, Merchant.
First Vice-President, DR. R. F. RORKE, Winnipeg.
Second Vice-President, DR. T. J. REID, Minneapolis, Minn.
JOHN D. HUNT, Edmonton, Clerk to Executive Council, Province of Alberta.
JASPER DOOLITTLE, Broker, Dangerfield & Doolittle, Winnipeg.
ADAM REID, Winnipeg.
Managing Director, ADAM REID.
Medical Director, R. F. RORKE, M.D., C.M., M.R.C.S. Eng., L.R.C.P. London.
Treasurer, F. B. BLACKLEY.
Bankers, THE STANDARD BANK OF CANADA.

War Conditions — Liberal
Premiums — Recently Reduced
Agency Contracts — Profitable

AGENTS WANTED

Gresham Life Assurance Society
LIMITED
Head Office for Canada ∴ MONTREAL
Established 1848. Funds Exceed $50.000,000

CROWN LIFE

BIGGER BUSINESS AT LOWER COST

	1916	1917
Cash Premium Income	$461,342.90	$551,869.25
Cash Interest Income	87,002,65	105,856.13
Total Income Less Exp.	144,658.70	281,532.07

Expense ratio (10&1 basis) reduced 23.3%!

Copy of Annual Report will be sent on request.

Crown Life Insurance Co., Toronto

Agents wanted in unrepresented districts 55

New Edition Now Ready (Send in orders now)

Manual of Canadian Banking

By H. M. P. ECKARDT

Price - $2.50 Postpaid

Published by
THE MONETARY TIMES
62 Church Street - - TORONTO

SIMPLICITY FIRST

is about as important in your life assurance as "Safety First," because a contract that is not simple to understand may not be safe for your particular purpose.

The life assurance policy of the future must be an attractive and exactly worded contract, but above all CLEAR and SIMPLE — the new policy standard as set by

The Sovereign Life Assurance Co. of Winnipeg

QUEBEC CROPS' VALUE, $150,000,000

The Quebec Bureau of Statistics has published an estimate for the year of the yield, quality and value of the principal cereal crops for the season of 1917. These figures are the definite complement of the agricultural statistics collected last spring by the heads of the rural schools who have served as medium between the farmers and the Provincial Bureau of Statistics.

The total yield of wheat was 3,883,600 bushels, against 960,000 the previous year; oats, 32,466,200 bushels, against 24,411,000 in 1916; barley, 3,063,600 bushels, against 1,456,000 the previous year. The average yield per acre of these cereals was as follows in 1917: Wheat, 14 bushels; oats, 21.75 bushels; barley, 18.50 bushels; rye, 16.75 bushels. The total yield of the other cereals in 1917 was the following: Rye, 376,000 bushels; peas, 797,500 bushels; beans, 827,400 bushels; buckwheat, 2,699,000 bushels; mixed grain, 2,609,900 bushels; flax, 47,000 bushels; Indian corn, 1,802,700 bushels.

The quality of the cereals in 1917, according to the average weight per bushel, is shown in the following figures: Spring wheat, 57.96 pounds per bushel; oats, 34.34; barley, 48.14; rye, 53.36; peas, 59.75; beans, 59.90; buckwheat, 46.55; mixed grain, 44.50; flax, 53.21; Indian corn, 56.89.

The following prices are much higher than those of the previous years. They have been established from the reports of the correspondents of the different municipalities of the province. Thus, the average price per bushel of wheat is $2.46; oats, 92 cents; barley, $1.58; rye, $1.78; peas, $4.51; beans, $7.77; buckwheat, $1.78; mixed grain, $1.33; flax, $3.37; Indian corn, $2.25.

With the preceding statistics and the knowledge of the area seeded last spring it is easy to establish the total value of the different crops. The crop of wheat is worth $9,553,700; oats, $29,868.900; barley, $4,840,500; rye, $669,300; peas, $3,596,700; beans, $6,428,900; buckwheat, $4,669,300; mixed grain, $3,471,200; flax, $158,400; Indian corn, $4,057,000, which makes a total of $153,197,900, against a value of $102,037,000 for the year 1916. The great difference in these figures is not the result only of the increase in prices, but also of the more complete information that it was possible to gather with the provincial organization of a bureau of statistics, on the colossal effort of the farmer to extend his crops, following the pressing appeal made to him in this respect last spring.

WORLD'S GOLD OUTPUT

The world's gold production in 1917 was valued at $428,380,988, as compared with $456,593,695 in 1916, and $470,329,527 in 1915, the largest ever recorded. This year's production is the smallest since 1907. Notwithstanding the recent decline in the African output, this newest field of any great importance is the only one that has made any noteworthy progress in the mining of gold during the last decade. While between 1906 and 1917 the total production of the world advanced 1,352,307 fine ounces, the gain in Africa alone was 3,713,315 fine ounces, indicating that elsewhere collectively there was a decline of 2,361,008 fine ounces, the retrogression in Australasia being almost wholly responsible for it.

The production by ounces for the past two years follows:—

	1917.	1916.
Australia	1,750,000	1,954,774
Africa	10,315,000	10,713,101
United States	4,085,589	4,479,057
Canada	822,376	930,492
Russia	1,000,000	1,253,362
Mexico	360.000	372,038
All others	2,390,000	2,384,033
Total	20,722,965	22,087,757

The Western Life Assurance Company, Winnipeg, has purchased $30,000 bonds of the Greater Winnipeg Water District.

TRADE OF CANADA WITH UNITED STATES BY MONTHS—*Continued from Page 48.*

EXPORTS OF FOREIGN MERCHANDISE TO UNITED STATES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	554,106	2,523,936	498,847	....
May	704,925	804,121	694,465	....
June	896,101	565,292	685,866	....
July	799 669	1,388,725	706,075	....
August	1,560,373	4,562,614	739,633	....
September	1,832,072	1,181,862	1,118,379	....
October	1,052,813	1,022,692	977,307	....
November	695,917	723,051	848,179	....
December	688,024	842,645	825,913	....
January	1,191,921	510,587	848,628	....
February	1,071,741	702,873	895,969	....
March	1,974,978	734,376	1,123,182	....
Totals, Fiscal Years	13,022,640	15,562,774	9,962,443	....

TRADE OF CANADA WITH OTHER COUNTRIES BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	5,130,154	3,503,438	4,910,733	5,441,774
May	7,791,319	4,410,491	7,139,342	8,235,450
June	6,935,605	4,218,605	6,475,165	6,990,012
July	7,005,560	4,260,152	5,788,679	7,115,451
August	8,209,983	6,236,065	6,197,884	8,887,313
September	4,138,121	5,139,027	6,601,797	8,484,287
October	4,416,388	5,445,101	6,609,138	....
November	4,291,140	5,459,420	5,619,796	....
December	4,711,358	4,998,355	5,869,945	....
January	5,101,494	5,505,296	5,020,014	....
February	5,393,267	5,730,877	6,372,995	....
March	5,531,298	5,007,985	7,434,581	....
Totals, Fiscal Years	68,655,687	59,914,812	74,040,069	....

EXPORTS OF CANADIAN MERCHANDISE TO OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	2,695,758	2,547,624	6,453,015	....
May	3,694.573	5,180,081	9,471,602	....
June	4,429,007	7,107.578	12,055,861	....
July	5,034'674	6,260,764	10,189,057	....
August	3,045,228	6,878,137	12,950,359	....
September	2,800,864	5,530,417	11,666,594	....
October	3,999,502	10,132,571	11,803,907	....
November	4.253,271	10,807,269	10,408,757	....
December	3,880,483	7,316,870	9,324,980	....
January	4 682,983	9,293,895	11,092,096	....
February	3,978,391	8,170,257	8,807,479	....
March	6,935,332	9,426,288	14,388,194	....
Totals, Fiscal Years	49,430,066	88,651,751	128,611.901	....

EXPORTS OF FOREIGN MERCHANDISE TO OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	64,408	18.596	29.954	....
May	1,218,125	449,816	167,103	....
June	1,043,283	1,927,329	669,187	....
July	4,547,695	406,332	273,094	....
August	2,630,734	1,216,035	64.553	....
September	1,592,285	2,496,032	57,294	....
October	1,471.358	2,447,849	64,725	....
November	965,627	635,358	64,954	....
December	268,101	227,304	75,470	....
January	21,387	789,172	1,098,234	....
February	8,975	59,189	352,954	....
March	79,891	224 804	1,031,845	....
Totals, Fiscal Years	13,911,869	10,897,816	3,949,367	....

NEW INCORPORATIONS

Large Brick and Coal Companies Incorporated, With Headquarters at Montreal

The largest companies incorporated during the past week were: The H. J. Daly Company, Limited, Toronto, Ontario, $1,000,000; the Shale Brick Company of Canada, Limited, Montreal, Que., $1,600,000; Century Coal and Coke Company, Limited, Montreal, Que., $1,500,000.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Alderson, Alta.—N. E. Stuart and Company, Limited, $49,000.

Lindsay, Ont.—Lindsay Coal Company, Limited, $30,000; T. H. Stinson, J. E. Anderson, A. M. Fulton.

St. Catharines, Ont.—Chaplin Realty Company, Limited, $10,000; J. S. Lovell, W. Bain, R. Gowans.

Kitchener, Ont.—Port Elgin Fish Company, Limited, $40,000; H. J. Martin, T. N. Poole, E. H. Austin.

Collingwood, Ont.—Ferguson and Wheatley, Limited, $40,000; G. H. Ferguson, W. Wheatley, M. E. Ferguson.

Kemptville, Ont.—The McMaster Lumber Company, Limited, $45,000; R. D. McMaster, J. McMaster, M. F. Earle.

Luton, Ont.—The Luton Farmers Co-Operative Club, Limited, $3,000; A. Miller, O. L. Westover, M. McKnight.

Maisonneuve, Que.—La Compagnie Franco-Canadienne d'Immeubles, Limitée, $20,000; A. Geoffrion, R. T. Bergeron, J. C. Mars.

Calgary, Alta.—Central Creameries, Limited, $400,000. Crystal Dairy, Limited, $300,000. Union Milk Company, Limited, $300,000.

Lethbridge, Alta.—The O. T. Lathrop Land Company, Limited, $20,000. Big Bend-Alberta Land and Cattle Company, Limited, $200,000.

Vancouver, B.C.—Quatsino Timber Company, Limited, $10,000. Modern Clothes Company, Limited, $10,000. Adels-Ripley Sales Company, Limited, $9,000. Alaska and British Columbia Fisheries, Limited, $100,000.

Edmonton, Alta.—Sample Shoe Store, Limited, $20.000. Fertile Belt Land Company, Limited, $20,000. Northern Alberta Farmers' Milling Company, Limited, $100,000. National Coal Mines, Limited, $200,000. Provincial News Company, Limited, $20,000.

Winnipeg, Man.—The Kiwanis Club of Winnipeg, Limited, $5,000; J. T. LePage, A. McDougall, E. G. Bricker. Mitchell and Company, Limited, $40,000; E. B. Mitchell, N. Wolfe, D. M. Copp. International Grain and Live Stock Company, Limited, $500,000.

Toronto, Ont.—Canadian Remedy Company, Limited, $30,000; A. B. McClure, A. G. McKnight, R. J. Alexander. Cobalt Smelting and Mining Company, Limited (no personal liability), $40,000; W. A. Henderson, W. J. Thompson, N. W. Robertson. Color Craft, Limited, $40,000; A. W. Briggs, E. M. Dillon, R. T. Birks. The H. J. Daly Company, Limited, $1,000,000; R. H. Parmenter, Arthur J. Thomson, W. S. Morlock. George R. Fuller, Limited, $40,000; G. R. Fuller, C. A. Fuller, M. E. Lawrence. Ontario Oakoal Company, Limited, $125,000; J. A. Armstrong, K. E. Potts, W. R. Jackson. M. B. Overlay Company, Limited, $40,000; W. C. Baker, W. J. Whittard, J. Miln. Union Garage Motors, Limited, $40,000; D. I. Grant, M. MacDonald, E. Smily.

Montreal, Que.—American Waist and Dress Company, Limited, $20,000; S. Eliasoph, N. Solomon, J. Macnaughton. J. H. Lavallee, Limitée, $10.000; J. H. Lavallee, Y. Lefebvre, P. Jobin. Bonsecours Butchers, Limited, $20.000; L. Millman, A. Millman, M. Getz. Chambre Commerciale des Cultivateurs, Limitée, $99,000; P. Morel, C. J. Charbonneau, J. S. Pilon. Elite Cloak and Skirt Company, Limited, $20,000; M. L. Millman, J. Kibrick, A. Millman. Parc Lafayette, Limitée, $90,000; J. Pharand, O. Dansereau, A. Chatelain Club Social des Marchands, Limitée, $20,000; N. Ranger, G Pigeon, R. Pigeon. Century Coal and Coke Company, Limited, $1,500,000; W. K. McKeown, L. C. Herdman, G. E. Chart The McNeil Lumber Company, Limited, $40,000; F. Callaghan, F. X. Biron, A. Tracey. William Brodie, Limited, $100,000; A. G. Claxton, A. E. Harvey, C. S. Mitchell. The Shale Brick Company of Canada, Limited, $1,600,000; E. Languedoc, C. Sinclair, J. P. Charbonneau.

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JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

Big Steel Merger is on the Way

Dominion Steel Corporation and Nova Scotia Steel and Coal Company are Discussing Amalgamation Proposals—No Official Announcements Have Been Made—Review of the Companies' Position—The Outlook for Our Iron and Steel Industry.

To those who have closely followed the careers of the Nova Scotia Steel and Coal Company, Limited, and the Dominion Steel Corporation the proposed merging of these two concerns was anticipated. It remained merely to convince the shareholders of the respective companies that their interests would be better served by joint management and to find some satisfactory basis of exchange of stock. It is understood that tentative efforts have been made in the past to merge the two companies, but no satisfactory progress was attained until they came under their present management. It is said by those who are in close touch with the situation that Mr. Frank H. Crockard, the new president and general manager of Scotia, and Mr. Donald H. McDougall, the general manager of the Dominion Steel Corporation, are the men who have convinced the financial interests behind the companies of the advisability of a merger. Mr. McDougall, who was formerly general manager of the Dominion Coal Company, is one of the leading mining engineers on this continent, and few men have a better knowledge of the mining and metallurgical conditions under which the companies have been operating, especially in regard to the coal properties.

Mr. Crockard, who surrendered the vice-presidency of the Tennessee Coal and Iron Company a few months ago in order to take charge of Scotia's destiny, is said to have realized at once the strong position in which such a merger would place the companies. There are, no doubt, many extensions and improvements which Mr. Crockard would like to make in the Scotia plant, and it is understood that the Dominion Company was considering, before the war, the expenditure of a large sum of money for new construction and equipment. While neither concern is disposed to sacrifice output during the war by undertaking any work of remodelling plants, there is little doubt that immediately after the war both plants will be considerably enlarged and rearranged. The logical time for merging the two companies' interests is before such a programme of reconstruction is commenced. It was therefore expected that these companies would eventually merge, but just what causes have led to the merger nearing consummation at the present time is not known. Mr. Crockard and Mr. McDougall will no doubt be at the head of the merged companies, as Mr. Crockard's experience as an iron and steel maker and metallurgist is surpassed by few, if any, on this continent

Export trade will be an important factor in the success of these companies after the war. With Mr. Crockard and Mr. McDougall working together rather than competing and with the interests and resources of Scotia and Dominion combined the new company would unquestionably be able to place their plants in a better condition to compete with foreign concerns. The proposed large plant of the United States Steel Corporation at Ojibway may have been a decisive factor in the decision of Scotia and the Dominion companies to combine for self-protection, as both our maritime province steel concerns, in the opinion of many, will experience keen competition from the Ojibway plant.

The Scotia and the Dominion companies have considerable resources in iron ore and metallurgical coal. It is known that the policy of the two companies has become much more progressive of late and that the directors of the properties desire to convert their natural resources into all shapes for which there is a good demand. As this will entail the building of larger plate mills and the installation of mills for rolling all kinds of structural shapes, such as are at present imported from the United States, including beams, channels, angles, piling, etc., such a programme, if individually and competitively carried out by the two companies, would involve unnecessary duplication of expenditure and effort. The ore and coal resources of Scotia are so intermixed, and the two companies in many ways so complement each other, that a merger of the concerns has been anticipated as the most logical and probable event. It will probably have the support and concurrence of financial and other interests in Canada, resulting as it will in stronger and more efficient operation of these large Canadian properties and enabling them to compete to better advantage in the world's markets. One of the chief conditions of the merger, so far as the Canadian people are concerned, is that the control of the company shall remain in the Dominion and the British Empire.

That the companies will amalgamate is now generally accepted as a fact. On previous occasions when *The Monetary Times* put the question to the heads and directors of these enterprises, the reply was that a merger was not contemplated. To-day when similar questions are asked, there is no attempt to deny that negotiations are in progress. Answering a query of *The Monetary Times* this week, Mr. Frank H. Crockard, the capable and progressive general manager of Scotia, regretted that "at this time" he is "unable to give any authentic statement."

A somewhat similar statement comes from Mr. Mark Workman, president of the Dominion Steel Corporation. In a statement to *The Monetary Times* on Monday, Mr. Workman said that so far there is no information he could give regarding the suggested amalgamation other than that which has already appeared in the press. It will be recalled that he had previously stated that the merger of the two concerns will "be a matter of weeks and not months." He has also indicated that in the event of an amalgamation, the Dominion Steel Corporation will be the controlling factor, for one reason because it would dispose of the objection raised that United States interests might obtain control of the two companies. According to Mr. Workman, Canadian interests will be supreme. Mr. Workman referred to the desire of the Dominion government that the erection of mills for the manufacture of ship plates should be undertaken by one of the steel companies in Canada. He intimated that the action that might be taken by the two companies would therefore be a matter of concern to the Dominion government. The development programme of the Dominion Steel Corporation in the way of blast and open-hearth furnaces he estimated at from $10,000,000 to $12,000,000. For the present, at all events, he declared, his company had no plan or intention of erecting a shipbuilding plant.

The Dominion Steel Corporation's capital is $7,000,000 preferred, and $32,097,700 common stock. The common stock capital of the Nova Scotia Steel and Coal Company is $15,000,000, and $1,000,000 preferred, so that the total common stock capital of the merged companies would be $47,000,000, and the preferred about $8,000,000. Against this capital the two companies had at the end of 1916 excess current assets over liabilities of about $16,000,000. This amount will be further enlarged as the result of operations for 1917. In 1914, the excess of current assets over current liabilities of the Dominion Steel Corporation amounted to 4.7 per cent. on the entire capitalization. In 1917 this had increased to 18.95 per cent. For the same periods, the Nova Scotia Steel and Coal Company, in 1914, had excess current assets equal to 1 per cent. on the total capital, against 12.47 per cent. in 1916.

The current cash position of the two companies is shown in the following table:—

	Dominion Steel Corporation.	Nova Scotia Steel & Coal Company.
Total stock and bonds outstanding	$69,265,066	$18,287,196
Current assets	15,446,396	5,725,287
Current liabilities	2,315,238	3,443,558
Excess current assets over liabilities	13,131,158	2,281,729
Percentage surplus assets to total capital	18.95	12.47

Dominion Steel figures are for year ended March 31st, 1917. Scotia Steel figures are for year ended December 31st, 1916.

Some new financing will probably be required to complete the plans of the merger, but it will not likely be considerable in amount. The cash holdings of the two companies combined would provide a nucleus for an extensive programme of extensions and improvements and would be supplemented out of earnings as the work progressed.

If the amalgamation goes through, it will be on the basis of the present capitalization of the companies, without watered stock.

The general opinion is that the companies will merge on a share-for-share basis. There is, however, discussion of a cash bonus for the Scotia shareholders. This is mentioned at $10 a share or a total payment of $1,500,000. Little has been heard from the shareholders on this matter or indeed on any phase of the amalgamation proposals, as the subject has not been officially brought to their attention as yet. Mr. L. G. Beaubien, who owns and controls a very large block of stock of the Dominion Steel Corporation, has stated that while he was personally in favor of an amalgamation, as in the best interests of the Dominion Steel Corporation, he would like to know more of what was being done. "I would like to be given a chance to pass judgment before a decision is reached by the board. As the largest shareholders, we haven't been consulted in the negotiations that are going on, and we ought to have some say. We are thinking of writing a letter to some of the shareholders and friends explaining the whole matter."

Mr. Mark Workman, president of the Dominion Steel Corporation, and Mr. N. B. McKelvie, a director of the Nova Scotia Steel and Coal Company, have been in conference on several occasions during the past few weeks. Mr. McKelvie was chiefly responsible for the interest of American capital in the Nova Scotia Company. Mr. W. D. Ross has been the company's chief financial adviser.

Messrs. Hayden, Stone and Company, of New York, the brokerage firm which is understood to be interested in the suggested merger, has written the following letter to the press: "There has been considerable publicity regarding the proposed merger of Dominion Steel Corporation and the Nova Scotia Steel and Coal Company, and such merger would bring under one ownership raw material in the shape of iron ore and coal that would compare favorably with the ownership of such materials by any other company on this continent, and from the point of view of the British Empire would represent one of its great assets.

"To say that we are back of such a merger is hardly correct; but we do feel that an operation of the coal and iron ore deposits under one ownership instead of by any man-made division would result in economies, both from the point of operation and by avoiding the necessity of duplication of plant, that would be of the greatest benefit to the security-holders of both companies.

"However, if the talked-of merger is not consummated it will not in any way interfere with present plans of the Nova Scotia Steel and Coal Company, as the property has enormous supplies of raw materials, and we feel that the company has in Mr. Frank H. Crockard one of the ablest steel men on this continent to direct its development and operations, and there would not be any reason to delay proceedings with a plant commensurate with the company's supplies of raw material."

As to the selection of the management of the amalgamated concerns, it is stated, unofficially, that under certain circumstances Mr. Mark Workman, president of the Dominion Steel Corporation, would continue to give the company the benefit of his business experience, probably as chairman of the board of directors, while a technical man would fill the position of president and active head of the amalgamated company. There is precedent for such an arrangement, for when the United States interests took over control of Nova Scotia Steel, one of the most expert steel men in the United States was selected to fill the presidency, namely, Mr. F. H. Crockard, who is understood to receive a salary of $100,000 a year, in addition to a bonus on production.

GROWTH OF CANADA'S TWO LARGEST STEEL COMPANIES

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

	1909	1910	1911	1912	1913	1914	1915	1916
CAPITAL—	$	$	$		$	$	$	$
Bonds	3,500,000	4,960,000	4,933,900	5,946,809	5,911,809	5,873,809	5,333,309	5,787,196
Debenture Stock	1,000,000	1,000,000	1,000,000	1,000,000	3,000,000	3,000,000	4,000,000	4,000,000
Preferred Stock	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000	1,000,000	1,000,000
Common Stock	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	7,500,000	7,500,000
Total Capital	11,530,000	12,990,000	12,963,900	13,978,809	15,941,809	15,903,809	18,333,309	18,287,196
Cost of Properties	12,582,191	13,490,553	14,489,286	15,870,614	16,829,078	17,705,408	18,533,724	**20,036,596
Investments in other Companies	....	....	....	....	....	....	144,740	239,338
Balance due on Houses sold	....	....	....	....	....	....	....	71,405
Deferred Charges to Operations	....	....	....	....	....	....	389,366	395,599
CURRENT ASSETS—								
Inventories	1,134,259	1,245,681	1,338,128	1,714,184	1,776,575	2,041,039	2,358,688	4,022,668
Accounts and Bills Receivable	662,280	606,857	590,543	907,485	483,181	728,381	2,091,013	1,042,623
Cash	207,029	498,787	397,290	328,594	263,416	18,186	566,189	540,559
War Loan	....	....	....	....	....	....	.....	119,437
Total Current Assets	2,003,568	2,351,325	2,325,961	2,950,263	2,523,152	2,777,606	5,105,890	5,725,287
CURRENT LIABILITIES								
Accounts and Bills Payable, Bank Loans	801,009	304,597	1,215,691	1,024,020	589,931	2,383,876	1,598,938	3,156,637
Bond Interest	87,500	124,842	124,888	150,199	150,317	148,647	147,440	266,921
Debenture Stock Interest	30,000	30,000	30,000	30,000	88,560	90,000	120,000	
Preferred Dividend	20,600	20,600	20,600	20,600	20,600	....	....	20,000
Common Dividend	60,000	75,000	90,000	90,000	90,000	....	....	
Funds at Credit of Eastern Car Co.	....	....	....	971,599	....	....		
Total Current Liabilities	999,109	555,039	1,481,179	2,286,418	939,408	2,622,723	1,866,378	3,443,558
EXCESS CURRENT ASSETS	**1,004,459**	**1,796,286**	**844,782**	**662,845**	**1,593,744**	**154,883**	**3,149,512**	**2,281,729**
Advances to Eastern Car	....	....	....	....	....	....	....	‖ 1,911,449
RESERVES								
General Depreciation and Renewals	924,562	994,623	1,023,332	1,029,270	1,085,894	1,139,549	1,778,423	
Fire Insurance Fund	45,280	51,613	62,191	72,223	29,153	32,782	....	2,000,000
General Reserve	750,000	750,000	750,000	750,000	750,000	600,000	600,000	
Reserve for Relining and War Tax	....	....	....	....	....	....	....	808,832
Total Reserves	1,719,842	1,796,236	1,835,523	1,851,493	1 864,847	1,772,331	2,373,423	7,808,832
PROFIT AND LOSS (Gross)	907,949	1,140,504	1,019,393	1,000,610	1,255,954	415,164	§2,094,170	4,222,373
LESS CHARGES—								
Sinking Fund	35,700	....	24,800	26,105	32,660	34,410	36,310	....
Depreciation and 1916 War Tax	77,669	79,371	96,124	92,196	70,185	76,169	not shown	¶1,490,586
Bank and Bond Interest	247,837	248,000	291,169	352,311	395,576	421,070	291,665	387,309
Debenture Stock Interest	30,000	60,000	60,000	60,000	109,560	180,000	189,452	240,000
Preferred Dividend	82,400	82,400	82,400	82,400	82,400	41,200	†123,600	80,000
Common Dividend	60,000	270,000	360,000	360,000	360,000	180,000	....	....
Common Stock Bonus	*1,000,000	....	....	....	....	....	....	....
Bond Discount written off	184,453	218,103	....	....	....	....	....	....
Fire Insurance Fund	7,630	6,334	10,577	10,032	10,104	3,630	....	....
Improvements, written off	52,174	....	73,681	61,009	107,682	86,605	....	....
Directors' Fees	12,500	12,500	12,500	12,500	12,500	12,500	not shown	not shown
Total Charges	1,790,363	976,608	1,011,451	1,056,554	1,180,667	1,035,584	641,027	2,197,895
Surplus for year, after all payments	*Note bonus div.	163,896	7,942	‡55,944	75,287	‡620,420	1,453,143	2,024,478
Deferred Charges to Income	....	....	....	....	....	....	....	305,000
Sinking Fund Liability	....	....	26,101	53,556	88,278	126,684	....	..
Profit and Loss Balance	336,807	500,602	508,545	452,601	527,887	‡57,466	1,510,609	3,535,087

‡ Deficit † 1½ Year's Div. § Profit shown after Depen. ¶ Incl. prov. for War Tax 1915-1916. ** Based appraisal value less depen. ‖ Included on statement in current assets.

DOMINION STEEL CORPORATION, LIMITED

	(Dom. Iron & Steel Co. only) 1911	1912	1913	1914	1915	1916	1917
CAPITAL—	$	$	$	$	$	$	$
Dom. Coal Co. Bonds	....	7,026,888	6,884,728	6,735,174	6,609,000	6,482,500	6,300,500
Dom. Iron & Steel Co.'s Bonds	14,152,838	14,057,847	13,911,873	14,721,860	14,510,173	14,286,107	14,078,533
Preference Shares of Corp.	....	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Preferred Stock (D. I. & S. Co.)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Preferred Stock (D. Coal Co.)	....	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Dom. Iron & Steel Co. (Com.)	20,000,000	....	....	....	....	....	....
Common Stock (Dom. Steel Corp.)	....	30,656,800	31,896,200	32,097,700	32,097,700	32,097,700	32,097,700
Debentures & Notes (Dom. Steel Corp.)	....	1,531,843	1,550,948	4,963 460	4,965,336	3,733,470	646,333
Cumberland Ry. & Coal Co.'s Bonds	....	979,000	1,167 000	1,167,000	1,167,000	1,167,000	1,142,000
Total Capital	39,152,838	69,252,378	70,410,749	74,685,194	74,349,209	72,766,777	69,265,066
PROPERTIES AND INVESTMENTS	43,000,897	65,885,428	68,749,181	69,949,635	69,804,716	68,712,971	67,401,089
DEFERRED CHARGED TO OPERATIONS	185,081	289,053	388,060	314,208	365,199	507,588	554,988
DISCOUNT ON SECURITIES (not written off)	....	....	3,286,992	3,699,218	3,528,108	3,279,104	wiped out of surp.
BOND SINKING FUND ASSETS	374,319	315	1,079	150,763	151,264	100,211	124,448
CURRENT ASSETS—							
Inventories	2,148,140	4,398,678	4,996,698	6,904,478	5,574,723	5,596,854	5 607,619
Accounts and Bills Receivable	1,820,478	2,542,954	2,738,392	2,363,256	2,125,476	2,601,456	3,894,939
Cash and Securities	512,369	*3 449,413	125,036	259,884	795,165	1,120,269	5,943,838
Total Current Assets	4,480,987	10,391,045	7,860,126	9,527,568	8,495,364	9,318,579	15,446,396
CURRENT LIABILITIES—							
Accounts and Bills Payable	1,348,411	5,264,122	6,122,680	5,476,940	3,865,958	1,871,413	1,572,580
Dividends Payable	175,000	483,924	493,962	175,000	nil	175,000	495,977
Accrued Interest on Bonds	120,039	295,505	291,754	354,025	356,124	320,420	246,731
Loans for purchase of Coal Co. Stock	1,753,020	....	....	....	....	....	
Total Current Liabilities	3,399,470	6,043,551	8,908,396	6,005,965	4,222,082	2,366,833	2,315,288
EXCESS CURRENT ASSETS	**1,081,517**	**4,347,494**	**351,730**	**3,521,603**	**4,273,282**	**6,951,746**	**13,131,108**

DOMINION STEEL CORPORATION, LIMITED—*Continued*

	(Dom. Iron & Steel Co. only) 1911	1912	1913	1914	1915	1916	1917
	$	$	$	$	$	$	$
RESERVES							
Relining	121,787	Inc. in other ids.	....	....	....	....	....
Exhaustion of Minerals	224.105	....	....	....	....	....	....
Contingent and other Funds	409.728	204,854	365,650	440,432	567.397	903.498	1,238.657
Accrued Dividends	....	35,000	105,000	*107,000	105,000	280,000	105,000
Depreciation	2,367,484	Deducted from cost of properties		....	....	....	....
Reserve for Const. and War Tax	....	....	....	....	....	....	3,000,000
Outstanding Com. Stock Constituent Companies	....	245,612	57,212	54,576	23,245	5,247	5,967
Total Reserves	3,123,104	485,466	527,862	600,008	695.643	1,188,745	4,349,624
PROFIT AND LOSS (Gross)	2,201,186	7,388,261	4.714,058	4,442,032	3,571,059	7,004 317	12.967,875
LESS CHARGES							
Provision for Sinking Fund, Exhaustion of Minerals and Depreciation	419,866	1,624,806	1,009,651	903,889	920,093	1,192,824	1,859,596
Interest on Bonds and Loans	678.503	1,957.878	1,246.951	1,575,994	1,651,523	1,590,086	1,230,204
Preferred Dividend	291.667	980,000	437,500	420,000	420,000	420,000	420,000
Preferred Stock. Constituent Companies	....	....	560,000	560,000	210.000	560,000	†910,000
Dividend on Common Stock	....	1,225,204	1,277,101	960.931	....	nil	320,977
Proportion discount on Bonds sold	....	115.426	84,788	107,323	144,187	226,182	326,909
Special Appropriation for Depreciation and Renewals	500,000	700,000	....	....	....	....	....
1917 Provision for Const. Expenditure and War Tax, 1916	....	....	....	....	....	....	3,000,000
Total Charges	1,890,036	6,603,314	4,615,991	4,528.137	3,345,803	3,989,092	8,067,686
SURPLUS FOR YEAR	311,150	784,947	98,067	§86,105	225,256	3,015,225	4,900,189
(Less Special Appropriation to write off Discounts on securities carried as asset)	....	....	....	....	....	....	2,899,395
PROFIT AND LOSS BALANCE	2,369.375	784,946	‡2,438,431	2,350,220	2,577,718	5,596,099	7,596,893

* Securities included, held for sale, $3,163,773. ‡ Surplus incl. $1,555,418 surplus of Constituent Companies at acquisition. § Deficit. † Paid Div. in arrears.

The above figures are taken from a table compiled by The Montreal Financial Times.

INCREASED CANADIAN STEEL PRODUCTION

It is a Factor Considered by the Industry in the United States—Preparing for Peace

In a recent issue of The Wall Street Journal is contained a quotation from a business man of excellent judgment, who says that those in the United States reckoning upon a large sale of steel and iron products to Great Britain and to other European countries after the war is ended are in error. For it is asserted that Great Britain, Canada and Germany have greatly enlarged their steel-producing capacity; they have, in addition learned economy and efficiency. Furthermore, the Wall Street Journal says that the prevailing opinion that after the war is ended we shall be found leading the world in our exports of steel and iron products, is not taken seriously by steel men, who have watched the development of the steel industry since the beginning of the war.

Will not Buy Heavily.

One of the reasons given by the authority which the newspaper quotes for his belief that European countries will not buy heavily of steel and iron from the United States after the war, is to be found in the fact that these countries will then be debtor nations, possibly by as much as $100,000,000,000. They certainly will owe the United States many billions—in fact they do now. Therefore, they will not be disposed to increase their indebtedness by making heavy purchases of steel and iron in the United States. Instead of that the manufacturers will strain themselves to the utmost to command the greater part of the steel and iron trade of the world. For in that way they will be able to secure some part of the funds by which they may meet their obligations. They will make a great drive against the United States; they will attempt successfully to compete in our own markets with American iron and steel manufacturers They will rely to some extent for success upon high cost of production of steel and iron in the United States, due chiefly to the wages and salaries which are paid to the artisans.

Discussing these statements, "Holland," in an article in the Wall Street Journal, says that undoubtedly the view set forth by this authority is the one taken by the leaders of the steel and iron industry, yet with a mental reservation. These leaders believe that we can hold and increase our world trade in steel and iron products, notwithstanding the high cost of labor, if there be satisfactory legislation, part of it so enacted as to prevent the dumping into the United States of steel and iron products and part of it so enacted as to enable us with facility and at reasonably low cost to approach the markets of the world.

On the office wall of one of the high executive officers of the United States Steel Corporation is conspicuously placed a legend reading as follows: "In time of war, we should prepare for peace." Undoubtedly, the managers of the Steel Corporation and, in fact, the managers of all the independent steel and iron industries of the United States, are now, as far as possible, preparing for conditions which will arise immediately after the war is ended They hope to secure the passage of an act which will enable steel and iron manufacturers who are exporters, to act in co-operation and in combination, so far as foreign markets are concerned. Action of that kind was one of the reasons why Germany was able to secure rapidly a considerable share of the world's trade in the iron and steel products. Then, again, these industrial leaders hope that after the war is ended they will have available a large amount of ships. Lack of shipping facilities was one of the reasons why the iron and steel makers of the United States were not able always to compete with the Germans and the English manufacturers of iron and steel.

Furthermore, it is hoped that legislation, which will modify the existing anti-trust laws, will be enacted. For if, for instance, the United States Steel Corporation should be dissolved through the judgment of the Supreme Court upon the action now pending, then it is inevitable that the United States will lose a large part of her exports of iron and steel products.

France and Belgium.

Apparently the managers of the United States iron and steel industries do not now contemplate entering the markets of Great Britain or of Germany with their products after the war. They do believe that France and Belgium, if Belgium is quickened, will become heavy purchasers of American iron and steel products, provided conditions as well as legislation are favorable They look for great markets in South America and in the Far East, and if they are not handicapped by unfavorable conditions or by stringent legislation they believe that they will be able to meet whatever competition Great Britain or Germany, should Germany try to compete, may offer in the South American and Far Eastern markets. They are not concerned about the high cost of labor, for they believe this is offset by the greater productive capacity of highly-paid labor, by the utilization of the best labor-saving machinery, by the employment of highly competent men of science, and also by our favorable situation with regard to coal and iron deposits.

This is the contingency which the industrial leaders, whose achievements since the war began in iron and steel commodities, have been noteworthy, hold in reserve while they are disposed to admit that Great Britain and the European nations will not only refrain from purchasing American iron and steel, but will also attempt to dump enormous amounts of these commodities into the United States. The British manufacturers may be able to do this unless the United States

(*Continued on page 12*)

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WAR TRADE BOARD

The appointment by the Dominion government of a War Trade Board is a commendable step. One of the few criticisms that might reasonably be offered is that the creation of the organization was delayed too long. The personnel of the board combines many qualities and experiences which will be of great value in the important work ahead. The board is representative not only of departmental experience, but also of practical industrial, financial, labor, and executive experience. It might perhaps be strengthened by the addition of engineering and technical authorities.

The powers and duties of the board, which were officially announced in *The Monetary Times* last week, are very wide. The organization will have direction of licenses for export and import. They may supervise when necessary, industrial and commercial enterprises with a view to preventing waste of labor, raw materials, and products. They will make recommendations for the maintenance of the more essential industries and will also investigate the country's stock of raw materials, partly finished and finished products and, when necessary, direct their distribution. In addition, they will co-operate with the Canadian War Mission at Washington which, by the way, might profitably have been appointed many months ago, instead of in the early part of 1918. The board naturally will co-operate with the several departments of the government.

Our War Trade Board has been constituted, as the prime minister has stated, "following very careful consideration of more effective organization for the purpose of the war, and having regard to the necessity of more effective measures for maintenance of industries essential for that purpose."

It is not unlikely that one of the first matters which the Board will consider is the prohibition or taxation of imports which may properly be considered as luxuries. These imports have been the subject of much criticism during the past two years. The next few months may witness their government regulation.

CONTROL OF STEEL MERGER

Discussing the proposed merger of the Nova Scotia Steel and the Dominion Iron and Steel Corporation, The Halifax Herald recently printed an editorial strongly expressing the opinion that such an event would be dangerous to the national interests of Canada and of the Empire because of the greater possibility thus afforded of control of coal and iron ores passing some day into enemy alien hands. The article concluded by calling on the Nova Scotia and the Dominion governments to take preventive action. *The Monetary Times* sees no objection to the suggested amalgamation as such. It would undoubtedly prove the foundation of a great steel industry in Canada which would constitute a valuable factor in our national development and prosperity. The control of that industry should not, however, be allowed to be taken away from British interests. It has been unofficially suggested that there will be no difficulty in regard to this point, since arrangements could be made to form a voting trust with the voting power in the hands of English or Canadian interests. In that connection the name of a prominent Canadian has been mentioned. The interests of the various units of the British Empire are rapidly being brought into closer harmony. The events of war have given an impetus in that direction. The loss by Canada, and the Empire, of the control of any of the big industries or railroads would be an unfortunate check to that movement and our national achievements and ambitions. We feel sure that the directors and shareholders of the companies concerned in the proposed steel merger are of this opinion and that during their negotiations they will act accordingly.

INFORMATION AND THE NATION

One of the most significant of many important statements in the recent address at Orillia, of Mr. S. R. Parsons, president of the Canadian Manufacturers' Association, and printed in *The Monetary Times* last week, was his reference to what he termed the "popular cry." He said: "Is it not possible that the government, in yielding to the popular cry for a curbing of the profits of manufacturing in one particular line, has been unfair and unwise in singling out any industry for its control?" Aside from the specific industry he cites and aside from industrial matters generally, there has been a danger—and it remains—that our government might be stampeded by that same "popular cry" whenever it is loud enough and is backed by a sufficiently large delegation. The popular impression and opinion of current matters of national importance, are frequently correct; sometimes they are quite wrong. The danger is the possibility of the adoption of policies merely because of popular impressions supported by an array of votes depending on the government's decision, and not as a result of an investigation of the facts.

There is little doubt that many government policies have been framed during the past two or three decades, without the possession of sufficient data upon which to base those policies. We will never have a tariff, for example, which will be fair to the manufacturer, to the farmer, to the general consumer, to the countries to which we extend preferences, and so on, until we have a complete analysis of our national position in industry, agriculture, finance, marketing, etc., made by experts, for the benefit of our legislators. It will be a large task to obtain that information but in the meantime we are legislating with the help, comparatively speaking, of scraps of information gathered here and there, with little effort to discover the relation of one scrap to the other. This is not a criticism of our government departments; it is a reminder of a vital weakness in our national conduct.

The business which is operated on such a plan is heading for disaster or at least for a poor position in relation to its competitors. A nation, to succeed in business and to harmonize as far as possible the interests of its people, must have and analyze all possible information as to the units which make up the nation. With that, we will know when the popular cry should be followed, when it should be answered negatively, and most important of all, when it should be anticipated.

VALUE OF STOCK EXCHANGE

The Montreal and Toronto stock exchanges are telling the people of Canada, in a series of public announcements, how they are able to serve investors, who are rapidly increasing in number. While only 40,800 subscribers purchased our third war loan a year ago, no less than 820,000 purchased Victory Bonds. This year, the Canadian people will be required not only to take up another substantial war loan but also to absorb most of the bonds issued in the Dominion. In addition, they will have to finance issues of approximately $65,000,000 which will mature in the United States this year. The value of the Canadian bond houses and banks in our securities business, including war loans, is generally known. The value of the stock exchange, however, is not as widely known, chiefly because its functions are not properly appreciated. As Mr. G. Tower Fergusson pointed out in his interesting article in *The Monetary Times* of January 4th, the success of those at the helm of the world's stock exchanges in safely piloting them through the time of crisis at the outbreak of war, and on several occasions since, is an earnest that during the coming period of reorganization, they will be equally well handled and will prove a valuable factor in the financial upbuilding of the country during the development of the coming years.

The popular impression of the stock exchange is not always complimentary to the institution. The object of the publicity campaign of our stock exchanges is to give the people of this country a better idea of the functions and workings of the exchanges. The latest and most reliable quotations of both listed and unlisted securities can be secured from their members. Not only do the members of our stock exchanges handle stocks and bonds, but they will buy or sell any securities which their clients desire. By dealing with a member of the Canadian stock exchanges, the investor in any class of securities, is assured of proper treatment and good service. The name stock exchange has been misinterpreted by many to mean that the institutions trade only in stocks. This is incorrect, as they are in addition bond exchanges, dealing in government, municipal and corporation bonds as well as other securities. If the story of the Canadian stock exchanges, now being placed before the public, will dispel the unreasonable prejudice which has existed against the exchange as an institution, a valuable national service will have been performed.

MONTREAL CITY AND DISTRICT SAVINGS BANK

In Canadian banking spheres, the Montreal City and District Savings Bank ranks as one of the veterans, having served the public for seventy-one years. Its shareholders are largely residents of Montreal and Quebec cities. Hon. R. Dandurand is president and the head of an influential directorate, which is guiding the affairs of this substantial institution. Mr. Richard Bolton is vice-president, the other directors being such well-known men as Mr. G. N. Moncel, Hon. C. J. Doherty, Hon. Sir Lomer Gouin, Mr. Donald A. Hingston, Mr. Fred W. Molson, Mr. Clarence F. Smith, Hon. Sir Evariste LeBlanc and Mr. H. H. Judah. Mr. A. P. Lesperance is the capable manager of the bank, and he has had a most successful regime. The institution, which has a paid-up capital of $1,200,000 and an exceptionally strong reserve fund of $1,350,000, has its headquarters in Montreal, and serves that city with a large number of branches there. It is represented also in London, England, New York and Paris by responsible foreign agents.

In presenting the annual report of the bank's affairs at the recent annual meeting, Mr. Dandurand was able to report net profits of $222,189. The balance brought forward from last year's profit and loss account was $172,308, making a total of $394,498 for distribution. From this amount were paid four quarterly dividends to the shareholders and $15,000 was contributed to the Canadian Patriotic and Red Cross funds, leaving a good balance at the credit of profit and loss account of $214,023 to be carried forward to next year.

An examination of the assets shows a large amount of cash on hand and in charge of banks, namely, $5,614,346. The Montreal City and District Savings Bank also holds $14,956,589 of city of Montreal and other municipal school bonds and debentures. It has a substantial holding of Dominion and provincial government bonds amounting to $5,635,633. Its call and short loans secured by collaterals total $7,776,754. The confidence reposed in the institution by clients in Quebec province is reflected in the large deposits of the bank, which at the end of the past year amounted to $32,956,769.

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BIG STEEL MERGER IS ON THE WAY

(Continued from page 8)

manufacturers are favored by legislation and are aided by such facilities as, for instance, the proposed foreign commerce bank would offer. Given fairly even conditions the American manufacturers believe that they can not only hold the trade they have already secured but can increase it, no matter what competition Great Britain and Germany may offer.

How the Two Steel Plants Compare

Dominion Iron & Steel Company.

Iron furnaces and supplies.	Annual capacity.
6 blast furnaces of 250 G.T. capacity each per day	550,000 G.T. basic and foundry pig iron.
Company owns Wabana Ore Mines, Newfoundland	850,000 tons.
By-product coke plant, consisting of 620 ovens	650,000 N.T. coke.
By-product recovery plant for Benzol, Toluol, Naphtha, Naphthaline and Sulphate of Ammonia	
Plant for manufacture of cement from blast furnace slag	
Limestone quarries in Nova Scotia and Newfoundland	630,000 tons.

Steel works.	Annual capacity.
10 Basic open hearth furnaces (50-ton)	400,000 N.T. (Ingots used only for desiliconizing, dephosphorizing, and decarburizing molten pig iron for open hearth furnaces).
3 Basic Bessemer converters (15-ton)	
35" 2 high reversing blooming mill	
16" Morgan cont. billet mill	375,000 tons blooms, billets and slabs.
Morgan cont. rod mill	90,000 tons wire rods.
Morgan semi-cont. rod and bar mill with 12" roughing and 9½" finishing trains	60,000 bars.
16" Merchant mill	75,000 tons bars.
28" Rail mill	300,000 tons.
Wire department	50,000 tons.
Wire nails	30,000 tons.

Nova Scotia Steel & Coal Company.

Iron furnaces.	Annual capacity.
1 Blast furnace at Sydney Mines of 250 G.T. daily capacity	90,000 G.T. basic and foundry pig iron.
1 New blast furnace under construction	80,000 G.T.
By-product coke plant, consisting of 150 ovens	110,000 N.T. of coke.

Steel works.	Annual capacity.
5 Basic open hearth furnaces at Sydney Mines	50,000 N.T. steel and fluid compressed ingots.
28" Cogging mill	Total 60,000 tons of finished, rolled and forged products, including merchant bars, angle bars, tie plates, etc.
20" Plate mill	
18" and 19" Rolling mills	
9" Guide mill	
Hammer and forging presses	
2 Railway spike machines	7,500 tons.

Mines.	
Ore mines at Wabana, Newfoundland	600,000 tons.
Coal mines at Sydney Mines	800,000 tons.
Limestone quarries in Nova Scotia	70,000 tons.

The Eastern Car Company, a subsidiary concern of the Nova Scotia Steel and Coal Company, manufactures steel and wooden cars, car wheels, etc. It utilizes a considerable portion of the plates and bars made by the Nova Scotia Steel Company, and has important and growing facilities for steel shipbuilding. The Nova Scotia Steel Company operates a number of ocean vessels, which carry its ore and coal to export markets.

The plants of the Dominion Steel Company and the Nova Scotia Steel Company are favorably situated for the utilization of the large iron and coal resources in that territory. A large tonnage of Wabana ore is exported by these companies to Europe and the United States.. These exports comprise about two-thirds of the total ore mined, the balance being used in their own blast furnaces in which pig iron is produced for conversion into basic steel, although this iron contains high percentages of phosphorus, silicon and sulphur. The coal supply also is well suited for coking and steam purposes. The cost of transportation to these plants both of ore from Newfoundland and coal from Cape Breton mines is low, compared with that in other important iron districts.

Both companies export a large proportion of their products, notably, rails, forgings and wire products to the United States, the United Kingdom and other countries, and should be able to expand their plants so as to increase the variety and tonnage of iron and steel products for export; while their low cost of production and shipping facilities should enable them to compete for export trade with producers in the United States or Germany.

WIDER RANGE OF STEEL PRODUCTS

That is One of Needs of Canadian Industry—Review and Outlook

One of the needs of the Canadian steel industry is a wider diversification of its products, according to Lieut.-Col. Thomas Cantley, chairman of the board, Nova Scotia Steel and Coal Company, in a review of the industry published in Industrial Canada, the organ of the Canadian Manufacturers' Association. He points out that at the present time there is an absolute dependence on the United States for certain shapes, large sections and heavy steel plates. This applies both to shipbuilding and structural material. The difficulties in connection with the production of these in Canada are not insuperable. To lay down the necessary plant at the present time, in view of the scarcity of material, high prices and existing labor conditions, would call for an excessive capital expenditure. But Canada's needs in this respect are now imperative, and if the government are prepared to meet existing conditions, the requirements of the Dominion in this connection can be met within a reasonable time.

Col. Cantley states that the production of iron and steel during the past year, 1917, has been attended by ever-increasing difficulties, due largely to shortage of important supplies, scarcity of labor, and delay in transportation. It is, therefore, particular gratifying that the production of steel ingots and direct castings in Canada for the year will approximate nearly 1,700,000 tons, creating a new record, the previous banner year being 1916, when some 1,300,000 tons were produced. He continues:—

The production of pig iron in the Dominion has likewise been relatively heavy, it being estimated that the output will proximate 1,200,000 tons in 1917, as compared with 1,150,000 tons in 1916. Of this total some 13,000 tons of so-called pig iron were produced in electric furnaces at different points throughout Canada.

Role of Electric Furnace.

The electric furnace is playing a much larger part in Canada's steel production than heretofore, and it is probable that 45,000 tons of steel will have been produced by this method in the Dominion in 1917. This shows a quite rapid growth, the output from electric furnaces in 1916 amounting only to some 19,000 tons. The growth of this process has been particularly rapid in the United States and Great Britain. In the latter country 131 furnaces are now operated or under construction; of the total number 70 are in the Sheffield district. This probably makes the largest number of such furnaces in any one group in the world.

The development of this branch of the steel industry is directly due to the unprecedented demand for steel for war purposes. The advocates of this process of manufacture claim that it has many inherent advantages, which, together with

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the pressing demand for output, has led them to take advantage of the opportunity.

The production of steel ingots and direct steel castings in Canada for the past four years, 1914 to 1917, inclusive, was as follows:—

	1914. Tons.	1915. Tons.	1916. Tons.	1917. Tons.
Steel ingots	811,567	989,829	1,397,703	1,686,005
Direct steel castings	17,074	31,067	30,546	42,807
Total steel	828,641	1,020,896	1,428,249	1,728,812

The total quantity of electric steel produced for the four years was as follows:—

	1914. Tons.	1915. Tons.	1916. Tons.	1917. Tons.
Electric steel	61	5,625	19,639	39,069

The figures for 1917 may be slightly altered when the December actual figures are obtainable, December outputs being estimates supplied by the operators. The total production of electric steel for 1917 may prove to be about 45,000 tons, the uncertainty as to this being due to inability or failure of the British Forgings, Limited, to report as to their output.

Great Britain's Production.

Great Britain, likewise, has largely increased her steel production. It is difficult to obtain official figures, but in a forecast by the minister of munitions some few months ago, it was stated that whereas the output tonnage of steel prior to 1914 had remained more or less stationary around 7,000,000 tons, it was expected that some 10,000,000 tons would be produced in 1917, and they hoped with the new construction under way, to produce at least 19,000,000 tons in 1918. And if the war continues into the latter part of 1918, it would find the nation with a capacity for steel production 50 per cent. greater than before the war.

In the United States the output of steel ingots will amount to approximately 42,000,000 tons, this being practically the same tonnage as produced in 1916. The output of pig iron, it is estimated, will be somewhat less than in 1916.

The production of coal in Canada during 1917 will probably total 13,000,000 tons, as compared with 14,483,395 tons in 1916, and 13,267,023 tons in 1915. The coal mines have been operated at the highest possible pressure, but under very severe disabilities. Lack of transportation accommodation, difficulty in obtaining supplies, but chiefly acute labor troubles and labor indifference have greatly hampered operations. There has been a good deal of labor unrest, and one wage increase has followed another, with further demands as yet unsettled. The labor shortage, however, was primarily caused by the great number of young, able-bodied, skilled miners who, in the early days of the war, enlisted in the armies of the Empire, and indeed have freely enlisted until about a year ago, when recruiting was discontinued in the colliery districts. Unfortunately, too many of the skilled men have been withdrawn from the mines, men not only skilled, but the bravest, most vigorous, intelligent and all-round men, whom it will take years to duplicate. Naturally the coal output suffered during the past year. Whether the output in 1918 can be materially increased is an open question—it all lies with the men, for with steady work, reasonable hours, and the desire to honestly help in the war, a large increase could be obtained.

As to Coal Situation.

More soft coal—about 50,000,000 tons—was mined in the United States in 1917 than ever before in the country's history—the total output being over 550,000,000. This is an increase of about 10 per cent. But the demand during the year has been abnormal, and the tonnage of bituminous coal mines was entirely inadequate to take care of the current needs, it being estimated that some 50,000,000 additional tons, or say 20 per cent. over normal needs, were required to meet industrial and domestic requirements. One of the most serious disabilities under which the United States coal trade labored was the lack of transportation accommodation, and the car shortage has prevented the operators of bituminous coal from shipping, during the latter part of the year, in the vicinity of thirty million tons.

Perhaps it may be axiomatic to say that the world's actual progress in industrial lines may be measured more or less by its consumption of iron and steel. The growth of this industry in Canada during the past ten years has been phenomenal, this being more particularly true of the past three years. Possibly the raw material resources of the Dominion were never appreciated as they are to-day. Canada has within its borders or within easy access (in Newfoundland), all the essentials such as ore, coal and the necessary fluxes requisite for the manufacture of iron and steel. Her coal fields are located at relatively good distributing points, her ore fields are easy of access and her steel plants, particularly on the eastern seaboard, are excellently situated for both domestic and foreign business. Canada, therefore, with its present steel development as a nucleus, and its great natural resources, should, under wise direction, make important progress in the coming year, provided always that the necessary labor is available, and that labor is content with reasonable hours and wages in keeping with present living conditions.

Ruling Prices Higher.

The prices ruling during the greater part of the year were considerably higher than those prevailing in 1916, Bessemer pig iron, for instance, selling in Pittsburg, in September, 1917, at $48, as compared with $37.25 in November, 1916. Prices quoted during the year for other steel products were proportionately remunerative. In September, 1917, however, the United States government, in conjunction with representatives of the steel trade, materially reduced the prevailing prices, arranging a fixed scale which practically covers all iron and steel products. These prices applied equally to the public, the government and the allies, and were voluntarily acquiesced in the by the steel manufacturers as a whole.

While very high prices have ruled, costs have been on an unprecedented scale. Nevertheless, the industry has enjoyed a year of signal prosperity. This prosperity is shared with the country, as a large part of the earnings return to the government in the form of war taxes, thus bearing its proportionate cost of the war.

The Canadian iron and steel industry, since the outbreak of war, has made a magnificent response to the calls made upon it. Production has been speeded up, old plants enlarged, a very large sum of money has been spent on new equipment, and many labor and transportation difficulties overcome; the results obtained, in view of the obstacles encountered, generally speaking, being most satisfactory.

As to Munitions Industry.

Immediately on the outbreak of war Canada embarked on the manufacture of munitions. That it was possible to undertake this work was due to the satisfactory condition of the iron and steel industry, particularly in Nova Scotia, where the first experimental work was carried on. Shell forgings were produced in the latter months of 1914, since which time, until about mid-summer, 1917, an ever-increasing flow of munitions, from the finished 18-pounder shrapnel to 9.2-in. high explosive shells, have gone forth, which undoubtedly has been of incalculable value to the Empire.

The benefits accruing from the development of the munition business in Canada have been many. Use has been made of the by-products from the coke ovens, and a large quantity of benzol and toluol is being produced. The lead, copper and zinc industries have been put on a strong basis, and it is anticipated that as a result of the stimulus given during the past three years, within the near future Canada, as regards the latter-named metals, will be practically self-supporting.

For the past year the munition business has been erratic. During the spring months, contracts for heavy H.E. shells (both forging and finishing) were cancelled, without, it is claimed, due regard to the contract conditions on which these were based. Friction developed in connection with the inspection, which contractors claimed was due to lack of experience on the part of the local inspectors, to the impractical and highly technical demands of the district inspectors, and the intolerant and high-handed methods of some of the chiefs. Despairing of improvement in method, and failing to obtain redress, a number of munition manufacturers withdrew from the business, and forging presses and finishing plants alike were idle.

Cancellation of Contracts.

At the time when contracts for hundreds of thousands of shells were cancelled, an extensive plant, comprising electric furnace and forging units, was being laid down in Toronto, to compete with existing plants laid down in good faith. These existing plants were developed and put in working condition under abnormal and unheard of difficulties, and their contracts were cancelled before it was possible from the work

THE
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" 1866 St. Lawrence Blvrd.
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Gladstone
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SAVINGS DEPARTMENT AT ALL BRANCHES.

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BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited
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TORONTO BRANCH—A. B. PATTERSON, Manager

The Dominion Bank
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Established 1873 130 Branches

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Capital Paid-up 3,381,270.00
Reserve Fund and Undivided Profits 4,534,863.63

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Established 1874

Capital paid up - $4,000,000
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on any point in Canada, United States, or elsewhere.

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78 Church Street.
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236 Broadview, Cor. Dundas St. East.
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BRANCHES AND CONNECTIONS THROUGHOUT CANADA

then executed to amortize anything like the cost of these plants.

In view of the conditions then prevailing, it became necessary for various manufacturers to again devote their attention to commercial work and find a market for their products. It speaks well for the adaptability of the iron and steel trade that they quickly adjusted the industry to changed conditions, and assisted by the keen demand for steel in the United States, due to the alignment of that nation as an active factor with the Allies, and the insistent demand for railway material in France, very little loss and comparatively no delay resulted. The Scotia Company restarted their plate mill, and have turned out a very considerable tonnage in sheets up to 48 inches wide from one-eighth to three-quarters inch thick. This output has been exceedingly helpful in meeting a demand which at times seemed insatiable.

Within the past few weeks further munition orders have been placed in Canada, and it is rumored that large orders will be given out in the near future.

Some of our people appear to think that under war conditions state control is necessary in Canada as regards many, if not most, forms of the country's activities. Great Britain, of all parts of the Empire, has had most experience with this practical socialism, and Britain is most heartily sick of it. The London Economist expresses the opinion that "the war has done more to make all classes hate the very idea of state socialism than could have been achieved in the past if all the newspapers, books and speeches delivered had been concentrated on this one purpose. It then shows how a committee is much less intelligent collectively than its individual members. It is asserted that experiences in Great Britain with state controlled railroads, ships, coal mines, engineering works, food, drink, and newspapers causes an intense longing for the day when the Defence of the Realm Act will pass out of existence."

Individual Enterprise.

Canadians in general believe that the present and the future of the Dominion and the Empire can best be conserved and advanced by individual liberty, individual initiative and individual enterprise. One of the dangers now confronting the country, and causing discouragement, is the fear that it must deal with inexperenced men acting as controllers of some sort for the government.

The paramount blunder abroad has been the selection of men for places of authority because of their recognized capacity in their own line of activity, but in lines quite apart from and devoid of any experience in or knowledge of the department or work which they have to deal with on behalf of the government. The result in many cases is misdirected energy, unnecessary meddling, unwarranted restrictions, friction, lack of results, and a general bedevilling and paralyzing of effort.

The outlook for a continuation of the present heavy demand for steel during 1918 is promising, and the probabilities are that all the steel plants will be operating at full capacity throughout the year. In the United States the demand for steel runs greatly in excess of the supply, and this condition will likely continue until the war preparations of that nation are completed. The result of this will be that Canada can only import from the United States such steel products as are absolutely necessary for war purposes.

Regarding Shipbuilding Industry.

Canada is slowly developing a shipbuilding industry. During the past year many yards were built and are now turning out vessels of moderate tonnage. Old yards have been enlarged, and while the total steel tonnage produced in the year was small, the energetic action taken will result in considerable new tonnage being floated during the present year.

This industry, properly developed, will be a large consumer of steel. It has been announced that the Union government will take up, at the coming session of parliament, a shipbuilding programme on a broad basis, and lay down a policy for the future which will add greatly to existing steel shipbuilding and engineering capacity. Concurrently, it is reported that orders will be placed for a considerable steel steamship tonnage.

The Dominion has never been in a better position to embark on this enterprise on a large scale, and by making the most of the present opportunity and by wise legislation, Canada can now build up and ensure a permanent shipbuilding industry, which will be of material benefit, not only as an outlet for our industrial population while building, but by ensuring both coasting and overseas transport of Canadian agricultural, fishery and mine products, concludes Colonel Cantley.

DOMINION LIFE ASSURANCE COMPANY

In whatever particular direction one examines the financial statement and report of the Dominion Life Assurance Company for 1917, a strong and satisfactory position is revealed. The assets are large and well placed. There is a substantial net surplus. Interest earnings have been good, and a very satisfactory volume of first-class business was placed on the company's books during the past year. The Dominion Life is among our leading insurance corporations and its officers, directors, shareholders and policyholders may feel well satisfied with its general position and the results of the past year.

The gross assets amount to $4,677,876, made up of cash on hand and funds invested, $4,247,581, interest due and accrued $264,382 and premiums outstanding, etc., $165,911. The liabilities to policyholders amount to $3,614,649, and to the public, including taxes accrued, but not due, loans and other items, $34,115, leaving the gross surplus on policyholders' account of $1,029,111. From this may be deducted the shareholders' account, including paid-up capital of $202,440, and the contingent account of $100,000, leaving net surplus $726,671.

The company's net cash income for the year was $1,000,070, composed of premiums $707,636, interest and rents $290,880 and sundries, $1,554. This is an increase of $129,169. The expenditure was: (1) To policyholders, $324,979; (2) to shareholders, $17,099; (3) for taxes, $11,959; and (4) for general expenses, $248,353. This is a total of $602,392, leaving available for investment $397,678.

The company received during 1917 2,474 applications for assurances amounting to $4,958,403, an increase for the year of $1,003,093, and have issued policies therefor, including revivals and bonus additions amounting to $4,974,170, an increase of $941,283. There was terminated (1) by death $177,847, (2) by maturity and expiry $87,458, (3) by surrender $295,789, (4) by lapse $930,750, (5) by changes, decreases and not taken $517,671, a total of $2,009,515. The net addition to the business in force of the Dominion Life was $2,964,655, being $1,217,685 more than the increase of last year. This is an excellent record. The total business now in force is $22,271,831.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members. Toronto Stock Exchange, 103 Bay Street Toronto:—

Feb. 20th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canada Cement	7	90	7.77
Canada Steamships	7	77	9.09
Canadian Locomotive	7	83	8.43
Mackay Companies	4	61	6.66
Maple Leaf Milling	7	95	7.36
Penmans	6	82	7.31
Steel of Canada	7	86	6.14
Common:			
Bell Telephone	8	130	6.15
B. C. Fishing and Packing	4	38	10.53
Canada Cement	6	57	10.53
Canadian Locomotive	6	57	10.52
Canadian General Electric	8	103	7.76
Consumers' Gas	10	146	6.85
Canadian Pacific Railway	10	147	6.80
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundry & Steel	8	62	12.90
Dominion Steel Corporation	5	61	8.19
Mackay Companies	6	77	7.79
Maple Leaf Milling	10	98	10.20
Penmans	4	74	5.41
Steel Co. of Canada	6	54	11.11
Toronto Railway	6	61	12.69
Twin City	6	66	9.09
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	96½	6.22
Canada Steamships	6	81	7.41
Canadian Locomotive	6	88	6.82
Penmans	5	86	5.81
Steel of Canada	6	89	6.74
First War Loan, 1925	5	94¾	5.70
Second War Loan, 1931	5	93½	5.70
Third War Loan, 1937	5	93⅛	5.60
Victory Loan	5½	98⅞	5.60
......	....	....	...

THE STERLING BANK
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The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

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BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL - - - - - - - -	$ 18,526,600.00
RESERVE FUND - - - - - - - - -	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS - - - - -	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916 - - - - -	$277,488,871.00

J. RUSSELL FRENCH, General Manager

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ESTABLISHED 1865

Union Bank of Canada

Head Office - WINNIPEG

Paid-up Capital - - - -	$ 5,000,000
Reserve - - - - -	3,400,000
Total Assets (Over) - - -	140,000,000

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CAPITAL PAID UP	3,000,000
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Georgetown
Gorrie
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" Deering
" East End
" North End
" West End
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Kitchener
Listowel
Lucknow
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Simcoe
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Teeswater
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West Toronto
Wingham
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Brandon
Carberry
Carman
Dunrea
Elm Creek
Foxwarren
Gladstone
Hamiota
Kenton
Killarney
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Treherne
Winkler
Winnipeg
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" Princess St.

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Brownlee
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Mortlach
Redvers
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CANADIAN NORTHERN STOCK HELD IN TRUST

Railway Advanced Money to Mackenzie, Mann & Company to Develop Mines

Government counsel Mr. Tilley, K.C., obtained a partial history of the deal from Mr. D. B. Hanna, third vice-president of the Canadian Northern Railway, at the morning session on February 12th, of the arbitration proceedings at Osgoode Hall to determine the value of the Canadian Northern Railway stock. Mr. Hanna explained that the Rosedale Coal Company, owning a coal mine at Drumheller, was purchased by money advanced by the Canadian Northern Railway. The stock thus acquired by Mackenzie and Mann was held in trust by Mr. Hanna and the coal mine was developed to a point of profitable production. Mr. Hanna insisted that if the property had failed to realize the prospects of its promoters the investment loss would have been borne by Mackenzie and Mann. There was, he said, a verbal agreement assuring this, backed by his personal concern for his own reputation. The loss would not have been loaded on to the Canadian Northern Railway. Asked why, when the property had been developed as a profit maker by funds advanced by the Canadian Northern Railway, it was not taken over as an asset by the railway, the witness said that the limitation of the Canadian Northern Railway's charter rights opposed the transaction, but Sir William Meredith and government counsel pointed out that the railway act empowered a railway company to acquire coal lands.

Sums Due Mackenzie and Mann.

The money advanced by the Canadian Northern for the development of the mine, according to Mr. Hanna's explanation, was on account of sums already due from the railway to Mackenzie and Mann for construction work and so on. "There was nothing to be ashamed of," said Mr. Hanna. The Canadian Northern owed the money to Mackenzie and Mann for terminal properties and other roads, for the purchase of which they, Mackenzie and Mann, had had to find funds. "I, acting as trustee for them, paid the money for the development of the mines," he said.

Further examination by government counsel produced evidence that Mackenzie and Mann control other coal deposits, the product of which is vital to the operation of the Canadian Northern system. They held interests in the Vancouver Island mines, the coal from which was used for the operation of the line as far as Tollerton, B.C. At Brazeau, from which mine 1,200 tons a day were obtained for the operation of the divisions of the Canadian Northern Railway west of Brandon, Mackenzie and Mann shared their interests with Belgian and German shareholders. "But for these mines," said Mr. Hanna, "the road would have been at a standstill this winter." Mr. Tilley then proceeded to establish his point that the fuel requirements essential to the operation of the Canadian Northern Railway depended upon supplies from mines privately owned or controlled by Mackenzie and Mann.

As to Land Holdings.

Mr. Hanna was then questioned as to the extent of the land holdings that Mackenzie and Mann had secured because of their intimate relations with the Canadian Northern enterprise. "Mackenzie and Mann had retained 102,000 acres of the 4,102,000 acres earned as subsidies, the balance being turned over to the railway," he said, "and Mackenzie and Mann also had possession of the Canadian Northern Townsites Company." Mr. Hanna could not say how the townsites properties had been acquired or what percentage had been given by municipalities as subsidies for railway services.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended February 15th, 1918:—

McKinley-Darragh-Savage Mines, 107,893; Dominion Reduction Company, 64,000; Penn Canadian Mines, 52,909; Buffalo Mines, 241,895. Total, 466,697 pounds, or 233 tons.

The total shipments since January 1st, 1918, now amount to 859,174.8 pounds, or 4,295 tons.

BANKS AND VICTORY LOAN

When the Canadian Bankers' Association held its annual meeting last fall, Mr. A. E. Ames, chairman of the Dominion Executive Committee for the Victory Loan, addressed the members of the association. His request was that the banks should earmark a total fund of, say, $100,000,000, which would be available in the form of advances to companies and individuals subscribing for substantial amounts of the Victory Loan to meet the instalments after the initial payment had been made by the company or individual, such advances to be made in cases where there was a reasonable certainty that repayment of the advance out of income or profits would be made within a reasonable time.

Mr. Ames was informed that it was not considered advisable that the banks should unitedly commit themselves to such an undertaking. He was assured, however, that the banks would, individually, within the limits of available funds, sympathetically consider applications of this character.

After Mr. Ames retired there was discussion as to the rate to be charged to borrowers other than the small investor. The question was whether it should be 5½ per cent. or 6 per cent. In the end it was understood that the rate to these borrowers on Victory Loan account should be left to the discretion of the individual bank.

MANUFACTURERS LIFE INSURANCE COMPANY

Many new records were established by the Manufacturers Life Insurance Company as a result of its operations last year. The gain of $9,010,272 in insurance, for example, was the largest in the company's history. The income, which exceeded $5,100,000, also established a new record. The mortality experience was exceptionally favorable, despite claims due to the war, the mortality being more than 25 per cent. below that for which provision was made.

The insurance issued and reinstated last year amounted to $16,485,403, an increase over 1916 of $2,856,190. The report presented at the annual meeting last week shows an increase in premium income of $298,915. The premium income was $3,672,513, and the interest income was $1,436,496. This is a total income of $5,109,000.

After further strengthening the policy reserves, increasing the special reserve to $300,000, and setting aside $357,483 dividends payable to policyholders in 1918, there was a surplus of $2,530,054. Reflecting the conservative method adopted in preparing the balance sheet, it is noted that had the company complied with the Canadian government requirements only, a surplus of $3,670,589 would have been shown, an increase of $226,805 over 1916.

The company last year increased the percentage of its holdings in government bonds. This form of security, first mortgages, policy loans and cash comprises over 93 per cent. of the company's invested assets. The assets total $24,585,000 on the valuation of the Dominion Insurance Department, and the return to the company on this substantial sum was 6.52 per cent., despite heavy investments in Dominion war loans.

The following table shows the percentage invested in each class of security:—

	Per cent.
Government, municipal, rural telephone and school bonds	39.89
First mortgages	35.83
Policy loans	15.38
Cash	2.28
Other bonds, call loans, real estate and other assets	6.62
	100.00

Government bonds, first mortgages, policy loans and cash comprise over 93 per cent. of the company's invested assets.

The Manufacturers Life Insurance Company is one of our strong underwriting corporations. Mr. J. B. McKechnie, the general manager and actuary, combines, in formulating the company's policy, the enterprise and caution which is representative of the two positions. He is supported with a capable head office staff, the majority of whom have had long experience in life insurance, and with this company. A strong directorate is headed by Mr. W. G. Gooderham as president. The company may feel well satisfied with its achievements during the past year.

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Sir Thomas White's Budget Statement Will Show Good Results—Increase in Revenue

When Sir Thomas White makes his annual budget speech shortly after the House meets in March, he will be able to present a good financial statement, considering the strain the war has placed upon Canada's resources.

The revenue by the end of the financial year, March 31st, will total around $250,000,000, or an increase over the previous year of some $18,000,000.

Revenue Nearly Doubled.

The revenue of Canada has nearly doubled since the war began. For the first year of the war from all sources it was about $130,000,000. It rose during the second year to $170,000,000. The third year of the war it jumped to $232,000,000. For the ten months of the present fiscal year ended January 31, the revenue was $208,540,755, and at the present rate should touch $250,000,000 by the end of the year.

The economy which has been practised by the government is reflected in the financial statement. For the ten months of the fiscal year the expenditures were $113,457,924 on account of consolidated fund. On capital account outside of the war the expenditure was $21,841,533, or a total of about $125,000,000. In other words, the balance of revenue over expenditure for the ten months was some $83,000,000 and for the twelve months will total $100,000,000.

Canada's Savings.

Canada has saved sufficient during the past year to pay one hundred million dollars of her war expenditure.

The war expenditure for the year, according to the financial statement, was less than anticipated, and is given for the ten months as $188,355,015, or six million dollars less than the year previous for the same period. These figures are, however, perhaps a little misleading as they are the expenditures only in Canada. The Canadian war expenditures in England are being met temporarily by the British government on account of the difficulty of exchange. On the other hand, Canada is paying British bills for provisions, war supplies, etc., in Canada. These accounts will about counterbalance.

Customs Revenue is Largest.

Of the Canadian revenue the customs is still furnishing the largest portion. The customs revenue for the ten months of the fiscal year was $121,764,535, an increase over the same period of about thirteen million dollars.

The revenue was as follows for the ten months ended January 31, 1917, and 1918:—

	1917.	1918.
Customs	$108,868,302	$121,764,535
Excise	20,561,709	21,965,878
Post office	15,881,627	16,550,000
Public works and railways	21,701,730	23,704,225
Miscellaneous	20,890,194	24,556,115
Total	$187,903,565	$208,540,755

The national debt now totals $1,000,000,000, although it is $200,000,000 less than the prediction of Sir Thomas White a year ago.

CONSCRIPTION OF CAPITAL

Financial cables from London reflect some dissatisfaction over further indefinite references by the chancellor of the exchequer on the subject of conscription of capital.

Sir Felix Schuster at the annual meeting of the stockholders of the Union Bank, held recently in London, Eng., said that if capital were nothing more than the helpmeet of the idle rich, he would say take it, but workers should know that capital is essential to industry, new enterprise, employment, better conditions and a higher standard of living for the people.

Regarding the future, he said it will test the powers of the wisest statesmen to devise means of raising money by taxation and at the same time interfere as little as possible with indusrial development. The country must produce more and buy less, he added, advocating taxation on expenditure, especially luxuries.

MUTUALIZATION OF EQUITABLE LIFE

The mutualization plan of the Equitable Life Assurance Society, calling for the purchase from T. Coleman du Pont of 564 shares of capital stock, has been approved by Insurance Superintendent Phillips, of New York State. The project, which received the sanction of the majority of policyholders at a vote taken a few weeks ago, involves the acquisition of 501 shares at $5,400 each, and $1,500 for 63 other shares, the entire purchasing price amounting to $2,779,900. This is to be paid in semi-annual instalments between November 1st, 1917, and May 1st, 1937. Holders of minority shares of capital stock are to be privileged to sell them to the society for $1,500 per share. ,

Superintendent Phillips, in his statement issued on February 6th, approving the mutualization plan, said:—

"There has been no serious objection from any reliable interested person urged against the adoption of the plan, except upon the part of certain minority stockholders, who sought by legal proceedings in the United States court to restrain the society from carrying out and submitting the proposed plan. They alleged that the stockholders, and not the policyholders, were entitled to the 'free surplus' of the society, and, therefore, it had not the legal right to pay one stockholder a greater price for his stock than for the stock of the other shareholders, it being their chief contention that all stockholders must be treated upon an equal basis, and the same price should be paid for all the stock. The United States Circuit Court of Appeals, however, held in substance that all the surplus of the company belonged to the policyholders; that there was no obligation upon the stockholders to sell their stock at the price fixed in the plan, and their rights were in no way violated."

SUPPORTS LOTTERY BONDS

"The problem of floating the forthcoming Liberty Loan would be astonishingly simplified, in my opinion, by the issue of premium-drawing bonds," said Mr. Joseph W. Harriman, president of the Harriman National Bank, in a recent interview.

"There is a universal human instinct that reacts with promptness to the prospect of a prize. Mark the effort of the government to touch this instinct in offering war savings stamps at $4.12 to be repaid at $5. If war savings stamps, why not premium bonds? This underlying principle produced for the Hero Land Bazaar $580,000.

"Assuming an issue of $5,000,000,000 maturing in thirty years, to bear interest at the rate of 3 per cent., $25,000,000, or only one-half of 1 per cent. of the entire issue could be appropriated each year for redeeming at a premium a certain number of the bonds by semi-annual drawing by lot. If the prospect is for the necessity of a rate of 4½ per cent. on the next loan, this plan would effect a saving in the interest rate equal to $50,000,000 annually, or $1,500,000,000 during the life of the issue. There would be a further saving of interest in the semi-annual extinguishment of an appreciable amount of the debt."

Mr. Harriman gave the following schedule of semi-annual drawings of two thousand and one $1,000 bonds, or four thousand and two a year, with the premiums attached suggested, showing interesting results:—

$ 1,000	at a premium drawing $500,000......	$ 1,000,000
10,000	at a premium drawing $100,000......	2,000,000
40,000	at a premium drawing $50,000.......	4,000,000
100,000	at a premium drawing $25,000.......	5,000,000
200,000	at a premium drawing $10,000.......	4,000,000
400,000	at a premium drawing $5,000........	4,000,000
1,250,000	at a premium drawing $2,000........	5,000,000
$2,001,000	Total drawings per year...........	$25,000,000

"I venture the prophecy," Mr. Harriman continued, "that subscriptions to the suggested Premium Drawing Bond issue would be overwhelming. We should promptly make an initial subscription of $5,000,000. We would offer to the public participation in the bonds to which we subscribed, so that the office boy who could subscribe but one dollar would receive 3 per cent. per annum upon his participation, and if the Harriman National Bank's bonds happened to include the $1,000 bond which drew the $500.000 prize, he would receive $500 for his investment of one dollar."

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GRAND TRUNK'S SIXTY-SIXTH ANNIVERSARY

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The Grand Trunk Railway, the oldest steam transportation system in Canada, is celebrating this year its 66th anniversary. A company which built from La Prairie to St. John's and afterwards passed into the Grand Trunk system was chartered in 1832 and opened its line in 1836. At the latter date there were only 1,100 miles of railroad in the whole of the United States. It was in 1825 that the first real railroad was opened in Great Britain. This beginning of the Grand Trunk was designed to be part of a route between Montreal and New York via Lake Champlain and the Hudson River. In 1845 a company was chartered to build from a point opposite Montreal to the Vermont state line, connecting there with the line of another company chartered in Maine, New Hampshire and Vermont to build from the connecting point to Portland. The purpose was to connect Canada with an all-year port.

Contract with U.S. Roads.

It was from 1850 to 1860 that the principal portion of the main line was laid. It originally had a gauge of five feet six inches. Contact with United States roads at Sarnia and later at Detroit, led to the gradual adoption of their gauge of four feet eight and a half inches as standard for the Grand Trunk and by 1874 all of its lines had been relaid to that width. But so liberally were the original standards of construction laid out that they have remained with little change even under the tremendous increase in weight of equipment during recent years. It is noteworthy that the company's bridge across the St. Lawrence at Montreal, constructed in 1854 to 1859, was provided with a new double-track superstructure of modern bearing capacity in 1898 on the old piers and abutments.

Bond and shareholders of the Grand Trunk have steadily supplied it with the increasing capital demanded by the growth and development of its territory. Throughout its history the company has steadily paid its bond interest and dividends on some classes of its share capital. The ordinary shares have never paid a dividend. The company has received little government assistance and that in the earliest stages of its career. The Royal Commission on Railways last year expressed the judgment that the shareholders had never at any period obtained excessive profits, while the road built up the first Canadian railway system in competition with the railroads of the United States, with their immensely greater resources, and later met the competition of heavily subsidized Canadian roads.

RECEIVER FOR THE CENTRAL RAILWAY

Judgment has been rendered by Sir Walter Cassels, sitting in the exchequer court, Montreal, rejecting the petition of the directors of the Central Railway Company of Canada for confirmation of a scheme of arrangement between that company and its creditors. Immediately following the rejection of the scheme of arrangement an application was made by John W. Cook, K.C., counsel for the City Safe Deposit and Agency Company, Limited, of London, England, who are trustees for the bondholders, asking for the appointment of F. Stuart Williamson, of Montreal, as receiver. This application was made in a suit taken by the trustees, which has been pending for some time. The application was granted and Mr. Williamson was sworn in as receiver in Ottawa on Wednesday of last week.

These judgments are the culmination of various legal proceedings in the exchequer court concerning the affairs of the Central Railway Company, of which Mr. C. N. Armstrong is president, having succeeded to this office upon the death of the late Senator Owens.

The other directors of the railway are Messrs. W. D. Hogg, K.C., E. A. D. Morgan, J. T. Bethune, J. O. Dupuis and J. D. Wells, the latter having also acted as secretary of the company. Apart from certain subsidiary roads, it was intended that the main line of the Central Railway should run from Montreal to Midland, but only twenty miles have been partially constructed. Bonds to the value of more than £427,000 have been issued, these being largely held in England and France. These bonds do not seem to have been highly regarded by the Canadian investing public.

LANDED BANKING AND LOAN COMPANY

One of the outstanding features of the latest annual report of the Landed Banking and Loan Company of Hamilton, is the size of the reserve fund. From the earnings of the past year $55,000 was transferred to the reserve, which brought that account up to $830,000, equal to 83 per cent. of the paid-up capital. Another evidence of strength is the satisfactory condition of the assets, all of which have been examined by a committee of the company's directors. The total assets amount to $3,794,472, of which the greatest part is represented by loans secured by first mortgages on real estate, this item being $3,103,866. The company holds blocks of Dominion war loan, municipal and other bonds and has loans of $52,960 on stocks and bonds. Its head office premises at Hamilton are valued at $65,000. There is a large sum, $268,237 cash on hand and at bankers. The net profits for the past year, after deducting all charges, amounted to $143,710. With the balance of $6,348 brought forward from last year, there was a sum of $150,058 for distribution. Dividends at the rate of 8 per cent per annum accounted for $80,000 of that sum; $55,000 went to the reserve fund and the remainder to various taxes and Patriotic Fund grants, with the exception of $7,232, the balance carried forward. The profit and loss account gives details of management expenses, which we think is a commendable feature of the statement. The expense of the management, including salaries, office expenses, directors' and auditors' fees, were $19,255, a moderate sum. Land inspection, including inspectors' salaries, cost $5,383. Valuators' commissions were $1,221 and debenture expenses $457.

The company's liabilities to the public total $1,917,240, made up as follows: Savings deposits, $1,090,693; currency debentures, $340,936; sterling debentures, $474,986; accrued interest, $8,319; and sundry unpaid accounts, $2,304.

The Landed Banking and Loan Company is one of Ontario's oldest loaning corporations which, as a group, have such an excellent record. Mr. C. W. Cartwright is managing director, his colleagues on the board being Messrs. C. S. Scott, F.C.A., president; Robert Hobson, vice-president; E. H. Ambrose, Charles Mills and Paul J. Myler.

STANDARD TRUSTS COMPANY

A block of $250,000 of the stock of the Standard Trusts Company, of Winnipeg, will shortly be offered to the company's shareholders. In this connection the president, Mr. J. T. Gordon, said at the annual meeting last week: "Of the remaining 5,000 shares of $50 each, each shareholder is to have the right or option to subscribe, in the ratio of his holding, one share to every three held, and that at a premium of 25 per cent., or $12.50 on every $50 share—the same premium that was asked before, five years ago, when the capital was increased from $500,000 to $750,000. Your directors have decided upon this course not only on patriotic grounds, but also for the business reason that the new capital would at once absorb the said company's excellent mortgage investments without disturbance to the Standard Trusts Company, with profit to your company, and with the full approval and knowledge of its client. It is the intention that only the premium and 10 per cent. of the subscription for the new shares will be required at the time of subscription, and thereafter no greater calls than 10 per cent. monthly until the full amount is paid."

The directors presented an excellent report at the annual meeting, held at the company's head office at Winnipeg last week. The profits for the past year totalled $94,171. A balance of $27,158 was carried forward after paying $67,500 dividends and transferring $20,000 to the reserve. The authorized capital is $1,000,000, of which $750,000 has been subscribed and paid up. The other $250,000 is to be offered to the shareholders as noted above. The contingent fund of $25,000, which was established two years ago by the directors in view of the disturbed conditions then prevailing, has now been found unnecessary, and as a result this amount has now been merged into the company's general reserve, which now stands at $500,000.

The directors and shareholders of the Standard Trusts Company have good reason to be satisfied with the results of the year's operations and the sound financial position of the company. Mr. William Harvey, the vice-president, has proved a capable manager. He and his directors, headed by Mr. J. T. Gordon, have combined, in regard to the company's policy, the caution of the East with the progress of the West, with beneficial effect upon the position of the corporation.

The Hamilton Provident and Loan Society

Notice is hereby given that the Forty-sixth General Annual Meeting of the Shareholders of this Society will be held at the Society's Office, in Hamilton, on Monday, Fourth day of March next, at twelve o'clock noon, for the purpose of electing Directors to serve for the ensuing year, and for all other general purposes relating to the management of the Society.

A full statement of the Society's affairs for the year ending December 31st, 1917, will also be submitted to the Meeting.

D. M. CAMERON, Treasurer.

"I appoint as Executor of this my Will— The Canada Trust Company."

This brief declaration insures for your Estate a clean-cut management, at the time no matter how remote, when sound business judgment and reliable advice will be urgently needed.

THE CANADA TRUST COMPANY
THE HURON & ERIE MORTGAGE CORPORATION
HEAD OFFICES - LONDON, CAN.

T. G. MEREDITH, K.C., President
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Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

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Interest at 4 per cent. payable half-yearly on Debentures

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NATHANIEL MILLS, Manager

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street
Capital Account, $724,550.00 Reserve Fund, $590,000.00
Total Assets, $3,141,401.68
President, WELLINGTON FRANCIS, Esq., K.C.
Vice-President, HERBERT LANGLOIS, Esq.
Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on improved Real Estate on favorable terms.
WALTER GILLESPIE, Manager

"INVESTMENTS"

A MUCH MISUSED TERM

Many who should be, and think they are laying up money for their old age, are misled into so-called "investments," where their hard-earned money is jeopardized, and frequently lost, though it is of the utmost importance to them and to those who may be dependent upon them that its absolute safety should be beyond peradventure.

To those who should invest safely and with caution, not speculate, the bonds of the Canada Permanent Mortgage Corporation can be confidently recommended. This Corporation is most conservative in the investment of the funds entrusted to it. For more than sixty years it has held a leading position among Canada's financial institutions, and its bonds are a LEGAL INVESTMENT FOR TRUST FUNDS. They are issued for one hundred dollars and upwards. Write for full particulars.

Canada Permanent Mortgage Corporation
Toronto Street - - Toronto
Paid-up Capital and Reserve Fund $11,000,000.00
ESTABLISHED 1855

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 Canada

CAPITAL AND UNDIVIDED PROFITS .. $3,750,000

5½% SHORT TERM (3 TO 5 YEARS) DEBENTURES YIELD INVESTORS 5½%

JOHN McCLARY, President
A. M. SMART, Manager

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY,
EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
LONDON, ENG. EDINBURGH, SCOT.

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 51 YONGE ST., TORONTO

Paid-up Capital, $1,250,000 Rest, $800,000 Total Assets, $4,968,953

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary.
V. B. WADSWORTH, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President.
C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. H. SPROULE, Manager.

WHEAT LOAN OF HUNDRED MILLIONS

It Was for One Year at 6 Per Cent. and Payable Quarterly —History of the Transaction

Some interesting details regarding the Canadian banks and the wheat loan were presented at the annual meeting of the Canadian Bankers' Association held last fall and to which little publicity has been given. The report of the secretary of the association reviewing this matter pointed out that a wheat loan of $100,000,000 for one year, 6 per cent., payable quarterly, with a renewal privilege for another year, had been arranged through the minister of finance with the British treasury. "All the members of the association are aware of the difficulties experienced in properly closing the negotiations," the report says. With the banks scattered from Quebec to Weyburn, dealing with the minister at Ottawa, as the intermediary, who in turn communicated with the British plenipotentiary at Washington and later with London, and with changes in the instalment terms after the provisions of the agreement were first settled, it was not an easy matter for the president of the Canadian Bankers' Association to keep the terms in order from the bankers' standpoint.

"Lord Reading confirmed on November 6th, in a communication to the minister of finance, the authority of the Wheat Export Company, Limited, to receive the proceeds of the loan in the terms following:—

" 'I authorize on behalf of the British government credit arranged with Canadian bankers for purchase of grain to be placed at the disposal of the Wheat Export Commission. Should be glad if you would be so good as to arrange accordingly.'

British Treasury Bills.

"The deputy minister of finance was at once advised that while the name 'Wheat Export Commission' was first used over a year ago, when Messrs. Stoddart and Stewart were representing the British treasury in making purchases of grain, that with the approval of the British authorities a corporation known as 'The Wheat Export Company, Limited,' of which Mr. J. Stewart is president, was subsequently organized for the purpose of buying and shipping the western crop. Mr. Boville, deputy finance minister, undertook to communicate with Lord Reading at once, and ask him to substitute for the Wheat Export Commission in his telegram the name the Wheat Export Company, Limited.

"Lord Reading's authority in view of the course of the negotiations to bind the British treasury in the opinion of counsel to the association is without question. Lord Reading first made the arrangements for the $100,000,000 advance through the minister of finance with the association. Under this arrangement the banks were to have the right to a security in the form of British treasury bills deposited to the order of the minister of finance. When the arrangements with Lord Reading were completed the minister cabled through the High Commissioner to the British treasury outlining the terms and asking that treasury bills as security be deposited for account of the minister with the Bank of England and further asking for authority to deposit the advances in the banks making the advances to the order of the Wheat Export Company, Limited. The deposit of the securities was made by the treasury thus recognizing and confirming Lord Reading's authority in the premises. When Lord Reading has by an amendment of the message authorized a deposit of the advances to the credit of the Wheat Export Company, Limited, the matter, as advised by counsel, can be regarded as satisfactorily settled.

"On November 8th, 1917, the British treasury, by communication through the minister of finance, confirmed the terms of the contract and the authority of the Wheat Export Company, Limited.

Funds in New York.

"In connection with the wheat advances the following letter was by direction of the president written on October 30th, 1917, to J. Stewart, president of the Wheat Export Company, Limited:—

" 'I am directed by the president to suggest to you the expediency of using your credit in New York in conjunction with the $50,000,000 to be placed at your disposal by the Canadian banks on or about the 1st proximo. The president desires me to point out that if the Wheat Export Company uses the $50,000,000 without any drawings from the funds available in New York there will probably be a violent reaction in exchange to be succeeded by a still more violent reaction the other way when you begin to use New York funds exclusively after the $50,000,000 has been exhausted. This I need scarcely point out, will result in a serious loss to your principals as well as otherwise disturbing Canadian financial conditions.

" 'The president would be glad if you would communicate your views on the matter.'

"To which the following reply was received dated November 3rd, 1917:—

" 'Referring to your letter of the 30th of October, in which you refer to the matter of New York exchange, I agree with you, that on certain conditions, your suggestion appears a good one, but before giving any decided opinion, I must necessarily ascertain the financial arrangement at the New York end. As soon as I have that before me, I will again communicate with you.

" 'If at any time there is any information which you require which we can give your association with regard to this credit, we shall be very glad to do so. As stated in to-day's wire, I fully appreciate that in order to obtain the best results, we must co-operate as much as possible.'

New York Exchange.

"The following telegram, dated November 6th, 1917, from the secretary of the western sub-section of the Canadian Bankers' Association at Winnipeg was read:—

" 'Re Wheat Export Company, sub-section desirous of immediate decision by parent association as to rate of commission on New York exchange, whether one-tenth or one-sixteenth on basis bills sent for collection and credited account only when paid and on advice of sale of relative New York funds. Opinion members of sub-section divided.'

"After discussion it was resolved that the Wheat Export Company's drafts on New York be deposited for collection pro rata with the banks and that the proceeds be placed at the credit of the Wheat Export Company on the day of payment in New York with a net commission of one-tenth based on the rate for the day between banks."

Improve Financial Position.

The president of the Bankers' Association, discussing the same matter at the annual meeting, said: "We are endeavoring to arrange with the Wheat Export Company to help to stabilize exchange rates by utilizing the credit established by the Canadian banks when New York funds are at a considerable discount. Despite the large shipments of wheat to the American seaboard in the fall of 1916, for which payment was received in New York funds, New York exchange ruled throughout the following month of January, 1917, at from one-half to three-quarter premium, which indicates the great commercial demand in this country for New York funds to settle our trade balances.

"The sale of a large proportion of our wheat for cash at a phenomenal price will greatly improve the financial situation. It is also satisfactory to hear that the United States government are placing orders for munitions in Canada, and that these may extend to large figures. Their purchases will reduce Canada's adverse balance of trade with the United States, and if payment for them is made in Canada, will prove a solution of the exchange question."

TORONTO SAVINGS AND LOAN COMPANY

One of Ontario's many loaning institutions, which several years ago came of age, and which has an excellent reputation, is the Toronto Savings and Loan Company. Its president, Mr. Herbert C. Cox, recently presented the thirty-third annual report of the directors, and it reflects a sound financial position. After payment of interest on deposits and debentures, and all expenses of management, there remained net earnings amounting to $150,554. This amount, together with the balance brought forward in profit and loss account from 1916 of $36,147, made a total of $186,701, which amount was disposed of in the following manner: By payment of four quarterly dividends at the rate of 10 per cent. for the year, amounting to $100,000; by transfer to reserve fund, $50,000; by balance left in profit and loss account, $36.701; total, $186.701. The reserve fund now stands at $1,050,000. All payments maturing during the year on the company's investments were satisfactorily met, and the rentals from the property owned by the company were also promptly paid.

The following directors were elected for the ensuing year: Messrs. Herbert C. Cox, Richard Hall, W. G. Morrow, D. W. Dumble, E. R. Wood and E. T. Malone, K.C. At a subsequent meeting of the directors, Mr. Herbert C. Cox was elected president and Mr. Richard Hall and Mr. W. G. Morrow vice-presidents.

A World-Wide Market

Members of the Toronto Stock Exchange have exceptional facilities for dealing in every class of security—not merely issues listed on the Toronto Stock Exchange, but all kinds of war bonds, Government and municipal issues, corporation bonds and stocks, mining stocks, curb stocks, grain, cotton, etc.—either on the Toronto Stock Exchange or anywhere else.

The following is a complete list of the Members:

Ames, A. E., & Co.
Anderson, T. O., & Co.
Baillie, Jas. W., & Co.
Blaikie, Geo. W., & Co.
Bongard, Ryerson & Co.
Brent, Tovell & Co.
Brouse, Mitchell & Co.
Buchanan, Seagram & Co.
Burritt, A. P., & Co.
Cassels & Biggar
Cassels, Browne & Co.
Cassels, Son & Co.
Cross & Murphy
Cronyn, Edward, & Co.
Deacon, F. H., & Co.
Duncanson, How & Co.
Dyment, Albert E., & Co.
Fergusson, G. Tower, & Co.
Fletcher, Macfarlane & Co.
Green, Dodds & Co.
Hambly, G. W., & Co.
Heron & Co.
Jarvis, Aemilius
Lawson, Edward E., & Co.
Lyon & Plummer
Martens, A. H., & Co.
Mitchell, W. G., & Co.
McMillan, Nicholson & Co.
Morris & Wright
Morrow & Jellett
Mulock, Cawthra, & Co.
Niven, J. K., & Co.
O'Flynn, H. H.
O'Hara, H., & Co.
Osborne, J. Ewart
Osler & Hammond
Osler, A. E., & Co.
Pardoe, Avern, & Co.
Pellatt & Pellatt
Perry, Norman D., & Co.
Playfair, Paterson & Co.
Stark, John, & Co.
Stewart, Fred. J.
Tomenson, Forwood & Co.
Watt & Watt

Toronto Stock Exchange

The North West Fire Insurance Company

HEAD OFFICE - WINNIPEG

G. R. CROWE, President D. E. SPRAGUE, Vice-President T. L. MORRISEY, General Manager
THOMAS BRUCE, Deputy Manager

34th ANNUAL REPORT, 1917

REVENUE ACCOUNT

RECEIPTS		EXPENDITURE	
Net Premium Income	$134,265.41	Losses	$ 85,818.95
Interest	15,906.80	Expenses	45,426.69
		Balance	18,926.57
	$150,172.21		$150,172.21

BALANCE SHEET

ASSETS		LIABILITIES	
Cash on hand and in Banks	$ 58,213.09	Capital Stock (subscribed $250,000) Paid up	$100,000.00
Agents' Balances	13,061.24	Reserve for Unearned Premiums	100,796.06
Bills Receivable	120.19	Losses Outstanding	19,804.33
Debentures and Mortgages	236,748.84	Reserve, Government Taxes	2,316.02
Accrued Interest	7,964.48	Surplus	87,280.50
Sinking Fund	89.07		
	$316,196.91		$316,196.91

CANADA'S COAL PROBLEM

Vital Question Has Come to the Forefront — Press References to Recent Article in The Monetary Times

The territory between Winnipeg and Ottawa depends almost entirely upon the United States for coal. This, certainly, is a serious matter.

Following the publication of the valuable review of the fuel situation contributed to *The Monetary Times*, of January 4th last, by Mr. Arthur V. White, numerous press notices, personal letters and other comments have been received. All these have been of so distinctly favorable a character that it seems evident that much good must necessarily result, especially since greater effort is now being made by governmental, municipal and other authorities to secure action along the various lines which the article suggests. Mr. White for many years has been directing attention to this subject in a broad and statesmanlike manner. He has written with authority. For several years he practised his profession in London, England, where his work necessitated extensive travelling in England, France, Belgium and the United States. He is consulting engineer to the Commission of Conservation and to the International Joint Commission, Ottawa and Washington, on the Lake of the Woods Investigation. It is proposed here to cite some of the press comments so that it may be evident how increasingly great is the demand for positive, widespread and adequate action in this exceedingly grave national fuel problem:—

Referring to Mr. White's article, the *Toronto Sunday World* emphasized the fact that he directs early attention to the necessity before Canada "to develop, and that as rapidly as possible, her own fuel and power resources, and by coordination of transportation and other cognate agencies to provide for the early annual distribution, including reasonable reserves, of fuel to all communities in the Dominion. In some respects it is more important to move coal and have it adequately stored and distributed throughout Canada than it is to move the grain out of the country." He, continues the *World*, warns us: "Let it be appreciated that Canadians need never expect to have electrical energy replace coal and other fuel for heating purposes, except to a relatively limited extent.' The use of electric power to save fuel, and the greater conservation of fuel resources for heating purposes must be the national policy. Steps should at once be taken to give such a policy form and action. The first cost would be nothing as compared with the interests at stake."

Problem Treated on Statesmanship Basis

The people of Canada are becoming seized with the importance of grappling with the problem of our fuel supply; this fact is clearly reflected in recent press comments. The Kitchener (Ont.) *News Record*, discussing the article in *The Monetary Times*, is of the opinion that Mr. White treats the problem from a national standpoint and strictly with regard to the future. "That his treatise has been published at this juncture," it says, "doubtless was due to the hope that Canadians, who now are suffering from a shortage of fuel and power, would be the more deeply impressed by his plea that the situation demands national action. He avers that the alternative open to Canada is to develop, and that as rapidly as possible, her own fuel and power resources, so as to provide for an early, annual distribution of fuel to all communities in the Dominion. His article will appeal to the business and general public as both sensible and timely. Canadians will be impressed and led to request the federal government to take action and ascertain to what extent Mr. White's vision can be realized."

Argument is Sound—On National Grounds

That the argument set forth in *The Monetary Times* is essentially sound, is believed by *The Canadian Engineer*, Toronto. "For many years," it says, "Mr. White has studied and written about the fuel problem in Canada, not in its temporary aspect, but upon broad, national grounds. In the article above-mentioned, which is well worth perusal by all who are interested in Canada's economic situation, he makes it clear that the government should take immediate and forceful action."

Canada is possessed of raw material which is equally essential to the United States, and Mr. White's advice is to develop and conserve our resources in water-power, in pulpwood and other vital resources as a medium of international exchange against the day of necessity. When the United States shall say: "We have no more coal to sell for money," then we can reply, "Perhaps not, but how much will you exchange for so much electrical energy, or so much pulp? That is likely to be the new form of barter in the not distant future and for which we must be prepared if we are not to endure terrible suffering and industrial paralysis," says the *Quebec Chronicle*.

The *Hamilton Spectator* refers to the apathy of those who should take the initiative in solving our fuel problem. "Perhaps one of the first questions to which the new Union Government will address itself," it says, "will be an early utilization on a commercial basis, of the peat and lignite deposits of Ontario and the west. Would it be too much to expect some appreciable progress in this direction before the beginning of next winter?"

Fuelless Countries Coerced

Recalling the humiliating position into which Holland, Denmark, Norway, Sweden and Switzerland have been reduced through their dependency upon belligerent nations for their supplies of fuel, the *Toronto News* says:—"We have seen Germany reach out to control the iron and coal deposits of Northern France and the water-powers of Switzerland. Our own fuel resources will prove equal to our needs if we develop them on an adequate scale, acquire reasonable reserves, and provide the necessary shipping facilities. As Mr. White remarks, 'it is in some respects more important to move coal and have it adequately stored and distributed throughout Canada than it is to move the grain crop out of the country.' The fuel problem is easily one of the most vital questions with which the Unionist government has to deal."

Commenting upon the friendliness of the United States towards this country and its importance re the question of coal supply, the *Hillsboro Journal*, New Brunswick, properly points out that circumstances are conceivable in which our neighbor to the south might feel compelled in the interests of her own population completely to shut off the export of anthracite, and to barter her bituminous output for particularly necessary Canadian products, such as electrical power.

Warnings that the anthracite coal fields of the United States are within reasonable distance of exhaustion have been made with increasing frequency in late years. The extreme limit, at the rate of consumption before the war, has been placed so low as one hundred years, but it may be taken as reasonably certain that long before the expiry of that period—and earlier rather than later—the United States authorities will take steps to limit or even prohibit its further export. Having these points in mind, the *Daily Times*, St Thomas, Ont., says:—"Canada as a loyal and convinced ally in the war against German militarism has received, and, no doubt, will continue to receive, special consideration during its course. But the United States government will also and naturally place the needs of its own people first and have regard to their future rather than to that of Canada. Fortunately, however, Canada is not without compensations that may in some degree alleviate that situation when it comes. It must develop and make available its own resources both of coal and of water power under a system that will protect its people."

Work of National Necessity

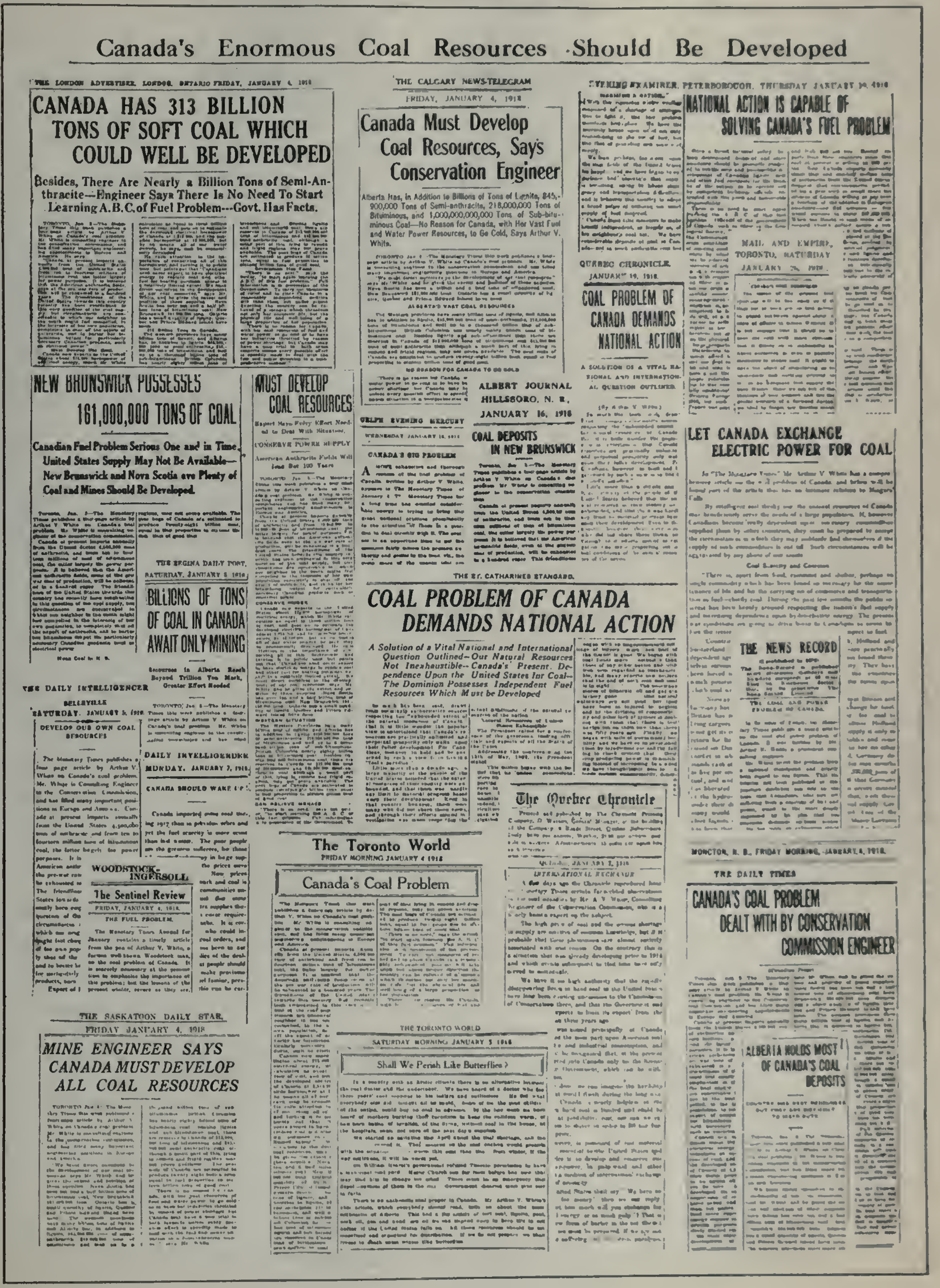
Too often we hear people in positions of responsibility, or politicians in the heat of an election campaign, dilating on the great natural resources of Canada, as though they were some sort of a fathomless ocean of gold into which our people could dip and scoop for all time to come without any fear of diminishing the supply or endangering the source of it. Mr. White takes direct exception, for example, to a statement made in Montreal on December 6th, 1917, at the annual meeting of a bank, when the president said:—"Our natural resources are unbounded and our credit is irreproachable." As far back as 1908 the officials in the United States saw that natural resources in that country had their limits and the same thing applies to Canada.

"Ontario, of all the provinces," says the *Guelph Mercury*, "should be interested to the point of action. It may be that the best results would be obtained were it undertaken as a work of national interest, rather than as private speculation. The private companies, for instance, have not succeeded in the development of the great coal areas of southern British Columbia. Many of these mines are run as a matter of convenience for American railroads. If the Canadian people are ever to receive the direct advantage of their great coal-bearing areas, it will only be by tremendous national effort, in which

(Continued on page 30)

CANADA'S FUEL PROBLEM IS URGENT

Representative Press Notices Endorsing the Articles by Mr. Arthur V. White in *The Monetary Times* and Supporting this Paper's Advocacy of Immediate and National Action Respecting Canada's Fuel Problem.



Canada's Enormous Coal Resources Should Be Developed

THE LONDON ADVERTISER, LONDON, ONTARIO FRIDAY, JANUARY 4, 1918

CANADA HAS 313 BILLION TONS OF SOFT COAL WHICH COULD WELL BE DEVELOPED

Besides, There Are Nearly a Billion Tons of Semi-Anthracite—Engineer Says There Is No Need To Start Learning A.B.C. of Fuel Problem—Govt. Has Facts.

THE CALGARY NEWS-TELEGRAM

FRIDAY, JANUARY 4, 1918

Canada Must Develop Coal Resources, Says Conservation Engineer

Alberta Has, in Addition to Billions of Tons of Lignite, 845,900,000 Tons of Semi-anthracite, 218,000,000 Tons of Bituminous, and 1,000,000,000,000 Tons of Sub-bituminous Coal—No Reason for Canada, with Her Vast Fuel and Water Power Resources, to Go Cold, Says Arthur V. White.

ALBERTA'S VAST COAL RESOURCES

NO REASON FOR CANADA TO GO COLD

EVENING EXAMINER, PETERBOROUGH, THURSDAY JANUARY 10, 1918

NATIONAL ACTION IS CAPABLE OF SOLVING CANADA'S FUEL PROBLEM

QUEBEC CHRONICLE.

JANUARY 19, 1918.

COAL PROBLEM OF CANADA DEMANDS NATIONAL ACTION

A SOLUTION OF A VITAL NATIONAL AND INTERNATIONAL QUESTION OUTLINED

(By Arthur V. White)

MAIL AND EMPIRE, TORONTO, SATURDAY JANUARY 26, 1918.

NEW BRUNSWICK POSSESSES 161,000,000 TONS OF COAL

Canadian Fuel Problem Serious One and in Time United States Supply May Not Be Available—New Brunswick and Nova Scotia Have Plenty of Coal and Mines Should Be Developed.

MUST DEVELOP COAL RESOURCES

Expert Says Every Effort Needed to Deal With Situation.

CONSERVE POWER SUPPLY

American Anthracite Fields Will Last But 100 Years

GUELPH EVENING MERCURY

WEDNESDAY JANUARY 16, 1918

CANADA'S BIG PROBLEM

ALBERT JOURNAL HILLSBORO, N. B., JANUARY 16, 1918

COAL DEPOSITS IN NEW BRUNSWICK

LET CANADA EXCHANGE ELECTRIC POWER FOR COAL

Coal Scarcity and Concern

THE REGINA DAILY POST, SATURDAY, JANUARY 5, 1918.

BILLIONS OF TONS OF COAL IN CANADA AWAIT ONLY MINING

Resources in Alberta Reach Beyond Trillion Ton Mark, Greater Effort Needed

TORONTO, Jan. 4.—The Monetary Times this week publishes a four-page article by Arthur V. White on Canada's coal problem. Mr. White is consulting engineer to the conservation commission and has filled

THE DAILY INTELLIGENCER

BELLEVILLE

SATURDAY, JANUARY 5, 1918.

DEVELOP OUR OWN COAL RESOURCES

The Monetary Times publishes a four page article by Arthur V. White on Canada's coal problem. Mr. White is Consulting Engineer to the Conservation Commission, and has filled many important positions in Europe and America. Canada at present imports annually from the United States 4,500,000 tons of anthracite and from ten to fourteen million tons of bituminous coal, the latter largely for power purposes. It is

DAILY INTELLIGENCER

MONDAY, JANUARY 7, 1918.

CANADA SHOULD WAKE UP

Canada imported more coal during 1917 than in previous years and yet the fuel scarcity is more acute than last season. The poor people are the greatest sufferers,

THE ST. CATHARINES STANDARD.

COAL PROBLEM OF CANADA DEMANDS NATIONAL ACTION

A Solution of a Vital National and International Question Outlined—Our Natural Resources Not Inexhaustible—Canada's Present Dependence Upon the United States for Coal—The Dominion Possesses Independent Fuel Resources Which Must be Developed

THE NEWS RECORD

THE COAL AND POWER PROBLEM OF CANADA

WOODSTOCK-INGERSOLL

The Sentinel Review

FRIDAY, JANUARY 4, 1918.

THE FUEL PROBLEM.

The Monetary Times Annual for January contains a timely article from the pen of Arthur V. White, a former well-known Woodstock man, on the coal problem of Canada. It is scarcely necessary at the present time to emphasize the importance of this problem; but the lessons of the present winter, severe as they are,

The Quebec Chronicle

QUEBEC, JANUARY 8, 1918

INTERNATIONAL EXCHANGE

A few days ago the Chronicle reproduced from the Monetary Times certain far-sighted observations on the coal situation by Mr. A. V. White, Consulting Engineer of the Conservation Commission, who is a widely known expert on the subject.

The high price of coal and the present shortage in supply are matters of common knowledge, but it is probable that these phenomena are almost entirely associated with war causes. On the contrary there is a situation that was already developing prior to 1914 and which events subsequent to that time have only served to accentuate.

The Toronto World

FRIDAY MORNING JANUARY 4 1918

Canada's Coal Problem

MONCTON, N. B., FRIDAY MORNING, JANUARY 4, 1918.

THE DAILY TIMES

CANADA'S COAL PROBLEM DEALT WITH BY CONSERVATION COMMISSION ENGINEER

ALBERTA HOLDS MOST OF CANADA'S COAL DEPOSITS

THE SASKATOON DAILY STAR.

FRIDAY JANUARY 4, 1918

MINE ENGINEER SAYS CANADA MUST DEVELOP ALL COAL RESOURCES

THE TORONTO WORLD

SATURDAY MORNING JANUARY 5 1918

Shall We Perish Like Butterflies?

In a country with an Arctic climate there is no alternative between the coal dealer and the undertaker.

SIXTEENTH ANNUAL REPORT OF

The Canada Trust Co.

HEAD OFFICES - - LONDON, CANADA

(Managed in connection with The Huron and Erie Mortgage Corporation.)

The Sixteenth Annual Meeting of the Shareholders was held at the Company's Offices in London, Ontario, on Tuesday, February 12th, 1918.

The Annual Report and Financial Statement were submitted as follows:—

After defraying the expenses of management and other charges, and making allowance for actual and possible losses, the balance available for distribution is $139,359.83 as follows:—

Brought forward from the previous year's account	$ 4,093.43
Net profits upon the past year's business	135,266.40
	$139,359.83
of which the following disposition has been made:—	
Two half-yearly dividends at 7 per cent. per annum	$ 69,993.00
Government and Business Tax	4,038.79
War Tax	1,928.31
Set aside for transfer to Patriotic and Red Cross Fund, Queen Alexandra Sanatorium Fund, and British Red Cross Fund	3,125.00
Transferred to Reserve Fund	50,000.00
Balance carried forward	10,274.73
	$139,359.83

The Reserve Fund now amounts to $550,000 or 55 per cent. of the Company's Paid-up Capital.

The sum of $3,125.00 has been set aside for Patriotic purposes as above noted. The Shareholders will be asked to approve these donations.

The accounts, vouchers and securities have been duly examined by the Auditors, whose report is appended.

The Directors desire to bear testimony to the very efficient manner in which the Officers of the Company have discharged their respective duties.

All of which is respectfully submitted.

T. G. MEREDITH,
President.

London, February 1st, 1918.

Statement as at 31st December, 1917.

LIABILITIES.

Capital Account:			
Capital Stock Paid-up		$1,000,000.00	
Dividend payable 1st January, 1918		34,996.50	
Reserve Fund:			
30th December, 1916	$500,000.00		
Added 31st December, 1917	50,000.00		
		550,000.00	
Balance at Credit of Profit and Loss		10,274.73	
			$1,595,271.23
Guaranteed Funds:			
Sum for Investment		$4,461,357.90	
Interest Accrued but not Due		67,224.06	
			$4,528,581.96
Estate Funds:			
Estate Moneys for Investment		$1,625,583.38	
Unrealized Assets		1,164,607.00	
			$2,790,190.38
			$8,914,043.57

ASSETS.

Capital Account:		
Cash Value of Mortgages	$ 869,700.75	
Less amount Retained to pay prior Mortgages	19,674.65	
	$ 850,026.10	
Canadian Municipal, School District and Rural Telephone Debentures	332,350.00	
Bonds of Great Britain, the Dominion of Canada and its Provinces	291,084.00	
Other Bonds and Securities	41,420.00	
Real Estate	12,679.73	
Cash on hand and in Banks	67,711.40	
		$1,595,271.23
Guaranteed Funds:		
Cash Value of Mortgages	$3,699,789.00	
Canadian Municipal, School District and Rural Telephone Debentures	633,619.00	
Bonds of Great Britain, the Dominion of Canada and its Provinces	1,063,657.00	
Other Bonds and Securities	14,000.00	
Cash on hand and in Banks	117,616.96	
		$4,528,581.96
Estate Funds:		
Cash Value of Mortgages, Bonds and Debentures	$1,455,276.00	
Unrealized Assets	1,164,607.00	
Cash in Banks	170,307.38	
		$2,790,190.38
		$8,914,043.57

HUME CRONYN, General Manager.

We hereby certify that for the year ending December 31st, 1917, we have audited the Books and Accounts and have examined the Securities of The Canada Trust Company, except those of its branches at Regina, Winnipeg and Edmonton. All our requirements as auditors have been complied with, and in our opinion the above statements are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as shown by its books.

The Books and Accounts of the Branches at Regina, Winnipeg and Edmonton have been audited and the Securities there have been examined by Mr. J. C. Pope, C.A., and by Messrs. F. C. S. Turner & Company, C.A., and by Messrs. Baldwin, Dow & Bowman, C.A., respectively, and the results as certified to by them are incorporated in the above statements.

M. H. ROWLAND, } Auditors.
J. F. KERN,

London, February 1st, 1918.

The following Directors were elected for the ensuing year:—

T. G. MEREDITH, K.C., President.
H. S. BLACKBURN.
GEO. T. BROWN.
I. CAMPBELL, K.C.
E. P. CLEMENT, K.C.
JOHN COWAN, K.C.
V. CRONYN, K.C.
ROBT. FOX.
H. E. GATES.

E. R. ECCLES, M.D., LL.D., Vice-President.
A. H. M. GRAYDON.
F. E. LEONARD.
HON. F. G. MACDAIRMID.
J. B. McKILLOP.
R. O. McCULLOCH.
PHILIP POCOCK.
HUME CRONYN, M.P.

FIFTY-FOURTH ANNUAL REPORT OF

The Huron and Erie Mortgage Corporation

HEAD OFFICES - - - - LONDON, CANADA

The Fifty-fourth Annual Meeting of the Shareholders was held at the Corporation's offices in London, Ontario, on Wednesday, February 13th, 1918.

The Annual Report and Financial Statement were submitted as follows:—

After defraying the expenses of management and all other charges, and making allowance for actual and possible losses, the balance available for distribution is $535,710.78, as follows:—

Brought forward from the previous year's account	$ 85,518.87
Net profits upon the past year's business	450,191.91
	$535,710.78

of which the following disposition has been made:—

Four quarterly dividends of 3 per cent. each (making the total distribution 12 per cent.)	$300,000.00
Government and Business Tax	8,381.48
War Tax	11,234.48
Set aside for Transfer to Pension Fund	10,000.00
Set aside for Transfer to Patriotic Fund, Canadian Red Cross Fund, British Red Cross Fund, Military Y.M.C.A. Fund, Queen Alexandra Sanatorium Fund and Halifax Relief Fund	9,425.00
Transferred to Branch Extension Fund	10,000.00
Transferred to Reserve Fund	100,000.00
Balance carried forward	86,669.82
	$535,710.78

The Reserve Fund now amounts to $3,100,000.00, or one hundred and twenty-four per cent. of the Paid-up Capital.

The sum of $10,000 has been set aside for transfer to the Pension Fund, and the sum of $9,425.00 for Patriotic purposes as above noted. The Shareholders will be asked to approve these transfers.

The Corporation has no real estate on hand other than office premises, all properties which have come into the possession of the Corporation by foreclosure, failure to obtain purchasers under power of sale, or otherwise, having been sold.

The Directors desire to bear testimony to the very efficient manner in which the Officers of the Corporation have discharged their respective duties.

All of which is respectfully submitted.

T. G. MEREDITH, President.

London, Ontario, January 28th, 1918.

Statement for Year Ending December 31st, 1917.

ASSETS AND LIABILITIES.

DR.

Liabilities to the Public:		
To Sterling Debentures	$ 4,032,950.64	
To Canadian Debentures	4,703,191.04	
To Deposits	3,025,255.02	
To Interest accrued but not due	103,650.88	
		$11,865,047.58
To the Shareholders:		
To Capital Stock paid up	$ 2,500,000.00	
To Reserve Fund	3,100,000.00	
To Officers' Pension Fund	10,000.00	
To Branch Extension Fund	10,000.00	
To Quarterly Dividend No. 121, due 2nd January, 1918, at 3 per cent.	75,000.00	
To Balance	86,660.82	
		$ 5,781,669.82
		$17,646,717.40

CR.

By Cash Value of Mortgages	$10,626,306.00	
Less amount retained to pay prior mortgages	41,532.65	
		$10,584,773.35
By Office Premises		211,913.99
By Canadian Municipal, School District and Rural Telephone Debentures		3,182,955.00
By Bonds of Great Britain, the Dominion of Canada and its Provinces		1,409,654.00
By Other Bonds and Securities		93,208.00
By Canada Trust Company Stock at cost (Value on basis of Reserve, $1,507,995)		1,180,860.00
By Cash in Office	$ 71,829.99	
By Cash in Bank	911,527.07	
		983,357.06
		$17,646,717.40

HUME CRONYN, General Manager.

RESERVE FUND AND UNDIVIDED PROFITS.

Reserve on 30th December, 1916	$3,000,000.00	
Transferred from Profits on 31st December, 1917	100,000.00	
		$3,100,000.00
Undivided Profits for 1917		86,669.82
Reserve Fund and Undivided Profits on 31st December, 1917		$3,186,660.82

AUDITORS' REPORT.

We hereby certify that for the year ending December 31st, 1917, we have audited the Books and Accounts and have examined the Securities of the Huron and Erie Mortgage Corporation, except those of its branches at Regina, Winnipeg and Edmonton.

All our requirements as Auditors have been complied with, and in our opinion the above statements are properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs as shown by its books.

The Books and Accounts of the Branches at Regina, Winnipeg and Edmonton have been audited and the Securities there have been examined by Mr. J. C. Pope, C.A., Messrs. F. C. S. Turner & Company, C.A., and by Messrs. Baldwin, Dow & Bowman, C.A., respectively, and the results as certified to by them are incorporated in the above statements.

London, January 28th, 1918.

M. H. ROWLAND,
F. G. JEWELL, C.A., } Auditors.

The following Directors were re-elected for the ensuing year:—

T. G. MEREDITH, K.C., President.
HUME CRONYN, M.P., First Vice-President. F. E. LEONARD, Second Vice-President
GEORGE T. BROWN. F. R. ECCLES, M.D., LL.D. RÒBT. FOX. H. E. GATES. A. H. M. GRAYDON. PHILIP POCOCK

CANADA'S COAL PROBLEM

(Continued from page 26)

all our talent in labor, science, and organization must be brought directly to bear on the solution of the problem. Nothing else will do it. A half-measure or a faint-hearted attempt would be disastrous."

"If we do not prepare, we shall freeze to death some winter like butterflies," says the *Toronto World*, and it adds:—"There is no anthracite coal proper in Canada. Mr. Arthur V. White's able article, which everybody should read, tells us about the semi-anthracite of Alberta. This and a big supply of soft coal, lignite, peat, with oil, gas and wood, are all we can depend upon to keep life in our bodies if the United States fails us. All these resources should be nationalized and organized for distribution."

Look to Our Own Resources

The Monetary Times pointed out in an editorial article last month that if our outside supply of coal is cut off, we must look to our peat, lignites, and coal areas in east and west. Under the circumstances, the public naturally want to know what is being done to obtain this coal in east and west, and what is being done for its distribution to the central portions of the Dominion. There is a proper and rapidly strengthening desire on the part of the public to know what action the Dominion government is taking in these matters; what conferences are being held; whether expert knowledge is being applied; and what time and funds are necessary to obtain lignite and peat in order satisfactorily to relieve the situation, not only for the present but for the future also.

"Canada need not be dependent on the United States for good coal," says the *Mining Record*, Stellarton, N.S., "either for power or domestic purposes. Why is Nova Scotia not producing twelve, instead of six million tons. The chief reason is shortage of labor and lack of transportation facilities. Nova Scotia in the past could have shipped millions of tons of coal to Ontario had there been facilities for transportation. If Canada is not to continue to be dependent on the United States for coal, let those in authority begin to see to it that arrangements are made to carry coal right through from the Atlantic to the Province of Ontario. As soon as assurance is given that five to ten million tons of coal will be transported at a reasonable rate of freight, then, if there be a coal problem, it will be readily solved."

"That there is no reason for Canada, with her vast resources of fuel and water power to go cold or to have her industries throttled by reason of power shortage," is the opinion concurred in by the *Star*, Saskatoon, "but Canada," it adds, "may have a sore trial in both these respects unless every possible effort is speedily made to deal with the fuel and power situation in a comprehensive manner."

[Further Press references will appear in next issue.—*Editor.*]

LONDON & CANADIAN LOAN & AGENCY COMPANY.

The net earnings of the London and Canadian Loan and Agency Company, Limited, during 1917, were $163,000, or $4,600 in excess of those of 1916. This is equal to over 13 per cent. of the capital, as compared with 12.7 per cent. in 1916 and 15.4 per cent. in 1915. The year's earnings are equal also to 8 per cent. on the capital and reserve. The reserve was increased by $50,000 at the end of the year, and is now $850,000, or 86 per cent. of the capital. After making these provisions, and after paying the regular 8 per cent. dividend, the company was able to carry forward $22,000 to revenue account of the current year. These are satisfactory results, and reflect credit upon the work of Mr. Wadsworth, the manager and his staff and upon the conservative, yet progressive policy of the directorate, over which Mr. Thomas Long presides. Mr. Long informed the shareholders at the recent annual meeting that payments on mortgage accounts during the year had been satisfactory. He called their attention to the fact that the company's mortgages at the end of the year amounted to $4,286,000. These mortgages are almost entirely on improved farm property, all of which have been inspected by the company's own inspectors. The other items of assets shown in the statement are $329,000 of securities, $17,510 of call or short-term loans, and $223,418 cash.

Debentures outstanding decreased from $2,641,000 in 1915 to $2,409,000 in 1916, and to $2,231,000 last year, this circumstance indicating conditions in the debenture fields.

Mortgages and interest outstanding show a notable contraction. In 1915 this item was $4,627,000 and in 1916 $4,463,000, and last year $4,285,000. The changes in the character of the assets are indicated by the following table:—

	1916.	1917.
Mortgages	$4,463,643	$4,285,997
Call loans	80,660	17,510
Securities	311,927	329,017
Cash	112,720	223,418
	$4,968,953	$4,855,944

The London and Canadian Loan and Agency Company is one of our oldest loaning corporations, having been in business for forty-four years. While its head office is at Toronto, it has also branch offices at Winnipeg, Regina, Saskatoon and Yorkton. The Canadian organization consists of a Canadian board, including the president, Mr. Thomas Long, and the vice-president, Mr. Casimir S. Gzowski. The other directors are Messrs. A. H. Campbell, Charles C. Dalton, Goldwin L. Smith, Colin M. Black, W.S. (Edinburgh) and William C. Noxon. The manager is Mr. V. B. Wadsworth, who has guided the affairs of the company for so many years with great success, and the secretary, Mr. William Wedd, jr. In addition, the company has a Scottish advisory board, comprising the following members: Messrs. W. H. Murray, W.S., Ian Macintyre, W.S., and Colin M. Black, W.S., all of Edinburgh.

CANADA TRUST COMPANY

The Canada Trust Company, of London, Ontario, is operated largely in conjunction with the Huron and Erie Mortgage Corporation. The company was established sixteen years ago, and has a paid-up capital of $1,000,000. Its president, Mr. T. G. Meredith, K.C.; general manager, Major Hume Cronyn, M.P.; and secretary, Mr. M. Aylsworth, occupy similar positions with the mortgage corporation. The company held its annual meeting last week, and an excellent report was presented. After defraying the expenses of management and other charges, and making allowance for actual and possible losses, the balance available for distribution was $139,359 as follows: Brought forward from the previous year's account, $4,093; net profits upon the past year's business, $135,266; total, $139,359. The following disposition of that sum was made: Two half-yearly dividends at 7 per cent. per annum, $69,993; government and business tax, $4,038; war tax, $1,928; set aside for transfer to Patriotic and Red Cross fund, Queen Alexandra Sanatorium fund and British Red Cross fund, $3,125; and transferred to reserve fund, $50,000, leaving a balance carried forward of $10,274; total, $139,359. The reserve fund now amounts to $550,000, or 55 per cent. of the company's paid-up capital.

An interesting feature of the meeting was the reference made to the importance of appointing a reputable trust company, such as the London corporation, for the administration of estates. During 1917, there was an increase of over 25 per cent. in the number of wills deposited in the company's vaults in which the company had been named as executor. Mr. T. G. Meredith, the president, stated that it was most encouraging to note that the public are rapidly showing a preference for the appointment, as executor, of such companies instead of for the old method of obtaining the uncertain service of individuals in that capacity. Mr. J. B. McKillop, a director of the company, said he was not surprised at this development when the advantages to be gained by such appointment were considered. "Unlike individual executors," he continued, "this company's existence is perpetual. It keeps accurate and continuously audited accounts, and renders regular reports to beneficiaries; it cannot be influenced by family sentiment or quarrels; it has ample financial responsibility; and last, but not least, the fees allowed to this company for its services are fixed by the judge of the Surrogate Court at the time of the passing of the accounts, and in many cases they are less than the amount that would be allotted to individuals acting in the same capacity. Considerable weight was attached to Mr. McKillop's remarks, as he acts as crown attorney for the county of Middlesex.

An analysis of the Canada Trust Company's financial statement indicates that this corporation remains in a strong position.

The Dominion Savings and Investment Society

The Forty-Fifth Annual General Meeting of the Society was held at their Head Office in the Dominion Savings Building at 11 a.m., on Tuesday, the 12th day of February, 1918.

There were present: T. H. Purdom, K.C., President (who occupied the chair); John Ferguson, Vice-President; W. J. McMurtry, Toronto; James T. Moses, London; George Angus, John Purdom, H. Bapty, Alexander Purdom, F. D. Parke, W. W. Purdom, Nathaniel Mills and others.

The Managing Director, Mr. N. Mills, then read the following report:—

Forty-Fifth Annual Report to the Shareholders of The Dominion Savings and Investment Society

The Directors beg leave to submit their report for the year ending December 31st, 1917, together with the duly audited balance sheet.

The net profits for the year amounted to the sum of $58,125.87. The balance at the credit of the Contingent Account was the sum of $2,541.03, making together the sum of $60,666.90. This sum provided for the payment of two half-yearly dividends, at the rate of five per cent. per annum, amounting to the sum of $46,741.42, the addition of $10,000.00 to the Reserve Fund, which now amounts to the sum of $260,000.00, leaving the Contingent Account a balance of $3,925.48.

The assets are more than double the amount of the liabilities, and the Reserve Fund alone is almost twenty-five per cent. of the total liabilities to the public.

The books of the Society have been regularly audited by Messrs. John Lochead and W. J. Harvey, whose certificate is attached to the financial statement.

All the Directors retire annually and are eligible for re-election.

Respectfully submitted, T. H. PURDOM, President.

Financial Statement for the Year ending December 31, 1917

PROFIT AND LOSS.

Dr.

To Two Permanent Stock Dividends—		
30th June, 1917	$23,357.50	
31st December, 1917	23,357.50	
		$ 46,715.00
To Two Accumulating Stock Dividends—		
30th June, 1917	$ 13.05	
31st December, 1917	13.37	
		26.42
To Interest paid Savings Bank Depositors		27,876.37
To General Expense Account, including Salaries, Directors' and Auditors' Fees, Advertising, Printing, etc.		12,743.00
To Commission Account		1,175.15
To Currency Debenture Coupons		3,139.08
To Currency Debenture Coupons due 2nd January, 1918		3,121.80
To Sterling Debenture Coupons		7,618.95
To Sterling Debenture Coupons, Interest accrued but not due		1,054.20
To Municipal and Government Taxes		2,099.85
Carried to Reserve Fund		10,000.00
Carried to Contingent Fund		3,925.48
		$119,495.30

Cr.

By Earnings for year ending 31st December, 1917	$116,954.27
By Balance of credit of Contingent Account, 1st, January, 1917	2,541.03
	$119,495.30

LIABILITIES.

TO THE PUBLIC:	
To Savings' Bank Depositors	$ 701,378.40
To Currency Debentures	175,230.00
To Currency Debentures, Coupons due 2nd January, 1918.	3,121.80
To Sterling Debentures	171,888.15
To Sterling Debentures Coupons (Interest accrued but not due)	1,054.20
	$1,112,672.55
TO THE SHAREHOLDERS:	
To Permanent Stock	$ 934,300.00
To Permanent Stock Dividend, payable 2nd January, 1918	23,357.50
To Accumulating Stock	95.00
To Accumulating Stock Dividends	453.33
To Reserve Fund	260,000.00
To Contingent Account	3,925.48
	$2,334,803.86

ASSETS.

By Cash Value of Mortgages and other Securities	$2,297,941.[illegible]
By Cash in Banks	33,192.1[illegible]
By Cash in Office	3,67[illegible]
	$2,334,8[illegible]

NATHANIEL MILLS, Manager.

We hereby certify that we have made a regular audit of the books of The Dominion Savings and Investment Society for the year 1917. The cash, bank accounts and vouchers have been kept under careful examination. All postings have been checked, all entries in the Society's ledgers have been verified, and the accompanying statements of "Profit and Loss" and "Assets and Liabilities" are, in our opinion, a correct showing of the affairs of the Society.

London, January 26th, 1918.

JOHN LOCHEAD, } Auditors.
W. J. HARVEY, }

The President moved the adoption of the Report, which was seconded by the Vice-President, Mr. John Ferguson, and carried unanimously.

The Directors: T. H. Purdom, K.C., John Ferguson, W. J. McMurtry, John Purdom, Samuel Wright, John Milne and Nathaniel Mills, Managing Director, were re-elected, and at a subsequent meeting of the Directors, T. H. Purdom, K.C., was elected President, and John Ferguson, Vice-President for the ensuing year.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

The decision to govern the city of Montreal with the assistance of a businesslike commission will materially help the credit of that city, credit which has suffered in the past by maladministraton of the city's affairs. The appointment of the Bureau of Municipal Research to investigate the city's affairs was also a desirable innovation. The bureau has just made its report, which shows that by certain economies and readjustments the city would save more than $1,000,000 annually. Undoubtedly, the better elements of the city and of the province generally have decided that Montreal must have a thorough civic housecleaning, and the recommendations of the Bureau of Municipal Research are, therefore, likely to be adopted. In view of the financing which the city has to do, this is an important consideration.

The report of the bureau condemns the police department, drawing attention in detail to inefficiency, over-officering, the presence of outside influences in the appointments and promotions, and the defective platoon system. The fire department is praised, and a few suggestions for further work and further efficiency are made. The elimination of the clerical staff of the board of control is advised, such work to be done by the city clerk's staff. The establishment of a civil service commission, the sitting of the Recorder's Court on Sundays and holidays are among the recommendations of the elaborate report.

In a tabulated table under the heading of "savings" the report declares that on a conservative estimate $689,000 may be economized by the adoption of the various suggestions submitted. In addition to the $689,000 of savings listed are innumerable other instances where savings can be made if the recommendations in the report are adopted, the amount of which cannot be concluded in advance, but will bring the aggregate to more than $1,000,000.

Certain details of the $689,000 are of interest. Under the head of central government there is an amount of $40,000, which would mean the elimination of council, mayor and commissioners and office of the board of commissioners, the total being $90,000, less $50,000, which the system, the report suggests, would cost. On the purchasing department, spending $1,500,000, there could be saved, says the report, 5 to 10 per cent. of $100,000. Several small amounts are included, such as $8,000 on the board of assessors, $15,000 on the department of privileges and licenses, $10,000 under the head of comptroller and auditor, $15,000 from the city bulletin and city clerk's office, $121,250 under the police department head, $36,450 in the fire department, $100,000 in the public works, $4,000 in the sewers department, $136,700 on the water supply, $18,000 on municipal buildings, $8,000 in the incineration department, $9,000 in parks, $9,250 on building inspection, $2,800 on the markets, $15,000 on hygiene and health, and $30,000 under municipal assistance, and other small amounts, making the total of $689,000.

Manitoba.—Mr. J. A. Thompson, Winnipeg, reports the purchase of Manitoba school district debentures as follows: Makinak S.D., $7,000 6½ per cent. 20-years; Eden Con. S.D., $4,000 6 per cent. 20-years; Rocky Hill S.D., $2,000 7 per cent. 15-years.

Saskatchewan.—The following is a list of authorizations granted by the local government board from January 2nd to February 8th, 1918:—

School Districts.—*Granlich, $2,000 10-years not ex. 8 per cent. annuity; R. L. Smith, Macklin. *Hazel Ridge, $1,300 10-years not ex. 8 per cent. annuity; J. Hunt, Shellbrook. Grosmont, $1,500 10-years not ex. 8 per cent. instalment; J. B. Lewis, Lemsford. *Bolney, $1,500 10-years not ex. 8 per cent. annuity; R. Isted, Bolney. Atkins, $1,800 10-years not ex. 8 per cent. annuity; Hans Soum, East End. Hill Point, $1,800 10-years not ex. 8 per cent. annuity; J. Chesters, Rossduff. Montro, $2,000 10-years not ex. 8 per cent. instalment; H. Skinner, Maymont. *Cavendish, $1,500 10-years not ex. 8 per cent. instalment; Geo. Rettig, Quinton. *Cut Arm, $1,600 10-years not ex. 8 per cent. annuity; Geo. Mess, Bredenbury. Pinto Head, $2,000 10-years not ex. 8 per cent. annuity; A. M. Fulcher, Buffalo Horn.

Rural Telephone Companies.—Mazenod, $1,250 10-years not ex. 8 per cent. annuity; Jas. H. Thomas, Masenod. Haultain, $4,000 15-years not ex. 8 per cent. annuity; Wm Waters, Haultain. Weyburn Plains, $2,000 15-years not ex. 8 per cent. annuity; W. J. Bullis, Weyburn. Dilke, $600 15-years not ex. 8 per cent. annuity; Thos. Ritson, Dilke. Prairie Lily, $250 15 years not ex. 8 per cent. annuity; M. R. Kraemer, Rouleau. Tribune, $3,100 15-years not ex. 8 per cent. annuity; F. W. Johnston, Tribune. River Ayr, $3,200 15-years not ex. 8 per cent. annuity; J. N. R. Finlayson, Broadview. Westbrook-Gladwin, $500 15-years not ex. 8 per cent. annuity; C. J. Smith, Theodore. Bridgeford, $5,800 15-years not ex. 8 per cent. annuity; F. E. Mann, Bridgeford. Verdun, $1.700 15-years not ex. 8 per cent. annuity; A. F Ransom, Kipling.

Villages.—Prelate, $7,500 15-years instalment not ex. 8 per cent; J. J. Keelan, Prelate. Lancer, $2,700 10-years instalment not ex. 8 per cent.; W. G. McGillvary, Lancer. Moss Bank, $3,000 10-year instalment not ex. 8 per cent.; J. Phillips, Moss Bank.

The following is a list of debentures reported sold from January 2nd to February 8th, 1918:—

School Districts.—Earl Grey, $1,500, Muriel, $1,900; Canada Landed and National Investment Company, Winnipeg. Dickson. $1,600; A. Davis, Perdue. Wideview, $2,000, Gavrelle, $3,700, Sand Hill, $1,200, Glentworth, $2,000, Snowdon, $2,000; Waterman-Waterbury Manufacturing Company, Limited, Winnipeg. Bausley, $2,000; Great-West Life Assurance Company, Winnipeg. Korbel, $800; J. H. Kem, Moose Jaw.

Rural Telephone Companies.—Hawarden, $2,200, Lake Johnston, $800; Union Bank of Canada, Souris. North Quill Lake, $5,400; E. L. Sinclair, Foley, Alabama. Shallow Lake, $200; Mrs. N. M. Lee, Marchwell. Sceptre, $1,500; J. W. Moore, Sceptre. Blucher, $2,900; Regina Public School Sinking Fund. Shaunavon-Eastern, $11,300; G. T. Brander, Regina. East Borden, $1,400; A. H. Wensley, Borden. Ridgeway, $4.800; Canada West Electric, Florien Becker, Wm. Packham, et al. Prairie Queen, $3.700; Bond and Debenture Corporation, Winnipeg. Western Edam, $17,000, Eastern Edam, $16,000; T. D. Rourke, Regina. Star City, $13,300; H. O'Hara and Company, Toronto. Unity. $36,400; W. D. Craig, Regina.

BANK CLEARINGS

The following are the bank clearings for the weeks of February 15th, 1917, and February 16th, 1918, respectively, with changes:—

	Week ended Feb. 16, '18.	Week ended Feb. 15, '17.		Changes.
Montreal	$ 61,066,430	$ 62,335,837	—	$ 1,269.407
Toronto	43,124,838	47,869.381	—	4,744.543
Winnipeg	36,382,301	30,143,170	+	6.239.131
Vancouver	8,717,659	6,009,756	+	2,707,903
Ottawa	3,691,966	4,077,174	—	385.208
Calgary	6,118,017	3,706,114	+	2,411,903
Hamilton	3,334,455	3.763.077	—	428,622
Quebec	2,410,952	3,400,574	—	989,622
Edmonton	2,871.103	2,249.732	+	621,371
Halifax	3,129,090	2.467,675	+	661,415
London	1,545,576	1.787,111	—	241,535
Regina	2,535,911	2,144,607	+	391.304
St. John	1,832,912	1,751,837	+	81,075
Victoria	1,672,261	1,381,415	+	290,846
Saskatoon	1,378,287	1,235,895	+	142,392
Moose Jaw	1,006,291	918,886	+	87,405
Brandon	494,492	401,348	+	93,144
Brantford	684,891	634.959	+	49,932
Fort William	510,129	446,392	+	63,737
Lethbridge	557,941	491.509	+	66,432
Medicine Hat	507,870	371,634	+	136,236
New Westminster	401.444	243.039	+	158,405
Peterboro	463.232	453.304	+	9.928
Sherbrooke	419,623	513.166	—	93.543
Kitchener	337.729	470,742	—	133.013
Total	$185,195,400	$179.268.334		$5,927,066

The Toronto bank clearings for the current week are $53,601,982, compared with $48.556.682 for the same week in 1917, and $39,992,288 in 1916.

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*Being sold by the local government board.

BRANDRAM-HENDERSON LIMITED

General Statement of Assets and Liabilities as at 30th November, 1917.

ASSETS.

Fixed:			
Real Estate, Buildings, Plants, Equipment, Goodwill, Patent Rights	$1,785,920.42		
Investments	3,630.00		
Total Fixed Assets			$1,789,550.42
Current:			
Merchandise	$ 712,756.75		
Accounts Receivable	348,096.94		
Bills Receivable	2,121.75		
Cash on hand and in Banks	29,030.00		
Total Current Assets			1,092,005.44
Deferred Charges			8,416.92
			$2,889,972.78

LIABILITIES.

Fixed:			
Capital Stock Common	$970,000.00		
Capital Stock Preferred	500,000.00	$1,470,000.00	
Bonds		382,300.00	
Bond Redemption Reserve		117,700.00	
Bond Premium Account		3,806.35	
Reserve for Depreciation		47,500.00	
Total Fixed Liabilities			2,021,306.35
Current:			
Loans from Banks		$ 267,981.74	
Bills Payable		1,352.09	
Accounts Payable		152,902.67	
Reserve for Dividend No. 25 on Preferred Stock, Payable January 2nd, 1918.		8,750.00	
Reserve for Bond Interest		3,846.30	
Reserve for War Tax		21,648.71	
Total Current Liabilities			456,481.51
Surplus			412,184.92
			$2,889,972.78

Audited and Verified,

P. S. ROSS & SONS,
Chartered Accountants.

Montreal, January 4th, 1918.

Profit and Loss Account for Year ended 30th November, 1917.

CR.

By Balance brought forward December 1st, 1916			$ 349,464.80
Net Profit after deducting Head Office Charges			221,429.22
			$ 570,894.02

DR.

To Bond Interest paid and accrued		$22,528.93	
Dividends on Preferred Stock paid and accrued		35,000.00	
Reserved for Depreciation	$ 7,500.00		
Reserved for Depreciation (special)	10,000.00		
		17,500.00	
Sinking Fund for Redemption of Bonds		15,600.00	
Dividend on Common Stock		29,100.00	
War Tax for two years to November 30th, 1916, less reserve for first year		31,917.67	
Patriotic Donations		7,062.50	
			158,709.10
Balance at credit of Profit and Loss Account, November 30th, 1917			$ 412,184.92

Audited and Verified,

P. S. ROSS & SONS.
Chartered Accountants.

Montreal, January 4th, 1918.

DIRECTORS' REPORT.

**To the Shareholders of
BRANDRAM-HENDERSON, LIMITED:**

Your Directors submit herewith their Eleventh Annual Report with Statement of Assets and Liabilities and abstract of Profit and Los Account for the year ended November 30th, 1917.

The Net Profits for the year amounted to $221,429.22, which, with the balance of $349,464.80 carried forward from the previous year, makes the sum of $570,894.02 to the credit of the Profit and Loss account. Out of this sum has been paid the interest on bonds to September 30th, and a reserve for interest accruing for October and November, also the dividend on the Preferred Stock paid and accrued. The sum of $7,500.00 has been provided as a reserve for depreciation, and a further sum of $10,000.00 as a special reserve for depreciation by way of provision for possible contingencies. The sum of $29,100.00 was absorbed by the 3 per cent. dividend paid on the Common Stock in February last, and the sum of $7,062.50 to cover patriotic donations during the year. Owing to insufficient information from the authorities an inadequate sum was set aside a year ago for the first year's War Tax, and in consequence it has been necessary to provide at this time the sum of $31,917.67. The sum of $15,600.00 has been applied for Sinking Fund purposes, leaving a balance of $412,184.92.

The entire cost of upkeep and renewals to property has, as in previous years, been charged to Operating Expenses.

The increase in the current Liabilities is due to a greater volume of business, necessitating larger stocks as shown by the inventories and to the higher cost of all raw materials.

Messrs. P. S. Ross & Sons, as in the past, have audited the books and accounts and their report is herewith submitted.

Your Directors are pleased to report that the sales and profits in all Divisions of the Company's activities, with the exception of the Munitions Division, have shown healthy increases. These increases have been sufficiently substantial to offset the material decline in Bullet sales, occasioned by the new methods of the Munitions Board explained in our last report.

In order to satisfactorily develop our British Columbia business it was found desirable to establish a depot in Vancouver, and, owing to the strong sentiment in favor of provincial organizations, a separate charter has been secured to do business in the name of Brandram-Henderson of British Columbia, Limited. We have thus completed our sales arrangements for the entire Dominion, with distributing points at Halifax, St. John, Montreal, Toronto, Winnipeg, Edmonton, Calgary, and Vancouver.

The establishment of a Marine Specialties Branch under its own Manager, was decided upon and effected in June last, in order to deal more effectively with the greatly increasing demand for technical paints and sundries for shipbuilding purposes.
foreign representatives, all of whom are doing well.

Your Directors have paid the usual dividends on the Preferred Stock, and now recommend a disbursement of 4 per cent on the Common
A characteristic of the year's trading has been the rapidly increasing export trade, justifying the appointment of several additional
Stock, payable 1 per cent. quarterly on March 1st, June 1st, September 3rd, and November 30th to shareholders of record one month prior to dates of quarterly payments.

On behalf of the Directors,

Montreal, January 10th, 1918.

GEORGE HENDERSON, President

LAKE OF THE WOODS MILLING COMPANY

The board of directors of the Lake of the Woods Milling Company in placing the common stock on a 10 per cent. per annum dividend basis on February 16th, as against the 8 per cent. rate which has prevailed for many years, announced that the earnings of the Sunset Company, a subsidiary, constituted the basis for the increase. The Sunset Company manufactures jute and cotton bags, and the last balance sheet of the Lake of the Woods Company showed among investments the $50,000 capital stock of that company.

The bonus is also stated to originate in the earning of the Sunset Company. The bonus is made up of 2 per cent. from the Sunset Company's earnings for the year ended August 31st last and ½ of 1 per cent. for the quarter ended November 30th last. As ½ of 1 per cent. of the present quarterly dividend of the Lake of the Woods is stated to come from the Sunset Company's earnings, the latter accounts for the advance in the regular dividend.

HOLLINGER CONSOLIDATED GOLD MINES

The annual meeting of the shareholders of Hollinger Consolidated Gold Mines, Limited, took place on February 14th, but only the usual routine business of presenting and adopting the annual reports took place. Nothing additional on the prospects of a dividend resumption was announced outside of that contained in the report of the directors recently issued.

Mr. Ross H. McMaster, assistant general manager of the Steel Company of Canada, will leave shortly for Washington to act on the new Canadian War Mission, of which Mr. Lloyd Harris, of Brantford, is the head. The commission will handle Canada's affairs in the United States until the end of the war, and Mr. McMaster's work with the mission will be principally in connection with the iron and steel industry, in which capacity he will be the buying agent for the Dominion of Canada.

CANADA CEMENT COMPANY LIMITED

CONSOLIDATED BALANCE SHEET, DECEMBER 31st, 1917

ASSETS.

Property Account:		
Land, Buildings, Plant, Equipment, etc., at original cost with subsequent additions, less Depreciation to date (no account being carried for Goodwill)		$30,121,008.00
Investments:		
Government War Bonds and other Investments		914,442.12
Current Assets:		
Inventories	$ 2,662,858.82	
Accounts Receivable, less Bad Debts Reserve	398,900.80	
Bills Receivable	27,699.62	
Deposits on Tenders	66,453.45	
Call Loans, (secured)	721,900.00	
Cash	499,730.56	
		4,377,543.25
Deferred charges to operations		23,477.93
		$35,436,471.30

LIABILITIES.

Capital Stock:			
Authorized:			
Preference—110,000 Shares Seven Per Cent. Cumulative of $100 each		$11,000,000.00	
Common—190,000 Shares of $100 each		19,000,000.00	
		$30,000,000.00	
Issued:			
Preference—105,000 Shares Seven Per Cent. Cumulative of $100 each		$10,500,000.00	
Common—135,000 Shares of $100 each		13,500,000.00	
			$24,000,000.00
First Mortgage Six Per Cent. 20-Year Gold Bonds:			
Authorized and Issued		$ 8,000,000.00	
Less: Redeemed through Sinking Fund		944,926.69	
			7,055,073.31
Current Liabilities:			
Accounts Payable		$ 142,322.32	
Bond Interest Accrued at December 31st, 1917		105,826.11	
Preference Dividend No. 32 paid February 16th, 1918		183,750.00	
Ordinary Dividend No. 7 paid January 16th, 1918		202,500.00	
			634,398.43
Reserves:			
Extraordinary Repairs and Renewals		$ 225,000.00	
Cotton Sacks outstanding		150,000.00	
Industrial Accidents		45,000.00	
Contingent Reserve (a portion of which is available for Government Taxes)		750,000.00	
			1,170,000.00
Surplus:			
Income from Operations and Investments for the year 1917, after deducting $2,190,616.88 for Depreciation and Special Equipment written off	$2,861,246.90		
Deduct: Bond Interest	432,065.53		
		$ 2,429,181.37	
Deduct:			
Reserve for Repairs and Renewals	$ 50,000.00		
Transfer to Contingent Reserve	350,000.00		
		400,000.00	
		$ 2,029,181.37	
Deduct: Dividends—			
On Preferred Stock	$ 735,000.00		
" Ordinary Stock	810,000.00		
		1,545,000.00	
Balance of 1917 Profits		$ 484,181.37	
Balance of Surplus, December 31, 1916		2,092,818.19	
			2,576,999.56
			$35,436,471.30

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have examined the Books and Accounts of the Canada Cement Company, Limited, for the year ending December 31st, 1917, and have obtained all the information and explanations which we required; and we certify that in our opinion the above Balance Sheet at December 31st, 1917, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

Approved on Behalf of the Board:
F. P. Jones, Director.
H. L. Doble, Director.

PRICE, WATERHOUSE & CO.,
Chartered Accountants.
Montreal, February 16th, 1918.

MONTREAL STOCK EXCHANGE

If through force of circumstances or for other reasons you have to sell your Victory Bonds, remember there are many people who realize their investment value at the present price, and are desirous of adding to their holdings.

It is one of the functions of the Members of the Montreal Stock Exchange to provide a central market where all who wish to buy or sell Victory Bonds or other securities, may come and be assured of dealing at the correct market price.

If you want to add to your holdings of Victory Bonds, or desire to invest money in other securities, any Member of the Montreal Stock Exchange will be pleased to give you complete and reliable information.

Write today to the Secretary of the Montreal Stock Exchange, Room 432, Stock Exchange Building, Montreal.

PUBLICATIONS RECEIVED

Municipal Finance.—Annual report of the assessment commissioner for the city of Toronto.

Trade.—Booklet on "Profit-sharing and Producers' Co-operation in Canada," by Mr. H. Mitchell.

Labor.—Report of the strikes and lockouts in Canada for the period 1901-1916. Published by the Department of Labor, Ottawa.

Business Conditions.—Annual review of business conditions in Canada. Issued by the Canadian Bank of Commerce, Toronto.

Coal Shortage.—"Wood Fuel to Relieve the Coal Shortage in Eastern Canada," by Clyde Leavitt. Issued by the Commission of Conservation, Ottawa.

Petroleum.—"Petroleum in Canada," by Victor Ross, financial editor of the Toronto Globe. This little book, which has been issued by the Imperial Oil Company of Canada, Toronto, is an excellent history of the petroleum resources and industry of the Dominion. Mr. Ross has written an interesting and instructive story confining his volume to the facts and deleting technicalities.

Iron and Steel.—The latest addition to the ranks of technical papers in the Dominion is "Iron and Steel of Canada," the first issue of which has just appeared. It is published by the Industrial and Educational Press, Montreal and Toronto. The initial number is very creditable and contains many interesting articles, including a review of the iron and steel industry.

EQUIPMENT OF C.N.R. WOULD RESULT IN BIG REVENUE

The proceedings of the board of arbitration, sitting at Osgoode Hall to hear evidence as to the value of the Canadian Northern Railway stock, on February 14th were enlivened by a debate between members of the board as to the feasibility of Mr. W. H. Coverdale's plan for extensions to the Canadian Northern Railway system in mileage and equipment, which, he declared, if put into execution, would result in practically doubling the earning capacity of the railway. Mr. Coverdale is the New York consulting engineer who examined the Canadian Northern Railway system and finances for the purpose of the Loomis-Platten report, and his programme of betterments involves the expenditure, before 1923, of a sum approximating $80,000,000. With this expenditure allocated as he suggests, he estimates that gross earnings standing at $35,476,000, as on June 30th, 1916, would be increased to $80,320,000, with a surplus over expenses of $4,615,000 by 1923. Mr. Coverdale declared that his estimate of increases in earnings was conservative, and pointed to the fact that for the 1917 period the railway had actually exceeded the amount estimated by $2,000,000.

The point of contention between members of the board was as to the possibility of finding the funds to pay for the betterments. Mr. Justice Harris expressed an opinion that no sane man would attempt such a programme of expenditures under present conditions, as he believed it would be impossible to get the money. Counsel for Mackenzie and Mann contended that the expenditures were vital and must be made if the railway is to continue its existence as a going concern. Sir William Meredith then broke into the argument in support of Justice Harris, and declared that the minister of finance had intimated that he would not put a dollar into additional expenditures on capital account. Wallace Nesbitt, K.C., disagreed with the chairman, and declared that the money would be available if the proposals proved to be sound.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1⅛ pm	1 5-32 pm	....
Mont. funds	5c. dis.	Par.	⅛ to ¼
Sterling—			
Demand	4.8050	4.8075	4.83
Cable trans.	4.8175	4.82	4.84

Rates in New York:—Sterling demand, 4.75¾.

Bank of England rate, 5 per cent.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Belleville, Ont.—February 11—A total insurance of $51,000 is carried on the premises of Quick and Robertson, which were destroyed, and is divided among the companies as follows: Liverpool and London and Globe, $4,500; Gore Mutual, $2,500; Mount Royal, $2,000; Waterloo Mutual, $1,500; Wellington, $1,000; Acadia, $3,000; National-Ben Franklin, $1,000; Fidelity Phœnix, $4,000; Phœnix of London, $2,500; Phœnix of Hartford, $1,500; Hand-in-Hand, $5,500; Dominion, $2,500; Merchants, $2,500; Hartford, $2,000; Economical, $2,000; Canadian, $1,000; Queen City, $3,000; London Mutual, $3,000; Insurance Company of North America, $2,000; Queen, $1,000; Commercial Union, $3,000.

February 19—Residence and contents of Harry Yanover on Front Street was damaged. Nearby stores and buildings were also slightly damaged.

Englehart, Ont.—February 12—The King Edward Hotel, offices of Dr. Lowrey, Inglis' livery and the Erret buildings were destroyed. Estimated loss, $12,000.

Esterhazy, Sask.—February 14—A business section was destroyed.

Halifax, N.S.—February 17—Building owned by the Furness Withy Company, and occupied by the Martin Senour Paint Company, was destroyed. Estimated loss on stock and paints, $50,000; on building, $20,000.

Hamilton, Ont.—February 13—The warehouse of P. H. Smye and Company, commission merchants, was destroyed. Estimated loss, $1,500.

Limoilou, Que.—February 18—Tenement of Mr. Delivas Pare was damaged. Estimated loss, $800. Insurance carried, $4,000.

Memiscam, Alta.—February 4—The Becker and Yates lumber yards and a quantity of hay were destroyed.

Montreal, Que.—February 14—A total insurance loss of $220,000 was involved when the Grey Nunnery was damaged. The following companies are interested: Royal, $50,000; Queen, $25,000; Liverpool and London and Globe, $25,000; Phœnix of London, $35,000; North America, $25,000; Guardian, $20,000; Scottish Union, $20.000; Fidelity Phenix, $10,000; Mutuelle de Charite, $10,000; total, $220,000.

Owen Sound, Ont.—February 12—Block on the corner of Eighth Street and Second Avenue, owned by Mr. Wm. Legate, was damaged. Estimated loss, $2,000.

Port Dover, Ont.—February 15—The Penman woolen mill was damaged. Estimated loss, $5,000.

Preston, Ont.—February 16—Clothing and furnishing store of J. P. O'Connor on King Street was destroyed. Estimated loss, $15,000.

Rosenfeld, Man.—February 17—The Lake of the Woods Milling Company's elevator and 1,000 bushels of barley were destroyed. Estimated loss, $30,000.

Toronto, Ont.—February 17—Home of Jack Templeman, of 101 Walton Street, was damaged. Estimated loss on building, $1,000; on contents, $1,500.

Winnipeg, Man.—January 31—A total insurance of $200,000 is carried by Chebrier and Sons on their premises, which were destroyed. The amount is divided among the companies as follows: On Stock—Ætna, $6,000; Alliance, $1,000; American, $5,000; British America, $10,000; British Crown, $5,000; British Dominions, $5,000; Canadian, $1,500; Continental, $5,000; Continental of Winnipeg, $7,500; Dominion, $1,000; Globe Indemnity, $17,500; Home, $5,000; North America, $5,000; London Guarantee, $5,000; London Mutual, $6,000; Millers National, $1,500; Minnesota Underwriters, $5,000; Mount Royal, $5,000; National-Ben Franklin, $1,500; National of Hartford, $12,500; National of Paris, $5,000; Northern, $2,500; Ocean, $6,500; Phœnix of London, $6,500; Provincial, $1,200; Quebec, $5,000; Queen, $2,500; Royal Exchange, $5,000; Scottish Union, $4,000; Springfield, $10,000; Union, $5,000; Western, $2,500. On Building—Occidental, $35,000.

February 18—Store and office building on the south-west corner of Main and Bannantyne Streets was damaged. Estimated loss, $55,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Saskatoon, Sask.—Fire Chief Heath submits the following report for the month of January to *The Monetary Times*. The description of property damaged or destroyed is as follows: Automobile garages, 2; departmental store, 1; dwelling-houses, 3; dry cleaner's store, 1; offices and apartment block.

The causes of the fires were as follows: Defective electric wiring, 1; defective fireplace, 1; gasoline explosion, 1; automobile backfiring, 1; defective chimneys, 2; waterfront explosion, 1; woodwork too close to furnace, 1.

The estimated damage to buildings was $1,760, and to contents, $2,307. The amount of insurance on buildings was $232,000, and the amount on contents $398,300, making a total of $630,800.

Winnipeg, Man.—February 5—The owners of the Riverview Hotel carried a total insurance of $42,500 on their property, which was destroyed. The amount is divided among the following companies: Ætna, $2,500; Alliance, $2,500; Employers, $2,500; Guardian, $5,000; London Assurance, $5,000; Liverpool and London and Globe, $5,000; London and Lancashire, $2,500; Firemen's Fund, $5,000; Niagara, $5,000; North America, $2,500 National Union, $2,500; St. Paul, $2,500.

CANADA CEMENT COMPANY

The balance sheet of the Canada Cement Company for the past year shows a notable improvement in the general position of the corporation. The earnings during 1917 were satisfactory, and helped materially to give a healthy complexion to the financial statement. The cash and capital position is substantial, and large sums were allowed for depreciation and special equipment written off. The report presented to the shareholders at the annual meeting reflected the able management of Mr. F. P. Jones, whose appointment as a member of the newly-created War Trade Board of Canada was recently announced. Mr. Jones is supported by a good technical and executive staff and by a directorate (headed by Senator Edwards as president) which takes a keen interest in the company's affairs.

The net earnings last year were $2,861,246, an increase of $642,398, or 29 per cent., over those of 1916, which up to then had been the best year in the company's history. This amount is arrived at after allowing $2,190,616 for depreciation and special equipment written off, a sum which would appear ample. After meeting fixed charges and paying the regular dividend on the preferred stock, the balance of $1,694,181 represented earnings of 12.6 per cent. on the common stock, as compared with $1,040,086, equal to 7.7 per cent., earned on the common in 1916.

The results as noted above are apparently before deduction of the war tax. The profit and loss figures for the year include two special appropriation for reserves, one of $350,000 for contingent reserve, and one of $50,000 for repairs and renewals. In the balance sheet the item, "contingent reserve," amounting in all to $750,000, is explained with the remark that a portion of this reserve is available for government taxes. The $350.000 reserved out of the year's profits for contingent account is presumably an offset against the liability for war taxes in respect to the year's earnings. After all deductions, including the $400,000 appropriated for reserves, the company carried forward $484,181 to surplus, bringing that account up to $2.576.999.

In presenting the report of the directors, Senator Edwards stated that earnings from the cement business proper were more than sufficient to take care of all fixed charges, preferred dividends and ordinary dividends chargeable to the year's profit.

The company's current liabilities, which increased substantially when the company commenced munition work, were reduced during the past year from $2,674,630 to $634.398. Current assets, including war loan investments, increased $400.000 to $5,291.985. The surplus of working capital rose to $1,667,587, compared with $2,221,625 in the previous year. The company has good reason to be satisfied with the year's results and its position.

The London and Canadian Loan and Agency Company, Limited

FORTY-FOURTH ANNUAL MEETING

The Forty-fourth Annual General Meeting was held in the Company's Head Offices, 51 Yonge Street, Toronto, on Wednesday, February 13th, 1918, at twelve o'clock noon.

The President, Mr. Thomas Long, occupied the chair, and the Secretary, Mr. William Wedd, Jr., acted as Secretary of the meeting. Messrs. D'Arcy Grierson and W. Ridout Wadsworth were appointed Scrutineers.

The Annual Report was unanimously adopted, and also the statements for the year ending 31st December, 1917, as presented by the Manager, Mr. V. B. Wadsworth. The Report was as follows:—

The Directors have pleasure in submitting to the Shareholders the Forty-fourth Annual Report of the Company and the Statement of Accounts for the year ending 31st December, 1917, the result being as follows:—

The gross revenue, including the balance ($8,018.13) brought forward from last year, amounted to	$356,363.45
And, after deducting the cost of management, interest on Debentures, Dominion, Provincial and Municipal Taxes (including War Tax) and other charges, amounting in all to	184,366.30
There remains a net profit of	$171,997.15
Out of which four quarterly dividends have been paid at the rate of 8 per cent. per annum, amounting to	100,000.00
Leaving a balance of	$ 71,997.15

Of which $50,000 has been transferred to the Company's "Rest Account," and $21,997.15 is carried forward at the credit of "Revenue Account" to next year.

The Rest Account now amounts to $850,000, being 68 per cent. of the subscribed and fully paid-up Capital Stock of the Company.

During the year applications for loans on mortgages were accepted and renewed to the amount of $716,620 on real estate valued at $2,021,000.

The total assets of the Company are now $4,855,944.

Repayments on mortgage account have been very satisfactory.

The Scottish Board and Agents have rendered very efficient service, and the Officers and Staff continue to discharge their duties in a faithful and satisfactory manner.

The books, accounts, vouchers and securities have been duly examined by the Auditors, and their certificate of audit is hereto appended.

THOMAS LONG,
President.

Toronto, January 15th, 1918.

Assets and Liabilities, 31st December, 1917.

ASSETS.

Loans on Mortgages and Interest		$4,285,997.32
Municipal and other Negotiable Debentures Owned, including Dominion of Canada War Loan Bonds	$329,017.69	
Loans on Call or Short Date on Bonds, Stocks and Other Securities	17,510.77	
		346,528.46
Cash in hand:		
With Company's Bankers in Canada	$119,820.80	
With Company's Bankers in Britain	103,598.17	
		223,418.97
(In addition to the above the Company hold, as Agents, for the benefit of certain clients, mortgages to the amount of $58,058.91).		
		$4,855,944.75

LIABILITIES.

Capital Stock, Fully Paid-up	$1,250,000.00
Rest Account	850,000.00
Debenture Stock	414,445.33
Debentures and Certificates, etc., payable at fixed dates	2,211,307.10
Reserved for interest accrued on Debenture Stock, Debentures and Certificates to date	54,332.00
Sundry Creditors	8,86[illegible].17
Dividend No. 107, payable 2nd January, 1918	25,000.00
Balance at Credit of Revenue Account carried to next year	21,997.15
	$4,855,944.75

REVENUE ACCOUNT FOR THE YEAR ENDING 31st DECEMBER, 1917.

DR.

Cost of Management, including Head Office expenses, Inspectoin Charges and Directors' and Auditors' Fees.		$ 20,386.48
Commission on Debentures Issued and Loans Effected during the year, and Agency Charges in Edinburgh, Winnipeg and the North-West		23,422.4[illegible]
Debenture and Certificate Interest paid and accrued to 31st December, 1917		129,[illegible]
Instalments paid on subscriptions to Patriotic, Red Cross and Hospital Funds		3,010.[illegible]
Dominion, Provincial and Municipal Taxes (including War Tax)		8,2[illegible]
Dividend No. 104, paid 2nd April, 1917 (2 per cent.)	$25,000.00	
Dividend No. 105, paid 3rd July, 1917 (2 per cent.)	25,000.00	
Dividend No. 106, paid 1st October, 1917 (2 per cent.)	25,000.00	
Dividend No. 107, payable 2nd January, 1918 (2 per cent.)	25,000.00	
		100,000.00
Amount transferred to Rest Account		50,000.00
Balance at Credit of Revenue Account carried to next year		21,997.15
		$356,363.45

CR.

Balance at Credit of Revenue Account, 31st December, 1916	$ 8,018.13
Net Interest, etc., received and accrued to 31st December, 1917	348,345.32
	$356,363.45

1917. December 31st—By Balance carried to next year	$ 21,997.15

V. B. WADSWORTH, Manager.

Audited and found correct.

J. GEORGE, F.C.A., (Can.)
RUTHERFORD WILLIAMSON, C.A., } Auditors.

The Shareholders adopted a resolution confirming the Patriotic and Benevolent Grants for 1917, and approving of a grant of $2,000 to the Patriotic Fund for 1918.

The following gentlemen were elected Directors for the ensuing year: Thomas Long, Casimir S. Gzowski, A. H. Campbell, C. C. Dalton, Goldwin Larratt Smith, Colin M. Black, W. S., and William C. Noxon.

At a subsequent meeting of the newly-elected Board, Mr Thomas Long was elected President, and Mr. Casimir S Gzowski, Vice-President.

PERSONAL NOTES

Mr. R. Montague Davy was elected president of the Export Association of Canada, Limited, at the annual general meeting held at Montreal last week. Mr. R. E. Thorne was elected vice-president. These two gentlemen and Messrs. J. H. Sherrard, R. H. McMaster and Paul E. Joubert were appointed executive committee of the board of directors.

Mr. C. R. Drayton, manager for Canada of the Union Insurance Society of Canton, Limited, is at present on a business trip in western Canada. He is accompanied by Mr. C. H. P. Hay, the company's assistant general manager. Mr. Hay is on his way home to the head office at Hong Kong.

Mr. J. H. Gundy, of Toronto, is a member of the recently created War Trade Board of Canada. Mr. Gundy is recognized as one of the country's younger business men of exceptional ability and a financial authority. He brings to the personnel of the war trade board, energy, foresight and wide experience, which will prove of value in its important deliberations. During the recent Victory Loan campaign, he acted as vice-chairman of the Dominion Executive Committee and chairman of the Dominion Finance Committee, in connection with that campaign. He is a partner in the bond house of Wood, Gundy and Company, Toronto. Previously associated for several years with the Dominion Securities Corporation as secretary, he left that firm in 1905, and, with Mr. G. H. Wood, started the investment house of Wood, Gundy and Company. The War Trade Board, of which Mr. Gundy is a member, has very wide powers and authority.

J. H. GUNDY, TORONTO,

Elected Vice-President last week, Bond Dealers' Association of Canada. Mr. Gundy is also a member of the recently created War Trade Board of Canada.

Mr. James M. Bell, of Dundee, Scotland, has been elected to the board of Smart-Woods, Limited, to represent Scottish interests. He takes the place vacated by Mr. C. E. Archibald, Montreal. Mr. Bell is an authority on the jute industry, this being an important feature of the Smart-Woods business.

Mr. Charles Edward Clarke, of 25 Bedford Road, Toronto, died on Monday in the General Hospital. The late Mr. Clarke was president of Clarke and Clarke, Limited, leather manufacturers, Toronto. He was the son of the late John Clarke, of Peterborough, in which city he was born 52 years ago. The death of his brother only seven weeks ago left him as the surviving member of the firm. He was greatly interested in the promotion of the Penny Bank system in Toronto and was an energetic churchman and sidesman in St. Alban's Cathedral.

Mr. John G. Kent has been appointed permanent managing director of the Canadian National Exhibition. Mr. Kent has acted for many years as member of the board of directors, as president, and as honorary manager. He is president of the Toronto Board of Trade.

Mr. W. S. Hodgens, secretary of the Dominion Securities Corporation, Toronto, has been appointed secretary of the recently created War Trade Board of Canada. Mr. Hodgens is well known among the financial and business interests. He is a comparatively young man, capable, energetic and exceedingly conscientious. His work as chairman of the Dominion Business Committee in connection with the Victory Loan last fall was an example of his efficiency. He will make an excellent secretary of the War Trade Board.

Mr. E. P. Heaton, Ontario fire marshal, points that a great many fires, especially among foreigners, occur during the absence of the occupants and usually the "cause" is classed among the "unknown." These fires are entirely too prevalent and investigations point that over-insurance is primarily the cause. A more careful inspection and survey of the value of contents and buildings on the part of the insurance companies would do much to remedy this class of fire waste and prevent irresponsible persons burning up their property simply as a matter of gain.

Mr. R. J. Younge, general manager of the Export Association of Canada, has been asked to devote his time to the work of the Canadian War Trade Board at Washington. The directors of the association, appreciating the important opportunities now being opened for Canadian industries to assist the war programme of our ally, the United States, have agreed to this for such period of the present year as may be necessary. His duties during his absence will be fully taken care of by the assistant manager and the other members of the staff, and there is every reason to believe that the work of the Export Association of Canada will not be retarded. Mr. Younge has a lengthy experience in industrial work and marketing problems. His services will be of considerable value in connection with the work of the War Trade Board at Washington.

Mr. Walter J. Helm, who has just been appointed manager of the Midland Loan and Savings Company, Port Hope, Ont., might have been a banker instead of a loan manager to-day had he not always been what he terms "a crank where fresh air is concerned." On leaving school he entered the service of the Bank of Toronto, where he remained for eight years in various positions in Port Hope, London and Toronto. His experience during the last two years with the bank in an old building determined his resignation. He could not get enough open windows there so he decided to give up banking as an occupation. He then took a trip to Europe and upon his return was offered and accepted the position of secretary of the H. W. McNeill Company, Limited, a coal mine company operating in the Canadian Rockies, near Banff. After two years spent in the mountains in this situation, the position of assistant manager of the Midland Loan and Savings Company at Port Hope was offered to him, and this he has filled for the past twelve years, being recently appointed manager on the death of the company's late manager. He is well fitted for the position.

MONTREAL'S BOND OFFERING

The Bank of Montreal, acting as fiscal agent for the city of Montreal, announced last night that it was authorized to offer for public sale $6,900,000 five-year 6 per cent. refunding gold bonds of the city of Montreal at par flat. The bonds are dated December 1st, 1917, and as a full half-year's interest will be paid on June 1st, although subscriptions for the issue will not be due until April 8th, the privilege of the first coupon makes the net yield of the bonds about 6½ per cent.

Applications for the bonds will be received by the Bank of Montreal or any of its branches, beginning Monday, February 25th, and the offering is subject to withdrawal on or before March 18th. The bonds will be issued in coupon form in denominations of $100, $500 and $1,000, with principal and interest payable in gold at the city treasurer's office at Montreal or at the agency of the Bank of Montreal in New York.

The issue is being made to refund $6,900,000 three-year 5 per cent. notes of the city, which fell due in New York last December, temporary arrangements having been made through the Bank of Montreal at the time to finance the maturity.

ANNUAL MEETING OF

The Montreal City and District Savings Bank

SEVENTY-FIRST ANNUAL REPORT

To the Shareholders,
Gentlemen :

MONTREAL, February 11th, 1918.

Your Directors have pleasure in presenting the Seventy-first Annual Report of the affairs of the Bank and the result of its operations for the year ending December 31st, 1917.

The net profits for the year were $222,189.54, and the balance brought forward from last year's Profit and Loss Account was $172,308.66, making a total of $394,498.20. From this amount have been paid four quarterly dividends to our Shareholders and $15,000 has been contributed to the Canadian Patriotic and Red Cross Funds, leaving a balance at the Credit of Profit and Loss Account of $214,023.56 to be carried forward to next year.

In order to accommodate our clients in Notre Dame de Graces, it is our intention to open a branch there about the first of May next, and a site has been secured for the purpose on the north-west corner of Sherbrooke Street and Oxford Avenue.

As usual a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The report of the Auditors and the Balance Sheet are herewith submitted.

R. DANDURAND, *President.*

Statement of the Affairs of the Montreal City and District Savings Bank on the 31st December, 1917.

ASSETS

Cash on hand and in chartered banks	$ 5,614,346.71	
Dominion and Provincial Government Bonds	5,635,633.10	
City of Montreal and other Municipal and School Bonds and Debentures	14,956,589.18	
Other Bonds and Debentures	1,323,905.03	
Sundry Securities	227,000.00	
Call and Short Loans, secured by Collaterals	7,776,754.71	
Charity Donation Fund, invested in Municipal Securities approved by the Dominion Government	180,000.00	
		$35,714,228.73
Bank premises (Head Office and fourteen Branches)	$535,000.00	
Other Assets	79,949.30	614,949.30
		$36,329,178.03

LIABILITIES

To the Public :		
Amount due Depositors	$32,956,769.19	
" Receiver-General	146,177.21	
" Charity Donation Fund	180,000.00	
" Open Accounts	282,208.07	
		$33,565,154.47
To the Shareholders :		
Capital Stock (Amount subscribed $2,000,000), paid up	$1,200,000.00	
Reserve Fund	1,350,000 00	
Profit and Loss Account	214,023.56	2,764,023 56
		$36,329,178.03

On behalf of the Board,
R. DANDURAND, *President.*

A. P. LESPERANCE, *Manager*

Auditors' Report

Having obtained all the information and explanations we have required, and having satisfied ourselves of the correctness of the Cash Balances, and examined the Securities held against the Money at Call and Short Notice, and those representing the investments of the Bank, and having examined the foregoing Balance Sheet and compared it with the Books at the Head Office, and with the Certified Returns from the Branches, we are of opinion that the transactions of the Bank have been within its powers, and that the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs as shown by the Books of the Bank.

A. CINQ-MARS, C.A. } *Auditors*
C. A. SHANNON, L.I.A. }

MONTREAL, February 2nd, 1918.

IF you are married and have an income of $3,000 or over, you will be interested in our

SYNOPSIS OF CANADA'S INCOME TAX

If unmarried, and your income is $1,500 or over, this synopsis is equally important to you.

We have a few extra copies which we shall be pleased to send free to those interested.

Write for Pamphlet 23

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Central Chambers, Ottawa

THE
Travellers Life Assurance Company
OF CANADA
Head Office, - Montreal

Table of Growth

Year	Insurance Issued and Revived	Net Insurance in Force
1914	$1,394,505	$2,946,552
1915	1,529,266	3,292,204
1916	1,589,983	3,719,391
1917	1,726,430	4,404,016

Year	Net Premium Income	Total Assets
1914	$ 75,256.87	$237,599.82
1915	105,369.78	284,133.27
1916	122,890.03	346,814.76
1917	151,966.75	422,552.13

SPECIAL FEATURES

Net premium income increased by 23.66 per cent. and total assets 21.54 per cent. during 1917.

Average interest earned on investments, including cash in banks, 6.58 per cent.

Average annual premium per $1,000 of net insurance in force, $37.50.

Average amount of policy, $1,400.

OFFICERS:

President
HON. GEO. P. GRAHAM, LL.D.

Vice-Presidents
JAMES W. PYKE, LORNE C. WEBSTER

Secretary and Actuary
ARTHUR P. EARLE, A.I.A., A.A.S.

Chief Medical Adviser
A. E. GARROW, M.D.

THE RESULTS OF 1917

The Thirty-first Annual Report of The Manufacturers Life Insurance Company shows a record of growth unsurpassed by previous achievements.

The new assurances amounted to the large sum of $16,485,403, and the Insurance in Force, $98,128,631.

The gain in Insurance, $9,010,272,. was the largest in the history of the Company.

The Increase in assets was $1,891,348. The Assets now total $24,585,783.

The income exceeded $5,100,000 and also established a new record.

The mortality was again very favorable, despite the extra claims imposed by the war, being more than 25% below that provided for.

Notwithstanding the fact that the Company made large purchases of War Bonds during the year, the average rate of interest earned was 6.52%.

The Surplus, exclusive of Special Reserve, now amounts to $2,530,054.54. This Surplus, compiled under the Canadian Government Standard, would amount to $3,670,589.54, showing a gain over the previous year of $226,805.59.

The Manufacturers Life
Insurance Company

HEAD OFFICE - - - TORONTO, CANADA

DIRECTORS AND OFFICERS

President: W. G. GOODERHAM

Vice-Presidents: A. J. WILKES, K.C. C. C. DALTON

M. J. Beatty, E. R. C. Clarkson, M. R. Gooderham, Brigadier-General The Hon. James Mason, John Massey, J. B. McKechnie, F. Gordon Osler, Douglas G. Ross, Wm Stone.

General Manager and Actuary: J. B. McKechnie.

Treasurer: L. A. Winter.

Secretary: A. J. Prest.

Assistant Secretary: E. S. Macfarlane.

Medical Referee: T. F McMahon, M D.

Manager of Agencies: R. Junkin.

Assistant Manager of Agencies: A. Mackenzie.

TO DEVELOP FOREIGN TRADE

Export Association of Canada Ask for Government's Consideration

That the Dominion government should give special consideration to the encouragement of the export of manufactured products in Canada and help to place export business upon a sound permanent basis, was the subject of a resolution adopted at the annual meeting of the Export Association of Canada, held at Montreal last week. The resolution called for a national plan for the development of our natural resources, their conversion into finished products, and their eventual sale in the markets of the world. The directors of the association are strongly of the opinion that the whole subject of export in manufactured products from Canada should, at the present time, receive special consideration from the Dominion government.

Cultivation of Trade.

Pending the coming of peace, they recommend the continuance of their association's work along the lines originally adopted, the cultivation of trade connections with reliable sources throughout the British Empire and the other allied countries, and the encouragement of Canadian factories to compete for export business in these markets. Whether Canada will enjoy tariff preferences after the war, they say, is still doubtful. "If these materialize, so much the better," they continue, "but whether they do or not, our duty is clearly to organize in this present trying period so that, when more normal conditions prevail, we may do our share toward filling our munition factories with commercial orders, providing employment for our returning soldiers, and helping our country to arrive at a balance of trade which will enable her to meet her national obligations. Small as may seem the beginning we have already made in this direction, the organization work which we have already accomplished must eventually yield excellent results."

Shipping Difficulties.

The report of the directors of the association, presented at the annual meeting, pointed out that for the first nine months of the year, "shipping facilities to our chief markets, Australasia and England, were fairly satisfactory with respect to the number of shipping opportunities offered, and at the end of September, despite the fact that rates had been advanced and sailings had become less regular, the association completed shipment of practically all material which manufacturers then had ready against our orders.

"Beginning with the month of October, 1917, and continuing to date, conditions steadily became worse; at the present time shipping from the Atlantic seaboard to Australasia is practically impossible for the reasons: (a) There are no sailings from Canada; and (b) a strict embargo against the forwardance of export shipments from this country to the United States has existed since the first week of December, 1917.

"The reasons for the embargo are too well known to need comment here, while its serious effect upon the Canadian export trade must be quite obvious.

"In addition to these disadvantages the Allied governments have commandeered all the space in vessels plying between the Atlantic seaboard and England, and they have also taken the steamers belonging to the lines which took care of our Australasian and South African shipments. As a result, we are now confronted with great difficulties in the matter of getting goods to and away from the seaboard, but we are hopeful that any change in the situation will be in the direction of amelioration of these perplexing conditions."

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the month ended January 31st, 1918:—

Penn Canadian Mine, 62,858; Right-of-Way Mine, 103,085; Beaver Mines, 79,971; McKinley-Darragh-Savage Mines, 84,211; Hudson Bay Mine, 64,942; Kerr Lake Mine, 59,774; O'Brien Mine, 258,807; Coniagas Mines, 261,000; La Rose Mines, 238,352; Tretheway Mines, 140,709; Temiskaming Mining Company, 133,046; Aladdin Cobalt Mines, 119,200; Dominion Reduction Company, 583,300; Buffalo Mine, 727,955. Total, 2,917,210 pounds, or 1,458 tons.

MIDLAND LOAN AND SAVINGS COMPANY

The Midland Loan and Savings Company, which has its headquarters at Port Hope, Ontario, is another of the veteran loaning institutions in that province, having done business to the satisfaction of its clientele for the past forty-five years. Mr. William Henwood, the company's president, reported at the recent annual meeting earnings of the corporation of $41,298 for the past year, after deducting interest paid and reserved on deposits and debentures, cost of management, taxes, etc., and amounts written off. To this sum was added $18,974, the balance brought forward from 1916, making a total amount for distribution of $60,273. This amount was disposed of as follows: Dividend paid July 3rd, 1917, 4 per cent., $14,400; dividend payable January 2nd, 1918, $14,400; added to reserve fund, $10,000; and balance carried forward, $21,473; total, $60,273. Interest payments were satisfactory, being in excess of any previous year.

Mr. Walter J. Helm, who has been assistant manager of the company, has now been appointed manager. As Mr. Henwood stated in his address to the shareholders, Mr. Helm's twelve years' experience as assistant manager eminently qualifies him for this position.

TAXATION IN MANITOBA

Discussing, in his recent budget speech, the question of taxation, Hon. Edward Brown, provincial treasurer, said:—

"In advising the House as to ways and means for raising new revenue, I have no hesitation in saying that, in my opinion, the most equitable form of taxation is by way of income tax, and I would have no hesitation in recommending this course were it not for the fact that the Dominion government has resorted to this as a war measure, and we have been careful to avoid anything that would bring us into conflict with the Dominion under present conditions, as we think the Dominion should have the right-of-way for purposes of defense.

"You will recall that last session I made a specific declaration in favor of a direct levy on all the rateable property of the province rather than resorting to what might be called pin-pricking forms of indirect taxation. I have not changed my opinion since, but in view of the patriotic levy of two mills, no part of which has come into the revenues of the province, I have hesitated about further increasing this burden and have been looking in other directions for relief. However, on consideration of the matter from every angle, and after discussing the question fully with our supporters in the House, it has been determined that we will ask the legislature or authority to make a provincial levy of one mill, or 1-10 of 1 per cent., on all rateable property in the province under the title of 'Supplementary Revenue Taxation.'

"With respect to the levy for patriotic purposes of two mills, it is proposed to reduce this to 1½ mills, and to levy this for a period of six years if necessary. At the same time, the government is asking for authority to finance the Patriotic fund organization and the Red Cross by guarantee of overdrafts, issue of short-date treasury bills, or the issue of debentures of the province, the sum not to exceed the total amount of the levy in the six years, and to be absolutely retired out of the proceeds of the same.

"In view of the responsibility assumed by the administration in this connection it is deemed wise to provide for a representative of the government by way of an active member on the board of the Patriotic fund, and to further provide for the audit of its expenditures by the comptroller-general.

"The two levies just referred to will represent a total levy of 2½ mills a year, an increase of only half a mill, without interfering with the amount at the disposition of the Patriotic fund by their present levy of two mills.

"While providing for the major portion of the new revenue by way of a direct levy, it will, at the same time, be agreed that the entire burden should not fall on real estate, and that to tax amusements is a fair suggestion. A bill to this effect, is now before the law amendments committee, and will, I hope, be passed by the House in due course.

"In addition to these two bills already mentioned there will be brought down a measure providing for a tax on unoccupied lands in the province. However, the purpose of this measure will be rather to encourage settlement and production, than to raise revenue, and to demonstrate our sincerity in this connection the bill will exempt from this tax all lands whch are unfit for cultivation. No revenue is expected from this bill during the coming year as the tax will not necessarily be paid before the end of the fiscal year."

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ROYAL BANK BUILDING, TORONTO.

BASIS AND PRACTICE OF SCHEDULE RATING

Universal Mercantile Schedule Rating—Loss Situation Serious—Methods Used in Canada and United States

(Conclusion)

"The mercantile schedule of the Canadian Fire Underwriters' Association," continued Mr. John B. Laidlaw, of the Norwich Union Fire Insurance Society, in his recent address to the Vancouver Insurance Institute, "which has just been adopted in British Columbia, was formed about 15 years ago. The companies had been faced with a condition of abnormally heavy losses in Canada, and the loss ratio was about 100 per cent. of the income for two or three years, losing money steadily. The condition was becoming serious so it was necessary to revise the rates. At that time they were operating under a system of flat rating, that is, a tariff making one rate for brick and one for frame, and one for frame brick, veneered or metalled, etc., and different rates according to the business or manufacture carried on. Very little attention was paid to exposure. The towns were grouped into some five classes, but it did not enable them to make a proper distinction between one place and another. In order to deal with this, however, they would place extra rates upon certain classes of risks and on certain blocks of buildings in some cities or towns, such as a flat extra of 15 cents in certain cases, in others 25 cents, and in others 10 cents, so that every risk in that class or in that block would pay the same increased rate. The result was the consolidated antagonism of the public; but while they made much of cases where the individual risk seemed to be better than the average, where it was inferior to the average nothing was said about it. However, something had to be done, and I happened to be at that time chairman of the committee at Toronto that was trying to adjust the rates, and frequently discussed the problem with the late Mr. Kenney, manager of the Western Assurance Company, and with Mr. Simms, then secretary of the British-America. Visits were made to New York, Boston and different cities in the United States, and the matter talked over with various rating officers to see how they had handled such a situation and learned about the systems of rating they used. The universal mercantile schedule was also studied, it being the only real effort then made to deal with schedule rating. Every insurance man should read and study the universal mercantile schedule, for though it is not adopted here or anywhere to-day, it was the first effort, and it is really worth reading and studying by anyone who is going to be connected with the insurance business.

Schedule Discarded.

"As a result of that inquiry, the universal mercantile schedule was being discarded even then—it had been adopted in a few places. The great objection was that it worked on percentages. It was a schedule that ostensibly provided certain charges for certain conditions, and then there was a list of percentage additions or deductions, and you would have to add 5 per cent. or 2 per cent. or 10 per cent. to the sum of various items that made up the rate, or you would have to deduct 10 per cent. or 2 per cent. or 5 per cent. from it and the result was if you discussed with an assured how his rate was made up—and an insured always wants to know that—and you would explain it to him and he would say: 'I am charged 15 cents for an open stairway—that is costing me $150 a year—I can close that for $50.' You will say: 'Close that right away and you will get a reduction.' Instead, however, of the assured getting $150, this 15 cents reduction for the open stairway, there were percentages to be deducted for certain conditions and perhaps he would only get $50 instead of $150, and you could not explain that it wasn't a clever trick and sharp practice. Then, too, the difficulty of applying it. The manager of a rating bureau in Columbus, Ohio, said that he had a staff of clerks for the sole purpose of figuring out these alterations. Every time there was a little alteration in a risk, he had to hand it over to an arithmetical expert to figure the percentage additions and deductions. The result of that trip was a resolve for getting a schedule which would not require expert men to apply it, one that would be comparatively easy to explain to the public and also that our agents, managers and inspectors could quickly become familiar with. It was necessary to formulate a schedule that would meet the varying conditions and so was formed the mercantile schedule.

"The new schedule starts with a basic rate for each town, so many cents on the dollar, which is the rate for a standard brick building unoccupied and unexposed, and without special interior protection—that is to say—a three-story brick building with first-class roof, heated with hot water, without vertical openings unprotected, the area not exceeding 25 feet by 100 feet, and without exposure, that is, no building alongside or with independent walls parapeted 2 feet above the roof on each side, walls of standard thickness, 12 inches for the top story, 16 inches for the next story, and increasing four inches to the ground floor and with non-hazardous occupancy. That risk would rate at the basic rate, that is, in a town that is specified at 40 cents, it would rate at 40 cents. Then to that rate would be added extras for all the varying features of deficiencies. If finished in wood instead of plaster, if heated by stoves or by a furnace instead of hot water, if it is lighted with kerosene lamps, or occupied by a hazardous stock, or if a hazardous manufactory is carried on there, if exposed, or if it has wooden cornice or mansard roof—all such varying things are considered. Most men think his own risk is better than Tom Jones' across the street, but while he sees the good features he shuts his eyes to the defects. The purpose of the schedule is to take into consideration the details of construction and occupation, and fix a moderate charge for each feature, and when these are added up the result is the rate. Then in the schedule we allow for reductions if there be conditions better than the average, such as if the building be only one or two stories, a further reduction if there is no basement, and a further reduction if it has specially thick or double floors; another reduction if there are appliances on each floor to extinguish an incipient fire—if the stand pipe is carried up through the roof and a hose provided on the roof, so that the building can be protected in case of fire in an adjoining building, there is another reduction.

Every Item Discussed.

"There was a great deal of discussion among our own members when this schedule was proposed, and every individual item in the schedule was discussed at length. We tested the first schedule for a year by actual application, and then revised and changed it. When you begin to prepare a schedule you will say there is a building that has a shingle roof—that is worth at least 15 cents, and wooden ceilings, they are worth 10 cents, and there is a stove, 25 cents on for that, and so on. The rates soar high, and you have to revise the schedule by actual test of the various items. When the reports were read on the schedule, some said it would drive the business off the company's books, because the men whose rate was reduced would stay with us, while those whose rate was increased would go to the non-tariffs, and it would mean ruination, etc., and it had to stand the fire of fierce criticism.

Plan of Formulating a Schedule.

"Fifteen years ago there were not many fireproof buildings and they were only commencing to construct mill construction buildings for warehouses. We found that men were putting up new buildings, new warehouses, and decided to build substantially, but that as our system of rating did not quite fit the mill constructed buildings, we prepared a new schedule, and when prepared, one of the greatest difficulties was how to fix the rate on the risks which were not quite standard, and how we were going to deal with them in the way of co-insurance. After a great deal of discussion and testing, we hit upon the plan of formulating a schedule basing the rate for mill construction buildings on the same rate as the ordinary risk and charging for deficiencies. Then in the application of the co-insurance allowance, instead of it being 20 per cent. off the rate of a brick building and 15 per cent. off a frame building, we provided that if the mill construction building is of standard construction, that is to say, if the floors are completely cut off from one another, if there is an absence of combustible trim or finish in the building, and it is properly fitted with stairs and elevators in an outside brick tower so that a fire on one floor would burn a long time before it got to another floor, we would allow 55 per cent. off the schedule rate for co-insurance. On the other hand, we found a good many mill construction buildings which were only so-called mill construction buildings.

"They were in fact very much in the position of a man who will buy himself a heavy overcoat and gauntlets, and warm underclothing, and put them all on and go out on the wintry street in his bare feet. A good many people build mill construction buildings on that system. They have heavy walls and double floors, and then they will put a well hole in the centre or construct an open stairway or a chute and expect you to give them a low rate. They have merely built a good stove and the contents of such a building will be burned more thoroughly than in the ordinary joisted building. The latter will fall before it is half burned, and you may pick out $10,000 or salvage from the cellar, but the other will stand and everything in it will be consumed. We therefore provided that as the risk departs from the standard, we reduce the amount

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allowed for co-insurance, so that if there is a 10 cent deficiency there will be only 50 per cent off, and if the deficiencies require a charge up from 16 to 25, it makes 75 per cent. off. And so on, until when the charges for deficiency amount to 55 cents, the risk is rated as an ordinary building. This has worked out very satisfactorily. Where the value is great it is most important to see that the good construction and fire preventive appliances which have been factors in the rate be maintained, and it is necessary to inspect these risks at least twice a year. You cannot rely on an inspection every year or two, it is necessary the same as in sprinklered risks, that they should be inspected twice a year.

Fireproof Buildings Burned.

"Fireproof buildings are rated practically on the same schedule, with the same idea of the necessity of reducing the allowance for co-insurance if the building departs from the standard. In the Baltimore conflagration and in the San Francisco conflagration—especially in that in Baltimore—a number of fireproof buildings burned—about a dozen—and the loss on them averaged 66 per cent., that average being brought down by a few low buildings which escaped the hot blast of the conflagration, while in the large buildings, ten stories high, the loss ran in several cases to 80 per cent. of the value. If a man says to you: 'I don't need to carry much insurance, I think it unreasonable for you to ask me to carry insurance to 80 per cent. of the value,' you can tell him what has actually happened in city conflagrations. You might look from the street and perhaps not think the building was badly damaged, but the interior trim would be burned out and the elevators and stairways a mass of twisted iron, and in some cases it costs over $100,000 to tear out the debris, to chip out the wall, to insert the new trim, new wiring, new plastering, etc., to merely get ready to repair the buildings. Many owners of buildings forget that buildings must be repaired at present-day prices and they should insure their buildings on the basis of what they would cost to build to-day, less a proper depreciation for wear and tear. Many buildings which have been kept in good order are worth to-day considerably more than they cost to build 15 or 20 years ago and they should be insured on their present-day value.

"Now the experience we have had," said Mr. Laidlaw in conclusion, "emphasizes the advisability of having a schedule based as is that of the Canadian Fire Underwriters' Association on flat charges rather than on percentages. It enables an agent to explain to his client how his rate was arrived at, and we find that the antagonism between the insured and the companies has been greatly removed by that very fact. Under it we are charging higher rates where hazards exist, and lower rates where they do not, or have been safeguarded. Further than that, every insurance agent becomes an active agent for improvement of risk and fire prevention. It is not necessary to have an expert rating officer of the board, but this schedule is not so intricate that it cannot be readily understood, and if an insured complains of his rate to an agent, he can point out to a half-dozen things around the store by which the insured can obtain a reduction in rate, and thus there is the possibility of better business. He will reduce the risk and we will reduce the rate. The fire insurance companies are vitally interested in the reduction of hazards and so are the insured. If it were not that these reductions in hazards were constantly being made, the companies would not hardly be able to carry the ever increasing liability in congested centres and it would be insured at very much higher rates than those charged to-day.

"In regard to the adoption of this schedule, it has been tested and applied in Toronto, Hamilton, London, Montreal, Quebec, Winnipeg, Calgary, Edmonton, Regina, Saskatoon and the other cities and towns of Canada, east of the Rockies. The same principle applies in regard to this as in the individual risk. If a man feels he is being rated on the same basis as his competitors in other cities, he will say: 'That is as much as I can expect.'"

The court of directors of the Bank of British North America have resolved to declare, subject to audit, at the meeting of proprietors, to be held on March 5th, a dividend, payable April 5th, of 40 shillings per share, less income tax, being at the rate of 8 per cent. per annum, and carrying forward about £30,000 to the new account.

EARNING POWER TABLE

Illustrating the earning powers of the road, Mr. D. B. Hanna, third vice-president of the Canadian Northern Railway, gave at the stock arbitration hearing at Toronto this week the following as the revenue per ton per mile of freight moved by that railway since 1903:—

1903	.786	of a cent.
1904	.819	" "
1905	.793	" "
1906	.810	" "
1907	.873	" "
1908	.779	" "
1909	.736	" "
1910	.734	" "
1911	.849	" "
1912	.758	" "
1913	.772	" "
1914	.749	" "
1915	.831	" "
1916	.679	" "
1917	.688	" "

No Dividends Paid Yet.

"Has your company ever been in a position to pay dividends since 1898?" asked Mr. Tilley. Mr. Hanna replied that at no time has the company thought of paying dividends. All the surplus on improvements and betterments on the system had been used.

NORTHERN LIFE ASSURANCE COMPANY

Twenty-one years old, the Northern Life Assurance Company of Canada was able to present at its annual meeting a financial statement which in many respects was the best in the company's history. This corporation has its headquarters at London, Ontario. It is one of the few of our insurance corporations which boasts of a motto which, in this case, is "Faith Kept Enriches." That is the keynote of the policy of the Northern Life. The results of that policy are, perhaps, best illustrated in the following table, which shows the company's progress since its inception, the figures being taken from government reports:—

Year.	Net premium income.	Total. income.	Total assets.	Reserve.	Insurance in force.
1897	$ 4,612	$ 68,893	$ 138,430	$ 8,469	$ 354,000
1900	57,425	70,315	253,894	85,099	2,065,200
1903	117,825	131,169	404,412	241,639	3,586,160
1906	158,900	229,549	742,178	488,257	5,039,674
1909	214,971	408,875	1,276,798	812,916	6,399,724
1912	309,869	403,899	1,810,228	1,270,214	9,007,182
1915	379,003	513,935	2,531,028	1,857,704	10,401,232
1917	451,889	630,443	3,090,241	2,232,442	12,435,227

The company has a strong directorate and an excellent executive staff as follows: President—T. H. Purdom, K.C., London. Vice-presidents—W. S. Calvert, Toronto; John Ferguson, London. Directors—Matthew Wilson, K.C., Chatham; John Purdom, London; Charles Jenkins, Petrolea; N. H. Stevens, Chatham; John Milne, London; M. McGugan, Strathroy. Officers—W. G. Fitzgerald, B.A., A.I.A., actuary; R. C. Macknight, treasurer; J. M. Fernley, superintendent of agencies east; J. Wilson Purdom, secretary; Cl. T. Campbell, M.D., medical referee; and J. W. Glenwright, superintendent of agencies west.

During the past year the company was able to increase its insurance in force to the extent of $1,248,651. There was added to the reserve fund $179,044, which fund now amounts to $2,232,442. The total assets were increased $267,789, and amount to $3,090,240. The paid-up capital stock is $489,877, which, added to the excess of assets over all liabilities, $72,894, jointly amount to the sum of $562,772. This constitutes a substantial security to the policyholder, and is in addition to the reserve fund. The business income during the year was $630,442, being $73,190 greater than the previous year. The actual business income exceeded the expenditures by the sum of $176,618. The sum paid to policyholders amounted to $201,866.

All the diplomatic representatives at Petrograd of the fourteen allied countries and six neutrals have protested against the repudiation by the Bolsheviki government of the national debt, and also against the decree respecting the confiscation of property. They have declared that these edicts have no value, so far as their nations are concerned, and they reserve the right to claim damages.

PUBLICATIONS RECEIVED

Banking.—January issue of "The Home Bank Monthly." Issued by the Home Bank of Canada, Toronto.

Security Record.—Folder issued by A. E. Ames and Company, Union Bank Building, Toronto, for keeping records of securities. A very useful publication.

Foreign Exchange.—Knowledge of foreign exchange used to be regarded as something of a luxury. It is to-day, not far from being a necessity. A clear-cut, definite description of foreign exchange and of the underlying and unchanging principles on which it works is afforded in a new and excellent volume on the subject. It describes foreign exchange conditions as they exist to-day. The question of import and export credits is fully explained by means of typical case illustrations, and documents in actual use are reproduced. New York's position, present and future, as a world money market is thoroughly discussed, together with the more recent developments arising out of war conditions and modifications of the federal reserve system. A valuable appendix outlines the monetary systems of the principal countries of the world, and contains tables which explain the process of converting foreign currency into that of the United States and vice versa.

"Foreign Exchange Explained." By Franklin T. Escher, special lecturer on foreign exchange at New York University and the American Institute of Banking (Columbia University extension courses). Published by the Macmillan Company of Canada, St. Martin's House, Toronto. Price, $1.25.

GOLD FOR CANADA

It appears that the deputation of Canadian bankers which visited Washington last fall with regard to the release of gold for Canada, asked for $50,000,000, but obtained a promise for only $25,000,000. The president of the Canadian Bankers' Association, referring to this matter at the annual meeting last fall, said:—

"The successful mission to Washington in connection with the United States gold embargo is also gratifying. While our application for the release of $50,000,000 was not entertained, I feel confident that the amount secured, $25,000,000, will enable us to stabilize exchange rates; but should it not, the door is left open for a further appeal by the action of the Federal Reserve Board in suggesting that a committee of three Canadian bankers be appointed to confer with them in the event of further requirements."

He also made a special statement at the Bankers' Association meeting in regard to this matter. He recalled that the confidential committee of the association accompanied by two of the honorary presidents, went to Washington for the purpose of procuring a license to import gold to correct the abnormal adverse exchange rate then prevailing, with the following results:—

1. That the Canadian banks be allowed to import gold from the United States as follows: In November, $10,000,000; in December, $10,000,000; in January, $5,000,000.
2. That the Canadian banks may receive and ship to Canada all gold earmarked at the date of the embargo;
3. That gold coin equal to the mined gold shipped from Canada to the United States may be shipped to Canada;
4. That the president of the Canadian Bankers' Association shall signify to the Federal Reserve Board which banks in Canada are entitled to ship gold under Section 1 above.

The Federal Reserve Board in addition suggested that a committee of Canadian bankers be formed to confer with their board from time to time regarding the finance of the war as it affects the two countries.

The following committee was appointed in pursuance of the suggestion of the Federal Reserve Board: Mr. E. L. Pease, Sir Frederick Williams-Taylor and Sir John Aird. It was resolved that it would also be the duty of this committee to take such steps from time to time as might be necessary to stabilize exchange either by the importation, for deposit in the central gold reserves, or export of the whole or any part of the $25,000,000 above mentioned, it being understood that the respective banks will place at the disposal of the committee for import or export the part of the $25,000,000 assigned to each bank on the basis of paid-up capital.

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HOW OUR RAILROADS ARE HANDLING FREIGHT

The Canadian Pacific Railway recently diverted by way of the Soo Line one thousand cars of freight so as to relieve the main line of the company along the north shore of Lake Superior. These cars passed south from Winnipeg to Minneapolis and by way of Sault Ste. Marie into Ontario. They consisted chiefly of grain for domestic consumption in Canada.

One hundred cars of freight per day are being diverted from the Canadian Pacific Railway at Quebec and travelling by way of the National Transcontinental to Halifax. While there is no saving in mileage, this, in the interest of the country, relieves the Canadian Pacific Railway main line to St. John for classes of export freight more urgently required there.

In Toronto an arrangement was successfully carried out whereby one hundred and twenty cars of freight eastbound for Montreal were turned over from the Canadian Pacific Railway to the Canadian Northern Railway every day.

The Grand Trunk during the winter season has been diverting one hundred and fifty to two hundred cars of coal per day to the Canadian Pacific Railway and Toronto, Hamilton and Buffalo in order to lessen the congestion on the Grand Trunk from the Niagara frontier to Toronto and other points.

The Grand Trunk has also diverted fifty cars per day to the Canadian Northern Railway at Toronto. In Western Canada the Canadian Northern has on several occasions transferred surplus traffic to the sister railways in the West.

The gold monetary stock (coin and bullion used as money) in the United States on November 1, 1917, is estimated in Secretary McAdoo's annual report at $3,041,500,000. The increase in the past 10 months has been $174,500,000, and in the past three years $1,236,500,000. In five years the portion of the world's gold monetary stock held by the United States has increased from approximately one-fifth to more than one-third.

THE DOMINION LIFE
ASSURANCE COMPANY

ESTABLISHED 1889

DETAILS FROM THE 29th ANNUAL REPORT

ASSETS—4,677,876.16, an increase of $300,000.00 over the preceding year.

SURPLUS—$1,029,111.85. This amount represents the excess of the Assets over the Reserves, contingency funds and all other liabilities.

POLICYHOLDERS' RESERVE—$3,357,025.00, Computed on a basis even more stringent than that required by the Government.

BUSINESS IN FORCE—$22,271,831.00. An increase over the preceding year of three millions.

SIGNIFICANT RATIOS

MORTALITY RATE, including all war claims, only 62% of that expected by Actuarial Tables.

INTEREST RATE—7.87%, a remarkably fine rate in view of the Company's large holdings of Government Bonds.

THE RATIO OF SURPLUS TO LIABILITIES was again the highest of any Company in Canada. This ratio is of the greatest importance, indicating as it does the two essentials—Strength and Earning Power.

A copy of the full Report will be mailed anyone on request.

HEAD OFFICE, - WATERLOO, ONTARIO

The Northern Life Assurance Company
of Canada

Has found 1917 to be a year of

SPLENDID PROGRESS

As the following figures show

	1917	1912
Assets at 31st December	$3,090,241	$1,810,228
Income for year	630,443	403,899
Surplus, 31st December	72,895	52,353
Policies Issued and Revived	3,420,142	2,219,844
Insurance in force 31st December	12,435,227	9,007,182
Policy Reserves, 31st December	2,232,442	1,270,214
Paid to Policyholders	201,867	66,722

The Company is extending its organization, and is prepared to offer advantageous terms to competent producers.

A copy of the last Annual Report will be mailed on request.

J. M. FERNLEY
Superintendent of Agencies, East
Imperial Bank Building
Cor. Queen & Yonge Sts.
Toronto, Ont.

HEAD OFFICE:
LONDON, ONTARIO

J. W. GLENWRIGHT
Superintendent of Agencies, West
308 P. Burns Block
Calgary
Alta.

DIVIDENDS AND NOTICES

BANK OF MONTREAL

Notice is hereby given that a **Dividend of Two-and-one-Half per Cent.**, upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after Friday, the **First Day of March** next, to Shareholders of record of 31st January, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 22nd January, 1918.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 124.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Friday, 1st March, 1918, to shareholders of record at the close of business on the 14th day of February, 1918.

By Order of the Board.
JOHN AIRD,
General Manager.

Toronto, 19th January, 1918.

UNION BANK OF CANADA

Dividend No. 124

Notice is hereby given that a Dividend at the rate of 9 per cent. per annum upon the paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Friday, the 1st day of March, 1918, to shareholders of record at the close of business on the 15th day of February next.

The Transfer Books will be closed from the 16th to the 28th day of February, 1918, both days inclusive.

By order of the Board,
H. B. SHAW,
General Manager.

Winnipeg, January 17th, 1918.

DIVIDEND NOTICE

LAKE OF THE WOODS MILLING COMPANY, LTD.

Notice is hereby given that a dividend of 2½ per cent. on the Common Stock of Lake of the Woods Milling Company, Limited, for the quarter ending February 28th, 1918, has been declared, payable on Friday, March 1st, 1918, to Shareholders of record at the close of business on Saturday, February 23rd, 1918, being 2% from the earnings of Lake of the Woods Milling Company, Limited, and half of One per cent. from the earnings of the Sunset Manufacturing Company—a Company manufacturing jute and cotton bags and a subsidiary of the Lake of the Woods Milling Company, Ltd.

ALSO

An additional dividend of Two and One half per cent. on the Common Stock of Lake of the Woods Milling Company, Limited, has been declared, payable on Friday, March 1st, 1918, to Shareholders of record at close of business on Saturday, February 23rd, 1918. This dividend is from the earnings of the Sunset Manufacturing Company, being at the rate of 2 per cent. for the year ended August 31st, 1917, and one half of One per cent. for the quarter ended November 30th, 1917.

By Order of the Board.
R. NEILSON,
Assistant-Secretary.

DIVIDEND NOTICE

LAKE OF THE WOODS MILLING COMPANY, LTD.

Notice is hereby given that the usual quarterly Dividend of 1¾ per cent. on the Preferred Stock of Lake of the Woods Milling Company, Limited, has been declared, payable on Friday, March 1st, 1916, to Shareholders of record at the close of business on Saturday, February 23rd, 1918.

By Order of the Board.
R. NEILSON,
Assistant-Secretary.

DEBENTURES FOR SALE

DEBENTURES FOR SALE

The Town of Shaunavon, Saskatchewan, has for immediate sale, a $10,000.00 issue of debentures, interest 7%, repayment on annuity basis; and the undersigned will receive bids for the same up to and including the 16th day of March, 1918. The right is reserved to refuse any or all bids. Full particulars of the Town's financial condition may be had from

F. G. HORSEY,
Town Clerk.

WINNIPEG ELECTRIC RAILWAY COMPANY

The net earnings of the Winnipeg Electric Railway for November, 1917, were $86,887, as compared with $101,632 for the corresponding month of 1916. Fixed charges were $60,157, against $58,854 in 1916. Net earnings from January 1, were $746,976, a decrease of $337,160; fixed charges were $674,214, against $652,874 in 1916.

WESTERN CANADA POWER COMPANY

The Western Canada Power Company reports for December operating revenues $38,410, an increase of 1.8 per cent.; net earnings of $30,770, an increase of 22.1 per cent. Twelve months' operating revenues $450,161, an increase of 20 per cent.; net earnings of $332,194, representing an increase of 28.1 per cent.

RITZ-CARLTON HOTEL

At the annual meeting of the Ritz-Carlton Hotel Company, of Montreal, held at the hotel on February 13th, the directors' report showed that there had been an increase in the number of guests during the year. The increase had not been as great as hoped for owing to the fact that many reservations were cancelled on account of the entry of the United States into the war.

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BOX 151, MONETARY TIMES, TORONTO

BRITISH COLUMBIA SALMON FISHERIES

No New Licenses for Salmon Canneries to be Granted This Year

The following official statement with regard to the salmon fisheries of British Columbia has been issued by the minister of the naval service:—

"After a conference with his officials with regard to the regulations and policy to govern the salmon fisheries in District No. 2, British Columbia, during which the whole matter was thoroughly considered, Colonel Ballantyne, minister of the naval service, reached the following decision:—

No More Licenses.

"1. That no licenses for salmon canneries in addition to those already authorized will be granted this year. This decision was reached because it was found that the existing canneries can more than take care of all the salmon that may be allowed to be caught. It is recognized that if the privilege is thus restored, those engaging in canning should be required to pay into the public treasury a fair proportion of their profits. As the system of accounting among the canners is so diversified, it is impossible now to determine what this shall be, but during the present year a satisfactory system of accounting, to be used by all the canners, will be worked out, and each will be required to give full and uniform returns to the department of the naval service of his operations so that after this season an adequate license fee can be required.

"2. That, as the runs of salmon and the conditions on the spawning-beds do not warrant a greater amount of fishing than is now permitted, no licenses for additional fishing privileges will be authorized this year. These two decisions do not apply entirely to the Queen Charlotte Islands, where the conditions are different from those now existing on the mainland.

Motor Boats Prohibited.

"3. That, as the evidence of the cannery managers, the canners and the fishermen, submitted to the special commission which last year investigated the salmon fisheries of this district, was nearly unanimously opposed to the use of motor boats in salmon fishing operations, such boats will not be allowed this year.

"4. That, to enable proper arrangements to be made for the using of gill net licenses independently of all canneries, licenses will be granted this year on a similar basis to last, but hereafter no attached licenses will be issued.

"5. That rigid enforcement of the fishery regulations will be carried out, and the protective force will be sufficiently enlarged to enable this to be done.

Application for Licenses.

"6. On his return to British Columbia in the next few days, the chief inspector will call together those applying for new licenses in different portions of the province, where such may be safely granted, and each applicant will be required, in the presence of the others, to show why he considers his application should be favored. Immediately following such investigation, a decision on the different applications will be reached by the chief inspector."

BRANDRAM-HENDERSON COMPANY'S REPORT

As a result of operations during the past year, Brandram-Henderson, Limited, one of our best-known industrial corporations, was able to improve its financial position in several ways and to increase the balance at the credit of profit and loss account to the extent of $63,000. The net profits for the year amounted to $221,429, which, with the balance of $349,465, carried forward from the previous year, gave a sum of $570,894 to the credit of the profit and loss account. Out of this sum the interest on bonds to September 30th was paid, and a reserve for interest accruing for October and November, also the dividend on the preferred stock paid and accrued. The sum of $7,500 was provided as a reserve for depreciation, and a further sum of $10,000 as a special reserve for depreciation by way of provision for possible contingencies. This is a commendable policy The sum of $29,100 was absorbed by the 3 per cent. dividend paid on the common stock in February last, and the sum of $7,062 to cover patriotic donations during the year. Owing to insufficient information from the authorities an inadequate sum was set aside a year ago for the first year's war tax, and in consequence it was necessary to provide at this time the sum of $31,917. The sum of $15,600 was applied for sinking fund purposes, leaving a balance of $412,184.

An examination of the balance sheets of the past two years shows an increase in current liabilities. The explanation for this given by Mr. George Henderson, the company's president, at the annual meeting on Wednesday, was the greater volume of business transacted by the company, which necessitated larger stocks, and the higher cost of all raw materials.

The company's financial statement generally reflects an excellent position. Little criticism can be offered, except that, like so many other companies, the value of real estate buildings, plants, equipment, goodwill and patent rights, is entered among the assets in the balance sheet in a lump sum. While this is the practice of the majority of companies, we believe it will be found desirable for companies to separate these items in the balance sheet, attaching the value to each.

The Brandram-Henderson Company is doing not only a good business throughout Canada, but a satisfactory export trade in addition. One of the features of its trading last year was the rapidly increasing foreign business, which has justified the appointment of several additional foreign representatives, all of whom are reported to be doing well. In order satisfactorily to develop the company's British Columbia business it was found desirable to establish a depot in Vancouver, and, owing to the strong sentiment in favor of provincial organizations, a separate charter was secured to do business in the name of Brandram-Henderson of British Columbia, Limited.

Mr. J. M. C. Muir is the secretary of Brandram-Henderson, Limited.

WATERLOO COUNTY LOAN AND SAVINGS COMPANY

An honest endeavor to invest its funds on safe lines and to keep the company in a good liquid position has been the aim of the Waterloo County Loan and Savings Company. This policy is reflected in the fifth annual statement, which shows a good position. At the end of the year, the company's government and municipal securities, together with cash, considerably exceeded its ordinary deposits. An effort will be made to maintain this position, and the company will, therefore, take advantage of the present good prices to accumulate a large amount of bonds to hold for years to come. As a result of its operations last year, after providing for interest on deposits and debentures, and defraying the expenses of management, including war taxes, municipal and provincial taxes, the balance available for distribution was as follows: Balance brought forward from 1916, $1,878; premium on stock, $646; net profits for the year, $35,379; total, $37,903. This amount was disposed of as follows: Two half-yearly dividends, numbers 7 and 8, at the rate of 6 per cent. per annum, $24,153; donated to Patriotic and Red Cross funds, $525; written off office premises, $500; transferred to reserve fund, $10,000; and transferred to contingent fund, $1,500, leaving a balance carried forward of $1,225. The profits equalled 8.78 on the capital.

Referring at the annual meeting to the company's business, Mr. Thomas Hilliard, president, stated that, in the handling of money, the directors of an institution had a public trust to protect, and it was essential that all investments should be made with a view to wise and sound policy. This policy had been carried out in connection with the business of the Waterloo County Loan and Savings Company, and it was evident by the satisfactory growth of the business that the people in the community had confidence in the company.

Mr. E. F. Seagram, vice-president, referring to the company's investments, said: "We feel that, while it is necessary to make as good profits as possible for the business, that the shareholders would prefer to know that absolute security and safety was aimed at, rather than too high an interest rate."

Mr. P. V. Wilson, the manager, dealt in detail with the various items of the financial statement. He stated that very few mortgage loans were made during the past year, the few that were handled being located in Kitchener and Toronto. Of the company's mortgage loans, amounting to $590,000, the average of each was slightly over $3,000, the company holding nearly 200 mortgages.

The Ontario Loan and Debenture Co.

The Forty-seventh Annual General Meeting of the Shareholders of this Company was held on Wednesday, 13th instant, at the Company's Offices, London, Ontario.

The chair having been taken by the President, Mr. John McClary, the Manager, Mr. A. M. Smart, who acted as Secretary, read the notice calling the meeting and the minutes of the last Annual Meeting which, upon motion, were confirmed.

The Annual Report was then presented, as follows:—

London, Canada, 28th January, 1918.

To the Shareholders:

Under the altered conditions prevailing throughout the past year, owing to the war, it affords the Directors much pleasure to present their Annual Report, which they are confident will be entirely satisfactory to the Shareholders.

The demand for loans on mortgage has not been heavy, and investments have turned toward the higher class of Government and Municipal Bonds which afford a fairly good return. The increase in your Company's holding of such Bonds is mainly owing to participation in the recent Dominion War Loans.

The foreign trade of Canada again discloses a greatly increased favorable balance and the high prices for agricultural products have doubtless overcome the farmer's augmented cost of production and living.

As detailed in the Revenue Account herewith, after provision for possible losses and contingencies, the payment of Provincial and Municipal Taxes, Interest, Expenses and Charges, your Company's

Net earnings for the year 1917 are		$268,290.86
Balance brough forward from previous year		53,593.56
From this Total available		$321,884.42
Dividends (Quarterly) at the rate of 9 per cent. per annum have been paid	$157,500.00	
Transferred to the Reserve Fund	100,000.00	
		$257,500.00
Balance		$ 64,384.42
Grant to the Canadian Patriotic and Red Cross Fund.	$ 3,000.00	
Grant to the British Red Cross Fund	500.00	
Dominion Government Income War Tax	10,180.87	
		13,680.87
Balance carried forward		$ 50,703.55

A resolution approving of the above grants to Patriotic and Red Cross Funds will be submitted for your approval.

The transactions of the Company throughout the year have been duly audited and the Auditors' certificate is attached to the Financial Statement which is presented herewith.

An amendment to By-law No. 22 will be submitted whereby it is proposed to reduce the number of Directors from eight to seven.

Your Directors deeply deplore the loss sustained by the death of their esteemed colleague, Mr. Thomas P. McCormick.

The care and attention devoted to your Company's affairs by your Agents in Great Britain is most cordially acknowledged.

Your Directors also wish to bear testimony to the efficiency with which the Officials and Staff of the Company have discharged their arduous duties.

All of which is respectfully submitted.

JOHN McCLARY, President.

FINANCIAL STATEMENT.

REVENUE ACCOUNT.

DR.	
Interest on Sterling Debentures	$ 71,030.93
Interest on Currency Debentures	54,032.42
Interest on Deposits	33,877.43
Taxes, Provincial and Municipal	8,150.70
Expenses connected with Debentures	1,042.70
Commissions and Expenses in connection with Loans	17,674.68
Expenses of Management	34,949.04
Dividends to Shareholders (9 per cent. per annum)	157,500.00
Transferred to Reserve Fund	100,000.00
Grant to Canadian Patriotic and Red Cross	3,000.00
Grant to British Red Cross	500.00
Dominion Government Income War Tax	10,180.87
Balance carried forward	50,703.55
	$542,642.32

CR.	
Balance from last year	$ 53,593.56
Interest earned on Mortgages, Rents, etc.	489,048.76
	$542,642.32

LIABILITIES.

To the Public:		
Sterling Debentures	$1,394,407.73	
Currency Debentures	1,129,277.66	
Interest accrued on Debentures	31,455.59	
Deposits	991,345.60	
		$3,546,486.58
To the Shareholders:		
Capital Stock (subscribed, $2,550,000) paid up	$1,750,000.00	
Reserve Fund	1,950,000.00	
Dividend No. 122 (since paid)	39,375.00	
Balance at Credit of Revenue Account	50,703.55	
		$3,790,078.55
		$7,336,565.13

ASSETS.

Mortgages, etc., on Real Estate	$5,693,003.28	
Less amount retained to pay prior mortgages	8,778.99	
		$5,684,224.29
Government Bonds, Municipal Debentures and stocks owned	$1,187,527.16	
Less Installments not yet due on Canada "Victory Loan" Bonds	189,200.22	
		$ 998,326.94
Loans secured by Stocks and Debentures		140,816.09
Loans secured by this Company's Stock		405.56
Real Estate foreclosed or brought to sale		106,381.90
Office premises (freehold)		57,000.00
Cash with Banks in Great Britain		21,594.59
Cash with Banks in Canada		327,815.76
		$7,336,565.13

A. M. SMART, Manager.

To the Shareholders of The Ontario Loan and Debenture Company:

We hereby certify that we have audited the books and accounts of The Ontario Loan and Debenture Company for the year 1917, including a monthly cash audit and the verification of the entries and balances in all the Company's books, and we find the whole correct. We have also examined the securities and find them in order.

All our requirements as Auditors have been complied with and in our opinion the above statements are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, as shown by its books.

F. G. JEWELL, C.A.,
J. F. KERN, } Auditors.
London, Ontario, 28th January, 1918.

The President, in moving the adoption of the report, said, in part:

The Annual Statement speaks for itself and cannot fail to be entirely satisfactory to the Shareholders as it is to the Directors. Your Company was never in a stronger position than it is to-day. The investments have been gone over with the greatest care and are undoubtedly full value for the amounts at which they stand in the Balance Sheet.

For the past six years we have been able to add $100,000 each year to our Reserve Fund until it now stands at over 110 per cent. of the paid-up capital. This fund has been gradually and patiently built up until, with the unappropriated profits, it has now reached $2,000,000, a staunch bulwark to protect our shares against any adverse conditions that may obtain during the war or in consequence of it.

It affords me much pleasure, seconded by the Vice-President, to move the adoption of the Annual Report.

The Vice-President, Mr. A. M. Smart, in seconding the adoption of the Report,

Referred to what the President had said regarding the strength of the Company's position and remarked that during the whole period of the war cash reserves had been maintained at a comparatively high figure. This, of course, did not produce high profits, but he felt sure it was a policy of which the Shareholders would approve.

Our practice had been to secure the larger proportion of our Debenture moneys in Scotland, but of late British Government Bonds were offered there to yield such returns that we did not feel we should offer rates calculated to attract money of which there is such need for the prosecution of the war. Notwithstanding many of our old debenture holders have renewed with us our sterling debentures show a considerable reduction in amount. The compensating advantage to us is the consequent increase in the percentage of our assets as compared with our liabilities. Our assets are now more than double our total liabilities to the public. In other words, you have $2 in assets to meet each $1 you are under contract to repay.

Indicating the soundness of the Company's assets is the fact that at the end of the year the total interest overdue on all the Company's investments was 25 per cent. less than the amount at the end of 1916. Fully one-fifth of this had already been received.

The Report was then adopted unanimously.

The Scrutineers were then appointed and the election of Directors proceeded with, Messrs. John McClary, A. M. Smart, Thomas H. Smallman, Lieut.-Col. William M. Gartshore, John M. Dillon, M. Masuret and C. R. Somerville being re-elected for the ensuing year.

It was moved by Mr. A. B. Greer, seconded by Prof. J. H. Bowman, that Messrs. Frank G. Jewell, C.A., and John F. Kern be and are hereby re-elected Auditors for the Company. Carried.

On adjournment of the meeting and at a meeting of the Board of Directors held subsequently, Mr. John McClary was re-elected President, and Mr. A. M. Smart, Vice-President of the Company.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Feb. 20th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi com.	....	....	....	....
Ames-Holden com.	....	....	....	....
" pref.	....	....	....	....
Asbestos Corporation	....	....	....	10
" " pref.	....	....	....	5
Bell Telephone	....	....	....	....
British Columbia Fishing & Packing	....	....	....	25
Brompton	....	....	....	26
Brazilian	....	....	....	415
Canada Car com.	....	....	....	55
" pref.	....	....	....	50
Canadian Converters	....	....	....	....
Canada Cement com.	....	....	....	281
" pref.	....	....	....	130
Canada Cottons	....	....	....	55
" pref.	...	....	....	31
Canadian Con. Rubber com.	....	....	....	....
Canada Foundry and Forgings	....	....	....	....
Canadian General Electric	....	....	....	55
Canadian Locomotive com.	....	....	....	....
" " pref.	....	....	....	....
Canada Steamship Lines com.	....	....	....	485
" " " pref.	....	....	....	61
Civic Investment	....	....	....	613
Civic Power com.	....	....	....	247
Cons. Mining and Smelting	....	....	....	406
Consumers Gas com.	....	....	....	....
Dominion Bridge	....	....	....	....
Dominion Coal pref.	....	....	....	....
Dominion Iron pref.	....	....	....	5
Dominion Steel Corporation com.	....	61⅞	61	3353
Dominion Textile	....	....	....	....
" pref.	....	....	....	....
Howard Smith com.	....	....	....	35
Illinois Traction com.	....	....	....	10
" pref.	....	....	....	20
Intercolonial Coal com.	....	....	....	50
Lake of the Woods Milling com.	....	....	....	740
Laurentide Co.	....	....	....	405
Lyall Const. com.	....	....	....	130
Macdonald	....	....	....	67
Mackay Cos. com.	....	....	....	50
" " pref.	....	....	....	10
Maple Leaf Milling com.	....	....	....	....
Montreal Tramway	....	26	25¾	99
" " deb.	....	....	....	19200
Montreal Cotton com.	....	....	....	....
" " pref.	....	....	....	....
Nova Scotia Steel	....	68	66⅝	280
" " pref.	....	....	....	....
Ogilvie Flour Mills com.	....	....	....	....
Ontario Steel com.	....	....	....	....
Ottawa Light, Heat & Power	....	....	....	....
Penmans	....	74½	71½	853
" pref.	....	....	....	....
Price Bros.	....	....	....	....
Riordan Paper	....	122	120	710
" pref.	....	....	....	1
Quebec Railway, Light, Heat & Power	....	....	....	50
Shawinigan Water & Power	....	....	....	462
" " " rights	....	25	21	16637
Sherwin-Williams com.	....	....	....	15
Spanish River com.	....	....	....	....
" pref.	....	....	....	....
Steel Co. of Canada	....	....	....	620
" " " pref.	....	....	....	40
Toronto Railway com.	....	....	....	300
Wabasso Cotton com.	....	....	....	....
Winnipeg Railway	....	....	....	....
Wayagamack	....	....	....	1000
Bank of British North America	....	....	...	....
Bank of Commerce	....	....	....	38
Bank of Montreal	....	....	....	....
Bank of Ottawa	....	....	....	....
Bank of Toronto	....	....	....	....
Bank d'Hochelaga	....	....	....	....
Banque Nationale	....	....	....	....
Bank of Nova Scotia	....	....	....	33
Dominion Bank	....	....	....	....
Merchants Bank	....	....	....	....
Molsons Bank	....	....	....	....
Quebec Bank	....	....	....	....
Royal Bank	3¼	....	....	....
Standard Bank com.	....	....	....	....
Union Bank	....	....	....	10
Montreal Bonds	Last Sale			
Asbestos	72½	....	....	....
Bell Telephone	98½	....	....	5000
Canadian Car.	....	....	....	....
Canada Cement	96½	....	....	5000
Canadian Consolidated Rubber	....	....	....	....
Canadian Converters	....	....	....	....
Cedars Rapids	90	....	....	8200
Dominion Coal	94½	....	....	....
Dominion Cotton	90	....	....	500
Dominion Iron and Steel	97	....	....	1000
Dominion Textile A	97½	....	....	....
" " B	97	....	....	....
" " C	97	....	....	....
" " D	96½	....	....	....
Lake of Woods Milling	103	....	....	....
Laurentide	101	....	....	....
Lyall Construction Co.	83½	....	....	5000
Montreal Light, Heat & Power	101	....	....	....
Montreal Tramways	91½	....	....	....
National Breweries	90	....	....	....
Nova Scotia Steel	90	....	....	....
Ogilvie A	10	....	....	....
" B	103	....	....	....
" C	103	....	....	....
Penmans	....	....	....	....
Price Bros.	...	....	....	....

Montreal Bonds (*Continued*	—	Asked	Bid	Sales
Quebec Railway, Light and Power	67	....	....	2000
Riordan Paper	....	....	....	....
Sherwin-Williams	....	....	....	....
First Dominion War Loan	98½	....	....	8100
Second Dominion War Loan	98½	....	....	22100
Third Dominion War Loan	....	....	....	16800
Wabasso Cotton	....	....	....	....
Wayagamack	81	....	....	500

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden pref.	....	14½	....	....
American Cynamid	....	....	23	....
" pref.	....	....	52	....
B. & L. (Landed)	....	....	....	....
Barcelona	....	10	9½	120
Bell Telephone	. ..	....	....	....
Brazilian	...	35½	35½	495
Canada Bread	....	17	16	....
" pref.	....	....	....	....
Canadian Car & Foundry	....	25	22½	10
" " " pref.	....	57	55	....
Canadian Canners pref.	....	....	....	....
Canadian General Electric	....	103½	102½	55
" " " cum div. pref.	....	....	....	....
Canada Landed & National Investment	....	....	....	....
Canadian Locomotive	....	....	....	....
" pref.	....	....	82½	....
Canadian Pacific Railway	....	148	145½	9
Canada Permanent	....	162½	....	....
Canada Steamship	....	42½	42½	270
" " pref.	....	78	77	142
" " (voting trust)	....	....	....	....
Cement com.	....	57½	57	341
" pref.	....	....	90	10
City Dairy	....	....	....	....
" pref.	....	....	60	33
Colonial Loan com.	....	....	....	....
Coniagas com.	....	....	....	....
Confederation Life	....	375	....	....
Consumers Gas	....	146½	....	10
Crow's Nest Pass com.	....	50	....	...
Detroit	....	....	....	....
Dome	...	925	900	200
Dominion Canners	5	....	....	....
Dominion Iron com.	....	....	....	....
" " pref.	....	....	....	....
Dominion Steel Company	....	61⅞	61	832
Duluth Sup.	....	41	....	....
F. N. Burt	....	....	....	....
" pref.	....	....	....	18
Hamilton Provident	....	....	....	....
Huron & Erie com.	....	....	....	....
Lake of the Woods com.	....	....	....	....
La Rose com.	....	....	....	....
Mackay Companies	....	78½	77¾	218
" pref.	....	....	61½	75
MacKinley Darragh com.	....	....	....	....
Maple Leaf Milling	....	98	95	....
" " " pref.	....	95	93⅛	1
Monarch	....	....	30	15
" pref.	....	....	....	....
Nat. S. Car	....	....	9	....
" pref.	....	....	....	....
Nipissing	....	825	800	....
Nova Scotia Steel	....	67⅝	66½	25
" " " rights	....	....	....	...
Pacific Burt com.	....	....	....	....
" pref.	....	....	....	....
Penmans com.	....	75	74	200
Petroleum	....	1350	1300	....
Riordon	....	....	....	....
" pref.	....	....	....	....
Rogers com.	....	...	....	....
" pref.	....	....	....	....
Russell Motor	.. .	80	55	....
" pref.	....	70	....	10
Sawyer-Massey	....	....	10	....
" pref.	....	41	....	....
Shredded Wheat	....	....	....	....
Spanish River	....	15	13½	....
" pref.	....	50	....	....
Cons. Smelters	....	25¾	25	32
Standard Chemical	....	....	....	....
" " pref.	....	57	....	....
Steel Company of Canada	....	53½	53	25
" " " pref.	....	89	87½	89
Toronto General Trust	....	....	....	....
Toronto Paper	....	72	65	....
Toronto Railway	....	61	60	80
Trethewey S. Mines com.	....	15½	14	....
Tucketts	....	19	....	....
" pref.	1¾	....	....	....
Winnipeg Electric	....	48	....	54
Twin City	....	66	64½	60
Bank of Commerce	....	185	....	26
Bank of Ottawa	....	201	....	....
Bank of Hamilton	...	....	184	....
Bank of Montreal	....	210	....	....
Bank of Nova Scotia	....	....	....	....
Bank of Toronto	....	187	....	....
Dominion Bank	....	202	....	18
Imperial Bank	..	....	....	....
Merchants Bank	2½	....	167	....
Molsons Bank	....	179¾	....	....
Royal Bank	....	208	....	....
Standard Bank	....	200	....	2
Union Bank	....	....	140	....
Toronto Bonds	Last Sale			
Canada Bread	92½	....	....	...
Canada Locomotive	95	....	....	....
Penmans	89	....	80	....
Riordon	....	....	....	....
Sao Paulo, 1929	84	...	....	....
Steel Company of Canada	96½	89	88¼	..
First War Loan	98	91⅞	94⅜	6800
Secund War Loan	98½	93½	93⅜	3100
Third War Loan	....	93⅛	93	22800

Baldwin, Dow & Bowman
Chartered Accountants
OFFICES AT
Edmonton, Alberta. Toronto, Ont.

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Auditor Accountant Liquidator Trustee
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805 CONFEDERATION LIFE BUILDING
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RONALD, GRIGGS & CO.
AND
RONALD, MERRETT, GRIGGS & CO.
Chartered Accountants Auditors Trustees Liquidators
Winnipeg Saskatoon Moose Jaw London, Eng.

F. C. S. TURNER WILLIAM GRAY JAMES GRANT
F. C. S. TURNER & CO.
Chartered Accountants
Successors to
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Trust & Loan Building, WINNIPEG
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TRAVELLERS' LIFE ASSURANCE OF CANADA

One of our youngest insurance companies, the Travellers' Life Assurance Company of Canada, has made excellent progress during a comparatively short career. The company has the benefit of an experienced president who is not a stranger to the life insurance business. Its directorate is composed of well-known business and financial men, while its secretary, Mr. R. P. Earle, A.I.A., A.A.S., brings to his executive work the knowledge of a capable actuary. The medical department of the company, which is naturally one of the most important factors in the success of a life insurance corporation, is under the care of Dr. A. E. Garrow. While slightly handicapped during the early part of its existence by various staff changes, the company has been able to overcome that check to its growth, and at the end of 1917, had in force net insurance of $4,404,016. This compares with business of $2,046,552 on its books in 1914. Similar growth is noticed in the insurance issued and revived, in comparing the annual reports of the past four years. In 1914, the amount was $1,394,505, and last year $1,726,430. During the past three years the net premium income has increased from $75,256 to $151,966. The total assets have also made a substantial gain from $237,599 to $422,552. These figures illustrate at a glance the satisfactory progress which the company has made.

Dealing particularly with last year's results, the net premium income of $151,966 shows an increase of 23.66 per cent. over the previous year. The insurance issued and revived amounting to $1,726,430, was the largest total in the company's history. The same remark applies to its net insurance in force amounting at the end of 1917 to $4,404,016. The average amount of the policies written by the company is $1,400 and the average annual premium per $1,000 of net insurance in force is $37.50. The company's assets have almost doubled during the past three years and they increased 21.54 per cent. during 1917. The average interest earned on investments, including cash in banks, was 6.58 per cent.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto.
(Week ended Feb. 20th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power ......pref.	80	88.50	Chapman Ball Bearing ..	20	28.50	Inter. Mill ....pref.	81.50	87.50	North Crown Bank......	72	....
Alberta Pac. Grain..com.	97.50	....	Collingwood Ship...com.	25	38.50	Imper. Trust Co. Toronto	....	40	North Ont. L. & P.....6's	75	82
Amer. Sales Book...pref.	...	90	Cockshutt Plow.....pref.	64.50	75	Lambton Golf Club......	330	380	Ont. Pulp Bonds.........	78	83
Atlantic Sugar......com.	8	14	Continental Life.........	16	24.50	Loews Theatre ......com.	79	85.50	Peoples Loan............	81	90
" " ......pref.	23	29	Crown Life	70	....	Maritime Coal & Ry.com.	17	21.50	Rosedale Golf Club......	325	365
" " .... 6's	80.50	85	Dom. Fire..............	18	21	Maritime Coal ....5's	67	72	Sovereign Life...........	14	20.50
Black Lake...........6's	25	28	Dom. F'dry & Steel 8% pf.	80	88.50	Massey Harris...........	110	130	Sterling Coal........com.	9.50	11.75
" ....pref.	3.50	6	Dominion Glass.....com.	23	28	Matthew-Blackwell com.	42	50	" " ......bonds	70	73
Belding Paul....... pref.	73.50	78.50	Dom. Iron & Steel 5's.1939	74	79	Mexican North....... 5's	10	13.50	Sterling Bank....	80	87
" " ....5's	75	80	Dom. Linseed Oil	71	....	M'Donald...........pref.	77.50	83	St. Lawrence Sugar...6's	90	95
Bflo., Roch. & Lock...5's	....	55	D. Po'er & Trans......5's	80	86	Morrow Screw........6's	85.50	92	Temple Theatre.....com.	55	....
Can. Cereal & Flour.com.	....	.90	Dom. Power........pref.	89	95.50	Mutual Steamships ...6's	95	....	Toronto Paper........6's	85	90
Can. Fairbanks .....pref.	85	90	Dominion Sugar.........	110	125	National Drug 7%...pref.	. .	87.50	Toronto Y'k Rad. 5's. 1919	90	95
Can. Marconi............	1.75	2.50	Dunlop Tire.......... 6's	98.50	101.50	National Brick Bonds....	....	24.50	West. Assurance	.5	6.50
Canada Machinery..com.	9.50	12.75	Eastern Car...........6's	90	95	National Life	30	...	Wt. Can. Flour. 6's (1931)	92	96
" " ..pref.	45	50	Home Bank........xd, 1¼	60	63.50	National Telephone...5's	48	53	West Can. Power. ...5's	49	55
Can. Westinghouse......	100	115	Imperial Oil.............	290	315	....	..	....	....	....	....

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

DOMINION SAVINGS BANKS

BANK	Deposits for Dec. 1917	Total Deposits	Withdrawals for Dec. 1917	Balance on Dec. 31st, 1917.
	$ cts	$ cts.	$ cts.	$ cts.
Manitoba:—				
Winnipeg....................	1,988.00	519,567.17	10,502.84	539,064.63
British Columbia:—				
Victoria....................	21,613.71	1,197,367.32	30,002.88	1,167,364.44
Prince Edward Island:—				
Charlottetown..............	36 202.00	2,049,342.29	61,016.22	1,988,326.07
New Brunswick:—				
Newcastle..................	487 00	268,559.25	7,871.96	260,687.29
St. John....................	33,914.77	5,211,015.83	158,774.98	5,052,240.85
Nova Scotia				
Amherst	....	....	....	....
Barrington	77.00	107,014.14	2,346.59	104,667.55
Guysboro'..	592 00	110 261.06	9,346.52	100,914.54
Halifax......................	25,292.25	2,475,916.28	80,015.79	2,395,900.49
Kentville	3,964.16	248,841.33	3,639 27	245,202.06
Lunenburg..................	11,500.00	440,632.26	7,090.12	433,542.14
Pictou	....	....	.. ..	....
Port Hood..................	....	79,379.88	4,210.72	75,169.16
Shelburne.....	4,189.91	239,014.95	14,917.09	224,097.86
Sherbrooke.............	282.00	96,557.69	5,254.70	91,302.99
Wallace	....	111,746.44	20,097.35	91,649.09
Totals......................	140,102.80	13,185,216.19	415,087.03	12,770,129.16

POST OFFICE SAVINGS BANKS

Dr.	SEPTEMBER, 1917		Cr.
Balance in hands of the Minister of Finance on 31st Aug. 1917...	$ cts. 42,924,652.22	Withdrawals during the month..........	$ cts. 894,873.36
Deposits in the Post Office Savings Bank during month.......	1,044,398.48		
Transfers from Dominion Government Savings Bank during month:—	....		
Principal......... Interest accrued from 1st April to date of transfer...	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	2,796.40		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month......	6,280.27	Balance at the credit of Depositors' accounts on 30th Sept., 1917.........	43,083,254.01
	43,978,127.37		43,978,127.37

GOVERNMENT FINANCE

PUBLIC DEBT	1917		1917
Liabilities—	$ cts.	Assets—	$ cts.
Payable in Canada.........	671,211,536 99	Investments—Sinking Fds.	16,095,991 88
Payable in London.........	362,703,312 40	Other Investments	256,303,693 83
Payable in New York......	75,873,000 00	Province Accounts..........	2,296,327 90
Temporary Loans..........	501,036,130 73	Miscel and Bkg. Accounts	722,338,525 44
Bank Circul'n Redemp. Fd.	5,799,609 27		
Dominion Notes............	275,063,856 54	Total Assets............	997,034,539 05
Savings Banks..............	52,749,930 16		
Trust Funds................	10,807,132 02	Total Net Debt 31st Jan...	997,529,207 28
Province Accounts.........	11,920,481 20	Total Net Debt 31st Dec...	976,428,504 18
Miscel. and Bkg. Accounts.	27 398,757 02		
Debt	1994 563 746 33	Increase of Debt...........	21,100,703 10

Revenue and Expenditure on account of Consolidated Fd.	Total 31st Jan. 1918
Revenue—	$ cts.
Customs	121,764,535 73
Excise.....	21,965,878 24
Post Office	16,550,000 00
Pbc. Works, R'lways & Canals	23,704,225 06
Miscellaneous	21,556,115 99
Total	208,540,755 02
Expenditure	113,457,924 57

Expenditure on Capital Account, Etc.	Total 31st Jan. 1918.
	$ cts.
War...........	188,355,015 41
Public Works, Railways and Canals...........	21,128,329 71
Railway Subsidies	713,204 75
Total............	210 196 549 87

DOMINION SAVINGS AND INVESTMENT SOCIETY

With assets more than double the amount of liabilities and a reserve fund which alone is almost 25 per cent. of the total liabilities to the public, the Dominion Savings and Investment Society is building up a position which will fittingly celebrate its semi-centenary five years hence. Mr. T. H. Purdom, the company's president and a well-known citizen of London, Ontario, where the company's head office is situated, presented the forty-fifth annual report at the shareholders' meeting last week. The net profits for the year amounted to $58,125. The balance at the credit of the contingent account was $2,541, making together a sum of $60,666. This provided for the payment of two half-yearly dividends, at the rate of 5 per cent. per annum, amounting to $46,741, the addition of $10,000 to the reserve fund which now totals $260,000, leaving the contingent account a balance of $3,925.

The financial statement is signed by Mr. Nathaniel Mills, the company's capable manager. It shows liabilities to the public of $1,112,672. Savings bank deposits account for $761,378 of that sum; currency debentures and coupons due, $178,351; and sterling debentures and sterling debenture coupons (interest accrued but not due), $172,942. The liabilities to the shareholders, amounting to $2,334,803, are as follow: Permanent stock, $934,300; permanent stock dividend, payable January 2nd, 1918, $23,357; accumulating stock, $95; accumulating stock dividends, $453; reserve fund, $260,000; and contingent account, $3,925.

The company's assets of $2,334,803, are made up entirely of the cash value of mortgage and other securities, and cash in banks and office. The former item accounts for $2,297,941 and the cash for $36,862. Judging by the company's financial statement, the Dominion Savings and Investment Society is in excellent condition, and is making good progress. The directors of the company are as follow: Messrs. T. H. Purdom, K.C., London, president; John Ferguson, London, vice-president; W. J. McMurtry, Samuel Wright, John Purdom, John Milne and managing director, Nathaniel Mills.

Merchants Casualty Co.

Head Office: Winnipeg, Man.

The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments. Embracing the entire Dominion of Canada.

SALESMEN NOTE

Our accident and health policy is the most liberal protection ever offered for a premium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.

Good Openings for Live Agents

Eastern Head Office...1 Adelaide St. E., Toronto
Home Office .. ...Electric Railway Chambers, Winnipeg, Man.

The Imperial Guarantee and Accident Insurance Company of Canada

Head Office, 46 King St. W., TORONTO, Ont.

IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital - - - $200,000.00.
Authorized Capital - - - $1,000,000.00.
Subscribed Capital - - $1,000,000.00.
Government Deposits - - $111,000.

RAILWAY EARNINGS

The following are the earnings of Canada's transcontinental lines for the first week in February:—

	1917.	1918.	Inc. or dec.
Canadian Pacific Railway.			
February 7	$1,890,000	$2,096,000	+ $206,000
February 14	2,180,000	2,306,000	+ 126,000
Grand Trunk Railway.			
February 7	$ 928,462	$ 675,115	— $253,347
February 14	828,671	752,861	— 75,810
Canadian Northern Railway			
February 7	$ 493,600	$ 634,600	+ $141,000
February 14	602,000	688,000	+ 86,000

BRITISH MARKET FOR CANADIAN SECURITIES

Discussing the British market for Canadian securities in its issue of January 31st, the Canadian Gazette, London, Eng., says:—

"In Dominion issues the 3½ per cents. (1909-34) are 1¼ up; in provincial bonds British Columbia 4½ per cents. (1914) are 1¼ better, and Ontario 3½ per cents. (1946) are 1 higher, but in municipal loans Quebec 4 per cents. (1958) are 1¼ down at 70¼. Railway stocks have been somewhat affected by the rate question, and Canadian Pacific shares are 1¼ down, at 159¼, although Grand Trunk stocks only showed fractional changes. Speculative buying of Canadian Northern income debenture stock, with the result of a substantial advance—4 points to 43½—in the price is attributed to market operators having taken up the view that the Dominion government, as now owners of the Canadian Northern Railway, will have to provide for the principal of that stock when it becomes due in 1930."

In the miscellaneous section Hudson's Bay shares have been steady while amongst those shares of a commercial character Cockshutt Plow preference, of which we hear good accounts, have jumped up 4 to 74.

LONDON GUARANTEE AND ACCIDENT COY.

Limited

ESTABLISHED 1869

Head Office for Canada: TORONTO

Employer's Liability
Elevator
Contract
Personal Accident
Fidelity Guarantee
Internal Revenue
Sickness
Court Bonds
Teams and Automobile

AND FIRE INSURANCE

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance
Sickness Insurance
Plate Glass Insurance
Burglary Insurance
Automobile Insurance
Guarantee Bonds

The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word, Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

THE STORY OF A YOUNG FINANCIAL MAN'S SUCCESS.—A financial man, thirty-three years of age, came to our office four years ago to take up a new line of business—a line against which he had been prejudiced, but which he knew carried great rewards for the successful. His average commissions this year will be over $5,000.00, and he has built up a future income of over $3,000.00 a year on business already written. We are enlarging our organization to prepare for an enormous expansion of business during the next few years. We have positions for two good men with successful records. This offer will be open during the next week. Only applicants of unquestioned integrity and with the highest references will be considered. W. A. Peace, Manager Toronto Branch, Imperial Life Assurance Company, 20 Victoria Street, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

CAPABLE OFFICE ASSISTANT DESIRES POSITION.—An office assistant, lady, desires position in Toronto. Experienced; is careful and accurate; a good writer; can be trusted with confidential or secretarial work, and can furnish first-class references. Box 147, care of *The Monetary Times*, Toronto.

CHARTERED ACCOUNTANT, with successful executive and secretarial experience and thorough familiarity with manufacturers and cost accounts, is open for position as chief accountant for industrial concern or with public accountant. Box 149, *Monetary Times*, Toronto.

Woodbridge, Ont., citizens have formed a board of trade to secure industries for the municipality, and the first officers are: President, Dr. P. D. McLean; vice-president, David Norton; secretary, H. McLaughton; treasurer, John G. Hallett.

SMART-WOODS, LIMITED

The financial statement of Smart-Woods, Limited, for the year ended December 31 last shows net earnings of $770,816, compared with $516,190 earned in 1916. Bond interest took $29,250, war tax $110,730, deferred charges $60,014, Patriotic Fund $8,500, reserve for bad debts $20,000, preferred dividends $108,185 and common dividends $120,246, leaving a net surplus for the year of $313,890, compared with $150,209 in 1916.

HURON AND ERIE MORTGAGE CORPORATION

The profits of the Huron and Erie Mortgage Corporation, of London, Ontario, last year were $450,191, earned on paid-up capital stock of $2,500,000. These profits were almost $10,000 greater than those of the previous year, but the increase was largely absorbed by more generous gifts for war purposes and by additional taxes which the corporation was called upon to pay. The total amount paid to shareholders in dividends and the amounts added to reserve fund and undivided profits were, therefore, only slightly more than those of 1916. The company's financial statement indicates a maintenance of the strong position it has held for so many years. The shareholders were paid dividends at the rate of 12 per cent. Pension funds, taxes, patriotic funds and branch extension fund absorbed approximately $50,000. A further appropriation of $100,000 was made to the reserve fund, which now amounts to $3,100,000, or 124 per cent. of the company's paid-up capital—an exceptionally favorable position in that respect. The corporation has no real estate on hand other than office premises, all properties which have come into the possession of the corporation by foreclosure, failure to obtain purchasers under power of sale, or otherwise, having been sold.

In presenting the directors' report at the recent annual meeting, Mr. T. G. Meredith, K.C., president, gave some interesting figures regarding the company's total mortgage investments, which at the end of the year amounted to $10,584,773, or $750,000 less than those of a year ago. In round figures, these investments are made up of nearly $7,000,000 of Ontario mortgages, about $1,000,000 of Manitoba, $2,500,000 of Saskatchewan, and $167,000 of Alberta. At the end of the year practically all the past due interest had been paid in Alberta, while in the other three provinces the arrears of interest were less than two-thirds of 1 per cent. of the amount invested, a splendid record. These $10,500,000 are represented by 4,378 mortgages, making an average loan of less than $2,500. Of these loans, the greater portion is secured by farm property, and the balance on productive properties (chiefly residential) in the larger cities of Ontario or in the city of Winnipeg. The values placed by the company's own inspectors upon the lands and premises forming the security total nearly $25,000,000, so that the loans average less than 45 per cent. of the inspectors' valuation.

Speaking generally, both in Ontario and in the western provinces, repayments on mortgages have been extraordinarily good—better, indeed, than in any year since the war. As the results show, the company has been repaid more money than, in reality, they cared to accept.

Discussing other items of the company's assets, Mr. Meredith pointed out that holdings of municipal, school district and rural telephone debentures decreased by over $200,000. Here, again, the record of payment, both of principal and interest, is highly satisfactory. The only increase in the list is shown under the heading of government bonds, the holdings of which have grown from $716,000 to almost double that figure.

Major Hume Cronyn, M.P., is first vice-president and general manager of the company, which is one of the oldest and strongest mortgage corporations in Canada. Major Cronyn is known throughout the country as one of the foremost loaning authorities, and has contributed largely to the marked success of the Huron and Erie Mortgage Corporation. With Mr. Meredith as president, he is supported also by the following directorate: F. E. Leonard, second vice-president; George T. Brown, F. R. Eccles, M.D., LL.D., Robt. Fox, H. E. Gates, A. H. M. Graydon and Philip Pocock. Mr. Aylsworth is the company's secretary.

FIFTH ANNUAL REPORT

The Waterloo County Loan and Savings Company, Waterloo, Ont.

FINANCIAL STATEMENT TO DECEMBER 31ST, 1917

PROFIT AND LOSS ACCOUNT.

Dr.

Interest on Deposits	$21,555.11
Interest on Debentures	12,344.74
Commissions and Exchange	1,388.75
Expenses, including Provincial and Municipal Taxes, Government War Taxes, Salaries, Rentals, Printing, Advertising, etc.	14,830.22
Donated to Patriotic and Red Cross Funds	525.00
Dividends No's. 7 and 8	24,153.05
Carried to Reserve	10,000.00
Carried to Contingent Account	1,500.00
Written off Office Premises	500.00
Balance, Profit and Loss	1,225.87
	$88,022.74

Cr.

Balance brought forward	$ 1,878.04
Premium on Stock	646.00
Earnings on Mortgages, Government, School and Municipal Bonds, etc.	85,498.70
	$88,022.74

ASSETS AND LIABILITIES.

Assets.

Mortgages	$ 591,646.58
Dominion War Bonds, Provincial, Municipal and School Debentures	673,134.60
Loans on Securities	15,070.00
Office Premises and Real Estate	47,499.32
Cash on Hand and on Deposit	80,780.66
	$1,408,131.16

Liabilities.

TO THE PUBLIC:		
Savings Deposits	$588,646.38	
Debenture Accounts	316,081.33	
		$ 904,727.71
TO THE SHAREHOLDERS:		
Capital Stock paid	$415,366.43	
Dividend No. 8 payable January 2, 1918	12,311.15	
Reserve Fund	70,000.00	
Contingent Account	4,500.00	
Balance Profit and Loss	1,225.87	
		503,403.45
		$1,408,131.16

P. V. WILSON, Manager.

To the President, Directors and Shareholders of The Waterloo County Loan and Savings Company.

Gentlemen,—We beg to report that we have made a regular monthly audit of the books of account and vouchers of your Company for the year ending 31st December, 1917, and that we find the same correct and according to the statements herewith submitted.

In our opinion the balance sheet referred to in this report is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs as shown by its books.

Respectfully submitted,

J. M. SCULLY, F.C.A.,
J. SCULLY, } Auditors.

Waterloo, Ont., 17th January, 1918.

CONFEDERATION LIFE
ASSOCIATION

Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:
W. D. MATTHEWS, ESQ.
Vice-President
SIR EDMUND OSLER, M.P.

John Macdonald, Esq.
Joseph Henderson, Esq.
Lt.-Col. A. E. Gooderham
Thos. J. Clark, Esq.
Gen. Supt. of Agencies,
J. TOWER BOYD

Lt.-Col. J. P. Michie
Peleg Howland, Esq.
Lt.-Col. The Hon. Frederic Nicholls
John Firstbrook, Esq.
Actuary, V. R. SMITH, A.A.S., A.I.A.
Secretary, J. A. MACDONALD.

Medical Director:
ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)

HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION
The Western Life Assurance Company

have made the following increases for the quarter ending March 31st, over the corresponding period of last year:

NEW BUSINESS..... .... 280%
CASH RECEIPTS 140%
— and —
INVESTED ASSETS have increased during the quarter by 83%

Work for a PROGRESSIVE COMPANY. We want two more District Agents for the West. If you are an up-to-date Agent, write at once to the Head Office of the Company,

WINNIPEG .. .. MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds	$ 66,500,000	Investments under Canadian Branch, over	$ 16,000,000
Deposited with Canadian Government and Government Trustees, over	7,000,000	Revenue, over	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

PROFITS EXCEED ESTIMATES
ONLY IN THE

London Life Insurance Co.
LONDON ... ... Canada
POLICIES "GOOD AS GOLD." 2

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co. write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

The Western Empire
Life Assurance Company

Head Office: 701 Somerset Bldg., Winnipeg, Man.

BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE • TORONTO, CANADA

"MUTUAL" PROTECTION AGAINST DISABILITY AND DEATH

Many Policyholders fear that a time will come when, owing to permanent disability from illness or accident, they will be disqualified from earning an income and paying their premiums. The Mutual Life of Canada issues a Policy which not only waives further payment of premiums but provides a monthly income of $10.00 per thousand of insurance, should such a condition develop and be clearly proven. This is a Policy which affords protection to the full amount of the policy at death for the beneficiary and protection for the assured while helpless—Write for full particulars.

One of the most perfect Insurance Policies issued.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario

THE UNAVOIDABLE "IF"

If a man were certain of living a specified time—IF he could foresee the future—perhaps he could do without Life Insurance. But the elements of uncertainty enters, and makes the best schemes of no account. It is this uncertainty that makes Life Insurance so invaluable. A Life Policy is the one certain way of providing for an uncertain future.

The Great-West Life Policies embody all the essentials of profitable Life Insurance. Low premium rates are charged—these premiums may be paid annually or otherwise, as suits the insured—the Policy conditions are liberal and clearly expressed, and the profit returns to Policyholders are so satisfactory that seldom does a participant fail to express both gratification and surprise at returns under his Policy.

Full particulars of suitable Policies will be mailed to any applicant.

The Great-West Life Assurance Co.
DEPT. "P"
HEAD OFFICE : WINNIPEG

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

NEW INCORPORATIONS

Two Million-Dollar Companies in British Columbia Have Received Charters

The largest companies incorporated during the past week were: East Sooke Mines, Limited (non-personal liability), $1,000,000, Victoria, B.C.; International Cordage Company, Limited, $1,000,000, Vancouver, B.C.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Prince Rupert, B.C.—Fishermen's Club, Limited, $10,000.

Sylvan Lake, Alta.—The Armstrong Farming Company, Limited, $25,000.

Fort William, Ont.—Foxs, Limited, $40,000. N. Fox, B. Hollenberg, D. Hollenberg.

Taber, Alta.—Southern Alberta Grain Growers' Supply Company, Limited, $500,000.

Sarnia, Ont.—Manleys, Limited, $40,000; T. H. Manley, B. B. Manley, N. St. Clair Gurd.

Brantford, Ont.—Waddell's Limited, $100,000; J. Harley, A. Manson Harley, G. H. Harley.

Val Morin, Que.—Highland Farms, Limited, $20,000; C. L. Buchanan, T. H. Harper, G. E. Blaine.

Thetford Mines, Que.—J. E. Marcoux, Limitée, $20,000; J. E. Marcoux, C. N. Delage, E. Lacerte.

Lennoxville, Que.—Johnson and Shardlow, Limited, $100,000; F. W. Johnson, J. W. Shardlow, J. P. Wells.

Winnipeg, Man.—The Frontier Lumber Company, Limited, $50,000; E. B. Eadie, R. Siderfin, M. McNicol.

Belleville, Ont.—Ontario Business College, Limited, $30,000. J. W. Johnson, M. S. Johnson, W. P. S. Johnson.

Victoria, B.C.—East Sooke Mines, Limited (non-personal liability), $1,000,000. Queen Charlotte Spruce Company, Limited, $500,000.

Vancouver, B.C.—Central British Columbia Colonization Company, Limited, $45,000. Seaside Lumber Company, Limited, $12,000. Service Lumber Company, Limited, $10,000. International Cordage Company, Limited, $1,000,000. The Bendickson Logging Company, Limited, $25,000. Crawston Machinery Company, Limited, $10,000. Overseas Loggers, Limited, $100,000. Sayward Logging Company, Limited, $10,000.

Toronto, Ont.—Rob Roy Mills, Limited, $250,000; W. A. McGowan, R. S. McGowan, C. R. McGowan. Electric Insulation and Varnish Company, Limited, $60,000; J. Whitfield, J. G. Shaw, J. Montgomery. Edwards and Wright, Limited (no personal liability), $100,000; W. H. Edwards, E. W. Wright, W. Stewart. De Foe Wilson, Limited, $40,000; W. N. DeFoe, H. B. Tisdale, M. N. DeFoe. Union Garage and Motors, Limited, $40,000; D. I. Grant, M. MacDonald, E. Smily. Walker and Son, Limited, $75,000; W. J. Shaw, H. G. Jones, W. I. Walker.

Montreal, Que.—La Compagnie Laurin and Preville, Limitée, $20,000; E. Laurin, J. A. Preville, J. O. Desy. East End Garage, Limited, $500,000; F. Callaghan, F. X. Biron, A. Tracey. Old England, Limited, $10,000; I. Greenberg, S. Garmiase, M. Rosen. Campbells' Florists, Incorporated, $90,000; C. M. Holt, L. Gosselin, P. E. Lanctot. Montreal Pottery, Limited, $100,000; A. R. W. Plimsoll, R. Brodeur, R. Genest. Brodie's, Limited, $100,000; L. M. Smith, E. Jackson, L. Copping. British 5, 10, 15 and 25 Cents Store, $10,000; H. Weinfield, M. M. Sperber, J. Y. Fortier. Alderic Lefebre, Limited, $25,000; L. M. Smith, L. Jackson, L. Copping. Point St. Charles Hay Company, Limited, $30,000; L. M. Smith, C. Thomas, E. Jackson.

MORE ONTARIO BONDS

A syndicate consisting of the Dominion Securities Corporation, Wood, Gundy and Company, and A. E. Ames and Company, have completed negotiations for $3,000,000 Province of Ontario 6 per cent. 10-year bonds, the last $1,000,000 of which are now being offered.

CAPITAL TRUST CORPORATION

Although only five years old and confining itself to comparatively small operations, the Capital Trust Corporation, of Ottawa, is in excellent financial condition, judging by its latest annual statement. The net profits for the past year were $18,035, compared with $5,029 for the previous year. This is a commendable increase. The organization expenses, $2,701, were written off, and, with the balance from the previous year, the total remaining profit amounted to $27,234. The paid-up capital was increased by $33,866, and now amounts to $355,355. There has been a general and satisfactory increase in business in all departments of the company. The question of paying a dividend is under consideration.

The inventoried value of real estate, mortgages, stocks, bonds and debentures, etc., in the hands of the company as executors, trustees, guardians, agents, etc., at the end of the year was $783,649. In the estates, trustee and agency accounts, there was also the substantial sum of $62,655 cash on hand and in banks.

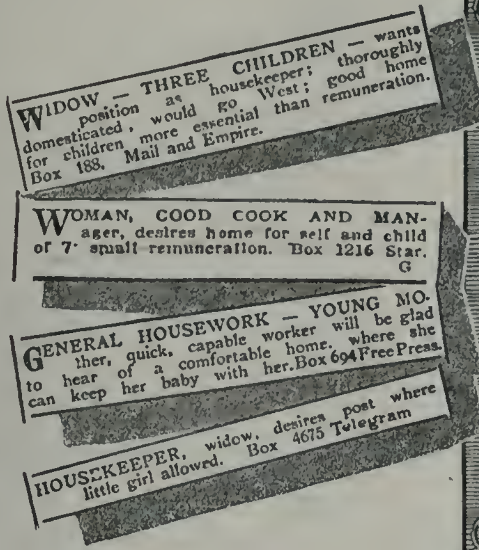
Mr. M. J. O'Brien, of Renfrew, Ont., is president of the company, the four vice-presidents being Hon. S. N. Parent, Ottawa; J. J. Lyons, Ottawa; R. P. Gough, Toronto; and E. A. Corrigan, Ottawa. The managing director is Mr. B. G. Connelly, and the assistant manager, Mr. E. T. B. Pennefather. In addition, there are sixteen other directors resident in various parts of the country.

ONTARIO LOAN AND DEBENTURE COMPANY

For the past six years, the Ontario Loan and Debenture Company, of London, Ont, has been able to add $100,000 each year to its reserve fund. That account now stands at over 110 per cent. of the paid-up capital. The fund, with the unappropriated profits, totals $2,000,000 and, as stated by Mr. John McClary, the president, at the annual meeting last week, it is a "staunch bulwark to protect our shares against any adverse conditions that may obtain during the war or in consequence of it." This is only one of many indications of the company's strong position. Mr. A. M. Smart, the manager and vice-president, pointed out that during the whole period of the war cash reserves had been maintained at a comparatively high figure. This does not produce high profits, but it is a policy of which all those who have at heart the company's best interests will approve. The corporation has an excellent record also in regard to its assets which are more than double the total liabilities to the public. In other words, there are over $2 in assets to meet each $1 the company is under contract to repay. The substantial nature of these assets is reflected in the fact that at the end of the year the total interest overdue on all the company's investments was 15 per cent. less than the amount at the end of 1916. Over one-fifth of this had already been received.

Discussing rising rates for money, Mr. Smart pointed out that the company's practice had been to secure the larger proportion of its debenture moneys in Scotland, but of late British government bonds were offered there to yield such returns that the directors did not feel they should offer rates calculated to attract money of which there is such need for the prosecution of the war. Notwithstanding this, many of the company's old debenture holders have renewed with the company, whose sterling debentures show a considerable reduction in amount. The compensating advantage to the corporation is the consequent increase in the percentage of its assets as compared with its liabilities.

Those interested in the Ontario Loan and Debenture Company, which has been doing business for 47 years, have every reason to be satisfied with the company's position and the results of the past year. This is due largely to the good work of the manager, Mr. A. M. Smart and to the active assistance of his directorate, headed by Mr. John McClary, as president. The company's net earnings for 1917 were $268,290 and the balance brought forward from the previous year $53,593. From this total of $321,884, dividends at the rate of 9 per cent. per annum were paid, absorbing $157,500, and transferred to the reserve fund was the sum of $100,000. A grant to Canadian Patriotic and Red Cross Fund of $3,000, to the British Red Cross Fund of $500 and the Dominion government income war tax of $10,180, accounted for $13,680, leaving a balance to be carried forward of $50,703.



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WOMAN, GOOD COOK AND MANager, desires home for self and child of 7: small remuneration. Box 1216 Star. G

GENERAL HOUSEWORK — YOUNG MOther, quick, capable worker will be glad to hear of a comfortable home, where she can keep her baby with her. Box 694 Free Press.

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INCOME TAX RETURNS DUE ON MARCH 31st

Review of the New Legislation Which is Now in Operation—List of Taxation Officers — Outline of the Information to be Given on the Tax Forms.

THE time for making returns under the income tax legislation has been extended from February 28th, the date fixed by the bill, to March 31st. This was officially announced on Monday. The change was necessary owing to the delay in the organization of the staff which will have charge of the collection of the taxes.

The income tax is a new departure in Canadian methods of raising money for federal purposes. In The Canadian Chartered Accountant, the official organ of the Dominion Association of Chartered Accountants, published at Toronto, Mr. R. Easton Burns, C.A., gives an excellent digest of the new income tax bill. He has presented the act, clause by clause, with such questions, comments and explanations by members of the House, during its consideration in committee, as will convey an intelligent idea of what was in the minds of the legislature, with special attention to the explanations of the minister of finance.

In his introduction Mr. Easton reminds us that the act affects all incorporated companies, associations, partnerships, trustees and persons, whether male or female, having an income of fifteen hundred dollars in the case of unmarried persons and widows or widowers without dependent children, and three thousand dollars in the case of all other persons.

Tax of Four per Cent.

There is a normal tax of 4 per cent. on the net earnings of all incorporated companies in excess of $3,000. Companies do not pay a supertax. Partnerships, as such, are not assessed, but each partner pays on his share of the net earnings of the partnership. Profits are assessable whether divided or distributed or not. The normal tax having been paid by a company an allowance is made to the shareholder of 4 per cent. on the dividends he receives.

In addition to the normal tax, there is a supertax on all incomes in excess of $6,000, varying from 2 per cent. on incomes between $6,000 and $10,000 to 25 per cent. on incomes exceeding $100,000. For the purpose of the supertax, the undistributed profits held by companies must be included in the returns made by the shareholders. The tax applies to incomes in 1917. In the case of companies which might be assessed for the year 1917, under the Business Profits War Tax Act, 1916, an assessment will be made under whichever act will produce the greater revenue for the government.

The operation of the act will be under the direction of the minister of finance, to whom considerable discretionary power is given. Returns must be made by all persons liable to be taxed on or before February 28th in each year, beginning in 1918. (This date has been changed to March 31st for the current year.) Every company must make a return of its shareholders and of dividends paid. The finance department will scrutinize these returns and compare the returns made by the shareholders.

All employers must make a return of their employees in receipt of sufficient income to render them liable to taxation.

Accumulated profits earned prior to the operation of the act are, in the opinion of the minister of finance, assessable as income for the year in which they are distributed to the shareholders or partners.

List of Tax Officers.

The following are the names and addresses of the inspectors of taxation at present appointed in Canada:—

Vancouver, B.C.—A. G. McCandless, Molsons Bank Building.
Calgary, Alta.—Thoburn Allan, Customs Building.
Winnipeg, Man.—W. L. Ball, Union Bank Building.
London, Ont.—Geo. R. Tambling, Bank of Toronto Chambers.
Brantford, Ont.—H. H. Powell, assistant inspector, William Street.
Hamilton, Ont.—Berkeley G. Lowe, Customs Building.
Toronto, Ont.—J. B. Kilgour, 59 Victoria Street.
Toronto, Ont.—Hugh D. Paterson, 59 Victoria Street.
Ottawa, Ont.—Kenneth Fellowes, tariff branch, finance department.
Montreal, Que.—Peter F. McCaffrey, Post Office Building.
Montreal, Que.—Arthur Labbe, Post Office Building.
Quebec, Que.—Evariste Rochette, 76 St. Peter Street.
St. John, N.B.—Arthur W. Sharp, 57 Princess Street.
Halifax, N.S.—J. P. Edwards, Room 44, Dennis Building.

Other appointments are being made.

The income tax forms will probably be distributed this week. The questions cover four sides of a folded form and on the first page spaces are provided for the full name, address, occupation, place of residence during the year and whether married, unmarried, widower without dependants, etc. At the top of this page are spaces to be filled in by the inspector and the commissioner of taxation.

Definition of Income.

Inside pages are devoted to the description of income on one side, and exemptions and deductions on the other. Under the first title, spaces are provided for filling in the gross income derived from—and here are inserted under their respective sections that portion of the gross income derived from salaries and wages, professions and vocations, commissions, business, trade, commerce or sales or dealings in property, whether real or personal, farming in its several branches, rents, dividends, interest on notes, mortgages, bank deposits and securities other than reported in the preceding item, fiduciaries (income received from guardians, trustees, executors, administrators, agents, receivers or persons acting in a fiduciary capacity), royalties from mines, oil and gas wells, patents, franchises and other legalized privileges, interest from Dominion of Canada bonds, issued exempt from income tax, and other sources not enumerated above. On the last line is provided a space for the totalling of all the above items, making total income.

As to Exemptions.

Under the heading "exemptions and deductions," similar spaces are provided for "amount claimed for . . . " and here are provided spaces for the insertion of depreciation; bad debts actually charged off within the year; allowance for exhaustion of mines and wells; contributions actually paid to the Patriotic and Canadian Red Cross Funds, and other approved war funds; interest paid on moneys borrowed and used in the business; federal, provincial and municipal taxes on property used in the business; interest from Dominion of Canada bonds, issued exempt from tax; and other claims for deductions to be specified in detail. There is then provided a space for bringing down these totals under the sub-caption: "Total Exemptions and Deductions." The taxee must then state the amount paid under the business profit tax act, 1916, which accrued in the 1917 accounting period.

The declaration of the truth and accuracy of the statement and date and signature follows.

The last sheet is devoted to the explanation of the various items contained in the foregoing. Returns are to be made in triplicate, one copy of which will be retained by the taxpayer and two delivered to the inspector of taxation for the district of Ottawa.

Totals previously derived are then brought forward by the officers of the taxation branch, the balance representing "net income." Other calculations are then provided for, finally bringing the net down to the amount of tax to be paid.

MACKAY COMPANIES

The annual meeting of the Mackay Companies was held on February 15th. The income from investments in other companies was reported to be $4,519,364, of which sum $4,425,198 was paid out in dividends. The operating expenses amounted to $89,058, and a balance of $5,108. The balance sheet is as follows:—

Assets:	
Investments	$92,417,778
Cash	881,074
	$93,298,852
Liabilities:	
Preference shares issued	$50,000,000
Common shares issued	41,380,400
Surplus	1,918,452
	$93,298,852

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President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

Control of Quebec's Municipal Affairs

Provincial Government Will Create New Department with Wide Powers—Municipalities Will Not be Allowed to do Acts Which Will Harm Their Credit in Money Markets—Reports to be Made to Provincial Treasurer—Supervision of Loans for Public Works.

THE Department of Municipal Affairs, which is being created by the Quebec government, will have a wide field of operations. As the new system of controlling municipalities is found to meet with success, the ultimate result, according to what has been said in the Quebec legislative assembly, will mean that it will no longer be possible for a municipality, civic or scholastic, to commit acts that affect it badly in the money market. An almost complete control of civic finance is provided in the new bill, or rather series of bills on the same subject, that were taken up in the course of a protracted sitting. The manner in which municipalities are to issue their loans, obligations on the municipalities to provide sinking funds each year, and a number of other matters very directly affecting all matters of municipal finance, even to the control of the bookkeeping, are included in the new legislation.

It will be the aim of the government to see that the municipalities issue serial bonds for obligations. Each year the coupons, when paid, will pay not only the interest, but also the year's proportion of the capital, so that at the end of the term on which the bonds are issued, the principal and interest will both be extinguished.

There is to be created a department of municipal affairs, under the direction of a "minister of municipal affairs." This department will be added to one of the already existing departments for the present, but it will have its own deputy minister and own staff. The minister to whom is assigned the supervision of this department will bear the title of two departments, as for example, Mr. Mitchell might be styled "provincial treasurer and minister of municipal affairs."

One of the bills presented in the Quebec legislature, regarding the new department, deals with the deposit in certain cases of moneys intended for the sinking funds of municipal and school corporations, and to amend what is necessary in the statutes in regard thereto. Mr. Mitchell explained in the provincial house that by virtue of this bill municipalities and school corporations are obliged to create a sinking fund for the time of the loan made. This will do away with perpetual demands to the legislature each year for special favors in that regard. The law provides that when the capital of a loan contracted, or of bonds issued, by a municipality incorporated by special act, or under the provisions of the general law, is repayable by annual instalments, or by a series of consecutive and yearly instalments covering the whole term of the loan or of the bond issue, the moneys set aside each year for the sinking fund shall be deposited every year in the office of the provincial treasurer at Quebec, and so much of said deposit as may be required shall be used to meet instalments, if any, at the dates on which they respectively fall due. However, there is a provision to the effect that if a municipality can satisfy the minister of municipal affairs that it is advisable and in the interest of the municipality that the sinking fund be deposited elsewhere than in the office of the provincial treasurer, or be otherwise invested, authorization may be given to use the money otherwise than to turn it over yearly to the provincial government.

The government will allow the municipalities interest at the rate of 3½ per cent. on the yearly moneys thus entrusted to it for what is practically safekeeping, that is, to prevent the municipalities from being tempted to spend it otherwise than to meet debentures.

The government will compound the interest yearly, which will be a considerable item. When the municipality has made the yearly payments to the government to look after the loans at maturity, and when the loans are due, and consequently the government has the municipality's funds needed to meet the loan, it is enacted not that the government shall turn the money over to the municipality so that it may pay back the loan, but—still greater precaution against a municipality that is apt to be careless—the government itself will pay the money over to the bank where the bonds are to be paid. The government is simply taking no chances of collecting, say, a million dollars in the course of the term of a loan and then handing the money over to the debtor to pay to the creditor.

The moneys deposited by the government to meet municipal loans are unseizable, save and except in execution of a final judgment from a competent court rendered in favor of the lender, or of one or more of the bondholders, for whose benefit the sinking fund has been created. The moneys, if seized, must be distributed rateably amongst all the holders of the bonds.

The moneys which the municipalities are required to deposit with the provincial treasurer may be invested in Dominion or provincial stock or bonds in public securities of the United Kingdom, or of the United States of America, or in the stock or bonds of any municipal or school corporation in the province.

Provision is made whereby a tariff of fees and duties shall be paid by the interested corporations in connection with deposits and reimbursement. The purpose of this clause is evidently that the cost of the municipal department in regard to receiving municipal money and paying it out to meet municipal obligations shall not be a charge on the province; also the government by paying 3½ per cent. to the municipalities on their own money is liable to benefit by the fact that it has the option of investing such money where it wishes, and naturally at considerably higher than 3½ per cent.

Another clause provides that a municipal or school corporation which has effected a loan for which a sinking fund must be created under the laws governing the same, or which has issued bonds, shall, within the 30 days immediately following the completion of the loan, or the delivery of the bonds, make to the provincial treasurer a report, under oath, of the particulars of the by-law or resolution under which the loan was contracted or the bonds were issued; the amount of the loan or of the bonds, the amount of each instalment, if any, the maturity dates and the places of payment of the principal; the date of the completion of the loan, the name of the purchaser, and the net amount received by the corporation out of the money borrowed or out of the sale of the bonds, together with a certified copy of the by-law or resolution.

Provisions are made whereby municipal officers are forced to comply with these provisions, and whereby any trustee, bondholder, ratepayer or other interested party may, by an action-in-law, force the municipality to make the deposit of the sinking fund with the provincial government, and there is a fine for officers giving false information. The act is to come into force by proclamation.

Another bill dealing with the new department is to the effect that all municipalities must keep proper accounts. Such accounts must be rendered to the minister of municipal affairs two months after the end of the fiscal year, and if the accounts are correctly kept that matters end there, but if not correct, in the opinion of the minister, the latter is authorized to have a proper audit and report, for any period of time, made of the affairs of the municipality, and at the expense of the municipality, using inspectors of his department for that purpose, or outside accountants. Provisions are made to force the municipal officers to give all facilities to the officers of the government, with a penalty for refusal. If the inspector reports that a change in the bookkeeping is needed, the minister is to have power to order such change, and to compel compliance.

The bill deals with the question of borrowing money, and the terms. These clauses are particularly important, applying as they do, to every municipality.

It is provided that the term of a loan for establishing, purchasing, extending or enlarging a system of sewers or a system of supplying water, or acquiring land for waterworks for developments of or for improvement to public parks or playgrounds shall be for 40 years.

Loans on Works.

For works undertaken by municipalities for gas or electric light plants and system, for improvement of highways, of streets and sidewalks, if the pavements or sidewalks are of stone, block brick, concrete or other material of similar lasting character, or for the construction of bridges when of similar solid construction, the term of the loan shall be for 30 years.

For acquiring land for development, construction or extension or improvement of highways, streets and sidewalks, if the pavements or sidewalks are of macadam or asphalt, or other materials of similar lasting character, or for the acquisition and construction of wooden bridges, or material expected to last as long as wood, for acquiring necessary lands, therefore, the term of the loan shall be 20 years.

For acquiring land for development, construction, extension and improvement of highways, streets or sidewalks, if the pavements or sidewalks are not of material of a lasting kind, or for loans for aid, bonus or encouragement, the term of the loan is to be for 10 years.

Loans contracted for any purposes not specified, if the minister of municipal affairs considers that such works are of a lasting character, the loan may be of 30 years, if not so considered, the loan is limited to 10 years.

Money and Purpose.

It is made obligatory to apply all moneys borrowed for a certain purpose to such purpose only, but if there is a surplus, if such should happen, the excess may be used for other purposes. Every member of the council, who either verbally, or in writing, by his vote or tacitly, authorizes the misappropriation of money, shall be personally responsible for all sums thus illegally diverted from the use for which they were intended, and such money may be recovered by action-in-law, and enforceable by coercive imprisonment against the member or the members of the council who are guilty. Such responsibility shall be joint and several, and shall apply to the secretary-treasurer or other officer who participates in such illegal diversion of such moneys or who causes the same. The action to recover the money may be taken by the municipality itself, by a ratepayer, and even by the minister of municipal affairs.

Changes are made as to the voting on by-laws. At present money by-laws before coming into force have to be approved by the proprietors. They will have to be approved also by the lieutenant-governor-in-council, which means the new minister of municipal affairs. Every loan must be provided for with a sufficient sinking fund to meet it at maturity instead of the 1 per cent. now provided for, which would only meet a 40-year loan at maturity. There are a number of provisions as to loans, insuring greater safeguards to bondholders.

Mr. A. E. Warren, formerly a Canadian Northern Railway official in the West, has joined the Railway War Board as a representative on the administrative committee of the government railways.

LAND VALUES IN SASKATCHEWAN

Evidence at Canadian Northern Railway Stock Inquiry—Influx of Settlers

The land holdings of the Canadian Northern Railway and the colonization of lands earned by the company through government grants, were discussed before the Arbitration Board inquiring into the value of the company's stock, at Osgoode Hall, Toronto, this week. Mr. Lorne W. Mitchell submitted a statement showing that the company still held 873,961 acres of land as yet unsold out of the parcels granted under land subsidies for the construction of various lines.

Mr. Edward A. Field, general manager of the company's land department, submitted statements showing the progressive advance in the values of Canadian Northern Railway lands, and declared that the average value of the lands now held by the company stood, at a low estimate, at $15.65 per acre. The average price was brought down by the lower values of lands situated in Manitoba, but the bulk of the company's holdings, he pointed out, were located in Saskatchewan, where values averaged $38 per acre, estimated on the prices secured from recent sales. The company had sold no lands at less than $20 per acre recently, and prices were steadily increasing because of the lively demand from settlers for extensions to their holdings.

Brought in Settlers.

Mr. Field pointed out that the first large influx of settlers from the prairies of the Western States had been coincident with the opening of the Saskatchewan Valley by the Canadian Northern Railway. There had been a noticeable increase in the numbers of American settlers coming to Canada since the United States entered the war, he said, and the prosperity enjoyed by the western farmers because of the high levels of wheat prices had also tended to put land prices forward. Mr. Field thought that prices would continue to increase even after the war, as the remaining unoccupied lands available for purchase were in settled districts, where the productive values represented greater net profits owing to the development of marketing facilities.

Enhancement of Land Values.

Mr. Howard Everitt, president of the Luse Land and Development Company of Minneapolis and Regina, also testified as to the causes which are working for the enhancement of land values in Saskatchewan. He looked forward to a large increase in the numbers of settlers from the United States after the war, owing to the removal of sentimental barriers which had prevailed to some extent against the colonization of the west prior to the entry of the United States as Canada's ally in the European conflict.

American settlers were attracted to the Saskatchewan Valley because of the comparatively low price and evident high productivity of the lands, and were also directed north of the international boundary because of the difficulty of securing new land holdings in the States, where the only available unoccupied lands were the government reclamation projects and the cut-over timber lands of Minnesota, Michigan and Wisconsin, which involved a clearing of from $12.50 to $75 per acre in addition to the purchase price. Similar evidence was also submitted by Mr. John Martin, of Minneapolis, who for the last 17 years has been active as a colonizer of Western Canada lands.

SASKATCHEWAN FARM LOANS ACT

Three amendments have been made to the Saskatchewan farm loans act. Section 14 has been amended by the addition of a clause providing that no member of the legislative assembly may be granted a loan under the act. The next, and most important, amendment, provides that the provincial treasurer may raise by way of loan the sum of ten million dollars instead of five million as before for the purposes of the act.

The last amendment is the redrawing of Section 25 so as to make it possible for the provincial treasurer to advance any sum up to the total amount of the mortgages before the mortgages are deposited with him. Formerly it was the securities which were limited to the amount of the mortgages, but now the advances are so limited. In future it will be possible to take advantage of a favorable opportunity to sell enough securities in anticipation of the demand, so that there may always be enough on hand to make the required advances.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Canadian Locomotive Company.—The company has completed delivery of ten Mikado type locomotives for the Grand Trunk Railway, and ten more of these locomotives are on order for use in freight service.

Wayagamack Pulp and Paper Company.—At the annual meeting the full board of directors was re-elected as follows: C. R. Whitehead, president and general manager; Alex. Pringle and Jas. W. Pyke, vice-presidents; G. H. Duggan, J. N. Greenshields, K.C.; Henning Helin, Hugh Mackay, K.C.; Alex. Maclaren and Sir Wm. Price.

Asbestos Corporation of Canada, Limited.—Profits, including income from the investments, amounted to $563,069 in 1917, as against $537,938 in 1916. As the gain of about $27,000 or 5 per cent., followed one of $151,500, or 40 per cent., in 1916, the showing may be considered highly satisfactory. After deductions for renewals and betterments, $159,280, and bond interest, $150,000, the surplus profit for the year was $253,789, equal to 6.3 per cent. earned on the preferred stock, as against $215,476, or 5.4 per cent., earned the previous year, and $93,594, or 2.3 per cent. in 1915.

Provincial Paper Mills Company.—The annual meeting of the company was held in Toronto on February 20th. There were no changes made in the board of directors or management, and the financial reports were adopted by the shareholders with little discussion. According to the report, after paying all bond interest and other charges, the net profits for the year were $458,338. The sum of $119,000 was paid in dividends on preferred stock and $80,000 on common stock. The surplus at end of year amounted to $184,333. The report indicated the total assets $5,552,278 as compared with $5,124,466 at the end of the previous year.

Laurentide Power Company, Limited.—Gross earnings of the company in 1917, the first full year of operation, amounted to $663,858, the net earnings from operation to $579,795, and the surplus after fixed charges to $204,795. The latter represented earnings at the rate of 2 per cent. on the outstanding capital stock. From the year's surplus there was transferred to depreciation reserve $100,000. There was $45,558 transferred to reserve for contingencies, and $2,249 set aside for income tax. That left $56,986 to be carried forward.

The feature of the annual statement of the president, Mr. J. E. Aldred, is the announcement that an increase in the capacity of the plant up to the 180,000 horse-power for which it was designed, by the installation of three new units of 20,000 horse-power each, is an early possibility.

Dominion Power and Transmission Company.—Gross earnings of the company for the year ended 1917, amounted to $2,967,273, while operating expenses totalled $1,733,759. Net profits were $726,219, which added to the previous balance of $536,065, made the total profit and loss surplus at the end of the past year $1,262,284. The directors announced at the annual meeting that the company would continue the 7 per cent. dividend on the preferred and the 4 per cent. dividend on the common stock. It was also stated that, owing to the strong financial position of the company a bonus might be paid during the year.

British Columbia Fishing and Packing Company, Limited.—The British Columbia Packers' Association, owned by the British Columbia Fishing and Packing Company, Limited, reports profits of $548,231 for 1917, an increase of $290,423, or about 113 per cent. over the return for the previous year. After allowing $95,151 for depreciation, the balance of $453,080 remaining, represented earnings at the rate of 21 per cent. on the company's total capital stock, common and preferred, both of which are on an 8 per cent. dividend basis. The total surplus, $1,347,945, is $366,668 higher than at the end of 1916, and is equivalent to more than 60 per cent. of the par value of the capital stock outstanding. The balance sheet shows current assets of $1,086,792, against current liabilities of $109,605, leaving a working capital surplus of $927,187, against $678,720 a year ago.

Toronto Street Railway Company.—No additional directors were elected at the special meeting of the company held on February 26th. Mr. Hermann H. Pitts, of Ottawa, refused to produce his proxies, and as a result an adjournment of the meeting had to be made until April 4 at noon. The dividend for the present quarter was declared at 4 per cent. This is a cut of 50 per cent. of what was expected. Increase of wages paid employees of the company, amounting to $630,000, last year is given as the reason for the cut. Sir Henry Pellatt stated that higher wages paid to men cut into the revenue to the extent that the company finds itself unable to pay high wages and the usual dividend, too. Consequently, the dividend suffered.

Tretheway Silver Cobalt Mine, Limited.—The company's ore reserves at the end of 1917 show a decrease of 2,670 tons as compared with 1916. The ore blocked out increased 1,438 tons, while the ore broken decreased 4,108 tons, the net decrease in tonnage being 13 per cent. The estimated ounces of silver in the ore reserves decreased from 361,482 to 264,044, a net decrease of 27 per cent. Of course 1918 operations might reasonably be expected to deplete very materially the present ore reserves. During the year a total of 34,722 tons of ore were milled, averaging 13.3 ounces per ton, from which 341,278.23 ounces of silver were obtained. The net value of ore produced was $263,016.86, with an operating profit of $114,934.67, out of which dividend No. 15, amounting to $50,000, was paid to shareholders on August 31st last. The company subscribed for $25,000 of the Victory loan.

Southern Canada Power Company, Limited.—The following are the gross and net earnings of the company and its subsidiaries for the month of January, and for the four months ended January 31, 1918, as compared with the same period of last year:—

	Jan., 1918.	1917.	Increase.
Gross	$ 42,886	$ 32,741	$10,145
Operating expenses and purchased power	22,796	15,997	6,799
Net earnings	$ 20,090	$ 16,743	$ 3,347

Four months ended January 31, 1918:

	Jan., 1918.	1917.	Increase.
Gross	$155,481	$120,384	$35,097
Operating expenses and purchased power	85,600	58,418	27,182
Net earnings	$ 69,881	$ 61,966	$ 7,915

Maritime Telephone and Telegraph Company.—The sale of a block of shares of the Prince Edward Island and Telephone Company, valued at $88,993, by the owners, the Maritime Telephone and Telegraph Company, was the subject of animated controversy at the annual meeting of the latter company at Halifax. The transaction was opposed by Hon. F. B. McCurdy, M.P., on behalf of his firm, which had been active in the marketing of the company's securities, and he was supported by others, but S. M. Brookfield, the president, and his board were supported by 77,726 shares against 28,810 for Mr. McCurdy and his friends.

Mr. C. F. Sise, Jr., who, with Mr. L. B. McFarlane, president of the Bell Telephone Company of Canada, represents that company's interest in the Maritime Company, suggested that as the sale of the stock was apparently not understood by the shareholders, a special meeting be held in March to discuss and act on the matter, which was eventually agreed to. A counter-proposal, that the election of directors be delayed until the special meeting, precipitated a showdown, with the result that the management was sustained by 77,726 to 28,810 shares. Mr. McCurdy's objection was that the shareholders should have been informed of the transaction, and that the directors had exceeded their legal authority in making the sale, to which Mr. Brookfield dissented.

Montreal Light, Heat and Power Company.—Now that legislative sanction has been secured for Civic Investment and Industrial Company to change its name back to the old style of "Montreal Light, Heat and Power Company," application is being made to the Montreal Stock Exchange to quote the company's capital stock under the old name.

Mr. J. S. Norris, vice-president of the company, states that it was not the present intention of the company to call in the stock certificates issued in the name of Civic, and replace them by a new issue bearing the old name of Montreal Light, Heat and Power Company. The company was the same, whichever the name, and there was no change in capitalization. To call in the $63,700,000 Civic certificates and issue new Power certificates, would entail a lot of unnecessary trouble and inconvenience for both the company and the shareholders. The probable course, at least for the present, will be to replace the old certificates by new ones whenever the old come in for transfer involving change of ownership. When the change goes into effect Civic certificates will cease to be issued and the outstanding number will be continually reduced by transfers in the ordinary course of buying and selling.

Canada Steamships Lines.—The annual statement of Canada Steamships Lines, issued recently, shows that while there was a large increase in the gross revenue of the company, there was also a large gain in expenses, with the result that the net shows a slight decrease compared with the previous year. After the deduction of bond and debenture interest and all other charges, there was a profit for the year of $2,178,401. This compares with $2,391,027 the previous year, making a decrease of $212,626. The surplus account shows that, after adding the balance from last year and allowing for the $2,417,166 paid on account of current and deferred preferred, there was a surplus of $2,374,754, an increase of $547,411.

The president, James Carruthers, in his report to the shareholders, says that the tonnage of the company was much greater than last year, despite the losses that had occurred, and that the future could only be considered a promising field for development and expansion on the high seas. In speaking of dividends, Mr. Carruthers stated that the deferred dividends on the preference shares of the company had been paid, and it has been decided to resume them quarterly. Altogether, the situation of the company could be summed up as highly satisfactory.

Lake of the Woods Milling Company.—The directors, in placing the common stock on a 10 per cent. per annum dividend basis on February 23rd, against the 8 per cent. rate which has prevailed since 1909, announced that the earnings of the Sunset Company, a subsidiary, constituted the basis for the increase. The Sunset Company manufactures jute and cotton bags, and the balance sheet of the Lake of the Woods Company shows among investments the $50,000 capital stock of the company. The increase in the dividend from 8 to 10 per cent. was expected, but a bonus of 2½ per cent. declared along with the 2½ per cent. quarterly dividend, came as a surprise. Like the increase in the dividend, the bonus is stated to originate in the earnings of the Sunset Company. The bonus is made up of 2 per cent. from the Sunset Company's earnings for the year ended August 31st last, and ½ of 1 per cent. for the quarter ended November 30th last. As ½ of 1 per cent. of the present quarterly dividend of the Lake of the Woods is stated to come from the Sunset Company's earnings, the latter will be the source of the 2 per cent. per annum extra which Lake of the Woods shareholders will now receive.

Shawinigan Water and Power Company.—The announcement that the company was to erect and operate a plant for the manufacture of acetic acid for the United States government, the whole enterprise to be financed by the United States government itself, was the feature of the annual meeting of Shawinigan shareholders held recently. The agreement in regard to the new enterprise was reached only on Monday, and the announcement provided an interesting variation for the routine of the annual meeting. In making the announcement, Mr. J. E. Aldred, the president, stated that the Shawinigan Company was approached as the only company on the continent with sufficient resources to undertake the manufacture of acetic acid in large quantities, and he considered the fact that the United States government was willing to send all the necessary funds to finance the enterprise to Canada as significant. It reinforced the Shawinigan claim to being the premier power enterprise on the continent.

Work will start immediately on the new plant, which will be a duplicate of the plant presently owned and operated by Shawinigan through its subsidiary, the Canadian Electro Products Company. As the new plant will be financed by the United States government and its affairs will, therefore, be separate from those of Canadian Electro Products, it is probable that the new company will be incorporated immediately. The capital expenditure on Canadian Electro Products plant was in the neighborhood of $2,000,000, and the new construction will take approximately as much. The financial statement of the Shawinigan Company was in line with forecasts. Gross earnings were at $2,902,210, showing an expansion of $576,338, or 25 per cent., while net revenue, after charges and depreciation reserve, amounted to $1,350,864, an increase of $97,128, or slightly less than 8 per cent. The lower ratio of gain in net as compared with gross is to be explained chiefly by a rise of over $200,000 in expenditure under the head of "power purchased," and of upwards of $150,000 in interest charges. The former increase refers to the increased amount of power taken from Laurentide, a purchase which went to swell gross revenues, while the latter was due to enlargement of subsidiary plants, the full benefit of which had not yet been reflected in the company's revenues. Net revenue as stated in the foregoing represented earnings of 9 per cent. on the capital stock outstanding, against 8.3 per cent. the previous year.

Brazilian Traction, Light and Power Company.—For the third month in succession, and for the fifth time during the year, the net earnings of the company showed a decrease in December, due to a continuance of high operating costs, which conspire to offset the advantages indicated by an expanding revenue. The figures for the month of December compare as follows:—

	1917. Milreis.	1916. Milreis.	Increase. Milreis.
Total gross earnings	8,069,000	7,312,000	757,000
Operating expenses	4,372,000	3,372,000	1.000,000
Net earnings	3,697,000	3,940,000	*243,000
Aggregate gross earnings from January 1	92,200,000	84,885,000	7,315,000
Aggregate net earnings from January 1	47,073,000	46,595,000	478,000

*Decrease.

Comparisons for the whole of last year are as folllow:—

1917.	Gross. Milreis.	Net. Milreis.	Net increase. Milreis.
January	7,236,000	4,002,000	161,000
February	6,872,000	3,885,000	366,000
March	7,549,000	4,151,000	368,000
April	7,453,000	4,053,000	213,000
May	7,864,000	4,289,000	181,000
June	7,642,000	4,022,000	92,000
July	7,795,000	2,849,000	*292,000
August	8,064,000	4,017,000	*36,000
September	7,925,000	3,900,000	122,000
October	8,000,000	3,716,000	*184.000
November	7,695,000	3,492,000	*270,000
December	8,069,000	3,697,000	*243.000

*Decrease.

Mackay Company.—The announcement that the trustees of the company have been buying in the preferred shares of the Mackay Companies in the open market is one of the interesting features of the Mackay report for the year ended December 31st last. After stating that the reserves of the system had been increased during the past year and that in their investment the trustees had confined themselves to government securities of the highest class, namely securities of the United States, British, Canadian and French governments, the report remarks:—

"During the year your trustees have also invested in preferred shares of the Mackay Companies by purchase in the market. It is considered that this is a very opportune time to make such purchases of the preferred shares of the Mackay Companies when all high-grade securities are quoted below

(Continued on page 50.)

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IMPORTING LUXURIES

Our imports from the United States are considerably larger than our exports to that country. This is partly due to the importation of a large quantity of raw materials for the manufacture of war supplies. At the same time, the purchase of articles which may be regarded as luxuries, continues to a marked extent. According to trade statistics of the United States, there has been a notable decline in the quantities imported by that country of food, clothing and personal adornment which may properly be classed as luxuries. This may be due partly to the lack of transportation and to the reduction of available supplies in the countries at war. According to Mr. O. P. Austin, statistician of the National City Bank of New York, despite these considerations, the reduction in the quantities imported has been so general as to indicate a growing disposition to minimize unnecessary expenditures in the classes of articles of that character brought into the United States.

Among the imports which have declined are diamonds, pearls, laces, plushes, ribbons, hats, bonnets, feathers, jewelry, fruits, olives, olive oil, cheese, macaroni, cream and confectionery. Cheese was previously purchased from France, Italy, and Switzerland and cream from Canada. The olives came from Italy and Spain. The foreign product of macaroni, imported, for example, from Italy, is classed as a luxury in the United States in view of the fact that that country now turns out $12,000,000 worth per annum.

An analysis of Canadian imports points to opportunities for the reduction of the purchase of luxuries. This is a work which the new War Trade Board of Canada will undoubtedly take up. Their action will be supported by the people of the Dominion who are ready for all proper and reasonable regulation with a view to the successful conclusion of the war as speedily as possible.

CANADA AND EMPIRE

For all practical commonsense purposes, Canada now has all the constitutional powers she requires in conducting her own affairs. This statement was made by Mr. Z. A. Lash, K.C., LL.D., in an instructive and logical address to the Ontario Bar Association last week. He pointed out that the additional thing which the Dominion would acquire by independence, but which would be of no benefit to her, would be the national status enabling her to declare war against another nation and to have war declared against her by another nation. He did not lose sight of the fact or argument that Canada might, in connection with her relations with other nations, bring the whole Empire into war; so might any of the other Dominions, or even colonies, bring the Empire, including Canada, into war; so also might Great Britain herself, in reference to her relations with other nations.

Mr. Lash agreed that the present position should not be maintained, under which Canada might be involved in war by the action of the government of Great Britain or of another unit of the Empire, in connection with matters over which she has no control, or in respect of which she has not even been consulted; but the remedy for this, he thought, could be afforded, not by independence, but by an agreement under which Canada would have the right to take part in those affairs which involve the issues of peace and war.

He made the definite statement, after analyzing the matter in detail, that neither constitutionally, financially, nor in importance as a factor in the world's advancement would Canada advance her present position or her prospects for the future by becoming independent.

"Should Canada become an independent nation," he said, "and should war arise with a foreign nation prepared for war, while Canada was unprepared, what would be the result? If that nation were not the United States of America, Canada would have to appeal to the United States for protection or agree to such terms as the enemy might dictate. If that nation were the United States, prepared for war, while Canada was unprepared, there would be none to appeal to and Canada would have to submit. What would be her ultimate destiny in either case?"

There is not space in these columns to print the address of Mr. Lash in full, but a considerable part of it is published on another page. In his concluding remarks, he stated that the war has shown us that Canada as a unit of the great British Empire is far safer and better able to take part in the world's affairs than she could possibly be as an independent nation. "She will never disrupt the British Empire by leaving it," said Mr. Lash, a sentiment which has the unqualified approval of the people of the Dominion.

BRITISH COLUMBIA'S FINANCES

The balance sheet of the province of British Columbia for the year ended March 31st, 1917, was presented to the provincial House by the finance minister last month. An examination shows it to be much more businesslike than has been the custom in the past. It reflects the good work of Mr. A. N. Mouat, who was appointed comptroller-general of the province in August last. In giving consideration to the necessary reorganization of provincial finances, the fact was not overlooked that when British Columbia entered Confederation the province retained the ownership and control of the natural resources of the country. A more comprehensive system of supervision over revenues and expenditures is therefore required in British Columbia than is the case in other provinces of the Dominion, which do not own, nor are entrusted with the administration of lands, forest, water rights, minerals and fisheries.

The system which it is proposed to instal at the commencement of the ensuing fiscal year will provide a complete check over all expenditures by audit in the "Controlling and Audit Branch," as follows: (1) Before liability is incurred, or expenditures authorized to be made against the appropriations sanctioned by the legislature; (2) before payment is made; (3) after payment to ensure that expenditures are charged to the proper account.

Under such a system, all expenditures will be duly authorized, and a stop put to the practice of incurring liability irrespective of the appropriation and holding over the accounts in relation thereto when the appropriation is exhausted and without such indebtedness being disclosed in the public accounts of the province.

The pre-audit system was referred to in *The Monetary Times* of July 27th last. The fact that it materially assisted in bringing about the reduction of $1,209,716 in the operating expenses of the city of Edmonton for the years 1915 and 1916, has clearly demonstrated the superiority of "counting the cost in advance of liability being incurred" over the usual custom of counting it when it is too late. It is further proof that the conduct of public affairs can be placed on the same efficient basis usually obtaining in the management of a progressive business corporation.

LOAN TO CANADA?

Sir Robert Borden, premier, and Hon. A. K. Maclean, acting minister of finance, have gone to Washington to confer with the government there in regard to the exchange situation and the adjustment of purchases and payments for supplies needed by Canada, Great Britain and the United States.

Our representatives will probably confer with Mr. McAdoo, United States secretary of the treasury, and with Lord Reading, who is representing the United Kingdom on a special mission in America. The position between Canada and the United States in regard to trade and securities, their relation to the Anglo-Canadian position and also to the winning of the war, are matters for the serious consideration of the authorities. We have against us, so far as trade with the United States is concerned, a rapidly increasing trade balance which, by the the end of this month, will be between $400,000,000 and $500,000,000. Owing to war finance requirements in the United States, we are unable to sell securities there to help offset the adverse trade balance. In addition, we are compelled to finance at home obligations maturing in the United States this year. We have a favorable trade balance in regard to United Kingdom trade but the Imperial authorities are not in a position, after the financial tasks of nearly four years of war, to pay cash for all their purchases.

In view of the facts that we are actively co-operating with the United Kingdom and the United States in the prosecution of the war, that we have raised very substantial sums in Canada for that purpose and are prepared to continue, and in view of the fact that we are one of the best customers of the United States, it is reasonable, we think, that the neighboring republic should give more intimate consideration to the position. Possibly a scheme of reciprocal credits can be worked out, as suggested in Ottawa despatches. We think in any event a substantial loan by the United States government to Canada, such as the loans made to other Allies, would be a businesslike and proper arrangement.

UNFAIR TO INVESTORS

The Vancouver Daily Sun reports a case under the War Relief Act which shows how unjust the operation of that act is to outsiders who have money invested in British Columbia. It appears that a Scottish mortgagee loaned about £1,000 upon a house at Kitsilano, and, upon payments not being forthcoming and being unable to foreclose, applied to a judge for an order for the collection of rent at the rate of $30 per month. Counsel for the mortgagor pleaded that he was on service as a guard of railway property and received his $1.10 a day and the separation allowance for the family, and was paying hospital fees for a sick daughter. The circumstances of the mortgagor were unquestionably of a character that would appeal to public sympathy, but it is obviously unfair that any part of the cost of maintaining His Majesty's soldiers in the service of the Dominion of Canada should be imposed upon an individual investor of Scotland, except to the extent he is called upon to pay taxes imposed equitably.

It is now well known that in Scotland itself, if any citizen is taken into military service and is unable to meet

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his civil liabilities corresponding to those of the Kitsilano mortgagor, the Imperial government makes a grant for the express purpose of providing for rent, mortgage interest, insurance, taxes, school fees, and the like. This Scottish mortgagee is therefore called upon to pay his equitable share in providing for the civil liabilities of the gallant Scots, and is also subject to having his savings exploited by British Columbia legislation for the maintenance of the family of a soldier in the service of the Dominion of Canada. Similar conditions are tolerated by the public of Manitoba and Alberta. It is excused by the politicians on the ground of war conditions, but it must be obvious to those who give the matter any consideration whatever that the Scottish and other mortgagees, whether resident in the Dominion or abroad, are being dealt with in a manner which is akin to confiscation.

It is proper and desirable that to a reasonable extent the civil liabilities of a soldier on active service should be taken care of, but the expense should be borne by the general public, not of the provinces, but of the Dominion as a whole. This is the principle adopted in the United Kingdom, and corresponds to that being followed in Germany, according to a statement made by a member of ex-Ambassador Gerard's staff.

ONTARIO'S FIRE LOSS

Last Year It Totalled $10,365,539; There Were 9,601 Fires

The following is a statement of the causes of fires in Ontario during December last, issued by the office of the Ontario Fire Marshal:—

Cause.	No. of fires.	Amount of loss. $	Insurance loss. $	Loss not covered by insurance. $
Chimneys, flues, cupolas and stacks, overheated or defective	42	33,194	20,264	12,930
Electricity	24	20,104	15,131	4,973
Explosions	34	3,787	3,677	110
Exposure	69	185,008	155,647	29,361
Friction	2	10,920	8,920	2,000
Gas—natural and artificial	26	36,989	35,579	1,410
Hot ashes and coals	20	12,735	12,635	100
Hot grease, oil, tar, wax, asphalt, ignition of	4	260	258	2
Hot or molten metal	5	138	138	.....
Incendiarism	8	29,945	19,489	10,456
Lightning — buildings not rodded	13	218	216	2
Matches	94	30,032	28,320	1,712
Miscellaneous—cause known but not classified	8	324	324	.....
Open fires	25	9,882	5,867	4,015
Open lights	68	12,668	10,675	1,993
Petroleum and its products	26	5,390	3,383	2,007
Rubbish and litter	1	5	5	.....
Smoking (cigars, cigarettes, pipes, etc.)	21	15,097	13,167	1,930
Sparks arising from combustion	15	1,331	781	550
Sparks on roofs, from whatever source	12	786	536	250
Spontaneous combustion	9	36,894	8,034	28,860
Stoves, furnaces, boilers and their pipes	126	244,238	169,162	75,076
Unknown	94	100,042	65,148	34,894
Unclassified (temporarily)	149	340,998	323,587	17,411
Total	895	1,130,985	900,943	230,042

Fires Last Year.

The following is a summary of fires in Ontario last year:—

Month.	No. of fires.	Loss.	Insurance loss.	Loss not covered by insurance.
January	798	$ 808,419	$ 566,589	$ 241,830
February	1,020	1,329,369	1,072,959	256,410
March	765	1,144,373	886,126	258,247
April	666	896,461	693,484	202,977
May	908	1,242,486	953,312	289,174
June	682	515,936	310,742	205,194
July	852	512,391	407,908	104,483
August	931	605,115	394,010	211,105
September	767	651,138	467,783	183,355
October	772	821,862	629,841	192,021
November	625	707,004	613,750	93,254
December	895	1,130,985	900,943	230,042
Total	9,601	$10,365,539	$7,897,447	$2,468,092

NOTE.—These figures must not be considered as a final report for the year owing to the fact that some losses are still outstanding and in other cases adjustments are not completed by the insurance companies involved.

Properties Destroyed or Damaged.

The following is a classification of properties destroyed or damaged by fire in Ontario in December last:—

Class of property.	No. of fires.	Amount of loss. $	Insurance loss. $	Loss not covered by insurance. $
Apartment houses, rooming houses, flats	13	3,695	3,650	45
Barns (farm only)	23	34,493	19,165	15,328
Buildings in course of construction	1	300	......	300
Churches	1	10	10	......
Club houses	2	505	503	2
Coal, coal and wood yards, trestles	4	43,000	14,160	28,840
Dwellings	572	142,629	116,592	26,037
Elevators and grain warehouses	2	11,800	9,400	2,400
Garages	10	18,436	18,436	......
Automobiles, motor cars, motor trucks	8	2,050	1,800	250
Halls, lodge rooms, assembly halls, fire halls	8	13,950	13,575	375
Hotels and boarding houses	12	11,080	9,580	1,500
Lumber in mill yards and wholesale and retail yards	2	8,481	4,781	3,700
Mercantile stores	117	418,888	303,587	115,301
Office and bank buildings	8	1,570	1,445	125
Manufacturing and special hazards	44	356,008	331,101	24,907
Railway risks—steam and electric	16	17,037	17,007	30
Schools, colleges, hospitals, libraries	9	20,933	12,569	8,364
Steamers, tugs, vessels, dredges, yachts	3	14,243	14,143	100
Stables, sheds, outhouses (not farm risks)	39	11,847	9,409	2,438
Theatres, moving picture houses	1	30	30	......
Total	895	1,130,985	900,943	230,042

BRITISH BILLS AT 6 PER CENT.

Messrs. J. P. Morgan and Company, of New York City, have announced that this week's offering of 90-day British treasury bills will be made at 6 per cent. discount, which is an advance of ½ of 1 per cent. over the rate quoted during the last two weeks. Previous to that the bills had been offered at 6 per cent. and at 5¾ per cent. The advance in the rate is ascribed to the fact that Secretary McAdoo has raised the rate on United States treasury certificates of indebtedness from 4 to 4½ per cent. The total amount of British bills outstanding is less than $100,000,000, and while the weekly offerings have been restricted to $15,000,000, the sales in recent weeks have been considerably less than that, the bankers not making any special effort to dispose of the maximum amount.

Established in 1836. Incorporated by Royal Charter in 1840

The Bank of British North America

Paid-up Capital - $4,866,666
Reserve Funds - - $3,017,333

Statement to the Dominion Government (Condensed) 31st January, 1918

LIABILITIES TO THE PUBLIC	
Notes in Circulation	$ 5,312,540
Deposits	56,732,358
Due to Other Banks	884,788
Bills Payable (Acceptances by London Office)	1,366,843
Acceptances under Letters of Credit (as per Contra)	1,113,404
	$65,409,933

ASSETS	
Cash on Hand and in Banks	$13,156,263
Deposit with Government o/a Note Circulation	245,822
Deposits in Central Gold Reserve	1,970,000
Government, Municipal and other Securities	12,591,380
Call and Short Loans	7,521,447
Current Loans and Discounts and other Assets	36,410,840
Liabilities of Customers under Letters of Credit (as per contra)	1,113,404
Bank Premises	2,409,292
	$75,418,448

THE MOLSONS BANK

Capital Paid-Up, $4,000,000 Reserve Fund, $4,800,000

Incorporated by Act of Parliament 1855.

HEAD OFFICE ... ... MONTREAL

BOARD OF DIRECTORS

Wm. Molson Macpherson, President. S. H. Ewing, Vice-President
Geo. B. Drummond Wm. M. Birks F. W. Molson
W. A. Black E. J. Chamberlin
Edward C. Pratt, General Manager

BRANCHES

ALBERTA
Calgary
Camrose
Edmonton
Lethbridge
BRITISH COLUMBIA
Revelstoke
Vancouver
" East End
MANITOBA
Winnipeg
" Portage Av.
ONTARIO
Alvinston
Amherstburg
Aylmer
Belleville
Brockville
Brucefield
Chesterville
Clinton | Delhi
Dutton | Drumbo
Exeter | Forest
Formosa
Frankford
Hamilton
" Market
" James & Barton
Hensall
Highgate
Iroquois
Kingsville
Kirkton
Kitchener
Lambton Mills
London
Lucknow
Meaford
Merlin
Morrisburg
Norwich
Ottawa
Owen Sound
Port Arthur
Ridgetown
Simcoe
Smith's Falls
St. Mary's
St. Thomas
" East End
Teeswater
Toronto
" Queen St. W.
" West Toronto
Trenton
Wales | Waterloo
Williamsburg
Woodstock
Zurich
QUEBEC
Arthabaska
Bedford
Chicoutimi
Cowansville
Drummondville
Foster
Fraserville and Riviere du Loup Station
Knowlton
Lachine
Lachute | Matane
Mont Joli
Montreal
" St. James St.
" St. Catherine St.
Montreal—Cont.
" Market & Harbor
" St. Henri
" Maisonneuve
" Cote des Neiges
" St. Lawrence Boulevard
" Cote St. Paul
" Park & Bernard
" Montreal, West
" Tetreaultville
Pierreville
Quebec
" Upper Town
Richmond
Roberval
Sorel
Sutton | St. Cesaire
St. Ours
St. Thérèse de Blainville
Trois Pistoles
Three Rivers
Victoriaville
Ville St. Pierre
Waterloo

Agents in Great Britain and Colonies—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

Foreign Agents—France—Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

BANK OF NOVA SCOTIA
ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital paid-up	**$ 6,500,000**
Reserve Fund	**12,000,000**
Total Assets over	**130,000,000**

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS

CHARLES ARCHIBALD, President
G. S. CAMPBELL and J. WALTER ALLISON
Vice-Presidents
JOHN Y. PAYZANT
HON N. CURRY
W. W. WHITE, M.D.
W. D. ROSS
HECTOR McINNES
JAMES MANCHESTER
S. J. MOORE
HON. M. C. GRANT

General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

BRANCHES IN CANADA

30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
10 in Quebec
14 in Western Provinces

IN NEWFOUNDLAND

Bay Roberts
Bell Island
Bonavista
Bonne Bay
Brigus
Burgeo
Burin
Carbonear
Catalina
Channel
Fogo
Grand Bank
Harbor Grace
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

CANADA AS PART OF EMPIRE

We Are Better Off Than if an Independent State—Trade and Revenue Important Matters

A thoughtful address on the difficulties in changing the basis of the Canadian constitution was given at the annual meeting of the Ontario Bar Association last week by Mr. Z. A. Lash, K.C., LL.D. After briefly outlining the constitution of the British Empire and of Canada, Mr. Lash stated that innumerable questions would arise should it be decided by Canada to change the basis of her constitution by leaving the Empire, whether this change would be by application to the Imperial parliament for an act granting a new constitution, or by the action of Canada herself without reference to the Imperial government or parliament. Mr. Lash assumed, for the purposes of illustration, that Canada had broken away from the Empire without an act of the Imperial parliament providing a new constitution. In that case, she would have no constitution at all. To prevent chaos pending the settlement of a permanent constitution by the people, executive and legislative power would have to be assumed by bodies of some kind.

Remain as One Nation?

The first question would probably be whether the present form of Federal Union would be maintained or something different created, and in this connection there might be difficulty in deciding whether Canada would remain as one nation covering the territory from the Atlantic to the Pacific, and from the United States border to the Arctic Ocean, divided into provinces or states more or less in harmony with the present divisions, or whether claims for the division of Canada into two or more separate nations would not arise, or whether the right to negotiate for the admission of some part or parts into the American Union would not be set up.

After discussing in detail the many difficulties which would be encountered, Mr. Lash inquired whether the supposed advantages of independence would compensate for the disadvantages and warrant taking the risks involved.

Speaking generally, it is only in connection with other nations that Canada has not now full self-government or full legislative autonomy. Canada is a unit or part only of the British Empire, and cannot speak or act for the Empire as a whole, or for the other units or parts.

He then discussed this phase of the subject, stating that it was sufficient to say that of late years the wisdom of consulting Great Britain and inviting her co-operation has been admitted and Canada has benefited thereby.

Trade and Revenue.

He next considered the claim (of those few who propose that Canada should declare her independence) that her position would be improved were such a result attained. In this connection the most important matters were trade and revenue. Mr. Lash said:—

"Wherein would independence improve her position with respect to trade? It would not affect her home production or her home trade. Would it affect her foreign trade? If a foreign nation decided not to trade with Canada, Canada could not make her do so whether she remained a Dominion of the Empire or were an independent nation. It would be the same whether the refusal were open and absolute or veiled under a high tariff or other hindrance. It is not likely that Canada's position as a Dominion of the Empire would alone account for a decision not to trade with her, and it is not likely that had she been independent such decision would not have been come to. The chances of Canada's being benefited by independence in such an unlikely event, would be too remote to warrant so serious a step as separation from the Empire on that account.

"In what way would her foreign trade be benefited? As already explained Canada has full power now to make trade conventions or arrangements with any foreign nation willing to make them with her. Great Britain would not make them for her without her consent. To do so would be to interfere with the autonomy which the British North America Act has conferred—therefore a trade convention or arrangement made by Canada, as a Dominion, without the intervention of Great Britain, would be as beneficial to her as if it were made by her as an independent state. If made by Great Britain for her, at her request, it would be equally beneficial.

"The chances that a foreign nation might decline to negotiate with Great Britain, or that Great Britain might decline to intervene, are remote. In any event, until such a case arises so that its relative importance could be considered, would it be wise for Canada to make the possibility of such a case arising, the cause for separation from the Empire?

"Next, take the case of the revenue. How could independence benefit Canada in relation to that? She has now as full power over taxation, direct and indirect, and over every mode of raising a revenue as she could have if she were an independent state. She is autonomous with respect to all matters which could affect her revenue one way or the other—ex. gr. Customs and excise, export and import duties, trade and commerce, emigration and immigration, naturalization and aliens, navigation and shipping her postal service and all other matters affecting her revenue even though they might affect foreign nations, and independence would not add to that autonomy.

"Take the case of expenditure. Wherein would Canada's expenditure as an independent nation be less than her expenditure as a Dominion of the Empire? Certainly not with regard to her internal or domestic affairs and the development of her resources or her trade and commerce. I am at a loss to suggest anything resulting from independence in respect of which her expenditure would be reduced, but independence would cause enormous additional expenditure.

"So-Called Small State."

"Listen to what a German (Lasson) has written about a small state:—

" 'A so-called small state is not a state at all, but only a tolerated community which absurdly pretends to be a state. . . . There may be greater and lesser states. The lesser states have rights only in so far as they possess a power of resistance that must be taken into account in so far as they are desirable allies or respectable adversaries. The little state, however, that is obliged to base its hope of existence on the belief that it will not be attacked for fear that another state will intervene, is no state at all, but the vassal of the state to which it looks for protection, and by whose magnanimity it lives.'

"To take her proper place among nations, including Great Britain, which would then be a foreign nation, Canada would have to organize a diplomatic and consular service and be represented by ambassadors at the various courts of the world —old and new—and by consuls, vice-consuls and other officials in places without number. As an independent nation she would lose the protection of Great Britain's navy and army, and would have to create and maintain a navy and army of her own, and be prepared to defend and to uphold her rights against foreign aggression.

"Can it be doubted that the expenditure of Canada as an independent nation would far exceed her expenditure as a Dominion of the Empire?

"The Few Who Advocate."

"The few who advocate independence say that Canada would thereby escape being embroiled in the troubles of Great Britain and the other parts of the Empire, especially in the quarrels and disputes in Europe, and they point to the war with Germany as an illustration. Before the war and before the truth about Germany's plans and intentions became known, such a contention might have had reasons to support it, but the world knows now that, had Canada been a numerically small and weak independent nation (and she would have been that) and, had she remained neutral, her future from the beginning would have been in peril, and, instead of escaping the entanglements of European affairs, she might and probably would have become involved in them without being as well able to take her part as she has proved herself to be as a Dominion of the Empire. If, however, her neutrality had been maintained; if she had not sent to the war the men and munitions and food and supplies which have been sent; if she had not helped in financing for munitions, food and supplies procured on this side of the Atlantic; if the glorious successes of the Canadians in Flanders and France had not been accomplished, who could have said how near Germany would now be to victory, if victory were not already hers, and with Germany victorious Canada would, in her eyes, have been but one of those states who 'have rights only in so far as they possess a power of resistance that must be taken into account.'

"This war has opened our eyes, it has shown us that no part of the world can go on without reference to the other part, and that no distance, by land or water, between nations, can be relied on as a protection. It has shown us that the definition of a small state which I have quoted has been

THE
Merchants Bank
OF CANADA
ESTABLISHED IN 1864

Capital Paid-up - - - - - $7,000,000
Reserve Fund and Undivided Profits 7,421,292

Head Office, MONTREAL

Board of Directors:

SIR H. MONTAGU ALLAN, President
K. W. BLACKWELL, Vice-President
THOMAS LONG
F. ORR LEWIS
ANDREW A. ALLAN
LT.-COL. C. C. BALLANTYNE
A. J. DAWES
F. HOWARD WILSON
FARQUHAR ROBERTSON
GEO. L. CAINS
ALFRED B. EVANS
E. F. HEBDEN
THOS. AHEARN
LT.-COL. J. R. MOODIE

E. F. HEBDEN, Managing Director
D. C. MACAROW, General Manager
T. E. MERRETT, Supt. of Branches and Chief Inspector

BRANCHES AND AGENCIES

QUEBEC

Montreal, Head Office: St James St.
" 1255 St. Catherine St. E.
" 320 St. Catherine St. W.
" 2215 St. Denis St.
" 1319 St. Lawrence Blvrd.
" 1866 St. Lawrence Blvrd.
" 672 Centre St.
" Notre Dame de Grace
Beauharnois
Bury
Chateauguay Bsn.
Grand Mere
Huntingdon
Lachine
" Notre Dame St.
Maisonneuve
Napierville
Ormstown
Quebec
" St. Sauveur
Quyon
Rigaud
Shawville
Sherbrooke
Ste. Agathe des Monts
St. Jerome
St. Johns
St. Jovite
Vaudreuil
Verdun

ONTARIO

Acton | Almonte
Alvinston
Athens
Barry's Bay
Belleville
Bothwell
Brampton
Brantford
Bronte
Chatham
Chatsworth
Chesley
Clarkson
Collingwood
Creemore | Delta
Douglas
Eganville
Elgin | Elora
Finch | Ford
Fort William
Galt
Gananoque
Georgetown
Glencoe
Gore Bay
Granton
Guelph
Hamilton
" East End
Hanover
Hespeler
Ingersoll
Kincardine
Kingston
Kitchener
Lancaster
Lansdowne
Leamington
Little Current
London
London East
Lucan | Lyn
Manitowaning
Markdale
Meaford
Mildmay
Mitchell
Napanee
Newbury
New Toronto
Niagara Falls
Oakville
Orillia | Ottawa
Owen Sound
Parkdale
Pembroke | Perth
Prescott
Preston
Renfrew | Sarnia
Stratford
St. Eugene
St. George
St. Thomas
Tara
Thamesville
Thorold
Tilbury
Toronto
" Wellington St.
" Parl't St.
" Dundas St.
Dupont and Christie Sts.
Wallaceburg
Walkerton
Walkerville
Waterford
Watford
West Lorne
Westport
Wheatley
Williamstown
Windsor
Yarker

MANITOBA

Brandon
Carberry
Gladstone
Hartney
Macgregor
Morris
Napinka
Neepawa
Oak Lake
Petit Cote
Portage la Prairie
Russell | Souris
Starbuck
Winnipeg
" Bannerman Av.

SASKATCHEWAN

Antler | Arcola
Carnduff
Frobisher
Gainsborough
Gull Lake
Humboldt
Kisbey
Limerick
Maple Creek
Meacham
Melville
Moose Jaw
Oxbow
Prelate
Prussia
Regina
Saskatoon
Shaunavon
Unity
Whitewood

ALBERTA

Acme
Alliance
Brooks
Calgary
Camrose
Carstairs
Castor | Chauvin
Chipman
Coronation
Czar
Daysland
Delburne
Donalda
Edgerton
Edmonton
" Namayo Av.
Forestburg
Hughenden
Irma | Islay
Killam
Lacombe
Leduc
Lethbridge
Mannville
Medicine Hat
Monarch
Munson
Nobleford
Okotoks | Olds
Ponoka
Red Deer
Rimbey
Sedgewick
Stettler | Strome
Tofield
Trochu
Vegreville
Viking
Wainwright
Wetaskiwin

BRITISH COLUMBIA

Chilliwack
Nanaimo
New Westminster
Oak Bay
Sidney
Vancouver
" Hastings St.
Victoria

NEW BRUNSWICK

St. John

NOVA SCOTIA

Halifax
Sydney

SUB-AGENCIES—*Ontario*—Beachville, Breslau, Calabogie, Coatsworth, Frankville, London South, Mimico, Mount Pleasant, Muirkirk, Newington, Pelee Island *Manitoba* Austin, Griswold, Lauder, Sidney. *Alberta*—Galahad, Grainger, Millicent, Minburn, Penhold, Rumsey, Heisler, Huxley. *Saskatchewan*—Senlac.

SAVINGS DEPARTMENT AT ALL BRANCHES.

NEW YORK AGENCY—63 and 65 Wall Street

BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited
The Royal Bank of Scotland.

TORONTO BRANCH—A. B. PATTERSON, Manager

The Dominion Bank
HEAD OFFICE .. TORONTO

Sir EDMUND B. OSLER - President
W. D. MATTHEWS - Vice-President
C. A. BOGERT - - General Manager

The London, England, Branch
Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Established 1873 130 Branches

Capital (Authorized by Act of Parliament) $5,000,000.00
Capital Paid-up 3,381,270.00
Reserve Fund and Undivided Profits 4,534,863.63

DIRECTORS

W. F. COWAN, President. W. FRANCIS, K.C., Vice-President.
W. F. Allen, F. W. Cowan, T. B. Greening, H. Langlois, James Hardy, F.C.A., Thos. H. Wood.

HEAD Office, 15 King St. West TORONTO, Ont.
C. H. EASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE BANK OF OTTAWA

Established 1874
94 Branches in Canada

Capital paid up - $4,000,000
Rest - - - $4,750,000

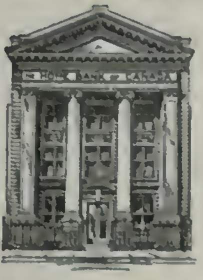
A BANK WELL EQUIPPED TO SERVE THE PUBLIC

Drafts, Money Orders and Letters of Credit issued

Interest added half-yearly to Savings Balances

Toronto Branches: Cor. King East & Victoria Sts., Cor. Broadview Ave. & Gerrard St., Cor. Queen St. & Pape Ave.

The Home Bank of Canada



Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

only too true, and that its truth will be perpetuated should Germany win the war; and it has shown us that Canada as a unit of the great British Empire is far safer, and better able to take part in the world's affairs than she could possibly be as an independent nation. She has proven her ability and earned her right to take that part. She will never disrupt the British Empire by leaving it. She will maintain her present splendid part and advance to a more splendid future as the foremost Dominion in that great aggregate of nations. She will take her part as of right in the control of the foreign affairs of the Empire and of the Empire's army and navy, and she will assume the corresponding obligation to contribute to the expense. She cannot remain as she is and submit without representation, as of right, in the control of foreign affairs. She cannot accept the protection of Great Britain's navy and army without joining in the expense. She cannot allow Great Britain to fight the wars of the Empire without taking part, except voluntarily, if it suits her convenience or the ideas of her government at the time. Canada and the Dominions voluntarily co-ordinated in this war because the very existence of the Empire was at stake because their liberties in common with the liberties of the peoples of the world were threatened, and because they could not stand by and see the Mother Country in great peril without going to her aid. This war has shown us that something more than co-ordination is required to solidify the Empire in her relations to foreign nations, that the self-governing parts of the Empire should have rights in these relations, and corresponding duties and obligations, and that nothing short of an agreement providing for these rights and duties and obligations will suffice."

JANUARY BANK STATEMENT

The statement of the chartered banks for January shows a substantial decrease in deposits payable after notice, deposits abroad and note circulation. Current loans also declined during the month. There was an increase in call loans in Canada and in current loans abroad. The following table shows the standing of the principal accounts in January last and the changes during the month and the past year:—

	January, 1918.	Changes during Jan., 1918.	Changes during year ending Jan., 1918.
Reserve fund.	$ 114,161,223	+ $ 60,530	+ $ 823,348
Note circulation	171,674,464	— 21,249,360	+ 38,316,277
Demand deposits	559,777,237	— 9,664,634	+ 132,468,711
Notice deposits	900,314,256	— 95,663,757	+ 36,150,912
Total deposits in Canada	1,460,091,493	— 105,328,391	+ 168,619,623
Deposits outside Canada	169,581,106	— 5,198,898	+ 10,087,058
Current coin..	82,443,367	+ 410,504	+ 13,321,917
Dominion notes	184,949.958	+ 17,440.837	+ 41,450,705
Deposits, central gold reserve	75,750,000	— 21,520,000	+ 43,700,000
Call loans in Canada	76,239,201	+ 4,460,181	— 3,497,863
Call loans outside	132,687,066	— 1,796,416	— 23,060,410
Current loans in Canada..	855.506.506	— 3,026,792	+ 49,027,359
Current loans outside	116,220,343	+ 4,639,245	+ 30,230,832
Total liabilities	1.993.170.080	— 148,554,313	+ 302.141.906
Total assets..	2,237.867.216	— 85.206,567	+ 304,350.869

Demand deposits decreased $10,000,000 as compared with the figures of December, when they increased over November by $31,000,000. That increase indicated preparation by large subscribers to make heavy Victory Loan payments. Presumably those payments, in part, account for last month's decrease in the account. Deposits usually show a tendency to decrease at this period of the year, business being generally quiet. The statement will be printed in detail in *The Monetary Times* next week.

NEW INCORPORATIONS

Tractor and Shipbuilding Companies, Each With One Million Capital, Obtain Charters

The largest companies incorporated during the past week were: Leonard Tractor Company of Canada, Limited, Montreal, Que., $1,000,000; British American Shipbuilding and Engineering Company, Limited, Vancouver, B.C., $1,000,000.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Canford Mill, B.C.—Nicola Pine Mills, Limited, $300,000.

Wiarton, Ont.—Boat Lake Telephone Company, Limited, $750. W. A. Shier, F. Buckland, W. Bonesteele.

Strathroy, Ont.—The Mihell and Gill Company, Limited, $18,000. J. H. Case, A. I. McCubbin, A. M. Mihell.

Ottawa, Ont.—Civilian Publishing Company, Limited, $25,000. A. C. Campbell, W. J. Cantwell, T. H. Burns.

Virden, Man.—Scales, Carscadden, Rothnie, Limited, $50,000. E. J. Scales, S. S. Carscadden, G. A. Carscadden.

Brantford, Ont.—The Flax Harvester Company, Limited, $1,000. T. H. Tombyll, J. B. Pickering, W. D. Christianson.

Kincardine, Ont.—The J. B. Watson Furniture Company, Limited, $50,000. J. B. Watson, C. A. Watson, W. J. Rooney.

Parry Sound, Ont.—The North Star Publishing Company, Limited, $40,000. J. Ludgate, M. H. Limbert, E. E. Armstrong.

Village of St. Jean Baptiste, Man.—Farmers' St. Jean Baptiste Elevator, Limited, $10,000. A. Ayotte, R. Comeault, N. Dery.

Portage la Prairie, Man.—Armstrong Independent Fisheries, Limited, $500,000. D. D. McCallum, J. R. Colwill, J. Young.

Montreal, Que.—The American News Company, Limited, $500,000. L. A. David, L. P. Crepeau, S. H. Bush; Glovers-Craft, Limited, $100,000. E. Jasmin, R. Poisson and Rene de la Durantaye; Leonard Tractor Company of Canada, Limited, $1,000,000. W. W. Skinner, W. G. Pugsley, G. G. Hyde.

Vancouver, B.C.—Cawston Machinery Company, Limited, $10,000; Port Edward Fisheries, Limited, $40,000; Alaska and British Columbia Fisheries, Limited, $100,000; Adels-Ripley Sales Company, Limited, $9,000; British-American Shipbuilding & Engineering Company, Limited, $1,000,000; Central Athletic Club, Limited, $10,000.

Winnipeg, Man.—International Silver Black Fox Company, Limited, $150,000. C. P. Ellis, B. S. Evans, S. R. Flanders; Carrot River Colonization Company, Limited, $150,000. J. A. Joseph, S. Lawler, J. H. Brett; the Western Paint Company, $200,000. J. E. Guertin, L. P. Guertin, L. Guertin; Peaker Brothers and Company, Limited, $250,000. J. E. Peaker, C. A. Peaker, J. Gordon.

Toronto, Ont.—Oxford Securities Corporation, Limited, $100,000. G. H. Gilday, H. H. Polley, R. L. Webster; the Ohio Tuec Vacuum Cleaner Company, Limited, $50,000. J. M. Bullen, H. L. Steele, W. Osborne; Commonwealth Steamship Company, Limited, $750,000. J. M. Bullen, H. L. Steele, W. Levy; Acme Engineering Company, Limited, $125,000. E. R. Lynch, D. B. Coleman, F. A. Campbell; Pearson Brothers, Limited, $40,000. J. I. Sutcliffe, F. W. Anderson, E. S. Mathews; Peerless Carbon and Ribbon Company, Limited, $250,000. F. J. Hughes, L. J. Phelan, V. Stewart.

"It is hardly likely that I would be guilty of making such a silly proposition," was the comment of Lord Shaughnessy, president of the Canadian Pacific Railway, when his attention was directed to rumors which announced that the company would dispose of the railroad to the government. The rumors intimated that the shareholders would retain the hotels, steamships and land of the company and expect a guaranteed dividend of 7 per cent.

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Uncalled	4,000,000	20,000,000
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RESERVE FUND - - - -	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916	$277,488,871.00

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Union Bank of Canada

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Paid-up Capital - - - -	$ 5,000,000
Reserve - - - - -	3,400,000
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SHOULD INVESTIGATE FUEL RESOURCES

Further Comments of the Press Regarding Important National Problem

Nova Scotia has more than 10,500,000,000 tons of bituminous coal, New Brunswick 161,000,000 tons, Ontario has a small quantity of lignite, Quebec and Prince Edward Island have none. The western provinces have many billion tons of lignite, and Alberta has in addition to lignite 845,900,000 tons of semi-anthracite, 218,000,000 tons of bituminous and well up to 1,000,000,000,000 of sub-bituminous. British Columbia has nearly 80,000,000,000 tons of bituminous coal. Besides lignite and sub-bituminous coal there are reserves in Canada of 313,000,000 tons of bituminous and 845,900,000 semi-anthracite coal, although a small part of this lying in remote and frigid regions may not prove available. The peat bogs of Canada are estimated to produce 28,000,000,000 tons equal in fuel properties to 16,000,000,000 tons of good coal. With these resources, can we not by investigation and application solve our fuel problem in Canada? Mr. Arthur V. White, the consulting engineer, who has made a study of this subject and who has contributed several valuable articles to *The Monetary Times* regarding it, said in our issue of January 4th last;—

"Canadians need never expect to have electrical energy replace coal and other fuel for heating purposes except to a relatively limited extent. We must direct ourselves to the development of our coal resources."

No Abuse of Assets

"By intelligent and thrifty use, the natural resources of Canada may beneficently serve the needs of a large population," says the *Daily Record*, Niagara Falls. "If, however, Canadians become really dependent upon necessary commodities supplied them by other countries, they must be prepared to accept the circumstances in which they may suddenly find themselves if the supply of such commodities is cut off. Such circumstances will be aggravated by any abuse of our assets."

Commenting upon Mr. White's statement that the supply of coal is far from being inexhaustible in the United States and that we may naturally expect to be obliged in the near future to depend on our own resources, the *Electrical News*, of Toronto, says:—"In other words, the temporary crisis of the past month will become a permanent condition, the solution of which must rest with ourselves. In that sense our troubles might prove to have been a blessing in disguise if they succeeded in impressing upon us the necessity of getting ready for that inevitable event of which we can now, from our recent experience, form some reasonable estimate. How soon that may be is problematical. Our neighbors to the south have been tremendously 'white' during the crisis just passed, but let us not forget that their resources are limited, and that charity begins at home. The necessity to withhold export to Canada may arise sooner than they, or we, expect. For a permanent crisis, such as we have just had a taste of, and which may come to-morrow, shall the people of Canada not do well to hold themselves in readiness, so far as is humanly possible, by conserving for our own people the heritage Providence has willed us?"

Demands National Action

"When coal is so scarce and heat becomes so dear, would it not be possible for inventive genius and enterprise to utilize our waste, our refuse, and make it a benefit, instead of a costly nuisance to remove?" asks the Peterborough *Evening Examiner*. "The whole fuel problem of Canada demands national action, and the more so that the problem can be solved," it adds. "This is shown by the conclusions of an article contributed to *The Monetary Times* by Mr. A. V. White. This war has worked revolutionary conditions in all arenas of national, domestic, and individual life, and necessity compels us to face new conditions with adequate measures for meeting them."

"The lesson of the present fuel shortage will be lost upon us if it does not at once stir us into action to guard ourselves against such a state of affairs in future winters," is the reminder given by the Toronto *Mail and Empire*, which continues:—"It is not enough that it steels us to bear the cold with more stoicism, that it drives us to makeshifts to warm ourselves, or even to panicky measures to obtain coal. It ought to have the effect of stimulating us to immediate and untiring activity to lay in an adequate fuel supply for next winter. Once we get out of the clutches of zero weather and feel the genial warmth of a forward spring, we tend to forget our worries about fuel and to give rein to the old happy-go-lucky propensity. Governments are not freer from this weakness than is the average citizen. It is necessary to make the utmost out of the pains and privations and haunting experience of others' miseries the present coal shortage is bringing us. That ought to be enough to impel public opinion and public authority upon a strong campaign to solve next winter's fuel problem in advance.

"The task of government is to devise the policy and make the transportation arrangements for distributing the fuel, and in this task Mr. White considers the provincial governments should co-operate with the federal government. When the season of navigation opens none of the vessels coming up the St. Lawrence should lack cargo. Now that the government has control of the Canadian Northern Railway it can supply the railway connection that may be necessary to forward Nova Scotia coal into the heart of Ontario. Many of the smaller vessels can come right into the lakes from Cape Breton ports, and there will be no trouble finding cargo to carry back. There is still a large reserve of fuel in the woods of Old Ontario. Labor can be got by co-operation among neighbors to cut up into cordwood or stove lengths the fallen and dead trees that are a fire risk to the forest. These are matters which the government should give immediate and thorough attention, and plan to direct the carriers and the workers accordingly."

Government Has Information

Quoting Mr. White's statement that there is no need to start again learning the A.B.C. of this fuel problem, the London (Ont.) *Advertiser* reminds us, that "full information is in possession of the government. To carry out measures of relief and to place Canada in a reasonably independent position will take time, but under proper direction the country can be relieved of a menace which threatens not only her economic life, but the physical life and well-being of a large proportion of her population."

The Vancouver *Daily Sun* says:—"There is plenty of peat and lignite on the prairie districts as well as in the east. Mr. White points to his moral by calling attention to the price of coal in France and Italy, where it is $50 a ton, and he remarks that an advance of even ten dollars a ton over present prices in this country would cost the people an extra $50,000,000 of yearly outlay. From this, he draws the conclusion that a million dollars, or even a few millions of dollars if necessary, placed at the disposal of technical officers assisted by men of sound commercial judgment, in order to get Canada's lignite and peat resources under national development 'constitutes so intrinsically small a sum in comparison to the results as to be practically unworthy of debate.' No doubt Mr. White is entirely in the right. The subject is one with which the Dominion government should busy itself without delay. The amount of money required is insignificant in comparison with the benefits to be obtained."

Must Furnish Solution

"It is scarcely necessary at the present time to emphasize the importance of the fuel problem," says the Woodstock *Sentinel-Review*, "but the lessons of the present winter, severe as they are, will be lost unless they lead to some definite action to furnish a solution. It is for the purpose of drawing public attention to the real nature of the problem and of pointing the way to a solution that Mr. White's article has been written. The conclusion of the whole matter is that there is no need for Canada with her vast resources of fuel and water-power to go cold, or to have her industries checked by lack of power; but she may expect serious times ahead unless every effort possible is put forth, without too much delay, to deal with the situation in a comprehensive way. Mr. White has rendered a valuable public service by drawing attention to this problem at this time."

WHEAT VIA PANAMA CANAL

Vancouver's first bulk shipment of grain has arrived safely at a British port. A steamer which was loaded at the government elevator in Vancouver early in November with 100,000 bushels of wheat from the prairies made the journey safely to the United Kingdom, via the Panama Canal, and now word is awaited anxiously as to the condition in which the grain in this test shipment reached its destination.

The shipment was accompanied by Mr. A. W. Alcock, of Winnipeg, grain expert and assistant chemist of the Canadian Board of Grain Commissioners, who is to observe the condition of the grain at all stages of the voyage.

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1/3/18

PROVINCIAL GOVERNMENT BONDS

Issues Amounting to $6,630,000 Sold This Year to Date—Ontario's Loan Explained

The sale of $3,000,000 6 per cent. 10-year bonds of Ontario province makes the fourth provincial government issue of the year. The first provincial borrower was Saskatchewan, which marketed $630,000 5 per cent. 15-year bonds with little publicity. The four provincial government issues to date are as follow:—

1918	Government	Amount	Securities	Rate %	Term years	Offered to Yield Investors %
Jan.	Saskatchewan	$ 630,000	Gold bonds	5	15	6½
Jan.	Manitoba	1,000,000	Gold bonds	5	2	6¼
Jan.	Manitoba	1.000,000	Gold bonds	6	10	6¼
Feb.	New Brunswick	1,000,000	Coupon gold bonds	6	10	6⅛
Feb.	Ontario	3 000,000	Coupon gold bonds	6	10	6
		$6,630,000				

In all cases, the issues were approved by the Priority Board of the Department of Finance, Ottawa. The Saskatkatchewan issue was offered privately by a syndicate of bond houses and was taken in a few hours. The Manitoba issue quickly followed. The 2-year bonds were offered at 96.97 and the 10-year bonds at 98.16, both "and interest." The New Brunswick issue was made at 99.08 and accrued interest, while the Ontario bonds were offered at par. The four provincial government issues this year to date total $6,630,000, compared with $6,382,500 for the entire twelve months of 1917.

Impossible in New York.

Explaining the loan of $3,000,000 last month, Hon. T. W. McGarry, provincial treasurer of Ontario, said that a loan in New York would have been impossible at less than 8 per cent. The bond brokers in Toronto at first would not guarantee to purchase bonds at 6½, but they were willing to take an option on them. He then saw Sir Thomas White, finance minister, and made arrangements for money at 6½ per cent. On February 4th, Sir Thomas White asked him to feel out the market in Toronto, and place a loan in Ontario, if possible.

"We had in mind that the Dominion government must go into the market this year for $400,000,000 at least," said Mr. McGarry. When he commenced negotiations with the Toronto brokers he specified that the loan should be at better terms than 6½ per cent., and he gave three companies: Messrs. A. E. Ames and Company, Messrs. Wood, Gundy and Company and the Dominion Securities Corporation, authority to place $2,000,000 of Ontario bonds at 6 per cent., provided they could place these bonds where they would not interfere with Dominion financing, and on the understanding that the investors who bought them undertook that the bonds would not be placed on the market. What the bond dealers got was the right to feel out the market. No sale took place and no communication came from them between February 4 and February 18, when Mr. Wood intimated that they had succeeded in placing the $2,000,000 in such a way that they would not come into competition with Dominion bonds. Later, Mr. Wood said they could place another $1,000,000. The province would probably require $8,000,000 for capital expenditures this year, most of it for the Hydro-Electric. The money will cost 6.3166 per cent. The loan was not finally put through until last week.

Average Sale Price, 97.66.

Mr. McGarry said that in his judgment no government in Canada had placed a loan recently on such favorable terms. "It would have been unfortunate if the province had not been able to place the loan, and consequently no announcement was made in the papers," said Mr. McGarry. "There has been no commission paid by the province. The $2,000,000 issue was sold at 97 and the $1,000,000 at 99, the average being 97.66."

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended February 22nd, 1918:—

Kerr Lake Mines, 59,408; McKinley-Darragh-Savage Mines, 86,592; O'Brien Mine, 64,320; Dominion Reduction Company, 82,000; Buffalo Mine, 240,965. Total, 533,285 pounds, or 266 tons.

The total shipments since January 1st, 1918, now amount to 1,392,459.8 pounds, or 6,962 tons.

SASKATCHEWAN FIRE LOSSES

Mr. A. E. Fisher, fire commissioner and superintendent if insurance for Saskatchewan, in an address at a recent meeting of the Moose Jaw Fire Agents' Association, stated that during the past year in Saskatchewan there was sufficient wheat destroyed by fire to feed all the cities of the province for a period of twenty months. Fire caused the loss of twenty-three lives in the province and the serious injury of fifteen other persons, and the financial toll of fire in Saskatchewan last year totalled $2,750,000.

LONDON MUTUAL FIRE INSURANCE COMPANY

Judging by the balance sheet of the London Mutual Fire Insurance Company for 1917, the corporation has not only made a substantial profit on its operations for the year, but has also improved its position and increased its reserve strength. The result of the year's business was a profit of $40,656 after providing for all bad and doubtful debts and outstanding liabilities. Of this amount, $15,000 has been set aside as a reserve for possible future losses on investments, and the balance ($25,656) has been added to the surplus. The net premium income for the year was $399,923, an increase of $36,239, while both the loss and expense ratios have been satisfactory.

The reinsurance reserve (full government sandard) stood at $279,095, an increase of $6,763; the cash surplus, $141,559, an increase of $25,656; and the capital stock paid up at $19,250, an increase of $1,750. The total cash security for policyholders was $502,417, an increase of $31,301, in addition to which there is the unassessed portion of premium notes, which amounts to $250,999, an increase of $3,507, making the total security to policyholders $753,417, an increase of $34,808, and a total surplus to policyholders of $411,808, an increase of $30,913.

The company held its annual meeting last week, when a very satisfactory financial statement was presented. Mr. A. H. C. Carson is president of the company, devoting his entire time to the promotion of its interests. Mr. F. D. Williams, the manager, is attached to the Royal Flying Corps, but is able to give a part of his time to the company's affairs. The directorate comprises Messrs. A. H. C. Carson, president; R. Home Smith, vice-president; directors, F. D. Williams, A. C. McMaster, W. T. Kernaham and H. M. Cowan.

IMPORTANT VISIT TO WASHINGTON

Ottawa despatches, discussing the visit of Sir Robert Borden, premier, and Hon. A. K. MacLean, acting finance minister, to Washington, point out that at the present time Canada is buying at the rate of about four hundred million dollars more per year from the United States than the United States buys from Canada. Iron and steel supplies, coal, etc., are needed by Canada from across the border in larger quantities than ever before. Much of the raw materials brought in are afterwards sent in the form of munitions, etc., to Britain, which asks Canada to finance her credits for all war supplies purchased here. Canada has to pay the United States for goods imported, and the adverse trade balance must be taken up in gold or credit. Great Britain's adverse balance with Canada has so far been taken up with credits furnished by the Canadian treasury through domestic loans. Great Britain can still get loans from the United States, but Canada is asked to raise all necessary cash within her own resources.

In consequence of the adverse trade balance with the United States and the gold scarcity, rates of exchange between Canada and the United States are such as to prohibit further purchases by Canada unless credits are continued.

While nothing official is obtainable as to the proposals in view to remedy the situation, it is understood that what the Canadian ministers hope to secure is an agreement with the British and United States governments for reciprocal credits, balancing Canada's payments due across the border with Britain's payments due here. This, it is said, will be done through the medium of a new British credit established with the United States government, against which Canada might draw in liquidation of the amount owed by Britain to Canada. This system of cross-balancing would remedy the exchange situation, and provide for a continuance of the flow of supplies from the United States to Canada and from Canada to Britain.

Your Wife and Children

As you go to and from business, day after day, do you feel the reassurance that comes to the man who has **made his Will** and has provided for a just and equitable distribution of his Estate through an Executor? If not, we suggest that you have your solicitor draw up your Will and name The Toronto General Trusts Corporation as your Executor.

Booklet and Full Particulars Sent on Request

THE
TORONTO GENERAL TRUSTS
Established 1882 **CORPORATION** Head Office TORONTO

Branches: Ottawa, Winnipeg, Saskatoon, Vancouver

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors

E. F. B. Johnston, K.C., *President.* Hon. W. A. Charlton, W. J. Gage, Noel Marshall, *Vice-Presidents.* W. K. George, W. R. Hobbs, Jas. B. Tudhope, R. Wade, Jacob Kohler, A. McPherson, D. B. Hanna, John J. Gibson, *Managing Director.*

Chartered Trust and Executor Company
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OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

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Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

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$2.21 WHEAT AND CHEAP LAND

To those farmers and investors desirous of acquiring good land at low prices and on easy terms, convenient to railway and market, we offer certain assets belonging to Trust Estates under our care, and which must be realized on. Some of those parcels are improved, others raw prairie, comprising 160 acres and upwards to blocks of 10,000 acres or more. With the likelihood that wheat will go even higher than it is to-day, we believe the time to buy agricultural land is *now*, as prices of farm products will, we believe, remain high for an indefinite time to come.

Apply for list to

The Standard Trusts Company
Standard Trusts Bldg., 346 Main St. WINNIPEG

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Head Office - - Vancouver, B.C.

TRUSTEE EXECUTOR ASSIGNEE

Agents for investment in all classes of Securities.
Business Agent for the R. C. Archdiocese of Vancouver.
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Inquiries Invited

General Manager **Lieut.-Col. G. H. DORRELL**

Authoritative Opinion on the Trust Company:

"There is a growing disposition of the public at large in Canada to appoint regularly authorized trust companies for the purpose of administering estates and trusts rather than private individuals."—*The Monetary Times Annual, 1918.*

Write for our booklets. They give the reasons for the growing popularity of trust company service.

National Trust Company Limited

Capital Paid-up, $1,500,000; Reserve $1,500,000
18-22 KING STREET EAST, TORONTO

RAILROAD RATES INCREASE

Arguments of the Railroad Companies Presented to Board

The Canadian Pacific Railway, the Grand Trunk, the Grand Trunk Pacific and the Canadian Northern, have submitted their replies to the government on the appeal against increased passenger rates. The Railway Commission had authorized a general increase of 15 per cent. Against this decision there was an appeal to the Governor-in-Council by the province of Manitoba, the Winnipeg Board of Trade, the United Farmers of Ontario, the Western Retail Lumbermen's Association, the Canadian Credit Men's Trust Association, and the Canadian Council of Agriculture. After the hearing of argument, the cabinet adjourned the hearing till March 1. At the same time it was announced that the increase would be suspended till March 15. The appeal against the increase was supported by a number of other organizations.

All the railway companies ask that the appeal shall be dismissed. The Canadian Pacific Railway takes up the allegation that the increase would impose an additional burden of $40,000,000 a year on the people of Canada, and that of this, $20,000,000 would go to the Canadian Pacific Railway. The Canadian Pacific Railway, in replying, said: "The most careful estimate made by the traffic, operating and financial officers of the railway is that, had the rates became effective on the date fixed by the order of the Board of Railway Commissioners, the increase in gross revenue to the Canadian Pacific Railway during the calendar year 1918, based upon the tonnage of 1917, would be approximately $13,000,000."

The estimated increase is made up as follows: Estimated freight increase, $11,446,000; passenger traffic manager estimates that by ignoring British Columbia local business, military, coolies and interline will be $2,500,000; total, $13,946,000. If the board's order had been effective on February 1, the 11 months would have equalled $13,016,000. If the rates are made applicable from March 15, the increase this year will be $12,622,000.

"It must not be forgotten," the Canadian Pacific Railway memorandum proceeds, "that this increase is based entirely upon the continuance of the gross business of the company at the high level of 1917, when the company's gross earnings were the largest in its history."

Due to Low Capitalization.

The company's surpluses are due entirely to its low capitalization and not to excessive earnings. The position of the company is such that its revenues do not reflect the actual return on its capital investment, due to the fact that large amounts have been invested in cash in its properties, which are not represented by outstanding securities.

The memo adds that cash investment in the Canadian Pacific Railway exceeds $800,000,000. The par value of bonds, debenture stock, preference stock, common stock and equipment obligations is given as $570,000,000, leaving $230,000,000 invested in cash, not represented by securities of any kind. Net earnings of the company for the calendar year 1917 are declared to be about $46,000,000, or 5¾ per cent. on cash invested. "At the present time," the memo continues, "the return on the amount invested is less than the actual value of money in the open market.

"The petitioners suggest the taking over as a war measure by the government of the organization and financial control of the railways as a fighting unit under one system.

"It is difficult to characterize the suggestion in moderate terms. Even if the facts were as the petitioners state them to be the solution would amount to confiscation and destruction of the property, credit and organization of the Canadian Pacific Railway Company.

Would not Mean Efficiency.

"The petitioners assume that under government administration or control, more efficiency could be developed and more service received from the property of the Canadian Pacific Railway than under its present administration. With proper deference to the views of the adherents of government ownership and operation, it is contended that neither theory or experience justifies such an expectation. The suggestion made would not bring about co-ordination, co-operation and efficiency, but would be a temporary seizure by the government of the property and assets of the shareholders of the Canadian Pacific Railway in order that money belonging to them might be devoted to the maintenance and financial assistance of the unproductive railways to which the country has fallen heir."

The memo adds that there is nothing in the war measures act to authorize any such step.

The memoranda of the Grand Trunk, the Grand Trunk Pacific and the Canadian Northern take up in turn the points advanced by the petitioners and argue that there should be no interference with the ruling of the Dominion Railway Board.

SASKATCHEWAN COMPANIES ACT

Some minor amendments have been made to the companies act of Saskatchewan. Incorporation may now be refused to any company whose name or part of whose name includes any of the following words: "Imperial," "Crown," "Kings," "Queens," "Empire," "Royal," "Dominion," "Saskatchewan," or words of similar import. In future building and contracting companies and agencies will be liable to a tax on their authorized capital, similar to any mercantile company.

A penalty is now provided to be enforced against any company which fails to make returns, giving certain particulars as to their business, which are called for under this act. The penalty is $5 per day for every day during which the default continues. An alteration in the schedule now provides that the annual meeting of a company shall take place not more than eighteen months after the last annual meeting.

NORTHWESTERN LIFE ASSURANCE COMPANY

A satisfactory statement was presented at the recent annual meeting of the Northwestern Life Assurance Company. The company's assets, which amount to $78,542, show an increase of $36,747, or 90 per cent., during the year. Occasionally the younger life insurance companies include in their statement of assets stock notes and balances owing by shareholders, omitting the paid-up capital from the liabilities. Some of the companies reporting to the Dominion insurance department include the total of their Victory bond purchases in their assets while showing the balance to be paid on the liabilities side. Had this company followed these practices in the preparation of the present report, total assets of $286,634 would have been shown, and a surplus to policyholders of $128,402. The company has preferred the more conservative method.

Despite the fact that the company wrote more than $500,000 of business last year, it was possible to increase the surplus by over $3,000. This company has reached, comparatively early in its career, the point at which it is earning surplus. The total life assurance premium income was $30,282, while total expenses of management, including all commissions to agents, represented only $17,251. So far as we know, this is the first Canadian company to show an excess of premium income over management expenses in the second year of operation. The total revenue was $42,623.

"These results have been accomplished," said an officer of the company to *The Monetary Times*, "in the face of the fact that we are putting up reserves greatly in excess of the requirements of the Dominion Insurance Act. There is only one other Canadian company that places all its reserves on the same basis as ours, but, as we treat all whole life and twenty payment policies as endowments maturing at age 85, the reserve which we would provide on such policies would be greater than theirs, thus justifying our claim that our reserves are on the highest basis yet reached by any Canadian life company." Not a single death claim has as yet been reported. Mr. H. R. S. McCabe, who has had considerable experience in the life insurance business, is the managing director of the company. Mr. F. O. Maber is secretary and Mr. W. J. Bright, treasurer; Mr. W. R. Milton, president, and Mr. J. F. C. Menlove, vice-president. Dr. J. A. Gunn, M.D., and Dr. W. A. Clark, M.D., constitute the medical board.

The company wrote $200,000 of new business in connection with its offer to give purchasers ten years to pay for their Victory bonds. This enabled many people to purchase bonds for amounts much larger than would have been otherwise possible. Judging by its financial statement, the company is making good progress.

The Hamilton Provident and Loan Society

Notice is hereby given that the Forty-sixth General Annual Meeting of the Shareholders of this Society will be held at the Society's Office, in Hamilton, on Monday, Fourth day of March next, at twelve o'clock noon, for the purpose of electing Directors to serve for the ensuing year, and for all other general purposes relating to the management of the Society.

A full statement of the Society's affairs for the year ending December 31st, 1917, will also be submitted to the Meeting.

D. M. CAMERON, Treasurer.

"Older than the Dominion of Canada."

THE HURON & ERIE MORTGAGE CORPORATION

Head Offices - - - - LONDON, Can.

Paid-Up Capital and Reserve Fund total over $5,500,000.00

T. G. MEREDITH, K.C., President
HUME CRONYN, M.P., General Manager

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President
NATHANIEL MILLS, Manager

Orders for the new issue of H. M. P. Eckardt's

Manual of Canadian Banking

are now being received
Postpaid anywhere - $2.50

The Monetary Times Printing Company, Toronto, Ont.

"INVESTMENTS"

A MUCH MISUSED TERM

Many who should be, and think they are laying up money for their old age, are misled into so-called "Investments," where their hard-earned money is jeopardized, and frequently lost, though it is of the utmost importance to them and to those who may be dependent upon them that its absolute safety should be beyond peradventure.

To those who should invest safely and with caution, not speculate, the bonds of the Canada Permanent Mortgage Corporation can be confidently recommended. This Corporation is most conservative in the investment of the funds entrusted to it. For more than sixty years it has held a leading position among Canada's financial institutions, and its bonds are a LEGAL INVESTMENT FOR TRUST FUNDS. They are issued for one hundred dollars and upwards. Write for full particulars.

Canada Permanent Mortgage Corporation
Toronto Street - - Toronto
Paid-up Capital and Reserve Fund $11,000,000.00
ESTABLISHED 1855

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 Canada

CAPITAL AND UNDIVIDED PROFITS .. $3,750,000

5½% SHORT TERM (3 TO 5 YEARS) DEBENTURES YIELD INVESTORS 5½%

JOHN McCLARY, President
A. M. SMART, Manager

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY, EDMONTON, SASKATOON, VANCOUVER, VICTORIA, LONDON, ENG. EDINBURGH, SCOT.

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873
31 YONGE ST., TORONTO

Paid-up Capital, $1,250,000 Rest, $800,000 Total Assets, $4,968,953

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary.
V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,530.00 Reserve Fund, $390,000.00
Total Assets, $3,141,401.68
President, WELLINGTON FRANCIS, Esq., K.C.
Vice-President, HERBERT LANGLOIS, Esq.
Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on improved Real Estate on favorable terms.

WALTER GILLESPIE, Manager

FARM PRODUCTS, $607,828,465

That was Saskatchewan's Record in 1917—Farming as a Profitable Business

The statistics branch of the Saskatchewan Department of Agriculture have issued their final report of the grain crops and live stock of the province. These statistics were prepared in co-operation with the Census and Statistics Office of the Dominion government, and it is, therefore, considered that the estimates given are more accurate than ever have been presented before.

In addition to the crop report, an estimate of the revenue to Saskatchewan farmers during 1917 has also been prepared which shows that, although the grain crop of last year was below the average, the price obtained made farming a most profitable occupation.

The statement of the acreage prepared for crop for this year is most gratifying, as it indicates that with average weather conditions during the seeding time the land under crop will show a marked increase.

Revenue to Saskatchewan Farmers.

The following statement shows the estimated value of the products of Saskatchewan exported during the season of 1917:—

	Bushels.	Price.	Value.
Wheat	94,000,000	$1.95	$183,300,000
Oats	25,000,000	.62	15,500,000
Barley	2,500,000	1.00	2,500,000
Flax	4,500,000	2.60	11,700,000
Butter	....	....	500,000
Wool clip	....	....	334,400
Furs, game	....	....	1,750,000
Poultry	....	....	3,290,525
Horses	443	....	77,525
Cattle	110,926	....	7,764,820
Sheep	5,711	....	79,954
Swine	140,095	....	2,801,900
Total			$229,599,124

Yield and Value of Products.

The following is the final estimate of the acreage, yield and value of the products of Saskatchewan to the farmer in 1917:—

	Acreage.	Production.	Yield per acre.	Price.	Value to producer.
Wheat	8,273,253	117,921,300	14.2	$ 1.95	$229,966,900
Oats	4,521,642	123,213,600	27.2	.62	76,392,400
Barley	669,927	14,067,900	21.0	1.00	14,067,900
Flax	753,700	4,710,600	6.2	2.60	12,247,600
Rye	53,269	1,118,000	21.0	1.70	1,900,600
Potatoes	67,700	9,010,000	133.0	.85	7,659,000
Roots	11,104	1,727,000	155.5	.91	1,572,000
			Tons.		
Hay, fodder.	260,275	369,600	1.4	10.12	3,740,000
Alfalfa	9,500	15,300	1.6	13.40	205,400
Fodder corn.	15,658	31,300	2.0	8.00	250,400
Butter, milk, cream, ice cream					8,600,000
Wool clip					334,400
Game furs					1,750,000
Garden products					1,250,000
Poultry and products					4,465,525

Value of Live Stock.

Horses, mules		888,673	$142,187,680
Cows (milk)		354,403	35,440,300
Cattle	Bulls	17,077	52,401,220
	Calves	283,371	
	Steers	129,787	
	Others	426,452	
Sheep		127,892	1,918,380
Swine		573,938	11,478,760
Total value of products to the farmer			$607,828,465
Total value of live stock			243,426,340

Mr. John Paris Bickell, the new president of the Temiskaming Mines, Limited, is also president of the McIntyre Mines, Limited, and of Consolidated Atizona Superstition Mines, Limited. He is a financial broker and has been prominent in the market in Toronto for some years.

LIFE COMPANIES' WAR INVESTMENTS

Actual Total of Conversions Probably Was Over $20,000,000

Commenting upon the table compiled by *The Monetary Times* and printed in the issue of February 15th, regarding the investments of life insurance companies in our four war loans, The Toronto Globe says:—

"The table of *The Monetary Times* shows that the insurance companies converted over $18,000,000 of old loans into the Victory bonds. As details of conversions made by two or three companies (one of them being the Sun Life) were not included in the table, it is to be presumed that the actual total of life insurance conversions exceeded $20,000,000. On analyzing the conversions it is seen that a comparatively small amount of the old bonds converted were eligible for taking up the five-year Victory bonds.

Gives Highest Yield.

"A section of the expert investment public has held that the five-year issue of the Victory Loan represented the best buy, because it gives the highest yield, and because, being short-dated, it is not likely to decline as much as the others in an unfavorable market. The opposite theory is that the 20-year Victory bonds are the best, because they insure to holders an abnormally high return for a long term of years, and because they can rise to much higher levels if the war ends shortly and the heavy government borrowings cease. The life companies in the list above referred to were allotted about $12,000,000 of the 1925 war loan, which was the only one eligible for conversion into the 1922 maturity of the Victory Loan.

Open Market Purchases.

"One large United States company which was allotted $1,000,000 of the first war loan converted it into Victory bonds, and a Canadian company which received $500,000 of the 1925 loan, subsequently purchased $325,000 of the same, and turned in the whole amount to the Victory bonds. In both cases these old bonds would be eligible for taking up the new five-year bonds. Another Canadian company which originally received $500,000 of the 1925 issue bought $335,000 more, and then changed the whole lot into the second war loan, which, of course, could be used only for taking up the 20-year Victory bonds. Still another large Canadian company was allotted $1,500,000 of the first war loan and changed the whole investment later into the third war loan.

"In various cases there were recorded substantial purchases by the insurance companies of first, second and third war loans. It will be remembered that there was an active market at rising prices for the first two loans after the subscription lists closed, and purchases made on these occasions would likely be at prices above the net cost to subcribers.

"After flotation of the third loan, however, the insurance companies and other investors had the opportunity of buying all three of the war issues several points below the issue price; and doubtless some of them then made substantial purchases.

Will not Buy Heavily.

"In view of the large amounts of the Victory issue now held by them it is scarcely expected that the life companies will be extensive buyers of those bonds under the present arrangement whereby the price is fixed at 98⅞. The instances quoted here are interesting in that they throw a side light on the investment policies of the great insurance companies."

SASKATCHEWAN WORKMEN'S COMPENSATION ACT

An entirely new section has been added to the Workmen's Compensation Act of Saskatchewan to the effect that when an accident results in death, and when the deceased's executor, acting on behalf of the dependants of the deceased, arrives at a settlement of the claim with the person against whom the claim is laid, either party may apply to a judge of the district court, or if any of the dependants are minors, to the official guardian, for an order confirming the settlement. If it is confirmed, then the party against whom the claim is made shall be discharged from all further claims thereunder.

NEW ISSUE

Offering of

$6,900,000

Five Year 6% Refunding Gold Bonds

CITY OF MONTREAL

DATED 1st DECEMBER, 1917 DUE 1st DECEMBER, 1922

Interest payable half-yearly—1st June and December.

Principal and Interest payable in Gold at the City Treasurer's Office, Montreal, or at the Agency of the Bank of Montreal, New York.

Bonds issued in Coupon form in denominations of $100, $500 and $1,000.

ISSUE PRICE—PAR.

A full half year's interest will be paid 1st June, 1918.

The bonds therefore give a net yield to the investor of about 6½%

THE BANK OF MONTREAL, Fiscal Agent of the City of Montreal, is authorized to offer the above-named bonds for public sale on behalf of the City, at par, without accrued interest, payment to be made in full on 8th April, 1918, against delivery of the bonds at any Branch, in Canada, of the BANK OF MONTREAL, or of any bank the applicant may specify, or at the Agency of the BANK OF MONTREAL, New York or Chicago.

The issue is made to refund a like amount of Montreal Three-Year 5% Notes, the original issue having been made for public works, in anticipation of a permanent loan.

Beginning 25th February, 1918, applications for the bonds will be received by the BANK OF MONTREAL, MONTREAL, or any of its branches, from whom application forms and copies of the prospectus giving full particulars of the issue may be obtained on request. The offering is subject to withdrawal on or before the 18th March, 1918.

Applications should be addressed to the

BANK OF MONTREAL, MONTREAL

and should contain full instructions as to place of delivery and payment suitable to the applicant, and the denominations of bonds required.

The issue is made with the approval of the Minister of Finance, Ottawa.

THE STANDARD BANK OF CANADA

The Forty-Third Annual Meeting of the Shareholders of the Standard Bank of Canada was held at the Head Office of the Bank, 15 King Street West, Toronto, on Wednesday, the 27th of February, 1918, at 12 o'clock noon.

Amongst those present were the following:—H. T. Carswell (Oshawa), W. F. Allen, J. P. Owens (Oshawa), J. S. Turner (Winnipeg), W. F. Cowan, Jesse Ashbridge, F. W. Cowan, C. H. Meredith, Jas. Hardy, N. L. McLeod (Calgary), N. C. Stephens, Wellington Francis, K.C., A. A. Drummond, John Elliott, Dr. Chas. O'Reilly, H. Langlois, C. M. Gripton, F. Biette (Chatham), W. J. Martin (Penetanguishene), Wm. Crocker, T. H. Wood, R. H. Cosbie, E. A. Bog, David Kidd (New York), H. R. Playter, M. McDonald, Ven. Archdeacon Warren, J. K. Niven, G. N. Brown, W. Gillespie, J. C. Black, Henry Swan, W. C. Boddy, F. Russill, J. W. McLaughlin (Oshawa), C. H. Easson, Lieut.-Col. C. A. Denison, J. R. Howard, F. LeM. Grasett, M.B., Geo. Blaikie, Jas. E. Baillie, Wm. Harvey, H. C. Boomer, J. K. Fisker, H. S. Loudon, H. T. McMillan, W. C. Noxon, H. Gooderham, N. Gash, R. C. Babbitt, F. H. Gray, Lewis A. Howard, E. C. Green, Stephen Noxon, Richard Tew, J. S. Loudon, Dr. T. E. Kaiser (Oshawa).

The chair was occupied by the President, Mr. W. F. Cowan, and Mr. E. A. Bog, Chief Inspector, acted as Secretary to the meeting and read the following report:—

The Directors beg to present to the Shareholders the Forty-third Annual Report and Statement of the affairs of the Bank for the year ending 31st January, 1918.

The Net Profits, after making provision for bad and doubtful debts, rebate of interest on unmatured bills under discount, exchange, cost of management, etc., amount to $649,546.44. This amount, together with the balance forward from last year and $120,047.86 for premium on new stock issued, makes the sum of $923,187.93.

This has been appropriated as follows:—

Four quarterly dividends at the rate of 13% per annum	$442,782.77
Contributed to Officers' Pension Fund	20,000.00
Contributed to Patriotic Funds	31,250.00
War Tax on Bank Note Circulation to 31st of December, 1917	33,891.48
Transferred to Reserve Fund from Premium on New Stock	120,047.86
Reserved for estimated depreciation in securities.	100,000.00
Balance of Profit and Loss Account carried forward	175,215.82

Your Directors deeply regret to record the sudden death, in March last, of our late general manager, Mr. George P. Scholfield, who entered the service of the Bank as a junior clerk in 1883; becoming general manager in 1905, and a director in 1912, under whose management the Bank made marked progress. Your Directors appointed as his successor, Mr. Chas. H. Easson, formerly of the Bank of Nova Scotia.

We also regret having to record the death of Mr. T. H. McMillan, who became a director of this Bank in 1909, when the Western Bank of Canada, of which he had been general manager, was amalgamated with this Bank. The vacancies in the Board have been filled by the appointment of Mr. T. B. Greening and Mr. James Hardy, F.C.A.

During the year, Branches and Sub-Branches of the Bank have been opened at Lethbridge, Alta.; Orion, Alta.; Richlea, Sask. (sub. to Eston); and Westerham, Sask. (sub. to Estuary). The Sub-Branch at Cherry Valley and the Branch at Schumacher, Ontario, were closed.

The usual inspection of the Head Office and Branches has been made, and the duties of the staff have been faithfully and efficiently discharged.

The regular audit of the Bank's affairs has also been made by Mr. G. T. Clarkson, F.C.A., whose report is appended herewith. Mr. Clarkson's name will be again submitted at the Annual Meeting for reappointment as Auditor for the ensuing year.

W. F. COWAN,
President.

Toronto, 31st January, 1918.

GENERAL STATEMENT

LIABILITIES.

Notes of the Bank in circulation		$ 5,484,383.00
Deposits bearing interest (including interest accrued to date)	$40,301,688.95	
Deposits not bearing interest	17,779,014.95	
		58,080,703.90
Dividend No. 109, payable 1st February, 1918		112,094.17
Balances due to other Banks in Canada		1,160,942.63
Balances due to Banks and Banking Correspondents elsewhere than in Canada		1,000,951.10
Acceptances under Letters of Credit		70,036.80
Capital paid up		3,453,290.00
Reserve Fund		4,453,290.00
Balance of Profit and Loss Account carried forward		175,215.82
		$73,990,907.42

ASSETS.

Current coin held by the Bank	$ 1,557,333.80		
Dominion Notes held	10,065,781.00		
Deposit in the Central Gold Reserves	2,500,000.00		
			$14,123,114.80
Notes of other Banks		$ 265,096.00	
Cheques on other Banks		2,822,442.85	
Balances due by Banks and Banking Correspondents elsewhere than in Canada		1,051,210.57	
Dominion and Provincial Government Securities not exceeding ing market value		3,963,591.66	
Canadian Municipal Securities and British, foreign and colonial public securities other than Canadian		7,192,950.65	
Railway and other bonds, debentures and stocks not exceeding market value		892,843.09	
Call and Short (not exceeding thirty days) Loans in Canada on bonds, debentures and stocks		2,037,525.70	
			18,225,660.52
			$32,348,775.32
Other Current Loans and discounts in Canada (less rebate of interest)			39,853,677.77
Liabilities of Customers under Letters of Credit as per contra			70,036.80
Real Estate other than Bank Premises			16,000.00
Overdue debts, estimated loss provided for			111,067.11
Bank Premises, at not more than cost, less amounts written off			1,324,298.44
Deposit with the Minister for the purposes of the Circulation Fund			175,000.00
Other Assets not included in the foregoing			92,051.08
			$73,990,907.42

W. F. COWAN,
President.

C. H. EASSON,
General Manager.

AUDITOR'S REPORT TO THE SHAREHOLDERS.

I have compared the above Balance Sheet with the books and accounts at the chief office of The Standard Bank of Canada, and the certified returns received from its branches, and after checking the cash and verifying the securities at the chief office and certain of the principal branches on January 31st, 1918, I certify that in my opinion such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs according to the best of my information, the explanations given to me, and as shown by the books of the Bank.

In addition to the examination mentioned, the cash and securities at the chief office and certain of the principal branches were checked and verified by me at another time during the year, and found to be in accord with the books of the Bank.

All information and explanations required have been given to me, and all transactions of the Bank which have come under my notice have, in my opinion, been within the powers of the Bank.

G. T. CLARKSON, F.C.A.,
of Clarkson, Gordon & Dilworth, Toronto, Canada.

Toronto, February 18th, 1918.

The President referred to the satisfactory progress made during the year, and the Vice-President, Mr. Wellington Francis, K.C., and the General Manager, Mr. C. H. Easson, also addressed the meeting.

The usual motions were passed and the following Directors were elected for the ensuing year:—W. F. Cowan, W. Francis, K.C., H. Langlois, W. F. Allen, F. W. Cowan, T. H. Wood, T. B. Greening and James Hardy, F.C.A.

At a subsequent meeting of the Directors, W. F. Cowan was elected President, and W. Francis, K.C., Vice-President.

C. H. EASSON,
General Manager.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Brantford, Ont.—February 25—Building, occupied by Joseph Telos, on Ann Street, was damaged. Caused by overheated stovepipe. Estimated loss, $500.

Burlington, Ont.—February 22—Residence of Stewart Bruce at Filman's Corners was destroyed. Estimated loss on building, $7,000; on contents, $3,000.

Cobourg, Ont.—February 22—The Breslin clothing store and stock of Field and Brother was damaged. Estimated loss, $2,000.

East Toronto, Ont.—February 24—The Scarboro' divisional barns of the Toronto and York Radial Railway Company on the Kingston Road were destroyed. Caused by grounded power wire. Estimated loss, $25,000.

Edmonton, Alta.—February 21—Unoccupied building, on Jasper Avenue, owned by the McInnis Lumber Company, was damaged. Cause is thought to be incendiarism. Estimated loss, $3,000.

February 24—The Maryland Hotel, formerly the Empire, and the Drake garage adjoining, containing 100 autos, were destroyed. Estimated loss, $250,000. Insurance carried, $98,000.

London, Ont.—February 19—Mr. Laughton's garage on Wellington Street was damaged. Estimated loss, $1,500.

February 22—Engraving plant of Thomas Knowles, 40 Weston Street, was destroyed. Estimated loss, $18,000.

Moncton, N.B.—February 19—A building, occupied by Roy Spence's grocery store, a Chinese laundry and two families, was destroyed. Estimated loss, $3,000. Insurance carried was $3,000.

New Liskeard, Ont.—February 19—The Wismer block on Armstrong Street was destroyed. Post-office, drug store and Canadian Express office were destroyed.

Newmarket, Ont.—February 20—The King George Hotel, conducted by George Brown, was damaged. Caused by accidental dropping of match in washroom. Estimated loss, $500.

Peterboro', Ont.—February 23—The Peterboro' Planing Mill was destroyed. Estimated loss, $10,000.

Port Huron, Ont.—February 24—Buildings owned by Robert Walsh were destroyed. The following are the occupants: Meise Company, dry goods; Londy and Company, cloaks and suits; McElroy Shoe Company, Mahar Shoe Company, Henson Clothing Company, Athenian Candy Company and the Millinery Stores Company. The estimated loss is $75,000.

St. Amable de Vercheres, Que.—February 21—House of Louis Beauchemin was destroyed.

South Hill, Sask.—February 22—Home of C. J. Lambertus, 212 Riverside Street, was damaged. Estimated loss, $200.

Toronto, Ont.—February 22—Building of Gunn's abattoir on St. Clair Avenue was damaged. Caused by overheated kiln. Estimated loss, $200.

February 26—The Hunter-Rose building, 12 Sheppard Street, was damaged. Estimated loss on building, $3,000. A loss of $17,000 is divided among the following companies: Thermos Bottle Company, Mark Cross, Limited, G. W. Shook Optical Company and the Hygienic Containers, Limited.

Winnipeg, Man.—February 19—House of P. Pinchuk, 710 Magnus Avenue, was damaged. Caused by overheated stovepipe. Estimated loss, $1,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Moose Jaw, Sask.—February 3—Household goods and furniture of M. A. Hutchins were destroyed. Caused by head flying off match on to carpet recently cleaned with gasoline. Estimated loss, $1,300. The insurance of $1,000 was carried in the Glens Falls Insurance Company.

MONEY MARKETS

Mr. John Seath, Jr., reports the following sterling exchange rates to *The Monetary Times*:—

	Between banks.		
	Buyers.	Sellers.	Counter.
N.Y. funds	⅞ prc.	15-16 prc.	....
Mont. funds	5c. dis.	par	⅛ to ¼
Sterling—			
Demand	$4.79.60	$4.79.80	$4.82
Cable transfers	$4.80.85	$4.81.10	$4.83

Rates in New York, sterling, demand, $4.75.25; cables, $4.76 7-16. Francs in New York, demand, $5.72⅝; cables, $5.70⅝. Bank of England rate, 5 per cent.

MONTREAL LIFE UNDERWRITERS HOLD MEETING

The Montreal Life Underwriters' Association took the occasion of the mid-year meeting in Montreal of the members of the executive council of the Life Underwriters' Association of Canada to hold their monthly luncheon at the Queen's Hotel recently. The gathering was one of the largest of the season, and was presided over by Mr. J. P. Rowley, president of the local association.

The guests were: Mr. Lawrence Priddy, of New York, president of the National Association of Life Underwriters of the United States; Mr. Neil D. Sills, of Richmond, Virginia, ex-president of the National Association; and the following officers and members of the executive council of the Life Underwriters of Canada: President, J. T. Wilson, Halifax; vice-president, T. J. Parkes, Sherbrooke; honorary secretary, Geo. H. Hunt, Toronto; general secretary and treasurer, J. H. Castle Graham, Toronto; chairman of executive, Geo. Williams, Montreal; past presidents, W. Lyle Reid, Ottawa; Homer Vipond and A. J. Meiklejohn, Montreal; also the following: J. B. Hall, Toronto; M. G. Bingeman, Toronto; C. E. Bissell, Brockville; T. B. Parkinson, London; W. J. Fair, Kingston; Geo. Alexander, Richmond; W. G. Keddie, Ottawa; A. S. Wickware, Ottawa; C. A. Butler and Chas. C. Gauvin, Montreal.

The meeting was addressed briefly by Mr. J. T. Wilson, of Halifax, president of the Canadian Association, and at greater length by Mr. Lawrence Priddy, of New York, president of the National Association. He said that the entry of the United States in the war on the side of the Allies had obliterated the imaginary line between the two countries, and that the insurance men, who had always been on the friendliest terms, were to come more closely together by holding a joint convention in New York City on September 4, 5 and 6 next. From the plans worked out at the meeting of the two executives this coming convention promises to be one of the largest and most representative gatherings of insurance men held on this continent.

The Canada National Fire Insurance Co.

HEAD OFFICE, WINNIPEG, MAN.

Seventh Annual Report of the Directors:

To the Shareholders:

Your Directors have pleasure in submitting for your consideration their Seventh Annual Report of the Company's affairs, also the Statement of Assets and Liabilities, and Revenue and Expense Accounts for the year ended December 31st, 1917, duly certified by the Company's Auditors.

The year 1917 opened up with practically the same conditions prevailing throughout the country as were experienced in the previous year. While the Dominion was enjoying a large measure of prosperity, due to bountiful crops and abnormally high prices, and the industrial life of our country was unusually active, being greatly stimulated by the war, yet the flourishing conditions in general business which maintained prior to the war, had not been restored to any great extent in some of our leading industries.

Take, for example, building operations which were proceeding a few years ago on such a large scale. While there has naturally been a certain amount of building going on in the ordinary course of events, the proportion, as compared with that of (say) four or five years ago, is relatively very small.

It is well for the shareholders to keep this point in mind when reviewing the progress made by this Company, as new buildings constitute a valuable and important source of business for a Fire Insurance Company.

Our Company had just got nicely started in business when war broke out, accompanied by a general business and financial depression, and a decided falling off in building operations, resulting in a greatly decreased volume of fire insurance, as compared with that available in normal times. In view of this situation, it will be interesting to review the amount of fire insurance written by this Company during the last four years:—

1914	$22,152,139.00
1915	23,223,662.00
1916	21,892,153.00
1917	20,002,346.00

While it is difficult to predict at this early date what will be the results of the present year's operations, your Directors confidently expect that the record of the last few years as regards business written, will be fully maintained and possibly excelled.

The premiums on the gross insurance written in 1917 amounted to $240,824.04, while re-insurance premiums were $82,884.27. The gross amount of insurance in force at December 31st, 1917, was $31,076,730.00, the premiums thereon amounting to $431,604.36.

Total amount of re-insurance in force at the same date was $8,384,803.00, on which the premiums amounted to $108,204.20. The net amount of insurance in force at the close of the year was $22,691,927.00, on which the premiums amounted to $323,400.16.

Notwithstanding the fact that the aggregate fire losses in Canada and the United States were unusually high in 1917, the losses in Canada, exclusive of the Halifax disaster, being about $1,000,000.00 more than in the previous year, the fire loss ratio of this Company was 46.65 per cent. as compared with 67.18 per cent. in 1916.

This is a very gratifying feature of the year's operations, and indicates unusual care exercised by the Underwriting Department of the Company. It is generally understood that war conditions have a material bearing and influence on the number of fires which have occurred during the past three years or more, and special precautions have been taken to counteract this as far as possible.

Regarding the Company's investments, it will be noted that they consist very largely of first mortgages on improved real estate; this item amounting to $1,625,236.20, an increase of $180,872.03 over the previous year. Considering the abnormal times due to the war and other causes, the payments of interest and principal have been reasonably well met. With the margin of security with respect to our mortgage loans, it is not anticipated that the Company will sustain any loss either on our loans or on properties foreclosed by the Company.

With the view, however, of providing for any contingencies arising out of possible depreciation in mortgages, stocks and other securities of the Company, your Directors have deemed it advisable, and in the best interests of the Company, to create a Contingent Reserve Fund, and have, accordingly, set aside to this Fund, the sum of $75,000.00.

In the matter of Stocks, Bonds and Debentures, these amounted to $164,906.11, including some $76,000.00 paid on account of Dominion Government War Bonds. These investments are of a high order and yield a satisfactory rate of interest.

During the year, the Company adhered to its policy of maintaining large cash reserves; the amount in banks and on hand at the end of the year being $223,487.16.

Dominion Government Reserve, which is the Reserve set aside for unearned premiums, amounted to $124,525.92. Re-insurance premiums held on deposit amounted to $56,777.61, practically the same as last year.

Profits from Mortgage investments, stocks, bonds, debentures and other sources amounted to $148,205.93, an increase over the previous year of $4,022.87. Net fire premiums, after the usual deductions for cancellations, rebates and re-insurance, were $157,939.77, while the net fire losses amounted to $73,657.87, as compared with $117,571.07 for 1916, showing a substantial reduction of $43,913.20.

The Expenses for the year showed a falling off of $5,774.58. It will probably be recalled that, in the last Annual Report, attention was drawn to the fact that the Expense Ratio in the Underwriting Department had then reached the low level of 32.80 per cent., which, for a young Company, was considered very satisfactory. Your Directors are doing all in their power to keep the expenses down as low as possible.

Dividends on Capital Stock at the usual rate of six per cent. per annum, amounted to $105,193.59, an increase over last year of $5,957.69. During the year there was paid on account of Capital Stock $53,887.93, the paid-up Capital now amounting to $1,762,048.65.

With respect to Surplus to Policyholders, this item now stands at $2,000,017.06. The Shareholders will be pleased to learn that this Company still maintains the premier position among Canadian Fire Companies as regards Surplus to Policyholders.

In view of its strong financial standing, your Directors feel that this Company, being a purely Canadian one, should receive the liberal support and patronage of the Canadian people.

Due precaution has been taken in the selection of risks, as is evidenced by the low loss ratio maintained from year to year, notwithstanding the unusually large fire losses throughout the Dominion during the past four years.

While the war continues, it is unreasonable to expect the Company to make the material progress which might be anticipated in normal times, nevertheless, every possible effort will be put forth during the present year, and your Directors feel confident that, if the Shareholders will continue to extend their patronage and co-operation, as they have done in the past, the Company will experience another successful year.

In this connection, your Directors wish to cordially thank all those shareholders who have contributed to the success and progress of the Company, and can assure the Shareholders in general, that if they will only heartily co-operate with the Directors and the Management, they will render a great service to their own Company and contribute in no small measure, to its material welfare.

Your Directors wish to express their appreciation of the services rendered by the Officers and Staff as well as the numerous agents of the Company.

J. H. G. RUSSELL, President.

Winnipeg, February 16th, 1918.

The election of Directors for the current year resulted as follows: J. H. G. Russell, W. T. Alexander, D. E. Sprague, J. G. Hargrave, F. H. Alexander, Dr. A. D. Carscallen, E. L. Taylor, S. D. Lazier, R. G. Affleck, Hon. A. C. Rutherford, Edmonton, Alta.; F. N. Darke, Regina, Sask.; Thos. S. McPherson, Victoria, B.C.; Andrew Gray, Victoria, B.C.

At a subsequent meeting of the new Board of Directors, J. H. G. Russell was elected President; Major D. E. Sprague and F. H. Alexander, Vice-Presidents; and W. T. Alexander, Managing-Director.

Financial Statement, 31st December, 1917

ASSETS.

Mortgage Loans on Real Estate and Accrued Interest		$1,625,236.20
Stocks and Bonds (at Cost) and Accrued Interest		164,906.11
Real Estate—Head Office Property	$163,752.07	
Real Estate other than Head Office Property	141,540.56	
		305,292.63
Office Furniture and Fixtures, Maps and Plans, less depreciation		19,053.84
Accounts Receivable		8,758.77
Agents' Balances		40,899.43
Cash in Banks and on hand:		
Imperial Bank	$158,249.31	
Northern Crown	42,414.90	
Royal Bank	11,184.85	
Cash on Hand	11,638.10	
		223,487.16
		$2,387,634.14

LIABILITIES.

Government Reserve for Unearned Premiums		$ 124,525.92
Losses Unpaid (in course of Adjustment)		16,492.00
Accounts Payable		9,627.96
Reinsurance Premiums (held as Reserves on Deposit)		56,777.61
Dividend for Year Ending 31st December, 1917.		105,193.59
Contingent Reserve Fund		75,000.00
Capital Stock Subscribed $2,050,400.00		
Paid Up	$1,762,048.65	
Net Surplus	237,968.41	
Surplus to Policyholders		2,000,017.06
		$2,387,634.14

REVENUE.

Balance Brought Forward from 1916		$ 406,262.58
Profits from Mortgages, Stocks and other Sources		148,205.93
Fire Insurance Premiums for 1917	$240,824.04	
Less—Reinsurance thereon	82,884.27	
		157,939.77
		$ 712,408.28

EXPENDITURE.

General Expenses, Salaries, Commissions, etc.:—		
Loan and Investment Department	$ 43,255.90	
Fire Department	50,689.50	
		$ 93,945.40
Losses and Loss Adjustment Expenses	$125,839.04	
Less—Reinsurance Recoveries	52,181.17	
		73,657.87
Depreciation Written off Furniture and Maps		2,117.09
Dividend for Year ending 31st December, 1917		105,193.59
Contingent Reserve Fund		75,000.00
Reserve for Unearned Premiums	$124,525.92	
Net Surplus	237,968.41	
Balance		362,494.33
		$ 712,408.28

AUDITORS' REPORT.

To the Shareholders:—

We beg to report that we have audited the Books and Accounts of The Canada National Fire Insurance Company for the year ending 31st December, 1917, and have found them properly stated and sufficiently vouched. We have verified the Cash on Hand and in Banks and the Mortgages and other Securities. In our opinion the Balance Sheet presents a correct view of the state of the Company's affairs as at 31st December, 1917, according to the best of our information and the explanations given us, and as shown by the Books of the Company.

(Signed) D. A. PENDER, COOPER, SLASOR & CO., C.A.

Winnipeg, 16th February, 1918.

BANK CLEARINGS

The following are the bank clearings for the weeks of February 22nd, 1917, and February 23rd, 1918, respectively, with changes:—

	Week ended Feb. 23, '18.	Week ended Feb. 22, '17.		Changes.
Montreal	$ 74,315,203	$ 65,139,044	+	$ 9,176,159
Toronto	51,601,982	48,556,682	+	3,045,300
Winnipeg	39,670,456	30,706,142	+	8,964,314
Vancouver	8,465,966	6,414,372	+	2,051,594
Ottawa	5,483,775	4,701,999	+	781,776
Calgary	5,908,875	4,244,308	+	1,664,567
Hamilton	4,752,320	3,791,429	+	960,891
Quebec	3,384,808	2,896,020	+	488,788
Edmonton	3,017,538	2,165,776	+	851,762
Halifax	2,951,268	2,837,784	+	113,484
London	1,916,525	1,816,332	+	100,193
Regina	2,536,724	1,915,701	+	621,023
St. John	1,852,628	1,675,802	+	176,826
Victoria	1,662,158	1,390,736	+	271,422
Saskatoon	1,390,756	1,210,318	+	180,438
Moose Jaw	1,107,162	1,118,278	—	11,116
Brandon	490,333	408,168	+	82,165
Brantford	741,391	760,693	—	19,302
Fort William	595,796	476,758	+	119,038
Lethbridge	541,552	528,279	+	13,273
Medicine Hat	491,435	402,557	+	88,878
New Westminster	292,102	266,372	+	25,730
Peterboro	582,934	533,857	+	49,077
Sherbrooke	840,188	710,125	+	130,063
Kitchener	537,571	528,551	+	9,020
Totals	$215,131,446	$185,106,083	+	$29,935,363

SALE OF SHARES ACT IN SASKATCHEWAN

A number of minor amendments have been made to the Sale of Shares Act of Saskatchewan. The provisions of the act will not in future apply to companies incorporated under Section 22 of the Companies Act. These are companies for promoting art, science, religion, charity, etc. A number of amendments have been made to Section 6, detailing the material which has to be filed before the shares are permitted to be sold. Section 9, detailing the conditions under which a certificate permitting the sale of shares may be granted, has been redrawn, but not materially altered.

Without first notifying the local government board, it is not permissible for a company to alter its charter, memorandum of association or incorporation, its constitution or by-laws. If the board is not notified of such a change, the company's certificate may be revoked, and no business may then be transacted until a new certificate has been obtained. The principal amendment, however, relates to the granting of certificates to mining companies in the province. It is, of course, impossible to say, until the mine is developed, whether a fair return upon the shares can be promised, and a special certificate in respect to the sale of shares of such companies is provided for.

The clause dealing with prosecutions and penalties has been redrawn. A person doing anything forbidden by the act, or who fails to observe the conditions or restrictions under which the certificate regarding mining companies is issued, may be fined from $50 to $500, and in default may be imprisoned for a term not exceeding six months, but if the accused was the holder of an agent's license, and was not aware of the revocation of that license, or that his company had forfeited its rights, he shall not be convicted of the offence of selling shares contrary to the act.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

The offering of $6,900,000 five-year 6 per cent. refunding gold bonds of the city of Montreal is the outstanding feature of the municipal bond market. The subscription lists for these bonds opened on Monday and will close on or before March 18th. Undoubtedly, the desirable changes which are being brought into force in regard to the government of the city of Montreal will materially assist the sale of the bonds. The Bank of Montreal, acting as the city's fiscal agent, is making the offer by public sale. The bank will not conduct a selling campaign in the sense of circularizing investors. It is prepared to receive at any of its branches applications that investors may wish to file for participation in the loan. The actual selling campaign in the sense of a general canvass will be conducted through stock exchange firms, bond companies, trust companies, etc., much as in the case of the Victory Loan. These selling agencies will be allowed a commission on the bonds they sell, but their participation in the canvass involves no liability, as would be the case if they were asked to underwrite the bonds. As they secure buyers for the bonds they will turn in their clients' applications and will be granted commissions for the bonds thus placed. They may apply for bonds in their own names, with a view to subsequent sale to clients, but the issue differs from the average loan of the kind, in that it is not being sold in the first place to a syndicate of underwriters, to be distributed by them among investors.

The bonds are being offered at par and are dated December 1st, 1917. As a full half-year's interest will be paid on June 1st, although subscriptions for the issue will not be due until April 8th, the privilege of the first coupon makes the net yield of the bonds about 6½ per cent. The bonds will be issued in coupon form in denominations of $100, $500 and $1,000, with principal and interest payable in gold at the city treasurer's office at Montreal, or at the agency of the Bank of Montreal in New York. The interest dates are June 1st and December 1st. The issue is being made to refund $6,900,000 three-year 5 per cent. notes of the city which fell due in New York last December, temporary arrangements having been made through the Bank of Montreal at the time to finance the maturity. Since 1914 the city has been maintaining a sinking fund at the rate of 4½ per cent. per annum against the ultimate redemption of a permanent loan which was in view when the three-year note issue was sold to New York bankers. The present issue is made with the approval of the minister of finance.

Edmonton, Alta.—As the city has a heavy amount of short-date liabilities maturing this year it must raise about $3,500,000.

Sandwich, Ont.—A block of $72,216.79 10, 15, 20 and 25-year 6 per cent. bonds has been awarded to Messrs. C. H. Burgess and Company, Toronto.

Hamilton, Ont.—On February 18th, the board of control made reductions amounting to $75,000 in the estimates, and the members now believe that they will be able to get along on a 27-mill rate, an increase of 4 mills over last year.

Toronto, Ont.—The total amount of assessment for the year 1918 as returned by assessors is $605,107,430, as compared with the assessment of $588,420,313 in 1917, as finally revised. This makes an increase in 1918 of $16,687,117 which is made up as follows: Land, $2,579,285; buildings, $7,092,708; business assessment, $2,167,859; income, $4,847,265.

Greater Winnipeg, Man.—Over $1,000,000 worth of bonds of the Greater Winnipeg Water District have been sold for further work of constructing the pipe line which is to bring Winnipeg's water supply from Shoal Lake, according to Commissioner Waugh. In view of the success which has attended the issue of small denominations of $100, an arrangement has been made to divide several of the $1,000 bonds into the smaller denomination.

Port Moody, B.C.—The annual financial statement and report has been submitted to the city council for 1917. The general income for the year ended December 31, totalled $30,306, and the general expenditure $19,246, leaving a credit surplus of $11,059. The school accounts also showed an excess of income over expenditure of $1,044. The total land taxes assessed for the year was $36,913, of which $18,024 was outstanding at December 31. The balance sheet showed total assets $265,060 and liabilities $208,141, giving a surplus of assets $56,918. There is a contingent liability of $100,000 secured by the site, buildings and plant of the steel works.

New Westminster, B.C.—Assessment Commissioner Broad has this year placed the total valuation of the city for taxation purposes at $12,191,500. Of this amount $12,115,500 is the assessed land value, and $76,000 is of taxable improvements, mainly buildings on leased waterfront property outside of the improved area. The total is approximately 10 per cent. lower than 1917, which in turn was about 10 per cent. lower than in 1916. The figures for the three years are as follows: 1918—Land, $12,115,500; taxable improvements, $76,000. 1917—Land, $13,458,395; taxable improvements, $81,900. 1916—Land, $14,953,825; taxable improvements, $81,900.

London, Ont.—An offering of $1,346,000 5 and 10-year 6 per cent. gold bonds is being made by a syndicate comprising Messrs. Wood, Gundy and Company, Dominion Securities Corporation and A. E. Ames and Company, of Toronto; 99.47 and interest for 1923 maturity, and 99.08 and interest for 1928 maturity. London is well and favorably known as the financial, wholesale and distributing centre of western Ontario. It is a manufacturing centre of great importance, is situated in one of the best farming centres of Canada, and is substantial in every respect. Probably never before have London bonds been offered on so favorable a basis.

Alberta.—Messrs. W. Ross Alger and Company, Edmonton, have purchased the following Alberta school district debentures: Sutherland S.D., $450 7 per cent. debenture, payable in ten serials; Tipperary S.D., $500 7 per cent. debenture, payable in ten serials; Adshead S.D., $1,200 7 per cent. debenture, payable in ten serials; Donaldson S.D., $1,200 7 per cent. debentures, payable in ten serials; Village of Spirit River, $2,000 6 per cent. debenture, payable in ten serials; Duchess S.D., $2,500 7 per cent. debenture, payable in ten serials; Grande Prairie S.D., $3,000 7 per cent. debenture, payable in twenty serials; Gladys S.D. $2,000 7 per cent. debenture, payable in five serials; Cereal S.D., $3,500 7 per cent. debenture, payable in ten serials; Bow Island S.D., $16,000 6½ per cent. debenture, payable in twenty serials.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from February 11th to February 15th, 1918:—

School Districts.—Runnymeade, $2,000 10-years not ex. 8 per cent. instalment; J. H. Mather, Winthorpe. Grafton, $2,000 10-years not ex. 8 per cent. annuity; A. W. Ellery, Calderbank.

The following is a list of debentures reported sold from February 11th to February 15th, 1918:—

School Districts.—Twin Hill, $2,000, Warcop, $1,800; Great-West Life Assurance Company, Winnipeg.

Rural Telephone Companies.—South Forget, $1,100; E. M. Blain, Forget. Kaiser, $1,000; R. J. Hill, Kaiser. Friedland, $3,900; Regina Public School Sinking Fund. Ruddell, $15,300, South Churchbridge, $2,700, Alida, $3,800, Fillmore, $1,300, Storthoaks, $2,400; W. L. McKinnon and Company, Regina.

Village.—Harris, $5,000; C. W. Dickey, Harris.

Toronto, Ont.—City Treasurer Bradshaw submitted a statement to the board of control on Tuesday showing that the gross debenture debt of the city now amounts to $107,217,793, involving an annual charge for interest and sinking fund of $8,901,655. On these annual charges $5,086,565 is raised from sources other than taxation, and $3,815,090 by direct taxation. Debentures to the amount of $100,323,433 have been issued and sold, while the balance of $6,894,360 are still unnegotiated. Attention was directed to the fact that the gross school debt, that is for public, high, commerce, technical, industrial and separate schools, amounted to $14,769,919, necessitating the raising of $883,994 annually. The local improvement debt is $24,920,234, upon which the annual charges for interest and sinking fund are $3,092,315. Of the latter amount $1,183,566 is taken out of the taxes and $1,908,749 is paid by the property owners benefited, and is an

Ottawa Light, Heat & Power Co., Limited

Operating The Ottawa Electric Co. and The Ottawa Gas Co.

OTTAWA, ONTARIO

Twelfth Annual Report

of the Directors

To the Shareholders;

The Directors now submit their Annual Report accompanied by Financial Statements covering the operation of The Ottawa Electric Company and The Ottawa Gas Company for the fiscal year ending December 31st, 1917.

The Ottawa Electric Company has overcome the reductions in rates which were brought into effect early in 1916, and has further overcome the loss in revenue due to the changing of flat rate commercial accounts to the meter system.

The Ottawa Gas Company, early in the summer of 1917, was face to face with the abnormal rise in the cost of coal. To meet this, it was necessary to increase the price of gas from $1.10 gross to $1.25, with the usual 10% discount for prompt payment. While this increase in rate may not be sufficient to fully cover the higher cost of production, the company has, due to new business, and an increased consumption on the part of customers, been able to show substantial increases in gross and net revenue.

The revenues from all sources aggregate $957,300.39, an increase of $123,108.19 over last year.

The expenses of management, operation and maintenance, togethrr with bond and bank interest, amount to $711,159.61, an increase of $108,829.04. This is satisfactory, when it is considered that the extra cost of coal for generating purposes was alone over $70,000.

After deducting from the gross revenue the gross expenditure, which includes bond and bank interest, the net surplus for the year is $246,140.78.

The sum of $109,563.23 has been expended upon Capital Account.

The balance at the credit of Profit and Loss Account with the addition of this year's surplus is $305,017.68. From this four quarterly dividends at the rate of 6% per annum have been paid, amounting in all to $209,945.20. After making provision for bad and doubtful debts, there remains $85,499.48 at the credit of Profit and Loss Account, and $720,000 at the credit of Reserve Account.

All of which is respectfully submitted.

T. AHEARN, *President.*

OTTAWA, *February 18th, 1918.*

BALANCE SHEET, December 31st, 1917

ASSETS

Cash on hand		$ 400.00
Accounts Current:—		
(a) Electricity and Gas Supply for light, heat and power, residuals, etc.	$296,547.38	
(b) Merchandise	54,964 57	
(c) Bills Receivable	10,928.78	
(d) Sundry Accts. Receivable	54,337 86	
	416,778.59	
(e) Less amount set aside to provide for bad and doubtful debts	29,066.44	
		387,712.15
Merchandise and stores		148,187.35
Property, Plant and Equipment		5,761,485.87
Supplies on hand at date of Dec. 31st, 1917		60,723.45
		6,358,508.82

LIABILITIES

Bonds:—		
(a) The Ottawa Electric Co., First Mortgage Bonds	$500,000.00	
(b) The Ottawa Electric Co., Refunding and 1st Mortgage Bonds	625,000.00	
(c) The Ottawa Gas Company Consolidated Bonds	150,000.00	
		1,275,000.00
Accounts Payable:—		
(a) Banks	278,531.89	
(b) Trade	215,957.45	
(c) Bills Payable	300,000.00	
		794,489.34
Total to the Public		2,069,489.34
Capital paid in	3,483,520 00	
Reserve Account	720,000.00	
Profit and Loss	85,499.48	
Total to Shareholders		4,289,019.48
		$6,358,508 82

PROFIT AND LOSS ACCOUNT from Jan. 1st, 1917, to December 31st, 1917

CR.

Balance at Credit Dec. 31st, 1916	$ 58,876.90
Surplus of Revenue over Expenditure for year ending Dec. 31st, 1917	246,140.78
	$305,017.68

DR.

Dividends for the year 1917	$209,945.20
Amount set aside for Bad Debts	9,573.00
Balance at Credit Dec. 31st, 1917	85,499.48
	$305,017 68

REVENUE AND EXPENDITURE for Fiscal Year ending Dec. 31st, 1917

REVENUE

Gross Revenue from all sources, viz:—	
Electricity and gas supply for light, heat and power, including sales of Coke, Tar and other residuals	$357,300.39
	$ 957,300.39

EXPENDITURE

Gross cost of Management, Operation and Maintenance		$611,909.84
Showing a Gross Credit Balance of	$345,390.75	
To the Expenses above the following charges are added:—		
Interest on Bonds		63,862.50
Interest on Current Liabilities		35,387 47
Making the Gross Expenditure		711,159.61
Leaving a Surplus of Revenue over Expenditure		246,140.78
		$ 957,300.39

DIRECTORS

Ottawa Light, Heat & Power Co., Ltd.

T. AHEARN, ESQ., President
HON. E. H. BRONSON, Vice-President
JAMES MANUEL, ESQ. C. J. MCCUAIG, ESQ.
WARREN Y. SOPER, ESQ. D. R. STREET, ESQ.
A. A. DION, ESQ. P. W. FEE, ESQ.
D. R. STREET, Secretary-Treasurer

Ottawa Electric Co.

T. AHEARN, ESQ., President
HON. E. H. BRONSON, Vice-President
W. J. BASKERVILLE, ESQ. WARREN Y. SOPER, ESQ.
L. CRANNELL, ESQ THOMAS WORKMAN, ESQ.
JAMES MANUEL, ESQ. A. A. DION, ESQ.
D. R. STREET, Secretary-Treasurer

Ottawa Gas Co.

T. AHEARN, ESQ., President
JAMES MANUEL, ESQ., Vice-President
J. ROBERTS ALLAN, ESQ. WARREN Y. SOPER, ESQ.
A. A. DION, ESQ. R. H. HAYCOCK, ESQ.
D. R. STREET, Secretary-Treasurer

1/3/18

extra tax upon their properties. No cognizance is taken of this in the tax notices sent out to the ordinary citizens, consequently only those directly affected know what an additional burden this really is.

Burnaby, B.C.—A comparative statement has been prepared by the treasurer of the municipality, showing that in 1913 the city's collection of taxes stood at $379,106, including arrears, against a levy of $586,600. In 1914 the collection was $300,228, with a levy of $467,000. In 1915 the total collection dropped to the lowest point, being only $244,995, while the levy for that year was $408,900. The increase on receipts commenced in 1916 with the total collection $273,327, while the levy dropped still lower than the previous year, coming down to $386,500. Last year collections were even better than in 1916, standing at $290,912, the levy coming down to $372,100. Since 1913 the levy for taxes has dropped to $214,500. The assessment has also been lowered proportionately, going from $21,000,000 in 1913 to $16,000,000 at the present time. The mill rate for 1918, although not confirmed by the council, has been set at 20 on improved land and 40 on wild land, which is an increase of two mills in each case over last year's levy. In 1916 in the conversion of the bonds $716,000 of the bonded debt was dropped. In 1917 the interest on the serial bonds was met and $31,000 of the principal paid off the debt, and when making the arrangements with the bank for the annual loan to carry the municipality for the first six months, the council is making provision for taking care of the 1918 payment on this debt, which will be $32,000. Each year the interest is being reduced, and the principal being paid off is increased. When the June payment is made the debt of the corporation will have been reduced from $3,003,150 in 1916 to $2,224,150. Under the serial bond system adopted in 1916 the debt of the corporation will be reduced this year again by $32,000. Burnaby's debt in 1916 was $3,003,150 under the system of sinking fund debentures. Reeve Fraser and Clerk Moore devised the scheme of converting these bonds into 20-year serial bond debentures, each year paying off a proportion of the bonded indebtedness of the municipality by paying off a part of the principal. In this way the interest for the next year was reduced, and that interest added to the capital paid off the following year.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

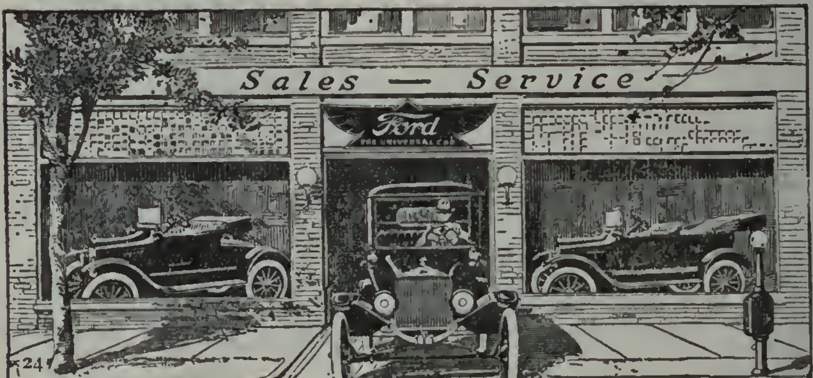
The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. MORROW & JELLETT, Members. Toronto Stock Exchange, 103 Bay Street Toronto:—

Feb. 27th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canada Cement	7	90	7.77
Canada Steamships	7	77	9.09
Canadian Locomotive	7	83	8.43
Mackay Companies	4	63	6.34
Maple Leaf Milling	7	94	7.44
Penmans	6	82	7.31
Steel of Canada	7	88	7.95
Common:			
Bell Telephone	8	130	6.15
B. C. Fishing and Packing	4	41	9.75
Canada Cement	6	59	10.17
Canadian Locomotive	6	58	10.34
Canadian General Electric	8	104	7.69
Consumers' Gas	10	147	6.80
Canadian Pacific Railway	10	147	6.80
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundry & Steel	8	61	13.11
Dominion Steel Corporation	5	61	13.11
Mackay Companies	6	78	7.67
Maple Leaf Milling	10	98	10.20
Penmans	4	74	5.40
Steel Co. of Canada	6	54	11.11
Toronto Railway	4	58	6.89
Twin City	6	63	9.52
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	97	6.18
Canada Steamships	6	80	7.50
Canadian Locomotive	6	88	6.81
Penmans	5	87	5.74
Steel of Canada	6	89	6.74
*First War Loan, 1925	5	94¾	5.26
*Second War Loan, 1931	5	93½	5.34
*Third War Loan, 1937	5	93	5.37
Victory Loan	5½	98⅞	5.55
.....	....	....	....

*Yield on stock basis.

Hon. W. J. Hanna, K.C., has been appointed president of the Imperial Oil Company of Canada in succession to Mr. Walter C. Teagle, now president-elect of the Standard Oil Company of New Jersey.



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ONE-TON TRUCK - $750

F. O. B. Ford, Ont.

Ford Motor Company of Canada, Limited Ford, Ontario

FIFTY-EIGHTH ANNUAL REPORT

THE LONDON MUTUAL FIRE INSURANCE CO. OF CANADA

DIRECTORS' REPORT

To the Shareholders and Members of the London Mutual Fire Insurance Company of Canada

Your Directors herewith submit the Fifty-eighth Annual Statement and Balance Sheet, duly certified by the Auditor, showing the receipts and expenditures for the year, as well as the Assets and Liabilities of the Company as at December 31st, 1917.

The operations of the Company for the year 1917 resulted in a profit of $40,656.06, after providing for all bad and doubtful debts and outstanding liabilities. Of this amount $15,000 has been set aside as a reserve for possible future losses on investments, and the balance $25,656.06 has been added to the surplus.

The net premium income for the year was $399,923.15, an increase of $36,239.26, while both the loss and expense ratios have been satisfactory.

The reinsurance reserve, full Government Standard, stood at $279,095.52, an increase of $6,763.07; the Cash Surplus $141,559.57, an increase of $25,656.06, and the Capital Stock paid up at $19,250.00, an increase of $1,750.00. The total Cash Security for Policyholders was $502,417.97, an increase of $31,301.14, in addition to which there is the unassessed portion of premium notes, which amounts to $250,999.09, an increase of $3,507.16, making the total Security to Policyholders $753,417.06, an increase of $34,808.30, and a total Surplus to Policyholders of $411,808.66, an increase of $30,913.22.

The retiring Directors are A. H. C. Carson, R. Home Smith, and A. C. McMaster, all of whom are eligible for re-election.

Your Directors desire to thank the Agents of the Company for their support, and they also wish to express their appreciation of the work of the field and office staffs during the past year.

All of which is respectfully submitted.

A. H. C. CARSON,
President.

Toronto, 23rd of February, 1918.

FINANCIAL STATEMENT AS AT DECEMBER 31st, 1917.

Assets.

Bonds, Debentures and Shares with Accrued Interest		$238,844.96	
Mortgages Receivable with Accrued Interest		14,893.78	
Call Loan		700.00	
Rents Accrued		420.00	
Due by Reinsurers		685.08	
Agents' Balances		54,828.52	
Cash on hand and on deposit		58,529.49	
			$368,901.83
Office Furniture and Goad's Plans	$ 27,218.92		
Less Reserve for Depreciation	17,218.92		
		$ 10,000.00	
Real Estate and Buildings	$166,576.22		
Less Reserve for Depreciation	4,849.14		
	$161,727.08		
Less Mortgage Payable and Accrued Interest	38,210.94		
		123,516.14	
			133,516.14
Unassessed Portion of Premium Notes			250,999.09
			$753,417.06

Liabilities.

Unadjusted Fire Losses	$ 27,810.56	
Government Taxes Accruing	5,566.94	
Due for Reinsurance	9,480.11	
Sundry Accounts Payable	1,155.27	
Provision for Agents' Bonuses	3,500.00	
		$ 47,512.88
Reserves:—		
For Investments	$ 15,000.00	
For Reinsurance, Full Government Standard	279,095.52	
		294,095.52
Capital Stock Paid Up	$ 19,250.00	
Surplus Account	141,559.57	
Unassessed Portion of Premium Notes	250,999.09	
Surplus to Policyholders		411,808.66
		$753,417.00

INCOME AND EXPENDITURE ACCOUNT YEAR ENDING DECEMBER 31ST, 1917.

Expenditure.

To Losses		$345,547.12	
Less Salvage and Reinsurance Recovered		135,790.53	
			$209,756.59
To Commissions, Agency and Management Expenses, etc.			163,262.91
To Increase in Reinsurance Reserve			6,763.07
To Securities Written Down			2,858.50
To Appropriations, Reserves:			
Real Estate and Buildings	$1,147.63		
Office Furniture and Goad's Plans	3,622.15		
			4,769.78
Balance, Net Profit, Transferred to Surplus Account			40,656.06
			$428,066.91

Income.

By Gross Premiums		$698,948.53	
Less Cancellations and Rebates	$ 87,687.30		
Less Reinsurance Premiums	211,338.08		
		299,025.38	
			$399,923.15
By Transfer Fees			133.96
By Income from—			
Sale of Securities		$ 280.46	
Interest, Dividends and Rents		7,479.34	
			7,759.80
By Proportion of Profit due on Canada Hail Shares			20,250.00
			$428,066.91

CERTIFICATE.

We have audited the books of the London Mutual Fire Insurance Company for the year ending December 31st, 1917. We find the books to be in order and all the information asked for has been cheerfully given.

Our examination has included the Cash and Bank Books, Premium Registers, Agents and Branch Balances and the securities held by the Company.

We certify that the above Balance Sheet is in accord with the books and in our opinion is a full and fair statement of the position of the Company on that date.

EDWARDS, MORGAN & COMPANY, Chartered Accounts.

Toronto, February 16th, 1918.

MANITOBA'S COMPENSATION ACT

Principle of the Measure is Sound But Operation is Criticized

The report of a commission of inquiry regarding the operation of the Workmen's Compensation Act of Manitoba, finds that the principle of the Manitoba measure is sound. The commission (consisting of W. S. Fallis, A. R. D. Patterson and A. W. Puttee) strongly criticizes the board's action (since cancelled) in raising premium rates without any hearings or investigation as to inadequacy of old rates, and finds no justification for the move. It further finds a lack of organizing ability on the part of the administration; that the staff was unduly large, that salaries were out of proportion to the work performed and that the assistant commissioner (Wm. Neill) was unnecessary, as the work entrusted to him rightly belonged to the commissioner (Herbert G. Wilson). Other work could have been done by a secretary. The statistician was unnecessary. One inspector only was necessary in place of two, and the full-time employment of a medical officer was not needed.

The space now under lease for offices of the commission is double what is necessary. A great saving could have been effected by renting smaller offices in less valuable property. Portions of the premises leased and under option, but not necessary, should be sublet. Economy was not practised in purchasing the equipment; the quantity and quality of office furniture and other appliances are much in advance of present requirements.

Reserve Fund Advocated.

The commission finds that the income of the board at present is above normal and that a reserve fund should be established out of it to avoid calling on the revenues of the province during periods of industrial depression, when the premium income would be necessarily much lower than it is to-day.

The administration revenue will be seriously impaired by the Dominion government taking over the Canadian Northern Railway, as the estimated premium income from the Canadian Northern Railway is about one-quarter of the whole income of the board.

To check arbitrary action and to check expenditures and adjustments of claims, the commission recommends that the Workmen's Compensation Board should consist of two directors and a commissioner, the two directors to act in an advisory capacity and to pass in meeting on all acts of the commissioner. The commission recommends that remuneration of $1,000 a year be paid to directors.

An estimate of what is considered necessary to efficiently administer the compensation act follows: Two directors, $2,000; one commissioner, $6,000; one secretary, $3,000; one inspector, $2,100; one medical officer, part time, $1,500; accountant, claims clerk and general office staff, $6,640; rent, etc., $4,760; total, $26,000.

This is a reduction on the present estimate, minimum $55,000, maximum $75,000, made up by the present administration. The income receivable for the coming year is considerably larger than would cover the royal commission's estimate and sufficiently large to allow for creation of reserve fund suggested.

The commission recommends that guarantee bonds should be given by the commissioner, secretary and accountant.

Want Higher Compensation.

A delegation of labor men interviewed the members of the Manitoba cabinet recently and made several requests. They asked that the Workmen's Compensation Act be amended so as to make 75 per cent. of the wages of a workman injured the basis of compensation instead of 55 per cent. It was also asked that the compensation payable to the widow and children of an injured man be double of the present rates of $20 a month for the widow and $5 a month for the children; also to provide the sum of $125 for funeral expenses and to provide for the medical and hospital bills to an unlimited amount—a provision that would tend to serious abuses. It was also asked that payment commence immediately upon injury.

PACIFIC GREAT EASTERN PASSES TO GOVERNMENT

The negotiations between the government of British Columbia and the Pacific Great Eastern Railway have been concluded, and the government will take over and finish the line. The company is to pay the government $1,100,000, of which $750,000 will be in cash and the balance due after the war. The government will resume the operation of trains, which was recently suspended by the company, and will construct the line from Clinton to Williams Lake, a distance of 100 miles, during the present year.

The present settlement is the result of long-continued negotiations, and puts an end to the civil suits which the province had taken against the railway. The company retains its land development enterprises.

The payment to the government of the sum of $1,100,000 releases the members of the company of their pledge to finish the line.

The decision was reached in a conference between Hon. John Oliver, provincial minister of railways, and R. C. Crombie, of the railway. No difficulty is expected in securing the necessary legislation, and it is learned that the tentative agreement provides that the company will join the government in applying to Ottawa for validation of charter rights, in regard to which certain doubts were raised by the company in its statement of defence in the suits filed by the government.

The company hands over all its assets except the lands and holdings of the Pacific Great Eastern Development Company. The company is to pay the government $500,000 cash and $250,000 within four months. The remaining amount may be paid at any time up to five years after the end of the war.

REAL ESTATE LOAN COMPANY OF CANADA

Not without special significance was the statement of Dr. M. H. Aikins, president of the Real Estate Loan Company of Canada, at the recent annual meeting, regarding the securities owned by the company. "Our debentures owned," he said, "are all either government or municipal bonds. They are a readily realizable asset, and, having been carefully purchased, bring a remunerative interest yield. We do not touch railway or industrial securities." The company has $95,175 of municipal debentures and Canadian war loans. There is due by bankers the sum of $29,359, in addition to a small amount due by agents and cash on hand. The loans on stock at the end of the year were small, amounting to only $4,689. This class of business is largely used by the company as employment for surplus funds temporarily accumulated. The loans are made only on securities allowed under the Dominion government act.

The statement of assets shows loans on mortgage of $1,206,757. This is made up of 850 first mortgages, or an average of $1,500 each. Dr. Aikins, the president, explained at the annual meeting that the directors' policy of making small loans with maturing principal instalments, is proving a source of strength both to lender and borrower. The valuation placed on these mortgage securities shows a margin in excess of 50 per cent., and they yield a very satisfactory return.

The real estate foreclosed stands in the balance sheet at $89,445. Owing to war conditions and legislation in the West, real estate on hand has been increased. This amount covers income producing properties which are of such a size as should have a wide market on the return of normal business conditions, and in the directors' opinion is amply secured. Meanwhile there is rental surplus above carrying charges.

Dealing with the results of the past year, it is found that after providing for all expenses, interest on money borrowed and dividend at the rate of 7 per cent., there remained a balance at the credit of profit and loss of $22,754. From this the sum of $10,000 was carried to the credit of the company's rest, a similar amount to contingent fund, and the balance, $2,754, was carried forward. The company's debentures were increased during the year.

The annual statement of the Real Estate Loan Company of Canada is very satisfactory, reflecting good management, careful direction, and a strong position. Mr. E. L. Morton has managed the company for many years with conspicuous success. The directors, who are actively interested in the welfare of the corporation, are as follow: M. H. Aikins, M.D., president; E. Douglas Armour, K.C., vice-president; Edmund Wragge, M.I.C.E., William A. Cooke and H. W. Mickle.

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Correspondence Solicited

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ROYAL BANK BUILDING, TORONTO.

MOUNT ROYAL ASSURANCE COMPANY

The Mount Royal Assurance Company, Montreal, reports a net premium revenue of $503,285 for the year 1917, an increase of $3,679 over 1916, and a total net revenue, including interest on investments, etc., of $563,559. The losses paid amounted to $246,374, representing a loss ratio of 48.9 per cent. on the premium income.

The net earnings of the company amounted to $142,634, of which $39,118 was added to the reinsurance reserve fund and $103,515 carried to profit and loss. The company's reinsurance reserve now amounts to $307,998 and the amount at credit of profit and loss is $412,501. The total assets of the company are $1,199,903.

CANADA FOUNDRIES AND FORGINGS

The financial position of the Canada Foundries and Forgings Company shown by the annual statement presented to the shareholders at the annual meeting in Brockville on February 15th, indicates profits for the year amounting to $695,586, compared with $659,852 for 1916; $832,056 in 1915, and $46,231 in 1914. Deductions included bond interest of $10,478, while taxes and expenses amounted to $99,234, a total of $109,712, leaving the net surplus for dividends at $585,874 equal to earnings on the common stock after preferred dividends of 54 per cent. The latter called for a distribution of $67,200 and the common stock payments amounted to $144,000, leaving a surplus balance for the year of $374,674 which, added to the previous balance, made the total profit and loss surplus at the end of 1917 equal to $1,128,282.

BRITISH COLUMBIA PERMANENT LOAN COMPANY

The earnings of the British Columbia Permanent Loan Company, Vancouver, during the past year amounted to $204,957. The interest charges on public liabilities, expenses, etc., amounted to $159,729. To the contingent fund was transferred $10,000 to make provision for losses which may be incurred in connection with loans, and the balance, $35,227, was carried forward unappropriated to 1918. Interest accrued, but not yet received by the company, amounting to $80,310, was not taken into the profit and loss account. The auditors, in their certificate, specially mention this fact. All items of interest considered uncollectable were eliminated altogether.

The directors were successful in making a debenture issue in the United States amounting to $300,000, and with part of the proceeds repaid in full to the Canadian Bankers' Association the balance due on first mortgage bonds. The total expenses attending this issue of debentures were written off the profits of the year.

An analysis of the financial statement shows that the company has maintained its conservative policy and strengthened its financial position. In referring to the fact that the directors again decided to pass the dividend, Dr. D. H. Wilson, president, stated at the annual meeting that it must be remembered that a great portion of the company's working capital had been loaned to the company on sterling debentures held in the Old Country. "The conditions incident to the war," he continued, "make the tenure of these investments very uncertain. The directors deemed it wise and prudent to conserve and mobilize our resources so as to enable us to meet any exigency that may possibly arise during the continuance of the war. In Great Britain, government bonds are yielding to the investor 5⅜ per cent. with a bonus at maturity, which, from a financial standpoint, makes them very attractive. Added to this is the fact that persistent and continuous pressure is being exerted by the treasury department upon the holders of colonial securities to induce them to realize on the latter, with a view to investment in home securities. At the same time, the individual investor, from patriotic motives, is disposed to do the same thing. While this is all commendable from a patriotic standpoint, it imposes on the directorates of all Canadian loan companies drawing capital from this source the necessity of being extremely conservative, or, in the language of the day, of standing, financially speaking, on a war footing."

The company's general manager is Mr. T. D. MacDonald, and the directors are as follow: David H. Wilson, Esq., M.D., Vancouver, president, Pacific Coast Fire Insurance Company; Wm. H. Malkin, Esq., Vancouver, president, W. H. Malkin Company, Limited, director Union Bank of Canada; C. Spencer, Esq., Vancouver and Victoria, director David Spencer, Limited; George Martin, Esq., Vancouver, Martin and Shannon, brokers; A. H. Douglas, Esq., Vancouver, barrister; R. J. Robertson, Esq., Victoria; Robert Gelletly, Esq., Vancouver, Colquhoun and Gelletly, brokers.

SOCKEYE SALMON IN BRITISH COLUMBIA

Editor, *The Monetary Times:*

Sir,—I would like you to lay before the public, through your paper, a few facts regarding the sockeye salmon question on the Fraser River. Various gentlemen have given their opinions on this subject through the press. I shall deal with this question from points of facts in order that the truth may be freely grasped by each reader. There is no doubt but what the sockeyes are being diminished, and there is no doubt that there is some reason for this condition. Let us carefully find out the cause.

My first point will be concerning fishing with seines in the Puget Sound. To make this point still clearer, a seine is only a fish exterminator and should be strictly forbidden. But we must not lose sight of the fact that a seine can be used on the high seas or outside of the three-mile limit, where the government has no jurisdiction. Now, the cannerymen on the Fraser River want a closed season for four years in order to replenish the fish. Such a suggestion is folly. I notice that one gentleman states through the press that "it is quite possible to have too many sockeyes get to the spawning-beds." This statement is also incorrect. Now, I must point out to the public that seines and hatcheries should have never been allowed. Let us carefully consider the hatchery question. The average hatchery report for ten years of young salmon liberated has been 77,597,850 fish per year. Now, if that number of salmon had returned and hatched ten fish to one (which is a very small average), you would have had 775,978,500 fish. If these fish had come back four years later and increased accordingly ten times, we would have had 7,759,785,000 fish. Instead of that we have only a few thousands.

Now, the public will ask, Why are the hatcheries a failure? Well, the hatcheries produce nothing but tame fish, without any natural instinct whatever (which has been proven by the writer), and, therefore, become a prey for trout, squaw fish and other small species of fish which inhabit the Fraser River by the millions. Where the hatcheries hatch one fish, I may truthfully say ten are destroyed.

Now, my next point is, if the Fraser River is closed—we will say for ten years—can we expect the river to be replenished? In the first place, it has taken hundreds of thousands of years for this fish to accumulate in the Fraser River, and such fish as trout, squaw fish, suckers, etc., have multiplied accordingly with the sockeyes. The above-mentioned fish have been eating the eggs of the sockeyes in order to counterbalance the over-production of sockeyes. Now, the sockeyes have been caught out, whereas the other mentioned fish have not been caught out, and they are to-day eating the eggs of the sockeyes and other salmon just as fast as the sockeyes and other salmon can lay them.

Therefore, if we want our salmon replenished, we must do away, first, with the hatcheries; secondly, with the seines; and thirdly, with the fish that destroy the salmon eggs, such as trout, squaw fish, suckers and other small fish, which are at present protected; if not, they are bound to exterminate the sockeyes and other salmon. If these natural destroyers are not destroyed, there is only one thing to do, and that is, let the fishermen fish it out, and I cannot see anything better than to fish it out, on the ground that the fish on the high seas cannot be protected.

We should carefully deal with another point, and that is, we should have men of practical experience in the positions, whose business it is to advise the minister of fisheries. These men should have a thorough experience along fishery lines, as the fishery industry is one of our best assets. Surely, experienced men are needed, as inexperienced men cannot figure out what is needed to run the fishery industry. It must be proved by practical, experienced men in order that it may be a benefit to the public, as we can ill afford to lose such a grand asset.

J. A. Kendall.

Port Alberni, B.C.,
February 11th, 1918.

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WOULD RE-ASSESS VICTORIA'S LANDS

Appointment of Commission Would Place New Value on Property—Committee Submits Report

In submitting the report of Victoria's tax situation to the streets committee, the joint committee of the city council, said that in view of the substantial relief which it is suggested should be given to those who owe taxes which accrued previous to 1918, the committee recommends that a tax sale should be held as soon as practicable after June 30th next of all property the taxes on which are unpaid for the years 1913 and 1914. The city council, however, does not approve of this and there will be further discussion on that matter later.

"In considering the important matter referred to," said the committee, "your committee has had its attention called to the serious condition arising from the fact that almost the entire revenue of the city has to be obtained from land, much of which is, at present, bringing in no income whatever, even though improved. In 1917 nearly 95 per cent. of the revenue of the city was obtained from land, not including the revenue from the waterworks and $75,000 received from the provincial government for school purposes. In the opinion of your committee a greater burden is now laid on land in the city of Victoria than it can bear with safety and your committee considers it is imperative that strong representations should be made to the provincial government urging the transfer to the municipalities of at least some of the taxes now retained by the province, especially those which arise through the activities of the municipalities and generally involving expenditures by the municipalities for administration, etc., such as the following:—

"Income tax, amusement tax, motor licence fee, insurance companies' tax, registration fees covering property within the municipalities.

"In Ontario the income tax is a municipal tax which materially relieves the municipality in respect to the revenue to be obtained from land. From time to time additional obligations are placed on municipalities, such as those arising from the prohibition act, in which case it may be noted the revenue from licences is no longer received. It is not denied that the province requires revenue, but this will be dearly secured if in the process the financial future of the municipalities of the province is to be imperiled. Meanwhile, the province, in addition to the taxes mentioned above, has important sources of revenue in the forests, mines, fisheries, lands in unorganized districts, fees on the incorporation of companies, etc.

"Your committee begs to make the following recommendations, which it believes, if adopted in their entirety, will go a long way toward solving our present difficulties:—

Appointment of Two Commissions.

"1. One, or at the discretion of the corporation, two commissions, shall be appointed by the corporation for the following purpose:—

"(a) To revalue for the purpose of the assessment roll all property within the city subject to municipal taxation in accordance with the provisions of this act.

"(b) To decide what portion of the cost of expropriations should be assessed against the property owners directly affected in accordance with this act.

"(c) To draw up a fair and equitable settlement binding on all parties in respect to local improvement undertakings for which no by-laws have yet been passed owing to disputes between the corporation and the owners affected.

"(d) To consider and to decide what reduction, if any, should be made in the assessment for work done under a local improvement by-law, which may be referred to the commission by the corporation for this purpose.

"2. No member of said commission or commissions shall be any person who is or who has been either mayor or alderman of the corporation; nor personally delinquent.

"3. The expense of the commission or commissions shall be paid by the corporation and such fees shall be paid to the commissioners as shall be agreed between them and the corporation.

"4. The commission or commissions shall each consist of three members and the decision of a majority of the commission shall be final.

"5. The commission appointed for that purpose in accordance with this act shall proceed to value all the land within the city subject to municipal taxation, providing, however, that the basis of the valuation of all the land shall be such that the aggregate valuations of all the land within the city subject to municipal taxation shall not be more than $55,000,000 nor less than $45,000,000. The valuation made by the commission shall form the assessment roll for the years 1918 and 1919 so far as land is concerned, and at their discretion the council may adopt the said roll for the year 1920.

"6. The commission shall consider assessments made to cover cost of expropriations and it shall have power to reduce these assessments and in deciding whether the assessment should be reduced or not the commission shall take into consideration all the circumstances bearing on the case.

"7. Where in any case it seems to the commission more equitable, the commission shall have power to assess the cost of the improvement on a frontage basis.

"8. If any of the assessments, or any portion thereof, already made in respect to local improvements by-laws, or any of them, are referred to the commission by the corporation for consideration by the commission, of the charges made for work done in carrying out the by-law, the commission may reduce the assessment for such work, taking into consideration the benefits derived from the improvement by the properties assessed and the fair and reasonable charge for the work and other expenses incurred in connection with the work.

"9. The commission shall have power to reduce the assessment on one or more lots without altering the assessment as it affects other properties included in the by-law.

"10. The interest and sinking fund charges in respect to any reductions made in assessments shall be paid out of the general revenue of the corporation.

"11. Upon application by the corporation, the commission shall settle the terms of a fair and equitable settlement binding on all parties in respect to work of local improvement, in respect to which assessment by-laws have not yet been passed because of disputes between the corporation and the owners of properties affected.

Arrears of Municipal Taxes.

"12. That on or before June 30th, 1918, one-tenth of the aggregate amount of all the said taxes, with interest, due on December 21st, 1917, less one-tenth of the taxes originally levied, with interest thereon to December 31st, 1917, other than taxes for local improvement, shall be paid in cash to the corporation with interest thereon at the rate of 7 per cent. per annum from January 1st, 1918, to June 30th, 1918.

"13. Providing, further, that on or before June 30th in each and every following year there shall be paid one-tenth of the aggregate taxes and interest due on December 31st, 1917, less one-tenth of the taxes originally levied, with interest thereon to December 31st, 1917, other than taxes for local improvement, with interest at the rate of 7 per cent. per annum from June 30th in one year to June 30th in the following year, on the amount of the principal then unpaid, together with the previous year's taxes.

"14. Providing, further, that if in any year, or previously, to apply to that year, there shall not have been paid previous to June 30th one-tenth of the principal sum and interest as aforesaid, the said property shall forthwith be subject to sale by the corporation on and after September 30th of that year, such sale to include the current year's taxes whether due or not.

"15. Providing, further, that any time previous to the sale of the properties the instalments on which are in default the owner may pay the instalment or instalments in default with the addition of 10 per cent. of the amount if the instalments in default and any expense incurred by the corporation to the date of the payment of the instalment or instalments in default, and thereupon he shall be in the same position as if the instalments had been paid when due.

The Purchaser's Benefits.

"16. The purchaser at a tax sale on paying the instalments in default shall be entitled to the benefits of the preceding provisions subject to the right of the owner to redeem within one year from the date of the tax sale.

"17. Provided, further, that if in respect to any property the taxes on which were unpaid on December 31st, 1917, payment of the taxes is made in full not later than June 30th, 1918, the following deductions shall be made in consideration of such payment in full of all taxes unpaid: There shall be deducted from the total amount of taxes and interest thereon due on December 31st, 1917, one-half of the amount so charged for interest and one-tenth of the taxes originally

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levied other than local improvement taxes, and no interest shall be charged from January 1st to June 30th, 1918.

"18. Provided, further, that if after June 30th, 1918, and before January, 1923, payment is made on the unpaid portion of the taxes due December 31st, 1917, with interest thereon to date of payment, less the deductions set forth in clause 17 of this report, then there shall be deducted 5 per cent. from the amount of such unpaid portion of the taxes so reduced, due on December 31st, 1917, but no deduction shall be made from the amount due for interest since January 1st, 1917.

"19. In the case of persons protected by the war relief act, like relief shall be given, to date six months after the termination of the war.

Credits Allowed Taxpayers.

"20. If the amount assessed against any property for local improvements, either for work done or for the cost of expropriations, is reduced by the commission, any person who has paid the whole or any portion of the local improvement tax levied on the basis of the original assessment shall receive a voucher representing the excess of the payments over the amount payable on the basis of the reduced assessment, and this excess voucher shall thereupon be applied in payment of any further amounts due by him in respect to the assessment which has been reduced, or if there are no further payments due by him in respect to the assessment which has been reduced, then it may be used in payment of taxes, including the current year's taxes, due by him on other property within the city of Victoria subject to municipal taxation, or if he has no other such property then the voucher may be transferred to another person who may use it in payment of taxes due by him to the city."

COAL IN DUFFERIN COUNTY?

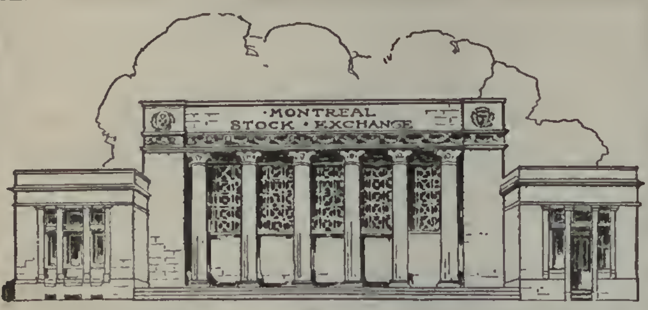
Editor, *The Monetary Times*:

Sir,—Some years ago I noticed an article in *The Monetary Times* to the effect that there was coal in the township of Mulmur, in the county of Dufferin. Has the matter been attended to and investigated? And if not, why not?

The fuel question is very serious for Ontario, as you, no doubt, are aware. We will, I believe, pull through this winter, but what about next? It is useless to talk about using hardwood, as has been suggested by some writers in the newspapers, because there is very little hardwood in this part of Ontario for use by anyone without stripping the country of all trees, and it is no use relying on the United States much longer, because they will have enough to do to look after themselves. Something will have to be done before next winter, and done quickly. Why not exploit the township of Mulmur and get the coal out if there is any?

Yours, etc.,
E. J. Beaumont.

Kitchener, Ont.,
February 25th, 1918.



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Montreal Stock Exchange

FINANCIAL STATEMENT OF

The Real Estate Loan Company of Canada

LIMITED

For the Year Ending 31st December, 1917

Assets.

Loans on Mortgage	$1,206,757.34	
Loans on Stocks	4,689.72	
Municipal Debentures and Canadian War Loan, Book Value.	95,175.81	
		$1,306,622.87
Real Estate foreclosed		89,445.36
Due by Bankers		29,359.92
Due by Agents and Cash on hand		449.57
		$1,425,877.72

Liabilities.

To Shareholders—		
Capital Stock fully paid		$ 500,000.00
Reserve including—		
Rest	$220,000.00	
Contingent Fund	40,000.00	
		260,000.00
Dividends Unclaimed		176.00
Dividend No. 62, payable 2nd January, 1918.		17,500.00
Due to Shareholders on Stock Conversion		60.00
Profit and Loss		2,754.52
To the Public—		
Open Accounts and Accrued Taxes	$ 1,689.23	
Currency Debentures and Interest Accrued thereon	50,713.16	
Sterling Debentures and Interest Accrued thereon	592,984.81	
		645,387.20
		$1,425,877.72

PROFIT AND LOSS.

DR.

To Interest Paid and Accrued on Money Borrowed		$ 30,890.42
To Expenses of Money Borrowed		853.64
To Cost of Management, Inspections and Subscription to British Red Cross		10,723.60
To War, Government and Business Taxes		3,123.23
To Dividends Nos. 61 and 62		35,000.00
To Transferred to Reserve—		
Rest	$10,000.00	
Contingent Fund	10,000.00	
		20,000.00
Balance carried forward		2,754.52
		$103,345.41

CR.

By Balance on 31st December, 1916	$ 5,375.64	
Less vote at Annual Meeting to President and Vice-President.	1,200.00	
		$ 4,175.64
By Income from Interest on Investments		99,169.77
		$103,345.41

E. L. MORTON, Manager.

We have audited the Books and Accounts of The Real Estate Loan Company of Canada, Limited, together with the Vouchers and Securities relating thereto. We hereby certify that the above statement is a correct exhibit of the affairs of the company as on 31st December, 1917.

H. D. LOCKHART-GORDON, F.C.A., Can.,
S. W. BLACK
} Auditors.

Toronto, 17th January, 1917.

DIVIDENDS AND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of **Two and One-half Per Cent.** for the current quarter, being at the rate of

Ten Per Cent. Per Annum

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

Tuesday, the Second Day of April

next, to Shareholders of record at the close of business on the Fifteenth day of March.

By Order of the Board.
GEO. H. SMITH,
Secretary.

Toronto, February 27th, 1918.

THE CANADA LANDED AND NATIONAL INVESTMENT COMPANY, LIMITED

DIVIDEND No. 124

Notice is hereby given that a **Dividend of Two and One-quarter Per Cent.** (being at the rate of nine per cent. per annum) on the amount paid up on the Capital Stock of this Company has been declared for the quarter-year to the thirty-first day of March, 1918, and that the same will be payable at the office of the company, 23 Toronto Street, Toronto, on and after the **second day of April, 1918,** to Shareholders of record at the close of business on the fifteenth day of March, 1918.

By Order of the Board,
EDWARD SAUNDERS,
Managing Director.

Toronto, 27th February, 1918.

VANCOUVER LIFE UNDERWRITERS MEET

The annual general meeting of the Vancouver Life Underwriters' Association was attended by the managers of the various companies doing business in British Columbia and by a number of field men. President J. H. Campbell, provincial manager of the Equitable Life Assurance Society, was chairman.

Tentative plans were outlined for the holding of periodical luncheons to be called at stated periods. At these luncheons the life insurance men will seek to have address them important men in the various walks of life, who will point out life insurance as it appeals to the various speakers.

The following officers were elected for the ensuing year: Mr. F. W. Marsh, provincial manager of the Canada Life, president; Mr. J. T. Fahay, provincial manager Metropolitan Life, vice-president; Mr. F. W. Renworth, provincial manager of the Manufacturers Life, secretary-treasurer. The executive committee elected were as follows: Mr. J. A. Birmingham, of the Mutual Life of Canada; Mr. J. H. Poff, provincial manager of the Sun Life; and Mr. C. A. Crysdale, provincial manager of the Monarch Life.

* * *

The new certificates of the St. Lawrence Flour Mills Company, which have been delayed for some considerable time by the engravers, are being issued to shareholders of the company, and it is expected that they will be listed on the Montreal Exchange towards the end of the week.

In 1917, for the first time, the total value of farm livestock in Canada exceeded one billion dollars. This is shown in the annual estimate by the Census and Statistics Office of farm values as compiled from reports received at the end of January, 1918. The estimate puts the farm values at a grand total of $1,102,261,000.

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ELECTRICITY WILL NOT REPLACE COAL

Interesting Explanation of a Statement Which Has Caused Considerable Comment

On various occasions Mr. Arthur V. White has drawn public attention to the fact that the amount of heat in electrical energy does not afford an adequate substitute for coal in providing heat for the citizens of Canada.

In his article in *The Monetary Times Annual* of January 4th, Mr. White stated: "Let it be appreciated that Canadians need never expect to have electrical energy replace coal and other fuel for heating purposes except to a relatively limited extent." This statement has caused considerable comment.

Recently, when addressing the important fuel conference held by municipalities in Galt on February 11th, Mr. White again emphasized his contention that, as a general proposition, electrical energy is most serviceably employed for strictly power purposes, while fuel, such as coal, oil, etc., is more profitably employed for heating. The underlying principles involved are so simple that they should be well understood and their force appreciated by all interested in the fuel problem. The following statement contributed by Mr. White will assist to make this subject clear:—

Editor, *The Monetary Times.*

Sir,—Respecting my statement—"Let it be appreciated that Canadians need never expect to have electrical energy replace coal and other fuel for heating purposes except to a relatively limited extent"; would briefly remark as follows:—

Mechanical Equivalent of Heat

In order to determine what is technically termed the *mechanical equivalent of heat,* J. P. Joule, an Englishman, about 1850,—and subsequently a number of other experimenters,—ascertained the number of foot pounds of energy required to raise one pound of water one degree Fahrenheit. In their simplest form, the experiments consist of confining a known quantity of water in an insulated vessel and transmitting to the water by means of agitated vanes—like a churn—the energy developed by a known weight falling through a given distance. Taking into consideration the results of various experiments, this equivalent may be taken at 778 foot pounds. It may be stated, for example, that 778 pounds falling through one foot will develop energy sufficient to raise one pound of water one degree Fahrenheit. This heat unit is termed a *British thermal unit,* or B.t.u.

Now, by definition, a horsepower is 33,000 foot pounds per minute or 33,000 x 60 foot pounds per hour. If, therefore, we divide 33,000 x 60 by 778, we obtain 2545 as the heat units derivable from one horsepower-hour of energy. Correspondingly, the heat units derivable from one kilowatt-hour are 3412.

It makes no difference, of course, what prime agency has resulted in the development of the power. Consequently, it may be stated that a horsepower-hour of electrical energy can only yield approximately 2545 heat units.

Coal and Heat Units

Considering next coal, it may be stated that a fairly good grade of bituminous coal will average 13,500 heat units per pound. The amount of coal required to produce by means of steam plant, one horsepower-hour, varies greatly, depending upon the size of the plant, as well as the character and general efficiency of the whole power-house equipment. Central station, steam-electric, generating plants which operate during the twenty-four hours, obtain a greater efficiency from their fuel than do the individual plants ordinarily used in manufacturing establishments.

Considering central station plants, the coal consumption ranges all the way from about 1½ to 2 lbs. per horsepower-hour for large installations of from 100,000 to 200,000 horsepower, up to 5 or 6 lbs. per horsepower-hour for plants ranging in size, say, from 50 to 1,000 horsepower.

If, by way of illustration, we assume 4 pounds of coal per horsepower-hour, we then have 4 x 13,500 = 54,000 heat units in 4 pounds of coal. Now, in the form of power this would only yield 2545 heat units per horsepower-hour. So we have an efficiency of 2545 ÷ 54,000, or less than 5 per cent. If we assume 2 lbs. of coal per horsepower-hour, we have less than 10 per cent. efficiency.

The significance of the above facts must be evident. Thus, for example, if the 4½ million tons of anthracite coal imported yearly from the United States into Canada, were used for the development of electrical energy, and this energy were then converted into heat—recoverable even on the basis of 100 per cent. efficiency—the resulting heat would, under the more favorable conditions above indicated, be only an amount corresponding to the heat units in about half a million tons of coal. That is, ninety per cent. of the heat in the original amount of coal would be lost. Based upon reasonable assumptions, Canada's share of Niagara power, if all possible were developed, would not provide for the fuel needs of the city of Toronto. If it is to be used wholesale, then electrical energy is more efficiently employed for power than for heating purposes.

Yours, etc.,

ARTHUR V. WHITE.

Toronto, February 26th, 1918.

CANADA NATIONAL FIRE INSURANCE COMPANY

While the fire losses on this continent last year, exclusive of the Halifax disaster, were more than in 1916, the fire loss ratio of the Canada National Fire Insurance Company was only 46.65 per cent., as compared with 67.18 per cent. in the previous year. This improvement reflects credit upon the company's underwriting department, which is, the directors report, taking special precautions to counteract the relation of war conditions to the number of fires. The company commenced business seven years ago, and, therefore, had comparatively little time to become well established before the war started. The decline in building operations, following the general business and financial depression, adversely affected the volume of fire insurance generally. New buildings are an important source of business for fire insurance companies. Despite these facts, the Canada National has written a substantial volume of business during the past few years. The business during 1917 was $20,002,346. The premiums on the gross insurance in that year amounted to $240,824, while reinsurance premiums were $82,884. The gross amount of insurance in force on December 31st, 1917, was $31,076,730, the premiums thereon amounting to $431,604. The total amount of reinsurance in force at the same date was $8,384,803, on which the premiums amounted to $108,204. The net amount of insurance in force at the close of the year was $22,691,927, on which the premiums amounted to $323,400.

Commenting upon the company's investments, Mr. J. H. G. Russell, the president, pointed out at the annual meeting that they consist very largely of first mortgages on improved real estate, this item amounting to $1,625,236, an increase of $180,872 over the previous year. Considering the abnormal times due to the war and other causes, the payments of interest and principal have been reasonably well met. With the margin of security with respect to the company's mortgage loans, it is not anticipated by the directors that the company will sustain any loss, either on our loans or on properties foreclosed.

In the matter of stocks, bonds and debentures, these amounted to $164,906, including $76,000 paid on account of Dominion government war bonds. "These investments," says the directors' report, "are of a high order and yield a satisfactory rate of interest." There is a considerable decrease in this item as compared with $433,000 a year ago. If this decrease represents in part the abolition of the interlocking of interests with other companies, and the addition of Dominion war loans instead, it would naturally mean that a considerable strengthening of the company's position had occurred.

With the view of providing for any contingencies arising from possible depreciation in mortgages, stocks and other securities of the company, the directors deemed it advisable, and in the best interests of the company, to create a contingent reserve fund, and have accordingly set aside to this fund the sum of $75,000. This is a commendable policy. During the year the company adhered to its policy of maintaining large cash reserves, the amount in banks and on hand at the end of the year being $223,487. Judging by the financial statement, the company is in a sound position and is making satisfactory progress.

The average value of farm land for the whole of Canada, including land improved and unimproved, together with dwelling-houses, barns, stables, and other farm buildings, is approximately $44 per acre, as compared with $41 in 1916.

ANNUAL REPORT

THE NORTHWESTERN LIFE ASSURANCE COMPANY

HEAD OFFICE . . . WINNIPEG

A YEAR OF SPLENDID PROGRESS

NOTE THESE SALIENT FEATURES OF THE ANNUAL REPORT

GROWTH OF COMPANY

	1914	1915	1916	1917	Increase
Total Assets of all kinds	$28,258.91	$50,505.84	$56,026.78	$135,359.95	140% since Dec. 31, 1916
Total Cash Assets	14,932.56	32,936.81	41,895.13	78,542.15	89%
Total Investments	7,304.60	25,569.44	32,947.12	54,094.73	64%
Paid-Up Capital	10,457.50	25,523.50	33,773.00	44,302.65	31%
Premium Income	....	....	2,932 28	30,282.04	900%
Surplus	....	....	6,208.36	9,282.38	46%

Total Life Assurance Premium Income	$30,282.04
Total Expenses of Management (including Agents' Commissions)	17,251.82

DIRECTORS' REPORT

The Directors have pleasure in submitting their report for the year ending December 1st, 1917.

New Business.—Applications received amounted to $578,800, of which $506,100 was issued. The total business in force at the end of the year amounted to $535,350.

Assets.—The assets of the Company show an increase of $36,747.02 and now amount to $78,542.15, an increase of 90%. These figures do not include a net total of $56,817.80 stock notes and balances due and accruing from shareholders.

Liabilities.—Special attention is drawn to the fact that our Paid-Up Capital has been included in the statement of liabilities. This is not always done, hence our reason for mentioning it. The amount set aside to cover reserve liability, to which reference is made hereunder, should also be noted.

Investments.—The Company's investments now amount to $54,094.73—an increase of $21,147.61. These investments are limited to the very safest classes of securities, such as Dominion of Canada War Loan Bonds, Municipal, School and Telephone Debentures, and First Mortgages on improved farm lands. The investments in mortgages do not exceed 30% of a conservative valuaton of the lands. These investments yield an average interest income of 5.78 per. cent.

Income.—The Life Assurance Premiums amounted to $30,282.04, Interest on Investments, $3,319.34, and Payments on Stock, $19,573.85 net.

Expenses.—*The total expenses of management (including commissions to Agents) amounted to only $17,251.82.*

Mortality.—No claims have as yet been made upon the Company for the payment of death losses, which the Directors consider a remarkable feature of this year's report, showing the caution exercised in the selection of risks by our Agents, Medical Examiners, Medical Board and Officers.

Reserves.—The reserves provided for the protection of policyholders are in excess of the Om. (5) Table of Mortality and an assumed interest rate of 3%. THIS IS THE HIGHEST RESERVE BASIS YET REACHED BY ANY CANADIAN LIFE COMPANY. These reserves now amount to $23,935.13, representing a sum very much greater than required under the Dominion Insurance Act.

Audit.—A continuous audit of the Company's books has been made by W. G. Sanburn, C.A.

Directors.—All your Directors are serving without remuneration, and will continue to do so until the Company pays its first dividend. The Directors retire annually and are eligible for re-election.

Representatives and Employees.—The Directors desire to express their recognition of the efficient manner in which the representatives and employees have taken care of their various duties.

(Signed) W. R. MILTON, President.

(Signed) H. R. S. McCABE, Managing Director.

(Signed) F. O. MABER, Secretary.

BALANCE SHEET

ASSETS

Cash on hand and in banks	$ 11,316.27
Cash invested in Dominion of Canada Victory and other War Bonds, Town, Municipal, School and Telephone Debentures	43,981.17
First Mortgages on improved farm lands (less than 30% of conservative valuation.)	9,262.60
Interest earned and accrued	2,428.56
Outstanding and deferred premiums, less commissions. (Reserve included in liabilities)	2,370.04
Office Furniture, Advances to Agents and other Assets	9,183.51
Total Assets	$78,542.15

LIABILITIES

Reserves. Full Om. (5) 3%	$23,935.13
Special Reserves	334.58
Premiums paid in Advance, etc.	486.27
Other Liabilities	201.14
Capital Stock paid up	44,302.65
SURPLUS	9,282.38
	$78,542.15

Share Premiums in course of collection, less commission thereon (not included in assets) $26,120.45

Certified correct, subject to my report.

(Signed) W. G. SANBURN,
Chartered Accountant.

Surplus to Policyholders

Assets		$78,542.15
Reserve Liability to Policyholders	$ 23,935.13	
Other Liabilities, excluding Capital	687.41	
		24,622.54
Policyholders' Surplus		$53,919.61

Total Resources for Protection of Policyholders.

Uncalled Capital	$525,000.00
Called Capital (in course of collection)	30,697.35
Paid-up Capital	44,302.65
Reserves and Special Funds	24,269.71
Surplus	9,282.38
	$633,552.09

Canada's Only Scientific Life Company

Demonstrates its Ability to Make Good

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Feb. 27th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi com.	....	....	....	....
Ames-Holden com.	....	....	....	....
" pref.	....	47	....	....
Asbestos Corporation	....	....	....	....
" " pref.	....	....	....	15
Bell Telephone	....	....	....	35
British Columbia Fishing & Packing	....	....	....	180
Brompton	....	....	....	27
Brazilian	....	36½	36	451
Canada Car com.	....	....	....	190
" pref.	....	57	56½	320
Canadian Converters	....	....	....	....
Canada Cement com.	....	59⅜	59	658
" pref.	....	....	90	37
Canada Cottons	....	49½	49⅛	70
" pref.	...	....	....	1
Canadian Con. Rubber pref.	....	....	....	5
Canadian Pacific Railway	....	....	....	10
Canadian General Electric	....	105	103½	53
Canadian Locomotive com.	....	60	....	....
" " pref.	....	....	....	....
Canada Steamship Lines com.	....	40¾	....	200
" " " pref.	....	....	76	169
Civic Investment	....	74½	74	402
Civic Power com.	...	....	....	....
Cons. Mining and Smelting	....	25½	....	355
Consumers Gas com.	....	....	....	....
Dominion Bridge	....	....	....	....
Dominion Coal pref.	....	91½	....	....
Dominion Iron pref.	....	....	92	....
Dominion Steel Corporation com.	....	60½	60¼	1992
Dominion Textile	....	85	84½	1
" pref.	....	100	....	30
Howard Smith com.	....	....	....	35
Illinois Traction com.	....	....	....	....
" pref.	....	80	....	10
Intercolonial Coal com.	....	....	....	....
Lake of the Woods Milling com.	....	134	....	110
Laurentide Co.	....	155	151½	258
Lyall Const. com.	....	68	65½	100
Macdonald	....	15½	15	142
Mackay Cos. com.	....	....	....	10
" " pref.	....	....	61½	....
Maple Leaf Milling com.	....	99	....	60
Montreal Tramway	....	....	....	21
" " deb.	....	80	76	9900
Montreal Cotton com.	....	....	....	245
" " pref.	....	....	....	....
Nova Scotia Steel	....	....	....	253
" " pref.	....	....	....	15
Ogilvie Flour Mills com.	....	....	152	....
Ontario Steel com.	....	25	23½	....
Ottawa Light, Heat & Power	....	....	....	5
Penmans	....	74	....	200
" pref.	....	....	....	1
Price Bros.	....	120	....	....
Riordan Paper	....	120½	120	876
" pref.	....	....	....	5
Quebec Railway, Light, Heat & Power	....	18	17¼	265
Shawinigan Water & Power	....	....	110½	10
" " " rights	....	14	13	11229
Sherwin-Williams com.	....	....	...	80
Spanish River com.	....	11½	....	....
Smart Woods	....	60	....	25
Steel Co. of Canada	....	53½	53	462
" " " pref.	....	....	87	....
Toronto Railway com.	....	60	....	162
Wabasso Cotton com.	....	....	....	....
Winnipeg Railway	....	....	....	....
Wayagamack	....	....	....	....
Bank of British North America	....	...	...	....
Bank of Commerce	....	185	....	2
Bank of Montreal	....	210	....	....
Bank of Ottawa	....	201	....	....
Bank of Toronto	....	....	....	....
Bank d'Hochelaga	....	140	....	....
Banque Nationale	....	....	....	....
Bank of Nova Scotia	....	....	....	1
Dominion Bank	....	....	....	....
Merchants Bank	....	167	....	3
Molsons Bank	....	....	....	....
Quebec Bank	....	....	....	....
Royal Bank	3½	208	....	....
Standard Bank com.	....	....	....	....
Union Bank	....	....	....	10
Montreal Bonds	Last Sale			
Asbestos	72½	....	....	....
Bell Telephone	98½	....	....	5000
Canadian Car.	....	....	....	....
Canada Cement	96¾	97	....	....
Canadian Consolidated Rubber	....	....	....	....
Canada Felt	....	....	....	1000
Cedars Rapids	90	....	....	22000
Dominion Coal	91½	....	85	2000
Dominion Cotton	90	....	....	2000
Dominion Iron and Steel	97	86½	81	....
Dominion Textile A	97½	....	....	....
" " B	97	....	....	....
" " C	97	....	....	....
" " D	96½	....	....	....
Lake of Woods Milling	103	....	....	....
Laurentide	101	....	101	....
Lyall Construction Co.	83¾	....	....	....
Montreal Light, Heat & Power	101	....	....	....
Montreal Tramways	91½	....	....	....
National Breweries	99	....	....	....
Nova Scotia Steel	90	....	....	....
Ogilvie A	10	....	....	....
" B	103	....	....	....
" C	103	....	....	....
Penmans	....	....	....	....
Price Bros.	....	....	....	....

Montreal Bonds (*Continued*	—	Asked	Bid	Sales
Quebec Railway, Light and Power	67	60	....	....
Riordan Paper	....	....	....	....
Sherwin-Williams	....	....	....	....
First Dominion War Loan	98½	....	91½	11000
Second Dominion War Loan	98½	....	93½	5800
Third Dominion War Loan	....	92⅞	92	5800
Wabasso Cotton	....	84	....	....
Wayagamack	84	78	77	2300

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden pref.	....	14½	....	....
American Cynamid	....	....	32	....
" pref.	....	....	52	...
B. & L. (Landed)	...	....	....	....
Barcelona	....	10½	9½	...
British Columbia Fish	. . .	....	....	2
Brazilian	...	36	35¾	319
Canada Bread	....	17	16	....
" pref.	....	....	....	....
Canadian Car & Foundry	....	24	22½	10
" " " pref.	....	57	55	....
Canadian Canners pref.	....	....	....	20
Canadian General Electric	....	104½	103	61
" " " cum div. pref.	....	....	....	....
Canada Landed & National Investment	....	....	....	....
Canadian Locomotive	....	....	....	5
" pref.	....	....	82½	15
Canadian Pacific Railway	....	148	147	20
Canada Permanent	....	....	....	....
Canada Steamship	....	40⅞	40½	118
" " pref.	....	77	76½	69
" " (voting trust)	....	....	....	....
Cement com.	....	59½	58½	76
" pref.	....	....	90	....
City Dairy	....	....	....	....
" pref.	....	....	60	....
Colonial Loan com.	....	....	....	...
Coniagas com.	....	....	....	....
Confederation Life	....	375	....	...
Consumers Gas	....	146½	....	8
Crow's Nest Pass com.	....	50	....	...
Detroit	....	....	....	....
Dome	....	875	850	250
Dominion Canners	5	....	....	....
Dominion Iron com.	....	....	....	....
" " pref.	....	....	....	....
Dominion Steel Company	....	60½	60	165
Duluth Sup.	....	11	....	....
F. N. Burt	....	....	....	....
" pref.	....	....	....	17
Hamilton Provident	....	....	....	....
Huron & Erie com.	....	....	....	....
Lake of the Woods com.	....	....	....	....
La Rose com.	...	....	....	....
Mackay Companies	....	78½	78	265
" pref.	....	62½	61¾	50
MacKinley Darragh com.	....	....	....	....
Maple Leaf Milling	....	98	95	35
" " " pref.	....	95	93½	....
Monarch	....	....	30	83
" pref.	....	....	....	....
Nat. S. Car	....	....	9	5
" pref.	....	35	31	35
Nipissing	....	840	810	....
Nova Scotia Steel	....	67	66	25
" " " rights	....	....	....	...
Pacific Burt com.	....	....	....	....
" pref.	....	....	....	....
Penmans com.	....	75	74	....
Petrnleum	....	1350	1300	....
Riordon	....	....	....	....
" pref.	....	....	....	....
Rogers com.	....	...	....	....
" pref.	....	....	....	....
Russell Motor	.. .	....	....	....
" pref.	....	70	....	....
Sawyer-Massey	....	....	10	....
" pref.	....	41	....	....
Shredded Wheat	....	....	....	....
Spanish River	....	....	....	....
" pref.	....	50	....	....
Cons. Smelters	....	25½	24¾	....
Standard Chemical	....	50	....	....
" " pref.	....	57	...	....
Steel Company of Canada	....	53⅛	52¾	111
" " " pref.	....	88	87	8
Toronto General Trust	....	....	....	....
Toronto Paper	....	72	65	....
Toronto Railway	....	58	....	39
Trethewey S. Mines com.	....	15½	14	300
Tucketts	....	19	....	....
" pref.	1¾	....	....	...
Winnipeg Electric	....	48	....	10
Twin City	....	63	62	17
Bank of Commerce	....	185	....	....
Bank of Ottawa	....	201	....	....
Bank of Hamilton	...	....	184	....
Bank of Montreal	....	210	....	....
Bank of Nova Scotia	....	....	....	....
Bank of Toronto	....	187	....	....
Dominion Bank	....	202	....	1
Imperial Bank	...	....	....	7
Merchants Bank	2½	....	167	....
Molsons Bank	....	179¾	....	....
Royal Bank	....	208	....	....
Standard Bank	....	200	....	5
Union Bank	....	....	144½	28
Toronto Bonds	Last Sale			
Canada Bread	92½	....	....	...
Canada Locomotive	95	....	....	....
Penmans	89	....	80	....
Riordon	....	....	....	....
Sao Paulo, 1929	84	. ..	....	...
Steel Company of Canada	96½	....	88½	1000
First War Loan	98	94¾	94⅝	10500
Secund War Loan	98½	93½	93¼	8500
Third War Loan	....	93	92¾	5600

CLARKSON, GORDON & DILWORTH
Chartered Accountants, Trustees, Receivers, Liquidators
Merchants Bank Building, 15 Wellington Street West, TORONTO
E. R. C. Clarkson, G. T. Clarkson,
H. D. Lockhart Gordon, R. J. Dilworth.
Established 1864

Charles D. Corbould
Chartered Accountant and Auditor
ONTARIO AND MANITOBA
806 Sterling Bank Bldg. .... Winnipeg
Correspondents at Toronto, London, Eng., Vancouver

A. A. M. DALE
CHARTERED ACCOUNTANT
WEYBURN SASK.

EDWARDS, MORGAN & CO., Chartered Accountants
Canadian Mortgage Bldg., 10 Adelaide St. E. .... TORONTO, Ont.
614 Herald Building, First Street West .... CALGARY, Alta.
705 London Building, Pender St. W. .... VANCOUVER, B.C.
705 Electric Railway Chambers, Notre Dame Avenue WINNIPEG, Man.
201 Royal Trust Building, St. James Street .... MONTREAL, Que.
George Edwards, F.C.A. Arthur H. Edwards, F.C.A.
W. Pomeroy Morgan W. H. Thompson H. Percival Edwards
Chas. E. White T. J. Macnamara
A. G. Edwards O. N. Edwards J. C. McNab

Established 1882.
HENDERSON, REID AND COMPANY
CHARTERED ACCOUNTANTS
WINNIPEG Manitoba MEDICINE HAT, Alberta.
HENDERSON, REID AND PATERSON
CHARTERED ACCOUNTANTS
ACADIA BLOCK, LETHBRIDGE, Alberta.
W. A. Henderson. J. D. Reid. R. J. Ritchie Paterson

BERT. R. MASECAR
Chartered Accountant
Auditor Accountant Liquidator Trustee
SASKATOON, Sask.

D. A. Pender, Cooper, Slasor & Co.
CHARTERED ACCOUNTANTS
805 CONFEDERATION LIFE BUILDING
WINNIPEG

RONALD, GRIGGS & CO.
AND
RONALD, MERRETT, GRIGGS & CO.
Chartered Accountants Auditors Trustees Liquidators
Winnipeg Saskatoon Moose Jaw London, Eng.

F. C. S. TURNER WILLIAM GRAY JAMES GRANT
F. C. S. TURNER & CO.
Chartered Accountants
Successors to
LAING & TURNER
Trust & Loan Building, McCallum Hill Building,
WINNIPEG REGINA

R. Williamson, C.A. J. D. Wallace, C.A. A. J. Walker, C.A.
RUTHERFORD WILLIAMSON & CO.
Chartered Accountants Trustees and Liquidators
86 Adelaide Street East 601 McGill Building
TORONTO MONTREAL
Cable Address—"WILLCO."
Represented at Halifax, St. John, Winnipeg, Vancouver

OTTAWA LIGHT, HEAT AND POWER COMPANY

The extra cost of coal to the Ottawa Light, Heat and Power Company last year for generating purposes was over $70,000. This was one item in expenses, management, operation and maintenance, together with bond and bank interest, amounting to $711,159. The expenses increased $108,829 during the year, coal accounting for considerably more than half that amount. Despite this fact, the company's revenues from all sources were $957,300, a substantial increase of $123,108 over the previous year. This satisfactory result, in face of many obstacles, is due to the good work of the management and operating departments and to the active interest of the directors in the company's progress. The Ottawa Light, Heat and Power Company is giving a good service to the public and is operated efficiently as a public utility corporation.

After deducting from the gross revenue the gross expenditure, which includes bond and bank interest, the net surplus for the year is $246,140. The sum of $109,563 has been expended upon capital account. The balance at the credit of profit and loss account, with the addition of this year's surplus, is $305,018. From this, four quarterly dividends at the rate of 6 per cent. per annum have been paid, amounting, in all, to $209,945. After making provision for bad and doubtful debts, there remains $85,499 at the credit of profit and loss account and $720,000 at the credit of reserve account.

The directors' report points out that the Ottawa Electric Company has overcome the reduction in rates which was brought into effect early in 1916, and has further overcome the loss in revenue due to the changing of flat rate commercial accounts to the meter system.

The Ottawa Gas Company, early in the summer of 1917, was face to face with the abnormal rise in the cost of coal. To meet this it was necessary to increase the price of gas from $1.10 gross to $1.25, with the usual 10 per cent. discount for prompt payment. While this increase in rate may not be sufficient to cover fully the higher cost of production, the company has, due to new business and an increased consumption on the part of customers, been able to show substantial increases in gross and net revenue.

The directorate, headed by Mr. T. Ahearn as president, is as follows: Hon. E. H. Bronson, vice-president; Messrs. James Manuel, Warren U. Soper, A. A. Dion, C. J. McCuaig, D. R. Street and F. W. Fee. Mr. D. R. Street is secretary-treasurer.

Mr. J. A. Wilson, one of the best-known life underwriters in the west, who for some years has been with the Canada Life Assurance Company as manager of the Brandon branch, has been appointed city manager in Winnipeg of the Manufacturers Life Assurance Company. Mr. Wilson last year was president of the Brandon Life Underwriters Association, which won the handsome Totum Pole at the Life Underwriters' Association Convention in Winnipeg for the largest increase in membership during the year.

WAR TRADES BOARD ACTIVITIES

Organization Being Completed—Work of Many Departments Now Under One Authority

Members of the recently appointed War Trades Board of Canada are completing their organization for carrying on the work assigned to them and are taking over duties which have hitherto been performed through departments of the government. Already private telegraph wire connection has been provided between the offices of the board in the Bank Street Chambers in Ottawa and the headquarters of the Canadian War Mission in Washington. This will be employed to facilitate the handling of applications of Canadian industries for materials which can be imported from the United States to Canada only under licenses from the government of the former country. Such applications have in the past been taken up by the department of trade and commerce with the United States Priority Committee and Federal Trade Commission. They will henceforth be received by the Canadian War Trade Board, which will carry on the negotiations for the necessary licenses through the Canadian War Mission in the United States.

One Authority Now.

The appointment of the board will bring under one authority powers which have been exercised by several departments of the government. In addition to dealing with applications for licenses from the United States government permitting the bringing of shipments of raw materials to Canada, the board will have direction of the issue of licenses to export goods from Canada. It will thus have a general oversight over both importation and exportation.

Board Has Many Duties.

The board is already taking steps to secure information which it will require in the exercise of its duty to undertake such supervision as may be necessary of industrial and commercial enterprises. It is called upon to keep record of the country's stock of raw materials, partially finished products and finished products, and is required to direct priority in the distribution of raw material, partially finished products, fuel and electric power, and it is called upon to recommend measures for the maintenance of the more essential as distinguished from the less essential industries. The board will make a classification of industries based upon the use to which the output of those industries is to be put. For instance, it would likely place munition manufacturing plants and shipyards in the first class.

Four members of the board, Messrs. Frank P. Jones, the vice-chairman, and John W. McConnell, of Montreal, and James H. Gundy and Charles B. McNaught, of Toronto, will give their whole attention to the work of that body.

Ald. J. J. Gibbons, of Toronto, the representative of organized labor, will give as much as possible of his time to the board and so, likewise, will C. A. Magrath, the fuel controller, and Hon. H. Laporte, chairman of the War Purchasing Commission. W. S. Hodgens, of Toronto, has been appointed secretary.

The Brompton Paper Company's production for the three months ended January 31 is: News mill, 3,722 tons; kraft mill, 1,243 tons; board mill, 1,778; sulphite, 5,750; ground wood, 10,788; and saw mill, 668,790 feet.

DOMINION SAVINGS BANKS

BANK	Deposits for Dec. 1917	Total Deposits	Withdrawals for Dec. 1917	Balance on Dec. 31st, 1917.
	$ cts.	$ cts.	$ cts.	$ cts.
Manitoba:—				
Winnipeg	1,988.00	519,567.17	10,502.84	539,061.63
British Columbia:—				
Victoria	21,613.71	1,197,367.32	30,002.88	1,167,364.44
Prince Edward Island:—				
Charlottetown	36 202.00	2,019,312.29	61,016.22	1,988,326.07
New Brunswick:—				
Newcastle	487.00	268,559.25	7,871.96	260,687.29
St. John	33,914.77	5,211,015.83	158,774.98	5,052,240 85
Nova Scotia				
Amherst	....	....	....	....
Barrington	77.00	107,014.14	2,346.59	104,667.55
Guysboro'	592 00	110,261.06	9,346.52	100,914.54
Halifax	25,292.25	2,475,916.28	80,015.79	2,395,900.49
Kentville	3,964.16	248,841.33	3,639 27	245,202.06
Lunenburg	11,500.00	440,632.26	7,040.12	435,512.14
Pictou	....	....	....	....
Port Hood	....	79,379 88	4,210.72	75,169.16
Shelburne	4,189.91	239,014.95	14,917.09	224,097.86
Sherbrooke	282.09	96,557.69	5,254.70	91,302.99
Wallace	....	111,746.44	20,097.35	91,649.09
Totals	140,102 80	13,185,216.19	415,087 03	12,770,129.16

POST OFFICE SAVINGS BANKS

Dr	NOVEMBER, 1917		Cr.
	$ cts.		$ cts.
Balance in hands of the Minister of Finance on 31st Oct. 1917...	43,211,824 69	**Withdrawals** during the month..........	2,539,872.15
Deposits in the Post Office Savings Bank during month.......	850,125.97		
Transfers from Dominion Government Savings Bank during month:—	....		
Principal......... **Interest** accrued from 1st April to date of transfer...	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	4,706.18		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month.....	25,516.96	**Balance** at the credit of Depositors' accounts on 30th Nov., 1917..........	41,552,301.35
	44,092,173.80		44,092,173.80

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Feb. 27th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Bid
Abitibi Power.......com.	40	47	Can. Oil ....com.	35	....	Goodyear Tire	175	200	North Ont. L. & P.....6's	75	82
Alberta Pac. Grain..com.	97	....	" ....pref.	85	95	Imperial Oil..............	290	310	Ont. Pulp Bonds.........	78.50	81.50
Amer. Sales Book.....6's	92.50	....	Can Salt............. 6's	92.50	....	Imper. Trust Co. Toronto	....	38	Peoples Loan............	81	90
Atlantic Sugar......com.	7	13.50	Collingwood Ship...com.	20	35	Inter. Mill ....pref.	81	87	Rosedale Golf Club......	340	375
" " ...... pref.	23	28.50	Can. Westinghouse......	100	118	Lambton Golf Club..	340	380	South Can. Power..com.	12.50	17
British Amer. Assur.....	7	....	Carter Crume.......pref.	....	70	London Loan & Savings.	100	115	Sovereign Life...........	15	20.50
Black Lake...........6's	21	27.50	Crown Life	75	....	Maritime Coal & Ry.com.	17	21	Stan. Reliance ...(par 50)	....	45
" ....pref.	3	6	Dom. Pire	18.50	21	Maritime Coal ....5's	67	71	Sterling Coal........com.	9.50	11
Belding Paul....... pref.	73.50	78	Dom. F'dry & Steel 8% pf.	80	88	Massey Harris...........	112	128	" " ......bonds	70	72
" " ....5's	74	80	Dominion Glass.... com	24	28.50	Matthew-Blackwell com.	43	50	St. Lawrence Sugar...6's	90	95
Brand-Henderson 6's	93	98.50	Dom. Iron & Steel 5's.1939	74.50	79	Matthew Laing.......6's	93	96.50	Trust & Guarantee.......	80	90
Can. Cons. Felt.....pref.	25	....	Dom. Linseed Oil....	70	....	M'Donald...........pref.	77.50	82.50	Toronto Paper........6's	85	90
Can. Fairbanks .....pref.	85	90	D. Po'er & Trans......5's	80	85.50	Morrow Screw........6's	85.50	92	Toronto Y'k Rad. 5's. 1919	90	96
Can. L. & P. .. ..5's	40	45.50	Dunlop Tire..... ...pref.	89	95	Milton Pressed Brick....	25	....	West. Assurance	5	6.75
Can. Marconi............	1.75	2.50	" ....6's	96.50	100.50	National Life	30	...	Wt. Can. Flour. 6's (1931)	92	96
Canada Machinery..com.	10	12.75	Eastern Car...........6's	90	94.50	National Telephone...5's	49	55	" " (1928)	94	98.50
" " ..pref.	45	50	Ford Motor of Canada...	210	....	North. Crown Bank	72	83	....	....	.

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

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Paid up Capital - - - $200,000.00.
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Subscribed Capital - - $1,000,000.00.
Government Deposits - - $111,000.

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TRADE AFTER THE WAR

The following statement relative to foreign trade organization by industries after the close of the war was embodied in a communication to the United States Bureau of Foreign and Domestic Commerce from the secretary of commerce:—

"It seems that there are two abnormal stages through which we must go before what we may call the normal ebb and flow of international trade will, after the war, resume its movement.

"First, the current condition is deliberately abnormal. All the great exporting nations are directly interfering with the progress of their export and import trade and treating it as a war measure on a strictly and avowedly different basis from that of peace.

"Second, another abnormal state must follow immediately after the war, which may be described as like the process of settlement to rest of particles suspended in a fluid in order that the fluid may become clear. In other words, there will be a long period of international industrial reconstructions.

"It will take the form at the beginning of excessive demands for raw materials of many kinds, and probably for finished lumber and machinery and certain kinds of equipment. The whole object during this time will be restoration toward a normal economic manufacturing and productive basis. This period must be gone through fully before the third period, which I speak of as the normal condition, shall arise."

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OFFICE MANAGER, wide experience accounting and correspondence, formerly employed in executive capacities by manufacturing and wholesale corporations. Capable of training and disciplining staff. Accustomed to preparing analytical statements and operating cost systems. Thoroughly posted in improved office methods and equipment. Present engagement will shortly be terminated by necessity of closing branch to reduce expenses until after war. Age 38; married. References as to character and qualifications upon request. Address, Box 153, *The Monetary Times*, Toronto.

At the closing meeting of the convention of the Mutual Fire Underwriters' Association of Ontario, held at Toronto this week, the election of officers resulted in the following selections: President, Mr. James Ross, Waterford; vice-president, Mr. W. A. Galbraith, Dutton; 2nd vice-president, Mr. George V. Webster, St. Mary's; secretary-treasurer, Mr. J. J. Stewart; executive, J. C. Dance, Kingsmill; Wm. Purvis, Columbus; Thomas Harkness, Owen Sound; George L. Millar, Jarvis; James Carl; auditors, R. W. Brink, Woodstock; and A. P. McDougall, Melbourne.

CANADA'S SHIPBUILDING ACTIVITIES

Contracts Placed Since March, 1917, Represent a Tonnage of 339,300, Worth $64,500,000

Shipbuilding contracts placed in Canada by the Imperial Munitions Board since March 1st, 1917, constitute the biggest year in shipbuilding this country has ever seen. Contracts have been let in the last twelve months for 46 wooden ships with a total tonnage of 128,000, representing $24,500,000, and for 43 steel ships, totalling 211,300 tons, worth $40,000,000, or a total value of $64,500,000. Four steel ships aggregating 13,900 tons, the individual boats having a tonnage of 4,200, 3,400, 4,500 and 1,800, have been completed. Four wooden ships have already been launched and several others are ready to take the water. New yards were opened during the year at Welland, Vancouver, and Toronto. All yards for the construction of wooden ships are new or have been added to.

The value of the contracts let in the different provinces is as follows:—Nova Scotia, $1,340,000; New Brunswick, $1,000,000; Quebec, $11,600,000; Ontario, $19,240,000; British Columbia, $31,434,000.

Contracts in Provinces.

In British Columbia nine steel ships, each of 8,800 tons, worth $14,750,000; two of 4,600 tons, worth $1,679,000, and one of 4,500 tons, worth $905,651, or a total of $17,334,651, have been contracted for, along with 27 wooden ships, worth $14,100,000.

In Ontario 25 steel ships were contracted for. These comprise 13 of 3,500 tons, nine of 3,400 tons, one of 4,300 tons, and two of 2,900 tons, a total tonnage of 86,200 tons, representing $17,240,000. In addition to this four wooden ships, totalling 11,200 tons, worth $2,000,000, have been contracted for.

In Quebec four steel ships of 7,000 tons each, valued at $5,600,000, and twelve wooden ships of 2,800 tons worth $6,000,000, representing a total value of $11,600,000, have been contracted for.

In New Brunswick two wooden ships, each of 2,800 tons, worth $1,000,000, are contracted for.

In Nova Scotia two steel ships of 1,800 and 2,400 tons, worth $840,000, and one wooden ship at $500,000, are contracted for.

In 1918 Tonnage Will be 400,000.

According to a report of the Imperial Munitions Board it is reasonable to suppose that the approximate total tonnage for 1918 will be about 400,000. The approximate tonnage of wooden vessels being built by the Imperial Board on the two coasts, the Great Lakes and the St. Lawrence River is about 146,000. Figures as to the exact number of men employed in this programme are not available, but assuming an average labor cost per ton it is stated it will not be far from the equivalent of 25,000 men continuously employed.

In view of the foregoing, the figures with respect to the tonnage constructed in Canada in past years is of interest. For instance, 190,756 tons were constructed in 1874 when wooden ship construction was at its height, and each year since then has shown less activity until the war years. In 1880 the tonnage constructed was 65,441; in 1885, 41,179; in 1890, 52,378; in 1895, 16,270; in 1900, 22,326; in 1905, 19,781; in 1910, 22,283, and in 1914, 43,346.

For Imperial Munitions Board.

At present practically every shipbuilding plant in Canada that is equipped for building steel ships is making ships for the Imperial Munitions Board. Just as soon as each berth becomes vacant it is being taken up by the Dominion government in connection with the large shipbuilding programme announced by Hon. C. C. Ballantyne, minister of marine and fisheries, early in the year. Following are the details of conditions in the different shipbuilding plants of Canada:—

Two berths are vacant at Canadian Vickers, Limited, Montreal, with whom the government has entered into contract to fill the berths at once. Arrangements have also been made to fill berths becoming vacant in May, August and September with 8,200-ton ships.

Arrangements have been made with the Collingwood Shipbuilding Company to fill one berth now vacant with a 3,800-ton ship as rapidly as men can be found. It is also expected two 3,000-ton ships will be started, one in April and one in May.

The Wallace Ship Yard, Vancouver, will commence building a 4,350-ton ship early in May. They also propose building a 5,000-ton standard ship at an early date.

The government has made arrangements with the Port Arthur Shipbuilding Company to fill two berths vacant before July with two 3,000-ton ships, canal size boats.

The Polson Iron Works, Toronto, will fill four berths vacant in October with four 3,000-ton ships.

Get Steel from United States.

The Canadian Allis-Chalmers, Toronto, say they can build six ships before June, 1919, and will start as soon as berths become vacant.

Messrs. Coughlan & Sons, Vancouver, find it impossible to commence further work this year. They are building ships for the Imperial Munitions Board.

The Davie Shipbuilding Company, Quebec, will fill a berth as soon as vacant with a 5,000-ton ship.

In the meantime the department of marine and fisheries has made arrangements with the United States to secure the necessary steel to take care of shipbuilding, and at the same price as the plants across the border are paying. This steel is to be delivered to the various factories as required up to June, 1919.

It is pointed out that the establishment of new yards would only draw off men from the other yards because there are only a certain number of men available for this work. Therefore, the more the men were spread the fewer ships would be got into the water. Under existing conditions it is more important to get a few ships into service than have a large number under construction and none available.

NEW SASKATCHEWAN TRUST COMPANIES ACT

In introducing the second reading of the Trust Companies Act of Saskatchewan at the recent session, Hon. Mr. Turgeon stated that the old procedure in the matter of trust companies was by way of a private bill to a committee and thence to the assembly. The interest of the legislature was to see that these corporations were placed on such a footing that they would be subject to such requirements as would be a protection in every sense of the word. The question became so acute that a few sessions ago the government was asked to introduce general regulations in the matter. The new act is designed to meet those wishes. Companies, however, will not be able to secure incorporation merely by applying to the department, but will, as before, have to come to the legislature with a private bill, which is a model bill included in the act. Each and every company will have to conform to the general provisions of the act.

The act prescribes in a very definite manner, and much more comprehensively than in the old act respecting trust companies, the constitution, management and powers of trust companies. Every detail of incorporation and organization is provided for, as well as internal regulations, by-laws, capital stock and calls thereon, preferred stock, and how to increase the capital stock. A lengthy section prescribes the method of issuing share warrants; the books to be kept by a company are defined; the procedure regarding meetings and voting is laid down; provisions for auditing and the powers of the auidtor are included; the powers of a trust company and the investments it may make, the borrowing powers and limitations thereof, and several other similar matters are all carefully stated. All of these provisions are designed so as to insure full protection to the public and at the same time to afford to the trust companies ample power to handle to the best advantage all estates committed to their care for administration.

One section in particular may be mentioned, as a certain part of it was the occasion for some debate and received very careful consideration by the members of the House. This is Section 13, which governs the requirements necessary before a certificate allowing a company to commence business can be issued. The sub-sections in question read as follows: It must be shown that "not less than two hundred and fifty thousand dollars of capital stock has been bona fide subscribed," and that "a company has at its credit in a chartered bank at least one hundred thousand dollars paid in by subscribers on account of their subscriptions in excess of any and all liabilities of the company in connection with incorporation, procuring of subscriptions, organization or otherwise howsoever."

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AGENTS' ATTENTION
The Western Life Assurance Company
have made the following increases for the quarter ending March 31st, over the corresponding period of last year:

NEW BUSINESS..... .... 280%
CASH RECEIPTS 140%
— and —
INVESTED ASSETS have increased during the quarter by 83%

Work for a PROGRESSIVE COMPANY. We want two more District Agents for the West. If you are an up-to-date Agent, write at once to the Head Office of the Company,

WINNIPEG .. .. MANITOBA

The Standard Life Assurance Co. of Edinburgh
Established 1625. Head Office for Canada: MONTREAL, Que.

Invested Funds........	$ 66,500,000	Investments under Canadian Branch, over...	$ 16,000,000
Deposited with Canadian Government and Government Trustees, over.......... ...	7,000,000	Revenue, over..............	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

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The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
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"MUTUAL" PROTECTION AGAINST DISABILITY AND DEATH

Many Policyholders fear that a time will come when, owing to permanent disability from illness or accident, they will be disqualified from earning an income and paying their premiums. The Mutual Life of Canada issues a Policy which not only waives further payment of premiums but provides a monthly income of $10.00 per thousand of insurance, should such a condition develop and be clearly proven. This is a Policy which affords protection to the full amount of the policy at death for the beneficiary and protection for the assured while helpless—Write for full particulars.

One of the most perfect Insurance Policies issued.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario

TO PROVIDE PROTECTION
for dependents is by no means the only function of a Life Insurance Policy. Some of the other uses to which the Great-West Policies may be put are:

- Protection for one's own future.
- Protection for business enterprises.
- To compel systematic saving.
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- Providing a life income for self or dependents.

The Company issues many different plans of insurance. Premiums are low and the profits to policyholders remarkably high. Information on request.

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DEPT. "P"
HEAD OFFICE : WINNIPEG

ALWAYS A PLACE
FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

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For Agencies in Western Ontario, apply to E. J ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions Dividends and Future Plans

(Continued from page 8.)

their intrinsic values. The reserves of your system are represented only by securities such as would be invested in by the highest class of fiduciary institutions. The desire of your trustees is to constantly maintain the stability and strength of your investment, so that when periods of stagnation in business arrive the shareholders may be reasonably assured that the income from their investment in the Mackay Companies will not be lessened."

No details are given as to the amount of the preferred that has been bought in. The balance sheet shows merely the usual $50.000,000 issued. Dividend payments on both preferred and common, too, are lumped. If, however, the 6 per cent. dividend on the common is deducted from the total dividend payments, it would appear that $1,942,374 was distributed in preferred dividends in 1917, instead of $2,000,000 as in the previous year.

The statement of the year's results shows a slight falling off in income from investments in other companies, and, after paying dividends, only $6,108 remained as a surplus to be carried forward by a company with an issued capital of upwards of $91,000,000. The actual results of the year's operations, however, are obscured, because of a situation again explained in the following extract from the report: "The income of the subordinate companies of the Mackay Companies is greater than is required to pay the dividends of the Mackay Companies, but its policy is to obtain from these companies only sufficient funds to meet those dividends." Profit and loss figures for two years are as follow:—

	1917.	1916.
Income	$ 4,519.364	$ 4,683,265
Less:		
Expenses	89,058	56,799
Dividends	4,425,198	4,069,020
Balance	$ 5,108	$ 557,448

The balance sheets of 1917 and 1916 compare as follows:—

Assets:	1917.	1916.
Investments	$92,417,778	$92,005,444
Cash	881,074	1,228,299
Total	$93,298,852	$93,293,744
Liabilities:		
Preferred stock	50,000,000	50,000,000
Common stock	41,380 400	41,380,400
Surplus	1,918,452	1,913,344
Total	$93,298,852	$93,293,744

The report draws attention to the fact that it is now 13 years since the outstanding common shares have been increased and 11 years since the outstanding preferred shares have been increased. Meantime, no notes or bonds have been issued or debts incurred. The dividends on the common shares were increased on April 1st, 1917, from the basis of 5 per cent. to 6 per cent., payable quarterly. The confidence reposed in the management is shown in the ever increasing number of employees who are becoming shareholders in the Mackay Companies.

Shredded Wheat Company.—The annual report for the year 1917 shows satisfactory results. Gross income amounted to $1,249,981, a decrease from the previous year of $126,000. The amount appropriated for reserve was less, but the war tax reserve took much more, with the result that net income, at $1,046,111, was $129,000 less than in 1916. The surplus left for dividends, after adding what was carried forward from the previous year, was $1.389,939, as against $1,606,357 before, and after paying the regular dividends, the balance brought forward into the current year was $614,939. As the large sum of $575.000 was credited to "good will," a year ago, the amount brought forward on the books was only $343,827 that year. The profit and loss account, compared, follows:—

Income Statement:	1917.	1916.
Gross income, less operating expenses	$ 1,249,981	$ 1,375,839
Reserved for depreciation	54,000	57,548
Reserved for income and war taxes	149,869	45,730
Net income for year	$ 1,046,111	$ 1,175,759
Reserve for wheat price protection	....	96,800
At January 1	346,827	430,597
Net income	1,046,111	1,175,759
Dividends declared	775,000	575,000
Credited to goodwill	....	575,000
Balance at December 31	614,939	343,827

Assets:	1917.	1916.
Cash on hand and in banks	$ 348,182	$ 541,896
Invested in bonds	246,443	196,348
Accounts, products and materials	1,638.605	1,473.260
Land, buildings and equipments	2,454,099	2,921,183
Invested in subsidiary companies	1,251,000	....
Patents, copyrights, trade marks and goodwill	5.000.000	5,500.000
Held in reserve for dividend declared	....	237,000
Liabilities:		
Current—to all creditors	202,937	146,326
Dividends declared December 13, 1917	237,500	237,500
Surplus	377,944	343,827
Reserves	120,039	142,530
Capital stock	10.000 000	10.000.000

Carriage Factories, Limited.—Total profits from subsidiaries, after providing $27,000 for depreciation, together with income from rental charges, etc., amounted in 1917 to only $34,666, according to preliminary figures from the statement to be submitted to shareholders at the annual meeting. That compared with $46,334 in 1916, and $309,263 in 1915, when the company earned the equivalent of 22 per cent. on its preferred stock and 15.3 on its common.

In 1916 profits covered head office expenses, bond interest and other charges with a small balance to spare. In 1917, after deducting $16,195 for head office expenses and discount on bonds, only $18,471 remained against bond interest of $28,620. So far from any profit resulting to shareholders from the year's operations, therefore, the payment of fixed charges reduced the balance in profit and loss account from $315.978 to $305,830. Comparisons of profit and loss figures are as follow:—

	1917.	1916.
Profits	$ 23,151	$ 34,789
Rents, etc.	11,515	11,545
Total profits	$ 34,666	$ 46,334
Expenses, etc.	16,195	12,879
Net profit	$ 18,471	$ 33,454
Bond interest	28,620	29,310
Balance	*$10,149	$ 4,144
Preferred dividend	......	......
Balance	*$10,149	$ 4.144
Previous balance	315.978	311,833
Total profit and loss	$305.830	$315,978

---

*Deficit.

The balance sheet shows minor changes. Loans are slightly higher at $1,175,476. but accounts payable have been reduced about $66,000 to $237.495. Inventories at $1,342,734 are about $48,000 higher. but accounts and bills receivable are some $74.000 lower at $871,379. The aggregate of current assets is $2,228,122, against current liabilities of $1,441,618;

War Conditions — Liberal
Premiums — Recently Reduced
Agency Contracts — Profitable

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A STRONG CANADIAN COMPANY
ESTABLISHED 1889.
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Head Office - - Montreal
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Manual of Canadian Banking
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Postpaid anywhere! • **$2.50**
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CROWN LIFE

GAINS IN ALL DEPARTMENTS

	1916	1917
Net Ledger Assets - -	$ 1,684,592.78	$ 1,966,854.13
Policyholders Reserve -	1,721,057.00	1,952,271.00
Surplus Fund - -	179,273 71	192,356.48
Insurance in Force - -	14,452,966 00	15,874,283.00

Crown Life Insurance Co., Toronto
Agents wanted in unrepresented districts 56

SIMPLICITY FIRST

is about as important in your life assurance as "Safety First," because a contract that is not simple to understand may not be safe for your particular purpose.

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HEAD OFFICE FOR CANADA
164 St. James St. Montreal
ALEX. BISSETT - Manager for Canada

the corresponding figures a year ago were $2,263,342 and $1,455,003. That is, the working capital surplus at the end of November, 1917, was $786,504, against $808,339 a year before.

Assets:

	1917.	1916.
Plant, etc.	$2,615,441	$2,610,566
Investments	158,880	138,556
Inventories	1,342,734	1,295,284
Accounts receivable	871,379	945,689
Cash	14,008	22,367
Deferred charges	37,500	39,166
Insurance, etc.	12,074	13,920
Totals	$5,052,017	$5,065,550

Liabilities:

	1917.	1916.
Preferred stock	$1,200,800	$1,200,800
Common stock	1,200,000	1,200,000
Capital surplus	$ 220,268	$ 220,268
Bonds	477,000	488,500
Due Orillia	32,500	35,000
Bank loans	1,134,476	1,122,455
Other loans	41,000	....
Accounts payable	237,495	303,032
Wages, etc.	23,876	24,629
Bond interest	4,770	4,885
Depreciation reserve	174,000	150,000
Profit and loss balance	305,830	315,978
Totals	$5,052,017	$5,065,550

The Canada Food Board has extended from March 1 to March 15 the time within which bakers using five barrels of flour or more per month for the manufacture of bread, cake or other bakery products for sale, must obtain a license from the Food Boards.

RAILWAY EARNINGS

The following are the earnings of Canada's transcontinental lines for the first three weeks in February:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
February 7	$1,890,000	$2,096,000	+ $206,000
February 14	2,180,000	2,306,000	+ 126,000
February 21	2,225,000	2,435,000	+ 210,000

Grand Trunk Railway.

February 7	$ 928,462	$ 675,115	— $253,347
February 14	828,671	752,861	— 75,810
February 21	956,487	980,013	+ 23,526

Canadian Northern Railway

February 7	$ 493,600	$ 634,600	+ $141,000
February 14	602,000	688,000	+ 86,000
February 21	598,700	652,800	+ 54,100

FARM LOANS TO COST MORE

Farmers who borrow money from the British Columbia Land Settlement Board will hereafter have to pay a substantial increase in interest charges. By order-in-council recently passed by the executive council the rate hitherto prevailing—6½ per cent.—has been increased to 7½ per cent., the increase to be effective as from September 15th last. On loans approved by the board prior to that date the old rate of 6½ per cent. will remain in force.

When the system of farm loans was first made effective under the legislation passed by the late administration by which the now defunct Agricultural Credits Commission was inaugurated, the plan of financing loans was by means of bond issues by the province. The Agricultural Credits Commission, after its work was initiated, sold $1,000,000 bonds, the greater part of which was loaned or ear-marked before the commission was abolished by the present government, which, under the Land Settlement Act, named a Land Settlement Board, by which the farm loan system was carried on. A change was made in the system of financing whereby the principle of bond issues to raise money for loans was removed and funds required were taken from consolidated revenue.

The new board has not loaned much money, contenting itself with passing upon loans made by the former commission and disbursing the balance of the $1,000,000 loan left when the old board went out of existence.

CANADA'S TRADE HAS INCREASED

Canada's trade for the ten months of the fiscal year ending on January 31st reached a total of $2,229,493,276, according to the monthly statement issued from the customs department. This constitutes an increase of $351,208,579 over the same period last year, when the total trade amounted to $1,878,284,697. Domestic merchandise exported reached a total of $1,353,811,184 during the ten months of this year as against $960,736,072 during 1917. The exports of domestic merchandise during the month of January, this year, however, were lower than a year ago. They totalled $96,216,284 as against $99,106,259 a year ago.

Merchandise entered for consumption during the ten months this year reached a total of $823,059,701 as compared with $674,964,548 a year ago. During the month of January the total of this class was $60,677,414, which was lower than in January, 1917, when it reached $72,323,074. Foreign merchandise exported during the ten months of the fiscal year totalled $38,874,724 as against $20,470,769 for a similar period in 1917, and coin and bullion exported was $2,972,822 as compared with $196,190,607 a year ago.

The total of dutiable goods entered for consumption during the ten months ending January 31st was $460,976,255. Last year this class of goods totalled $370,646,468. Free goods during the ten months amounted to $362,082,846 as against $304,318,080 in 1917. Duty collected during the ten months of 1917 totalled $136,339,474, which was a substantial increase over the same period a year ago, when it reached $119,141,351.

CROWN LIFE INSURANCE COMPANY

Among the outstanding features of the annual statement for the past year of the Crown Life Insurance Company, Toronto, are the increase of cash income and the decrease of the operating cost. The cash premium income totalled $551,869 in 1917, compared with $461,342 in 1916. The total cash income, less expenditure, was $281,532, which was nearly double the previous year's figure of $144,658. The expense ratio, according to the 10 and 1 basis of calculation, was reduced to 12.6 per cent. Death claims resulting from the war constitute about one-half of the total number.

The amount of new business issued and reinstated was $4,343,768, and the amount of insurance in force at December 31st, 1917, was $15,874,283. The company is making substantial progress in all departments, and is steadily increasing its policyholders' surplus fund in spite of war conditions.

In discussing with *The Monetary Times* the company's outlook, Mr. H. R. Stephenson, F.A.S., assistant manager and actuary, said: "We are confident that a substantial increase in the scale of dividends to policyholders will be justified immediately upon the termination of the war." Mr. G. T. Somers is president of the company.

STANDARD BANK OF CANADA

The forty-third annual meeting of the Standard Bank of Canada was held on Wednesday at the bank's head office building in Toronto. The shareholders expressed considerable gratification at the results of the operations of the bank for the year ending January 31st, 1918. The assets increased to practically $74,000,000, and are 23.6 per cent. greater than they were at the end of the previous year. The deposits now amount to over $58,000,000, which represents an increase of nearly $12,000,000. Of this increase, about $5,500,000 was in interest-bearing accounts and about $6,500,000 in accounts not bearing interest.

The quick assets now amount to $32,348,775, or about 51% of the total liabilities to the public. Of this amount, 43.6%, or $14,123,114, is in cash, an increase of $3,360,590 as compared with last year.

The net profits for the year were $649,546, or 19.6%, on the average paid-up capital employed during the year, or 8.33% on the combined average paid-up capital and average reserve. This compares with 8.12% earned last year.

The paid-up capital is now $3,453,290 and the reserve fund is $4,453,290, each of these items having been increased during the year by $120,047, that amount of new stock having been issued during the year at 100% premium.

Dividends at the rate of 13% per annum were paid during the year; liberal allowances were made to pension and patriotic funds; $100,000 was transferred to a special reserve for possible depreciation in securities; and $175,215 balance is carried forward. This leaves a balance at the credit of profit and loss account about $22,000 greater than at the end of the previous year.

The bank's circulation has been increased by nearly a million dollars, now amounting to $5,484,383. This item indicates a general increase in the bank's business with the public, as also does the item of $39,853,677, current loans and discounts in Canada, which is an increase of just about $4,000,000 as compared with last year. That the bank is doing its part in financing the war is reflected by the item, "Canadian municipal, British and foreign securities," which stands at $7,192,950 as compared with $1,371,937 last year. The increase is mostly due to the bank's participation in the absorption by the Canadian banks of short-dated Dominion and Imperial treasury bills.

The report was presented by the new general manager, Mr. C. H. Easson, both Mr. Easson and Mr. W. F. Cowan, the president, addressing the meeting. The statement shows an improvement in nearly every item as compared with last year, and Mr. Easson and Mr. J. S. Loudon, who has been assistant general manager of the bank for thirteen years, received the hearty thanks of the shareholders.

The directors were all re-elected, including Mr. James Hardy, F.C.A., and Mr. T. B. Greening, who had been appointed by the board during the year to fill the vacancies caused by the deaths of Messrs. Scholfield and McMillan. Mr. Hardy is a partner in the accounting firm of Jenkins and Hardy, Toronto. Mr. Greening is president and managing-director of the Pure Gold Manufacturing Company, Toronto.

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Established 1867 — Old as Confederation

JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

January Bank Statement and Victory Loan

Savings Deposits Decreased $95,000,000 During the Month but Were Still at the High Total of $900,000,000 or over 4 Per Cent. Higher than a Year ago —All Accounts Reflecting Business Activities are Stronger than in January, 1917.

	January, 1917.	December, 1917.	January, 1918.	Year's Inc. or dec.	Month's Inc. or dec.
Deposits on demand	$427,308,526	$569,441,871	$559,777,237	+ 30.9	— 1.8
Deposits after notice	864,163,344	995,978,013	900,314,256	+ 4.2	— 9.5
Current loans in Canada	806,479,147	858,533,298	855,506,506	+ 6.1	— 0.3
Current loans elsewhere	85,989,511	111,581,098	116,220,343	+ 36.4	+ 4.5
Loans to municipalities	24,487,273	36,353,039	40,015,468	+ 66.6	+ 11.1
Call loans in Canada	79,737,064	71,779,020	76,239,201	— 3.8	+ 7.0
Call loans elsewhere	155,747,476	134,483,482	132,687,066	— 14.8	— 1.5
Circulation	133,358,187	208,753,337	193,567,911	+ 45.1	— 7.2

THE above are the changes in the principal accounts of the chartered banks during January. The outstanding features are the substantial decreases in deposits and circulation and the notable increases in current loans abroad, call loans in Canada and loans to municipalities. Victory Loan payments are chiefly responsible for the loss in savings deposits.

The following table gives a record of deposits for the past thirteen months:—

	Deposits payable on demand.	Deposits payable after notice.
1917—January	$427,308,526	$864,163,344
February	430,331,801	880,456,637
March	448,151,528	888,765,698
April	471,312,285	874,948,724
May	443,839,847	892,562,657
June	449,689,670	900,510,552
July	450,849,356	929,442,340
August	443,317,275	806,774,687
September	451,740,532	965,393,541
October	495,058,449	985,790,850
November	538,869,362	1,008,657,874
December	569,441,871	995,978,013
1918—January	559,777,237	900,314,256

The decrease of $95,000,000 in the savings deposits, resulting from Victory Loan payments, is the largest change ever reported by the banks in this account. As subscribers to the loan were entitled to pay their subscriptions in full on January 2nd and as a great many did this, it may be assumed that the greatest decrease in deposits on this account has been recorded. Instalments that remained to be paid after January will be met largely out of current income, as any subscriber, with the funds in the bank in January, would naturally take the government's discount on anticipated payments rather than wait. The remaining instalments of the loan should therefore slightly on existing deposits, while increases counted on from the accumulation of profits o business. Even with the decline of $95,00 per cent. during the month, savings de $36,000,000 or 4.2 per cent. larger than June last, the savings deposits reached $1,000,000,000 for the first time, but as business activity has only slightly slackened, the account will probably return above that total during the next few months.

The following table shows a record of deposits for the past six years:—

January.	On demand.	After notice.	Total.
1913	$354,518,964	$635,000,056	$989,519,020
1914	339,811,339	635,135,955	974,947,294
1915	329,916,730	666,960,482	996,877,212
1916	387,002,926	714,264,486	1,001,267,412
1917	427,308,526	864,163,344	1,291,471,870
1918	559,777,237	900,314,256	1,460,091,493

Despite the decline in savings and demand deposits in January amounting to $105,000,000, the total deposits at the end of January, 1918, were $1,460,000,000 or $169,000,000 greater than a year ago. Both demand and after notice deposits were higher last January than in any of the past six.

The trend of the Canadian loans account for the past thirteen months is shown in the following table:—

Loans.	Current in Canada.	Call in Canada.
1917—January	$806,479,147	$79,737,064
February	813,302,717	78,686,535
March	843,054,466	76,478,708
April	880,523,897	82,737,417
May	844,890,589	78,514,798
June	839,355,782	76,085,220
July	820,560,700	71,376,788
August	836,420,670	71,204,351
September	855,306,953	72,421,187
October	883,086,860	71,653,719
November	868,073,714	72,178,345
December	858,533,298	71,779,020
1918—January	855,506,506	76,239,201

Current loans in Canada decreased about $3,000,000 in ary. This change, together with decreases in circula- nd demand deposits, are normal in January following ivity of the grain-moving season and the holiday Circulation declined $21,000,000 and a reflection found in a withdrawal of a similar amount of

Chartered Banks' Statement to the

	NAME OF BANK	Capital Authorized	CAPITAL STOCK		Amount of rest or reserve fund	Rate per cent. of last dividend declared	Notes in circulation	Bal. due to Dom. Gov. after deducting advances for credits, pay-lists, etc.	Balances due to Provincial Governments	Deposits by the public, payable on demand in Canada	Deposits by the public, payable after notice or on a fixed day in Canada	Deposits elsewhere than in Canada
			Capital Subscribed	Capital Paid Up								
		$	$	$	$		$	$	$	$	$	$
1	Bank of Montreal	25,000,000	16,000,000	16,000,000	16,000,000	10	26,447,706	10,491,836	2,596,863	108,250,245	143,559,765	55,642,764
2	Bank of Nova Scotia	10,000,000	6,500,000	6,500,000	12,000,000	14	11,129,213	3,721,084	75,968	24,631,565	51,754,777	17,639,588
3	Bank of British North America	4,866,666	4,866,666	4,866,666	3,017,333	8	5,812,540	1,306,996	176,478	15,881,913	29,743,492	4,785,506
4	Bank of Toronto	10,000,000	5,000,000	5,000,000	6,000,000	11	5,425,550	1,541,724	149,480	24,185,929	35,053,308	....
5	The Molsons Bank	5,000,000	4,000,000	4,000,000	4,800,000	11	5,467,918	7,523,280	231,924	11,177,637	31,435,352	....
6	Banque Nationale	5,000,000	2,000,000	2,000,000	2,000,000	9	3,493,795	4,082,724	132,973	4,759,850	20,646,213	1,433,243
7	Merchants Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	10	11,807,883	5,098,113	2,037,199	34,818,653	57,411,898	782,093
8	Banque Provinciale du Canada	2,000,000	1,000,000	1,000,000	750,000	7	1,094,033	1,993,358	231,984	3,081,479	12,004,408	....
9	Union Bank of Canada	8,000,000	5,000,000	5,000,000	3,400,000	9	9,859,652	5,772,457	4,865,339	41,921,570	53,251,843	4,297,123
10	Canadian Bank of Commerce	25,000,000	15,000,000	15,000,000	13,500,000	10	22,248,575	25,108,366	2,716,000	95,324,959	118,198,550	25,084,728
11	Royal Bank of Canada	25,000,000	12,911,700	12,911,700	14,000,000	12	25,042,322	13,953,061	833,863	70,991,936	108,938,079	59,056,308
12	Dominion Bank	10,000,000	6,000,000	6,000,000	7,000,000	12	8,008,482	1,765,963	17,717	29,664,324	47,290,658	859,753
13	Bank of Hamilton	5,000,000	3,000,000	3,000,000	3,300,000	12	5,110,431	3,206,926	138,854	17,423,981	31,423,381	....
14	Standard Bank of Canada	5,000,000	3,473,100	3,453,290	4,453,290	13	5,484,383	6,123,774	124,852	18,372,633	33,459,443	....
15	Banque d'Hochelaga	10,000,000	4,000,000	4,000,000	3,700,000	9	5,493,007	1,977,498	101,365	8,380,203	24,511,456	....
16	Bank of Ottawa	5,000,000	4,000,000	4,000,000	4,750,000	12	5,328,260	1,866,691	124,406	12,168,945	31,281,948	....
17	Imperial Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	12	8,971,014	6,516,612	1,265,071	20,240,907	42,899,016	....
18	Home Bank of Canada	5,000,000	2,000,000	1,947,363	300,000	5	1,819,545	2,625,450	967,718	3,475,685	8,273,270	....
19	Northern Crown Bank	6,000,000	1,431,200	1,429,606	715,600	5	2,704,825	948,727	1,012,315	9,099,663	11,017,184	....
20	Sterling Bank of Canada	3,000,000	1,266,600	1,215,520	300,000	6	1,100,045	727,304	146,112	4,419,982	6,911,681	....
21	Weyburn Security Bank	1,000,000	642,200	385,820	175,000	5	325,285	143,099	15,202	1,505,178	1,246,446	....
	....	....	....	....	....	....	....	....	....	....	....	....
	Total	189,866,666	112,091,466	111,709,465	114,161,223	....	171,674,464	106,497,043	17,961,683	559,777,237	900,314,256	169,581,106

ASSETS

	NAME OF BANK	Current Gold and Subsidiary Coin			Dominion Notes			Deposit with Minister of Finance for security of note circulation	Deposit in central gold reserves	Notes of other banks	Cheques on other banks	Loans to other bks. in Canada, secured, including bills rediscounted	Dep'sits made with and bal. due from other banks in Canada	Due from banks and banking corres-pond'ts in the United King.	Due from bks. and banking corres-pond'nts else-where than in Canada and U.K
		In Canada	Else-where	Total	In Canada	Else-where	Total								
		$	$	$	$	$	$	$	$	$	$	$	$	$	$
1	Bank of Montreal	17.068.150	3.600.256	20.668.406	57.240.826	12,665	57.253.492	790,000	11,500,000	1,704.288	14.527.525	......	....	4,836,724	8,968.508
2	Bank of Nova Scotia	7,845,355	1,912.162	9.757.518	6,671,842	4.526	6.676.368	321,015	6,500.000	1.385.710	4,824.476	....	....	3,002.281	1,927,318
3	Bank of Brit. North America	1.069.716	202,105	1.271.821	7,052.568	282	7,052.850	245.822	1,970,000	348,285	2,983.144	....	13,201	115,947	1,371.015
4	Bank of Toronto	970,832	....	970,832	9,222,005	....	9,222.005	262,273	1,000,000	566.985	2,301.770	....	....	....	1,801,194
5	The Molsons Bank	563,330	....	563,330	3,700.950	....	3.700.950	217,000	2,000.000	349.529	2,006.760	......	25.972	297,977	1,278.407
6	Banque Nationale	265,663	1.103	266.767	1,886,290	117	1,886,407	100.000	1,200,000	323,215	910,192	....	767	78	822.259
7	Merchants Bank of Canada	3.884,699	1.002,562	4.887,261	5.064,244	....	5.064.244	355,000	5,500,000	702,222	4,469.582	....	3.072	61,479	1.264.595
8	Banque Provinciale du Canada	113,688	....	113.688	270.263	....	270,263	64.334	....	261,438	981,006	....	2.044.966	11,454	91,218
9	Union Bank of Canada	970 861	17.099	987,960	11,586.837	5	11,586,842	260,000	6.050,000	579,359	2,694.454	......	53,885	2,827,013	611.763
10	Canadian Bank of Commerce	9.454.080	9.591.803	19,045.884	20.086.704	13.017	20,099,721	831.173	9,000.000	2,357,087	9.868.635	....	343	1,381,483	4.705.301
11	Royal Bank of Canada	3,853.107	11.165.155	15.018.263	18.201.432	2.412	18.203.844	645.585	13.500.000	5,852,959	11,423,897	....	233,720	315.413	10,271.883
12	Dominion Bank	1,975,806	114	1.975,920	10.998,619	....	10.998.619	304.500	4,300,000	761.114	3.161,665	....	9.171	161,517	2.426,731
13	Bank of Hamilton	903,496	....	903,496	3,721.386	....	3,721,386	157,000	2,500,000	405,711	1,848,677	....	647,785	451,344	598,940
14	Standard Bank of Canada	1,442,403	114,930	1,557,333	10.065.781	....	10,065,781	175 000	2,500,000	265,096	2,822,442	....	....	74,952	976.258
15	Banque d'Hochelaga	405.651	....	405.651	2,398,304	....	2.398,304	200,000	2,000,000	602,267	1,292,878	....	750,396	17,201	475.076
16	Bank of Ottawa	1,042.022	....	1,042,022	2,619.904	....	2,619.904	210,000	1,550,000	391,785	1.656,192	....	912,009	388.443	1,432,637
17	Imperial Bank of Canada	2,593,081	....	2,593.081	10.450,215	....	10,450.215	372,449	3,000.000	906,472	2.801,864	....	423,619	151,677	3,638.082
18	Home Bank of Canada	141,773	....	141,773	1.027.747	....	1,027,747	105,000	....	134,314	318,152	......	111,447	21,977	130.916
19	Northern Crown Bank	185,684	....	185,684	1,534,141	....	1,534,141	75,500	1,500,000	166,865	1,307,079	....	706,382	40,000	162,096
20	Sterling Bank of Canada	67,752	....	67,752	944,698	....	944,698	62,994	....	165,267	517,094	....	5,000	36,480	385.269
21	Weyburn Security Bank	19,234	....	19.234	172,177	....	172,177	17.705	....	21,238	22,596	....	895,990	....	172,186
	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
	Total	54,836,383	27,607,289	82,443,676	184,916,933	33,024	184,949,958	5,772,350	75,570,000	18,251,206	72,740,080	....	6,837,725	14,193,440	43,511,652

Of the deposit in Central Gold Reserves $18.210,000 is in gold coin; the balance is in Dominion Notes.

cover from the Central Gold Reserve, together with an increase of $17,500,000 in the banks' holdings of Dominion notes. The very small decline of $3,000,000 in current loans indicates continued pressure from business for funds to finance materials and wages at abnormally high price levels.

The following table gives a record of the loan accounts during the past six years:—

January.	Current loans in Canada.	Current loans elsewhere.	Call loan in
1913	$874,705,616	$40,098,1	
1914	811,582,130	56,051,4	
1915	770,118,911	43,987,2	
1916	758,500,492	61,986,84	
1917	806,479,147	85,989,51	
1918	855,506,506	116,220,34	

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Call loans in Canada in January were $3,000,000 less than a year ago but they increased about $5,000,000 during the month. This was a result of the Victory Loan transaction and not of trading on the Canadian stock exchanges. Discussing this account, the Montreal Gazette says:—

re "A moderate expansion in the volume of stock ex-
ge business in January called for little if any new
Hardy, ng by brokers, as it was based very largely on
pointed ng, which tended to reduce, rather than increase,
caused by increase in the call loans item, the first im-
Mr. Hardy is
Hardy, Toronte in ten months, is to be ascribed rather to
director of the an subscribers to meet their payments, the
iquidated out of income in the coming

Dominion Government---Jan., 1918

LIABILITIES

Loans from other banks in Canada secured, including bills re-discounted	Deposits made by and balances due to other banks in Canada	Due to banks and banking correspondents in the United Kingdom	Due to banks and banking correspondents elsewhere than in Canada or the U.K.	Bills payable	Acceptances under letters of credit	Liabilities not included under foregoing heads	Balances due to the Imperial Government	Total Liabilities	Aggregate amount of loans to directors, and firms of which they are partners	Average amount of current gold and subsidiary coin held during the month	Average amount of Dominion Notes held during the month	Greatest amount of notes in circulation at any time during the month	
$	$	$	$	$	$	$	$	$	$	$	$	$	
....	3,892,223	....	315,550	503,573	2,505,602	2,748,487	....	358,954,618	513,801	30,245,308	56,037,199	29,933,541	1
....	479,969	116,124	1,103,009	....	551,691	7,772	....	111,210,765	634,805	9,687,186	9,176,074	12,207,731	2
....	3,191	80,275	801,322	1,366,843	1,113,404	4,837,973	....	65,409,933	....	1,508,401	7,321,837	5,625,276	3
....	508,997	264,297	345,301	....	500,069	1,713	....	67,976,372	270,242	968,384	8,821,038	8,650,400	4
....	133,596	60,357	231,404	....	1,160,117	348,740	....	57,770,329	444,632	560,935	3,827,030	8,455,638	5
....	....	31,735	3,113	....	38,407	2,300	....	34,621,357	629,830	256,125	1,591,687	3,812,881	6
....	1,193,687	51,447	1,301,861	....	683,653	178,670	....	115,363,181	728,569	5,804,466	11,605,731	13,415,813	7
....	688	....	....	....	....	34,526	....	18,440,676	....	102,315	307,644	1,181,533	8
....	270,732	131,605	778,897	95,580	2,447,026	8,918	....	123,700,749	704,998	1,551,306	12,666,603	11,860,242	9
....	122,880	1,301,150	8,686,260	173,845	4,051,310	5,616	....	303,022,244	856,960	21,969,000	23,608,000	24,464,546	10
....	502,640	198,392	5,800,593	410,988	7,072,712	8,878	....	292,809,778	448,668	14,563,105	21,252,683	28,118,471	11
....	305,643	65	1,097,647	237,480	250,045	390,197	....	89,687,978	621,947	1,931,000	11,353,000	9,417,684	12
....	23,758	11,696	707,481	....	171,882	....	....	58,218,393	440,564	880,387	2,395,766	6,105,901	13
....	1,160,942	20,484	980,466	....	70,036	....	....	65,797,617	209,250	1,451,876	7,776,445	5,646,948	14
....	....	33,052	318,417	....	65,996	....	....	40,881,087	136,633	386,776	2,693,205	8,413,977	15
....	27,594	4,674	327,864	....	8,038	56,971	....	51,197,394	373,670	1,014,248	2,609,374	6,051,095	16
....	164,785	1,345	361,773	....	89,352	....	....	80,509,877	266,372	2,508,428	9,227,526	9,364,714	17
....	1,596	71,250	598,328	....	....	....	....	17,832,844	203,892	131,330	1,057,900	2,190,905	18
....	1,919	....	16,539	....	717	4,072	....	24,805,964	403,198	181,614	1,526,760	3,203,905	19
....	189,099	....	....	....	1,171	3,037	....	13,498,434	374,263	67,607	899,775	1,094,196	20
....	....	....	....	....	....	29,900	....	3,267,112	20,517	18,287	172,407	352,515	21
....	8,984,139	2,377,946	23,775,825	2,788,309	20,781,228	8,665,770	....	1,993,179,080	8,282,811	95,785,081	195,927,684	193,567,911	

ASSETS

Domin'n Government and Provincial Government securities	Can. municipal securities, and Brit., foreign and colonial public securit's other than Can.	Railway and other bonds, debentures and stocks	Call and short loans in Canada on st'cks debentures and bonds (not exceeding 30 days)	Call and short loans elsewhere than in Canada (not exceeding 30 days)	Other current loans and discounts in Canada	Other current loans and disco'nts elsewhere than in Canada	Loans to the Government of Canada	Loans to Provincial Governments	Loans to cities, towns, municipalities and school districts	Over-due debts	Real estate other than bank premises	Mortgages on real estate sold by the bank	Bank premises at not more than cost, less amounts (if any) written off	Liabilities of customers under letters of credit as per contra	Other assets not included under the foregoing heads	Total Assets	
$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
11,139,862	40,128,347	12,504,361	....	77,623,002	99,789,670	9,928,828	....	1,426,810	12,794,314	419,901	47,447	65,145	4,000,000	2,505,602	3,698	392,625,438	1
7,182,837	13,503,616	3,747,547	4,087,019	9,373,319	45,873,882	6,972,257	....	126,799	1,454,705	190,763	89,600	2,687	2,998,568	551,691	63,166	130,608,152	2
3,460,000	9,006,334	125,046	2,694,397	4,827,050	26,958,552	6,481,658	....	63,665	2,078,045	551,378	32,310	8,003	2,409,292	1,113,404	237,229	75,418,448	3
4,781,504	9,739,525	848,870	4,025,359	1,000,000	37,853,763	....	....	....	1,375,409	290,950	....	....	3,510,884	500,069	....	80,051,395	4
4,189,408	8,113,501	1,066,370	4,203,063	....	33,712,895	....	....	....	1,506,739	98,949	103,056	4,787	2,302,920	1,160,117	241,300	67,143,041	5
4,414,000	1,402,783	1,049,685	2,279,843	....	21,701,786	250,000	....	....	535,269	28,995	395,878	211,299	1,197,020	38,407	45,934	39,060,584	6
7,532,507	12,857,992	4,047,717	5,234,542	3,875,527	66,189,438	283,317	....	526,005	1,134,871	281,736	303,704	257,015	4,907,991	683,653	86,899	130,510,378	7
675,843	3,077,181	1,301,931	2,900,041	....	7,311,330	....	....	....	307,543	89,528	152,803	19,701	331,660	....	217,178	20,223,116	8
6,156,344	25,179,708	2,933,212	6,593,616	4,434,000	50,767,608	4,946,905	....	491,972	1,251,224	350,376	373,558	96,027	1,118,131	2,447,026	56,146	132,847,139	9
17,307,824	25,195,184	6,108,463	14,767,533	19,314,479	139,767,826	25,399,418	....	3,202,139	4,428,158	156,050	1,138,628	196,553	5,112,286	4,051,310	96,883	333,531,870	10
14,329,219	22,763,884	12,571,974	11,866,288	8,574,785	96,747,073	60,487,539	....	367,660	2,597,818	581,759	1,116,833	....	8,468,104	7,072,712	133,996	321,145,219	11
6,294,411	11,307,169	3,360,857	5,076,293	3,064,904	44,361,159	69,708	....	....	128,752	195,363	23,493	23,559	5,324,980	250,045	....	103,579,937	12
3,552,903	8,374,347	623,110	3,092,976	600,000	31,630,285	1,370,000	....	293,317	1,416,010	179,811	504,628	50,664	2,076,230	171,882	261,772	65,432,284	13
3,963,591	7,192,950	892,843	2,037,525	....	39,492,903	....	....	....	360,774	111,067	16,006	1,185	1,324,298	70,036	90,866	73,990,907	14
3,176,841	6,012,795	254,468	1,732,048	....	23,699,603	....	....	....	2,895,369	277,134	531,949	142,888	2,119,563	65,996	405,621	48,956,054	15
7,485,653	12,335,975	653,659	1,836,221	....	23,682,972	....	....	....	1,516,757	307,700	212,914	43,249	1,807,120	8,038	105,644	60,199,102	16
7,366,590	11,933,413	893,269	2,422,343	....	40,192,128	....	....	20,250	4,358,760	365,715	406,024	514,436	3,025,509	89,352	65,532	95,990,791	17
3,000,658	1,370,998	790,815	931,242	....	10,808,652	31,213	....	....	247,595	55,523	75,246	72,677	866,865	....	29,435	20,272,254	18
8,210,317	2,921,769	1,424,743	269,735	....	7,733,169	....	....	138,690	83,853	156,681	79,382	86,407	354,407	717	113,409	27,251,090	19
2,494,650	3,128,766	614,232	189,119	....	6,130,359	....	....	....	28,865	12,030	....	....	301,783	1,171	141,644	15,227,182	20
595,000	443,564	16,900	....	....	1,101,953	....	....	....	14,636	62,774	16,737	7,511	164,361	....	58,254	3,802,822	21
127310016	235989801	55,830,072	76,239,201	132,687,066	855,506,506	116220343	....	6,637,307	40,015,466	4,764,183	5,620,190	1,803,793	51,716,972	20,781,228	2,454,806	2,237,867,216	

T. C. BOVILLE, *Deputy Minister of Finance.*

months. There was a similar rise in call loans last April, when the third Canadian war loan was floated, although market conditions at that time were such as to suggest that brokers' ordinary loans were contracting rather than expanding. Some bond houses, as it proved, had bought fairly heavily with a view to placing the bonds later, and these purchases were financed, in part, by call loans.

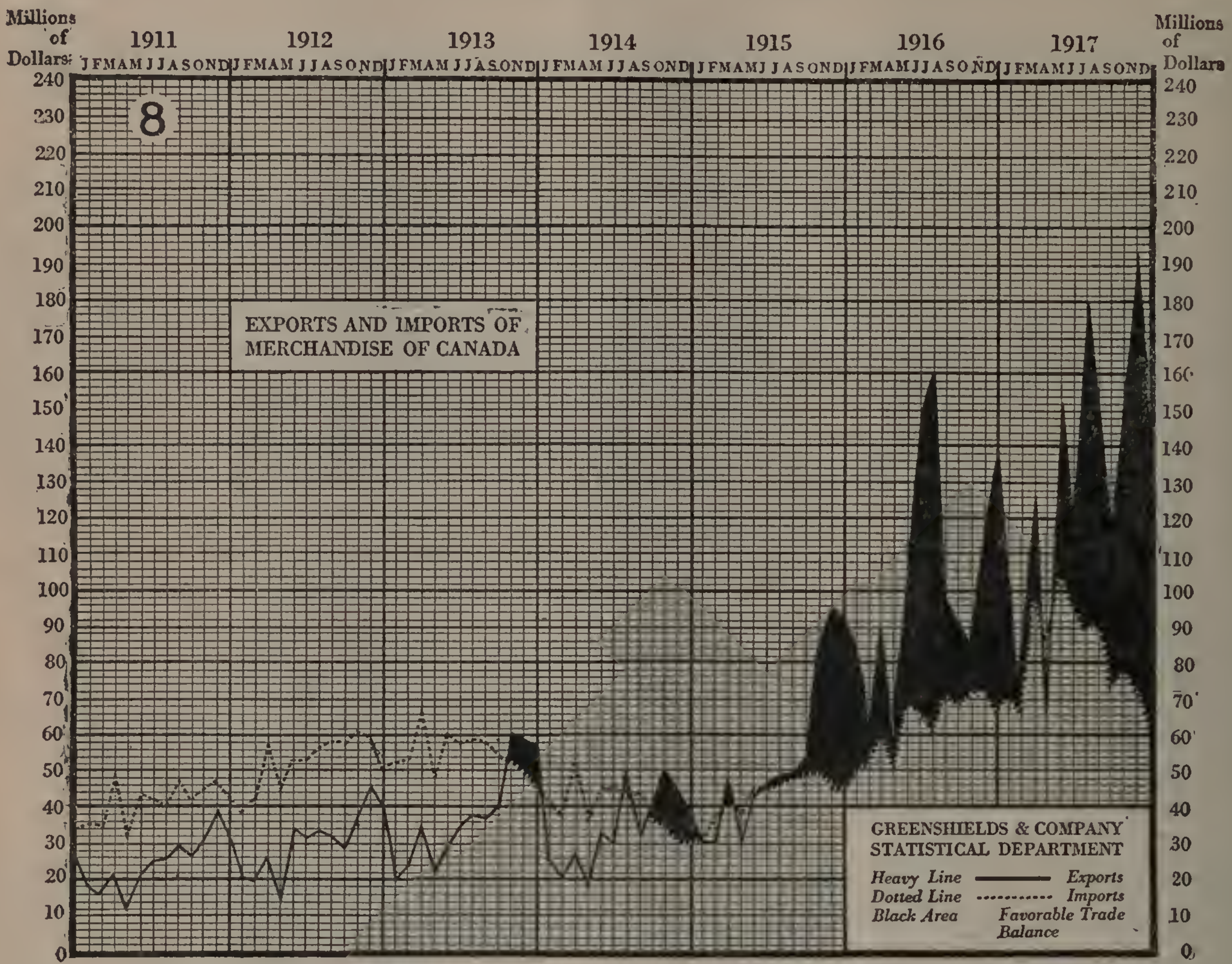
"The increase in April was 6¼ millions, and was wiped out in the next two months. The increase of 4½ millions in January is very moderate, considering the size of the Victory Loan as compared with the third war loan."

The following table shows the call loans abroad in January as compared with previous returns.

	1915.	1916.	1917	1918
January ..	$ 85,706,641	$134,248,552	$155,747,476	$132,6
February .	89,890,982	139,138,651	162,344,556	..
March ..	101,938,685	141,889,989	161,616,735	.
April ...	121,522,971	147,146,443	159,156,054	
May	136,098,835	163,400,659	168,092,675	
June ...	124,604,875	182,757,015	159,300,133	
July	117,821,174	177,121,733	151,875,676	
August ..	120,607,677	171,380,353	176,010,605	
September.	135,108,412	173,877,586	166,480,004	
October .	120,681,624	189,346,216	151,018,747	.
November.	135,530,562	183,250,389	139,832,552	.
December.	137,157,869	173,878,134	134,483,482	

Call loans abroad decreased $2,000,000 during January and were $33,000,000 or nearly 15 per cent. less than a year ago.

How Canada's Favorable Trade Balance Has Grown



The above chart tells the story of Canada's great prosperity in the past year. As a result of high prices for grain and heavy orders for munitions and other supplies sold abroad, the country's favorable trade balance for the year amounted to $588,000,000, against $479,000,000 in 1916, and $202,000,000 in 1915. The rapid and sustained development of the "black area" to really large proportions is in striking contrast with the showing in years prior to the war, when the rare instances of a balance favorable to Canada were limited to the autumn when the grain movement was at a peak.

INTERNATIONAL COAL AND COKE COMPANY

The International Coal and Coke Company, whose properties are near Coleman, Alta., reports a profit of $84,565 for 1917, against $48,230 in 1916 and $45,556 in 1915. Of the year's profit, $65,133 was transferred to reserves, leaving $19,431 to be added to profit and loss balance, which now stands at $86,583.

Mr. A. C. Flumerfelt, in his report as president, states that in view of the serious and prolonged labor troubles which occurred in the district, causing stoppage of work and entailing heavy loss, the results can be considered satisfactory.

The directors have carefully considered the adequacy of the reserves set aside for the depletion of the coal lands and the depreciation of the plant, equipment and development work. It has been decided, in order to place the reserves on a sounder and more conservative basis, to transfer the sum of $305,131 from surplus to the various reserve accounts. Apart from profit and loss balance the company was carrying $438,589 in surplus account. That surplus is reduced by the transfer to $133,458, while reserves are increased from $616,753 to $987,018.

The physical condition of the mine is reported to be good and the financial position sound. As to the later current assets of $169,420 are shown in the balance sheet, against current liabilities of $81,678.

No dividends have been paid on the company's $3,000,000 capital stock since 1914.

MONTREAL TRAMWAYS COMPANY

J. M. Hutcheson, general manager of the Montreal Tramways Company, states that the second auxiliary steam plant at Hochelaga, consisting of a steam turbine with a capacity of 12,500 kilowatt hours, or about 17,000 horse-power, will be installed towards the end of April or at the beginning of May. Asked as to how the first auxiliary plant was working out, Mr. Hutcheson replied that it was doing very well, being used in rush hours, such as in the morning and evening, when requirements or electric current are far above normal, besides which it can be used in case of any failure of transmission of hydraulic power.

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OUR FUEL PROBLEM

Canada is not in a position to do without United States coal at present. With substantial factory production and heavy freight movement, for war purposes, the Dominion will next winter need as much coal from the United States as during past winters, despite rigid economy in consumption. Certain parts of Ontario have already suffered from lack of coal notwithstanding efforts to supplement the supply with wood. There is good reason to congratulate Hon. C. A. Magrath, the Fuel Controller, upon the way he has handled the coal situation during the past severe winter. He has worked quietly and effectively, and is in close co-operation with Dr. H. A. Garfield, the United States Fuel Controller. It is confidently hoped that as a result of these co-operative efforts, the Dominion will be able to obtain its full share of coal for the coming winter. This will be needed even if supplemented by local wood supplies.

Our fuel problem, however, is not a matter related only to next winter. With the continuance of the war, with the increasing shortage of labor, almost stationary production, and rapidly increasing consumption, we are confronted with a national problem which demands serious consideration and action. The distribution of the coal we obtain from the United States is an important matter. If that coal is going to Western Canada, while Ontario is short and the Alberta coal producers cannot find a market for their output, there would appear to be room for adjustment. Its value as fuel and the production and the distribution of Western Canada's coal constitute one phase of our fuel problem. The development of our peat bogs is another important phase; and the obtention of wood supplies for emergency purposes is a third factor. We should not deal with our fuel question in a day-to-day manner. We should face the probability of the United States being compelled at some time in the future to curtail materially, or stop altogether, the export of coal to Canada. The present is the time to consider the development of our fuel resources if for no other reason than insurance against future contingencies.

EMPIRE TRADE

The trade commissioner service of the United Kingdom is of recent origin. At the Imperial Conference of 1907, Sir Joseph Ward, Prime Minister of New Zealand, called attention to the need for official commercial representation of the United Kingdom in the self-governing Dominions. Mr. Lloyd George, then president of the Board of Trade, was able to inform the Conference a few days afterwards that arrangements for the appointment of such officers were being made. The measures which were subsequently taken resulted in the institution, in 1908, of the present service of four Trade Commissioners, one being appointed for Canada and Newfoundland, and one each for Australia, New Zealand and South Africa.

An extension of the service was strongly recommended in a report of the Dominions Royal Commission issued in February, 1917. The Board of Trade had simultaneously been engaged on a scheme for the strengthening of the service and it has now been decided to increase the number of British Trade Commissioners from four to fifteen or sixteen. Whereas in all the dominions there were only four commissioners, Canada alone in future will have four, the senior officer in Canada dealing also with trade in Newfoundland. The remaining eleven or twelve commissioners will be stationed in Australia, New Zealand, South Africa, India, the West Indies and the Straits Settlement.

This important development is naturally of considerable interest to the British Empire at large, especially as the idea was originally suggested by the Prime Minister of New Zealand. It will be recalled that at the Imperial War Conference in April last a resolution, on the motion of General Smuts, was passed welcoming the proposed increase of the Board of Trade service of Trade Commissioners and its extension throughout the Empire. The resolution recommended "that the governments concerned should co-operate so as to make that service as useful as possible to the Empire as a whole, especially for the promotion of inter-Imperial trade."

Commenting upon the extended service, the official Board of Trade Journal in a recent issue reminds us that the war, instead of exercising a disruptive influence on the British Empire as predicted and hoped by the enemy, has led to a keener realization of the strength of the ties, both moral and material, which bind the various portions of the Empire together. "Out of this realization," it continues, "has sprung a growing consciousness of the need for a closer co-operation in all things that matter between the States of which the Empire is composed." As the war proceeds, this opinion and the ties which bind the units of Empire are strengthened. The day is approaching when the various parts of the Empire will co-operate, as they have done in war, in matters affecting their natural resources, trade, shipping, finance, and other vital factors. Being moulded is a British Empire which will work in harmony and whose power automatically will increase. Other nations know well that this power will always be ready to champion the cause of right. It is appropriate that at such a time comprehensive action should be taken with the direct object of fostering and developing inter-Imperial trade.

PROVINCIAL CONTROL OF FORESTS

The recent proposal of Hon. Edward Brown, provincial treasurer of Manitoba, to retire the provincial debt by realizing on the natural resources of the province, was noted in these columns two weeks ago. A circular, just issued by the Canadian Forestry Association, takes issue with Mr. Brown and with the other Western political leaders who have brought forward the contention that Manitoba, Saskatchewan and Alberta should be placed upon the same basis as the older provinces in respect to ownership of their natural resources. This Association is a non-government, non-commercial body of 5,500 Canadian citizens, 1,200 of whom reside in the prairie provinces.

With the political side of the long-standing dispute over control of natural resources in the prairie provinces the Canadian Forestry Association states it is not concerned. So peculiarly, however, is the question related to proper management of the Western forests that some reference to it at this time, it thinks, is essential in the public interest.

The Association states that the bulk of the citizens of the Western provinces have an impression that the forests would constitute an immediate source of revenue to the provincial treasury and that in demanding control of the forest resources they are asking the Dominion to enhance their cash income. The ownership of the Western forests, however, is an immediate financial liability to the Dominion government, and the total income from Western forests does not equal the total outlay for protection and improvement. The Dominion Forestry Branch spends $445,000 annually on forest protection in Manitoba, Saskatchewan and Alberta, while the total revenues are approximately $39,000.

"If the forests are handed over to the Western provinces, they must accept the situation as it actually is," says the Association. "Instead of adding to their revenues, they would then have to find at least $200,000 from some fresh source with which to pay the cash deficit on one year's handling of their new forest possessions. More than that, they would, in all likelihood, automatically forfeit the provincial subsidies paid by the Dominion government amounting to: Manitoba, $409,007; Saskatchewan, $562,500, and Alberta, $562,500, as a Dominion allowance in lieu of public lands. These subsidies are paid as compensation for Dominion control of the natural resources, and would lapse with any transfer of title to the lands. What proportion of the subsidies is represented by the forest resources is not ascertainable, but assuredly it would represent a large sum for each province." These are important considerations and should have the attention of the provincial authorities during their discussions.

FLAX AND LINEN

How Canadian seed is being used in the development of flax growing in Ireland is recorded in a report received by the Department of Trade and Commerce, Ottawa, from Mr. Harrison Watson, Chief Canadian Trade Commissioner in the United Kingdom. The report states that at a meeting of the Irish linen trade held in Belfast it was decided to raise a guarantee fund of $2,500,000 to launch a scheme for growing greatly increased crops of flax seed in Ireland. Five thousand acres of land have been taken, it was stated, 4,000 being in Ulster. Enough Canadian seed has been purchased to sow 10,000 acres.

The guarantee fund is being raised by a pro rata contribution by the trade.

This interesting development is discussed on another page in special correspondence of *The Monetary Times* by a linen expert of Belfast. He points out the great possibilities ahead of the Canadian flax industry. The failure of the first linen mill in this country is recalled and emphasis is placed on the necessity of reliable and harmonious relations between the flax growers and linen manufacturers in order to have a successful flax and linen industry.

LARGER AVERAGE POLICIES

The fact that probably millions of men in the national service, drawn from every walk of life, have actually been insured in the United States during the war in amounts from $8,000 to $10,000, will establish such sums in the popular mind as the natural minimum of life insurance for an ordinarily thrifty person to carry. If this is correct, life insurance companies may expect a steady rise in average policies. While there is not government insurance of soldiers in Canada, many factors are working here towards a larger average policy. Higher incomes are being earned and since we went into the war nearly four years ago, there is a more serious consideration of life in general, including a more keen appreciation of the possibility of death itself. The average policy of the first Canadian life assurance company in 1916 increased by $103, this increase alone accounting for $915,876 of the company's business for that year. In 1917, there was again an increase of $111 in the average policy, accounting for $1,081,000. Other companies have had somewhat similar experiences.

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INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Monarch Knitting Company.—Net profits of the company during the year ended November 30, 1917, after all fixed charges, amounted to $202,413, as compared with $145,534 the year before. Profits represented 27 per cent. on the preferred stock and 11¾ per cent. on the common. After providing for dividends and adding the balance from the previous year, the amount carried forward into the current year aggregated $442,212, as compared with $340,423 in 1916. Following is a comparative statement of the profit and loss account:—

	1917.	1916.
Net profits	$202,413	$145,534
Dividends	52,500	48,125
Balance carried forward	149,913	292,298
Balance from 1916	292,298	149,889
Balance at credit of profit and loss	442,212	340,423

At the end of November, 1917, the working capital stood at $526,336, as against $455,023 in 1916. The assets, exclusive of good-will, were equal to $196 on each preferred share and $56 on each common share. Accounts receivable were $235,955 greater than in 1916. Properties increased $137,000 and inventories increased $71,000. Over against these two items were an increase in bank loans of $102,500, in sundry loans and employees' deposits of $47,000, and in accounts payable of $162,000.

New Brunswick Power Company.—The first annual meeting of the company was held on February 25th, 1918. The statement presented covers the period of ten months from March 1st, 1917, when operations commenced. During that period the total operating revenue was $569,200, and the total operating expenses were $424,893, leaving a gross income of $144,306. The net revenue from non-operating departments, such as the Eastern Electric Company, amounted to $21,553, making for the year a gross income of $165,860 available for the payment of bond interest and preferred dividends. Of this amount $74,344 was paid in bond and other interest. The dividends on preferred stock paid for the nine months amounted to $70,875, and accrued dividends for December $7,875, leaving a surplus of $12,766.

During the past year extensive additions were made to the plant. In the power house $72,112 was spent, very materially increasing the boiler capacity, thus enabling the company to generate a larger amount of current. In the railway department $14,543 was spent on new equipment, and $11,803 for replacement of special work, etc. In addition to these figures a considerable sum was spent in improving the tracks by using arc welding machines and rail grinder, building up the cupped ends of rails and welding the joints, which secured a smooth roadbed and easier riding for the street car patrons, This work will be continued during 1918. Additions and extensions were also made in the electric and gas departments, amounting to $24,476.

Maritime Telephone and Telegraph Company.—Messrs. F. B. McCurdy and Company, Halifax, are asking the shareholders of the company for proxies for the special general meeting to be held in the last week of March, when the question of the company's sale of its shares in the Prince Edward Island Telephone Company will be considered, as arranged at the last annual meeting. Mr. McCurdy is opposed to the company disposing of its interest in the Prince Edward Island Company, not only on the ground that it is not to the advantage of the Maritime shareholders, but owing to the manner in which the deal was carried through with Howard P. Robinson, of the New Brunswick Telephone Company in the interests of a new company, the Eastern Telephone Company. The circular setting forth the objections to the deal takes up various phases of the controversy at length. With reference to the relations of C. F. Sise, Jr., and L. B. McFarlane, of the Bell Telephone Company, to the matter, the circular says:—

"C. F. Sise, Jr., of Montreal, P.Q., a director of Maritime appointed by the Bell Telephone Company, stated at the meeting, in response to a question, that he heard about the charter of the Eastern Telephone and Telegraph Company being put through the Federal House last year, and went to Ottawa to oppose it. While there he was informed that it did not affect the Bell Company's territory, and when told that the charter was being asked for by friends in the Maritime Provinces, he withdrew his opposition. It is understood that directors C. F. Sise, Jr., and L. B. McFarlane, have had no connection with the proposed sale of Prince Edward Island shares. In fact, at the meeting, Mr. Sise stated that he had not considered the merits of the proposal, and at that time did not wish to be considered as expressing any opinion in the matter."

Montreal Cottons, Limited.—A satisfactory year's business was reported at the annual meeting of the company, held in Montreal recently, net income for 1917 exceeding the previous high record of 1916 by $6,575, while the gain over 1915 was $88,822.

The business profits tax and special donations figured for an extra $35,000 in the year's appropriations, reducing the balance carried forward to surplus account after paying dividends. The balance at $89,175, however, may be considered substantial in view of the company's stability, and the fact that surplus account stands at $2,420,383. Cloth sales for the year were $4,308,520, against $4,397,823 in 1916, and $3,055,000 in 1915. Comparisons of profit and loss figures for three years follow, the usual appropriations of $115,000 for depreciation being deducted before showing profits:—

	1917.	1916.	1915.
Profits	$492,720	$473,688	$394,898
Rents	3,887	16,344	12,886
Net income	$496,607	$490,032	$407,785
Charges	42,432	43,250	53,777
Balance	$454,175	$446,782	$254,008
War tax, etc.	35,000	......	......
Balance	$419,175	$446,782	$354,008
Dividends	330,000	330,000	330,000
Surplus	$ 89,175	$116,782	$ 24,008

Relatively small changes are shown in the balance sheet. Property account increased about $141,000 in the year; the surplus of working assets over current liabilities was $2,087,140, or about $79,000 less than at the end of 1916. Mr. S. H. Ewing, in his report as president, states that the general business of the company through 1917 was very satisfactory and orders in hand promise favorably for the current year. The company is daily adding new automatic machinery which will ensure the largest possible production and will tend to overcome difficulties arising from the scarcity of labor now existing and likely to continue. The loss of the company's hydraulic electrical plant in December, a loss fully covered by insurance, seriously disturbed business towards the close of the year. Restoration of the plant is proceeding rapidly, the new installation embracing the latest hydraulic improvements.

Penmans, Limited.—The company's business showed a satisfactory increase over the 1916 year and an enormous gain over the figures of a few years ago. The company's sales in 1917 amounted to $6,896,000, an increase of $1,056,000 as compared with 1916, and of $2,153,000, as compared with 1915. The surplus of liquid assets over liabilities was increased during the year by $664,000, the active surplus now amounting to $2,649,000. The active surplus is, therefore, almost half a million dollars greater than the common issue. The company is exceptionally strong in current assets. Raw and manufactured stock jumped from $2,190,000 to $3,244,000. In accounts receivable, cash and Victory bonds, the company has $1,219,000 and its total current assets are $4,463,000.

The Bank of British North America

Incorporated by Royal Charter.

The Court of Directors hereby give notice that a dividend of Forty Shillings per share, less Income Tax, will be paid on the 5th April next to the Proprietors of shares registered in the Dominion of Canada, being at the rate of 8% per annum for the year ended 30th November last.

The dividend will be paid at the legal par of exchange on the 5th day of April next.

No transfers can be made between the 22nd inst. inclusive and the 4th prox. inclusive, as the books must be closed during that period.

JACKSON DODDS,
Secretary.

No. 5 Gracechurch Street,
London, E.C.
March 5th, 1918.

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which compare with $3.217,000 last year and current liabilities of $1,418,000 this year. Of the profits $119,000 were used for wiping off building and plants, but, although the contributions to patriotic funds increased, war taxes were actually reduced. Net earning for the year were $915,518 after various charges, which compares with $738,753 in 1916. The net was over four times what it was three years ago. The main items of the profit and loss statement compare as follows:—

	1917.	1916.	1915.
Profits	$1,135,742	$864,779	$779,933
Bond interest, etc.	220,223	126,026	136,784
Net earnings	$ 915,518	$738,753	$643,148
Preferred dividends	64,500	64,500	64,500
Balance	$ 851,018	$674,253	$578,648
Common dividends	107,530	107,530	86,024
Balance	$ 843,488	$566,723	$492,624
Patriotic Fund	16,300	10,000	3,500
Balance	$ 827,188	$556,723	$489,124
War tax	91,813	104,129	......
Balance	$ 735,375	$452,593	$489,124
Reserve	500,000	400,000	400,000
Surplus	$ 235,375	$ 52,593	$ 89,124
Previous surplus	672,492	619,899	530,774
Surplus	$ 907,867	$672,492	$619,899

Although bank advances increased by $500,000 to $1,500,000, this is more than offset by the large increase in inventories.

Canada Steamships Lines, Limited.—The detailed balance sheet of the company for 1917, shows some fairly large changes, an interesting feature of which is a reduction of about $1,300,000 in the funded debt of the company, although property account, after heavy writing-off for depreciation, stands $1,350,000 higher than a year ago. First mortgage bonds, at $1,315,026, show a reduction of about $900,000 in the year. The two sets of changes, increase in property account and reduction in funded debt, are factors in lowering the net surplus of working capital, from $1,167,110 a year ago to $260,817, but they plainly improve the general position of the company. In the past two years the company has made a net addition to its vessel account of about $3,100,000 before depreciation, while funded debt has been reduced about $1,900,000. Some leading figures of the balance sheets of 1917 and 1916 follows:—

	1917.	1916.
Property	$24,405,355	$23,058,657
Current assets	4,065,008	3,432,119
Total assets	38,676,584	37,918,958
Capital	24,500,000	24,500,000
Funded debt	7,896.367	9,202,013
Current liabilities	3,804,191	2,265.009
Reserves	101,273	103,710
Surplus	2,374,754	1,848,225

As stated recently, surplus after charges, but before special writing off, equalled 10.8 per cent. on the company's common stock, when allowance is made for a full year's dividend on the preferred. Comparisons of profit and loss and surplus figures for three years follows:—

	1917.	1916.	1915.
Revenue	$13,533,816	$12,122,128	$7,775,034
Expenses	9,509,951	8,062,583	6,042,977
Net earnings	$ 4,023,864	$ 4,059,544	$1,732,052
Less:			
Bond interest	392,305	443,044	457,785
Other interest	5,721	15.319	85,276
Depreciation	1,061,563	805,309	476.938
Bad debts	25,579	27,500	35,000
Directors	25,000	15,156	14,906
War tax	300,000	322,046	......
Bonus	35,294	40,140	......
Total deductions	$ 1,845.463	$ 1.668.517	$1.069.905
Net profit	2,178,401	2,391,028	662,151
Written off	114,586	87.415	70,835
Balance	$ 2,063,815	$ 2,303,613	$ 591,316
Profit on sales	941,881	179,979	......
Balance	$ 3,005,696	$ 2,483,592	$ 591,316
Dividends	2,479,167	656,250	......
Surplus	$ 526,529	$ 1,827,342	$ 591,316
Previous surplus	1,848,225	20,883	*570,433
Surplus	$ 2,374,754	$ 1,848,225	$ 20,883

*Deficit.

Asbestos Corporation of Canada.—The profits of the company, including income from investments, amounted to $563,069 in 1917 against $537,938 in 1916. As the gain of about $27,000, or 5 per cent., followed one of $151,500, or 40 per cent. in 1916, the showing may be considered highly satisfactory. After deductions for renewals and betterments, $159,280 and bond interest, $150,000, the surplus profit for the year was $253,789, equal to 6.3 per cent. earned on the preferred stock, against $215,476, or 5.4 per cent. earned the previous year and $93,594, or 2.3 per cent. in 1915. Comparisons of profit and loss figures for three years follows:—

	1917.	1916.	1915.
Profits	*$563,069	$537,938	$386,377
Renewals, etc.	159,280	172,461	142,782
Balance	$403,789	$365,477	$243,594
Bond interest	150,000	150,000	150,000
Balance	$253,789	$215,476	$ 93,594
Dividend	160,000	......	......
Surplus	$ 93,789	$215,476	$ 93,594
Previous surplus	500,102	284,626	191,031
Total surplus	$593,892	$500,102	$284,626

*The 1917 statement gives operating profit and income from investments separately for the first time, but they are lumped in the foregoing for purposes of comparison. Profits from operation are $506,542 and income from investments $56,527.

The company continues to improve its financial position. Adding investments in war bonds and the company's own bonds to ordinary working assets, the total at the end of 1917 was $1,692,347, against current liabilities of only $143,496. The surplus of working capital at $1,548,851 compares with $1,459,966 at the end of 1916. Comparisons of balance sheets of the past two years follow:—

Assets:

	1917.	1916.
Property	$ 9,058,423	$ 9,055,359
Trust department	11,335	10,531
Investments	622,912	457,000
Inventories	357,494	252,196
Accounts received	404,931	411,688
Cash	307.010	450,139
Insurance	......	14,245
Deferred charges	30,280	......
Total	$10,792,388	$10,651,161

Liabilities:

	1917.	1916.
Preferred stock	$ 4,000,000	$ 4,000,000
Common stock	3,000,000	3,000,000
Bonds	3,000.000	3,000,000
Accounts payable	138,663	105,341
Accrued liabilities	4,832	5.717
Reserves	55,000	40,000
Surplus	593,892	500,102
Total	$10.792.388	$10.651.161

The transfer of the old Dominion Mill at Black Lake, long idle, to East Broughton, has been accomplished in the past year, and the development of the company's Fraser Mines there is now being proceeded with. The opening up of this property is with a view to placing the company in a position to meet the demand for raw asbestos, which continues to grow.

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OF CANADA
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Oak Lake
Petit Cote
Portage la Prairie
Russell | Souris
Starbuck
Winnipeg
" Bannerman Av.

SASKATCHEWAN

Antler | Arcola
Carnduff
Frobisher
Gainsborough
Gull Lake
Humboldt
Kisbey
Limerick
Maple Creek
Meacham
Melville
Moose Jaw
Oxbow
Prelate
Prussia
Regina
Saskatoon
Shaunavon
Unity
Whitewood

ALBERTA

Acme
Alliance
Brooks
Calgary
Camrose
Carstairs
Castor | Chauvin
Chipman
Coronation
Czar
Daysland
Delburne
Donalda
Edgerton
Edmonton
" Namayo Av.
Forestburg
Hughenden
Irma | Islay
Killam
Lacombe
Leduc
Lethbridge
Mannville
Medicine Hat
Monarch
Munson
Nobleford
Okotoks | Olds
Ponoka
Red Deer
Rimbey
Sedgewick
Stettler | Strome
Tofield
Trochu
Vegreville
Viking
Wainwright
Wetaskiwin

BRITISH COLUMBIA

Chilliwack
Nanaimo
New Westminster
Oak Bay
Sidney
Vancouver
" Hastings St.
Victoria

NEW BRUNSWICK

St. John

NOVA SCOTIA

Halifax
Sydney

SUB-AGENCIES—*Ontario*—Beachville, Breslau, Calabogie Coatsworth, Frankville, London South, Mimico, Mount Pleasant, Muirkirk, Newington, Pelee Island. *Manitoba* Austin, Griswold, Lauder, Sidney. *Alberta*—Galahad, Grainger, Millicent, Minburn, Penhold, Rumsey, Heisler, Huxley. *Saskatchewan*—Senlac.

SAVINGS DEPARTMENT AT ALL BRANCHES.

New York Agency—63 and 65 Wall Street

Bankers in Great Britain—The London Joint Stock Bank, Limited
The Royal Bank of Scotland.

Toronto Branch—A. B. PATTERSON, Manager

The Dominion Bank
HEAD OFFICE .. TORONTO

Sir Edmund B. Osler - President
W. D. Matthews - Vice-President
C. A. Bogert - - General Manager

The London, England, Branch
Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Established 1873 130 Branches
Capital (Authorized by Act of Parliament) $5,000,000.00
Capital Paid-up 3,381,270.00
Reserve Fund and Undivided Profits 4,534,863.63

DIRECTORS

W. F. Cowan, President. W. Francis, K.C., Vice-President.
W. F. Allen, F. W. Cowan, T. B. Greening, H. Langlois, James Hardy, F.C.A., Thos. H. Wood.

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SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE BANK OF OTTAWA

Established 1874

Capital paid up - $4,000,000
Rest - - - $4,750,000

94 Branches in Canada

There is a universal call for saving NOW.

Start a Savings Account at any Branch with a Dollar or more.

4

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

NEW INCORPORATIONS

Electro Products and Zinc Companies Have Obtained Charters

The largest companies incorporated during the past week were: Federal Zinc and Lead Company, Limited, Montreal, $3,000,000; American Electro Products Company, Limited, Montreal, $1,500,000.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital and the persons named are provisional directors:—

Lethbridge, Alta.—Bijou Motor Parlors, Limited, $20,000.

Lomond, Alta.—The Frank Brown Company, Limited, $10,000.

Dayton, Ohio, Alta.—The Ohio Farming Company, $150,000.

Mannville, Alta.—The Panar Ranching Company, Limited, $20,000.

Cardston, Alta.—Chief Mountain Creamery Company, Limited, $20,000.

Carmangay, Alta.—The Carmangay Grounds Company, Limited, $20,000.

Prince Rupert, B.C.—Fishermen's Club, Limited, $10,000; Grand Terminal Club, Limited, $10,000.

Edmonton, Alta.—The Solomon Creek Coal Company, Limited, $600,000; R. F. Howard, Limited, $5,000.

Laval de Montreal, Que.—La Compagnie des Jouets Bruyere, Limited, $190,000; H. J. Brunelle, R. d'Orsonnens, Saint Roch-du-Richelieu, A. Langelier.

Vancouver, B.C.—Premier Agencies, Limited, $10,000; Wrigley Directories, Limited, $10,000; Ranier Hotel, Limited, $10,000; Reo Motor Car Agency, Limited, $10,000.

Victoria, B.C.—Queen Charlotte Spruce Company, Limited, $500,000; Empress Auto and Taxi Company, Limited, $10,000 Quesnel Land Company, Limited, $10,000.

Calgary, Alta.—The Cloverdale Dairy Farm, Limited, $20,000; Genco Electrical Engineering Company, Limited, $20,000; the R. P. Rithet and Company (Calgary), Limited, $10,000.

Sherbrooke, Que.—Codere and Fils, Limitee, $500,000; J. A. Leblanc, E. Boisvert, A. Coderre. Auto Piston Ring Company, Limited, $149,000; M. Standish, O. B. Somersworth, A. Graham.

Winnipeg, Man.—The Birt Saddlery Company, Limited, $40,000; J. Birt, L. D. Birt, J. Birt. New Cut Rate American Shoe Store, Limited, $20,000; J. H. Buckler, S. E. Buckler, V. Buckler. McRae and Griffith, Limited, $75,000; R. F. McRae, D. W. Griffith, H. R. Hay. The Magnet Metal and Foundry Company, Limited, $150,000; J. B. Coyne, S. F. Moffatt, F. K. Hamilton.

Montreal, Que.—Federal Zinc and Lead Company, Limited, $3,000,000; M. M. A. Plimsoll, R. Brodeur, H. Langevin. La Compagnie Laurin and Preville, Limitee, $20,000; E. Laurin, J. A. Preville, J. O. Desy. Old England, Limited, $10,000; I. Greenberg, S. Garmaise, M. Rosen. Campbells' Florists, Incorporated, $90,000; C. M. Holt, L. Gosselin, P. E. Lanctot. American Electro Products Company, Limited, $1,500,000; L. Macfarlane, W. B. Scott, J. MacNaughton. Les Placements Municipaux, Limitee, $40,000; H. J. Brunelle, R. d'Orsonnens, A. Langelier. High Wah Club, Limited, $5,000; L. Y. Lim, C. Bock, L. H. Yee. Metcalfe Realty Company, $45,000; G. A. Coughlin, F. G. Bush, G. R. Drennan. Wasserman Dressmaking and Ladies' Tailoring, Limited, $10,000; H. Wasserman, M. Rosen, E. Jodoin.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended March 1st, 1918:—

Hudson Bay Mine, 82,313; La Rose Mine, 87,702; Kerr Lake Mine, 60,728; Buffalo Mine, 153,675; total, 384,418 pounds, or 192 tons.

The total shipments since January 1st, 1918, now amount to 1,776,877.8 pounds, or 8,884 tons.

BANK OF BRITISH NORTH AMERICA

At the annual meeting in London of the Bank of British North America the chairman, while stating that the results of the year's business were satisfactory, profits being £137,000, reminded the proprietors that a large proportion of those profits had accrued from war credits. The present, he said, was not the time for new branches. In the past there had been far too much competition in these in central Canada. He noted especially that deposits were now over twelve million pounds, the highest amount in the bank's history. Canada, he said, continued to prosper, but he could not look to the future without a certain reserve, for which reason accounts had been scrutinized with unusual care.

ABITIBI POWER AND PAPER COMPANY

Mr. F. H. Anson, president of the Abitibi Power and Paper Company, says that the entire paper output of the company and a portion of its excess pulp production for 1918 has been contracted for. The financial statement of the company for the year ended December 31st last shows earnings of $1,323,001, and after deducting interest, depreciation, etc., there was a net profit of $341,122 from the year's operations. This, together with the amount carried forward from the previous year, made a total available for dividends of $702,047. Preferred dividends amounted to $70,000, leaving a net surplus to be carried forward of $632,047.

Expenditures during the past year on property account included $2,162,896 on extensions and improvements, by which the daily capacity of the plant has been increased to 325 tons of ground wood pulp, 130 tons of sulphite pulp and 225 tons of paper.

The company's assets are now placed at $16,290,792, compared with $13,158,756 a year ago.

CANADA NEEDS LONG-TIME CREDITS

Sir Edmund Walker, president of the Canadian Bank of Commerce, said in an address at the weekly luncheon of the Republican Club, of New York city, last week that the United States would be asked to include Canada in the list of Allies to which she is extending credit. Canada was manufacturing large amounts of munitions for England, he explained, using largely steel and other raw materials from the United States. He pointed out that England was not paying cash for these supplies, but had been granted credits by the Dominion. Therefore, he said, it was not practicable for Canada to continue paying cash to the United States for materials, but that Canada should have credits there. He pointed out that in granting such credits, financiers of the United States would be but extending credits to England.

After telling of the joy and appreciation of Canada at the entrance of the United States into the war, Sir Edmund said: "If we fight together over there, we must work together over here."

In 1913, he continued, the exports of Canada were $1,063,000,000, and the imports were greater than the exports, making Canada a borrowing nation. He said that in 1917 the exports were $2,043,000,000, and had become greater than the imports. But, he said, this did not mean that Canada was getting a correspondingly great amount of gold. He pointed to the shipment of $1,000,000,000 in gold to the United States from England in the first part of the war, and said that it soon became apparent that that had to stop. Therefore, credits for England were arranged in the United States. He said that England had begun by paying large amounts to Canada for supplies, but then credits for England were established in Canada.

"Now, to make these supplies," he said, "we have to buy materials from the United States. Canada is giving long-time credits to England to pay for the supplies she sends them. The United States must give Canada long-time credit, and by that I mean credit until after the war. By giving us credit for the materials bought in Canada, the United States is but extending credit to England, for she gets the munitions. It will not do for Americans to say in response to this that you might as well make the supplies here. I say to you that all the munitions and all the ships that everyone of us can make will be needed, and that on no excuse should production be curtailed, but ships built where there are facilities and munitions made where there are plants."

THE STERLING BANK
OF CANADA

Courtesy has contributed in no small degree to the growth of our institution.

Head Office
King and Bay Streets, Toronto

62

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

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AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL - - - - - - - - -	$ 18,526,600.00
RESERVE FUND - - - - - - - - -	13,625,000.00
RESERVE LIABILITY OF PROPRIETORS - - - - -	18,526,600.00
	$ 50,678,200.00
AGGREGATE ASSETS 30th SEPT., 1916 - - - - -	$277,488,871.00

J. RUSSELL FRENCH, General Manager

338 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

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AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

ESTABLISHED 1865
Union Bank of Canada
Head Office - WINNIPEG

Paid-up Capital - - - -	$ 5,000,000
Reserve - - - - - -	3,400,000
Total Assets (Over) - - -	140,000,000

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R. O. McCulloch, Esq.
Wm. Shaw, Esq.

H. B. SHAW, Gen. Manager
J. W. HAMILTON, Assistant General Manager

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches.

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New York Agency, 49 Wall Street, New York City.
GEO. WILSON, Agent.

The Bank, having over 305 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies.

Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world.

199

BANK OF HAMILTON
HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

DIRECTORS
SIR JOHN HENDRIE, K.C.M.G., President.
CYRUS A. BIRGE, Vice-President.

C. C. Dalton
Robert Hobson
W. E. Phin
I. Pitblado
W. A. Wood
J. Turnbull

J. P. BELL, General Manager.

BRANCHES

ONTARIO

Ancaster
Atwood
Beamsville
Blyth
Brantford
" East End
Burlington
Chesley
Delhi
Dundalk
Dundas
Dunnville
Fordwich
Ft. William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St.
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
Lucknow
Midland
Milton
Milverton
Mitchell
Moorfield
Neustadt
New Hamburg
Niagara Falls
Niagara Falls, S.
Oakville
Orangeville
Owen Sound
Palmerston
Paris
Port Arthur
Port Elgin
Port Rowan
Princeton
Selkirk
Simcoe
Southampton
Teeswater
Toronto
" Queen & Spadina
" College & Ossington
" Yonge & Gould
West Toronto
Wingham
Wroxeter

MANITOBA

Bradwardine
Brandon
Carberry
Carman
Dunrea
Elm Creek
Foxwarren
Gladstone
Hamiota
Kenton
Killarney
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Treherne
Winkler
Winnipeg
" Norwood
" Princess St.

SASKATCHEWAN

Aberdeen
Abernethy
Battleford
Brownlee
Carievale
Caron
Dundurn
Estevan
Francis
Loreburn
Mawer
Melfort
Meota
Moose Jaw
Mortlach
Redvers | Regina
Rouleau
Saskatoon
Stoney Beach
Tuxford

ALBERTA

Brant
Calgary
Cayley
Champion
Granum
Nanton
Oyen
Stavely
Taber
Vulcan

BRITISH COLUMBIA

Armstrong
Kamloops
Port Hammond
Salmon Arm
Vancouver
Vancouver E.
N. Vancouver
S. Vancouver (Cedar Cottage P.O.)

BRITISH COLUMBIA'S FINANCES

Analysis of the Latest Balance Sheet of the Province—Tax Arrears Not Shown as Asset

Comparing the balance sheet of the province of British Columbia for the year ended March 31, 1917, with that of the preceding year, it is seen that a departure has been made from the practice heretofore prevailing, and that with a view to presenting the assets and liabilities with greater clearness the balance sheet has been divided into three sections, viz.: (1) Capital Assets and Liabilities; (2) Current Assets and Liabilities; (3) Deferred Assets.

Capital Assets.

These again are broadly divided into: (1) those which are realizable or income producing; and (2) those which represent public buildings and improvements. (1) Taking the items seriatim we have:—

Dominion of Canada, capital account, "Terms of Union" $12,462,710.40

Under the "Terms of Union," the Dominion government covenants to pay annually in perpetuity to the province certain fixed sums on account of interest, annual subsidy grant per capita, and for lands conveyed. These have been capitalized at 5 per cent., or in other words, this annual revenue has been placed on the same capital basis as if the government had invested $12,462,710.40 in Dominion government stock at 5 per cent.

Investment for redemption of B.C. stock and debentures $3,429,135.37

This represents the total amounts set aside annually, together with interest thereon for the repayment of loans at maturity.

Dyking districts. (Dyking Assessments Adjustment Act, 1905.)

Capital account	$544,464.99	
Maintenance account	104,092.83	
Interest account	18,283.15	
	$666,840.97	
Less sinking fund assessments	87,877.76	
		$ 581,963.21

Briefly, the history of these items is that in 1905 the dyking districts being unable to meet their obligations, the government assumed their indebtedness and fixed a capital sum for each dyking district on which it was anticipated they could pay the interest without undue hardship. The government also advances all moneys for maintenance during the calendar year, after which a rate is struck and the lands assessed to bring in that sum of money. The interest account is the balance of interest owing by the various dyking districts at March 31st, 1917. The dyking districts are accumulating a sinking fund which will eventually refund to the government the amount of the indebtedness which was charged against them in 1905, being a portion of the full amount assumed by the government. It will be noted that at March 31st last their sinking fund amounted to $84,877.76.

Former Indian reservation acquired .. $ 1,225,652.72

This amount represents the purchase price of the Kitsilano and Songhees Indian reserves, together with the cost of improvements to March 31st.

Railway subsidy lands repurchased .. $ 1,509,114.75

The government having repurchased certain railway subsidy lands in the Kootenays, the lands are now shown at their cost price to the government.

Fairview Works, Fairview .... $ 29,447.26

Advances were made under authority of an act of the legislature to the Canada Zinc Company, and these premises were acquired by foreclosure of the mortgage the province held as security for the loan. These works are now under lease and option to the French's Complex Ore Reduction Company, Limited, at a higher figure than the value shown in the balance sheet.

Livestock, Colony Farm, Essondale .. $ 68,465.00

This is the inventory value of the livestock on hand at March, 31st, 1917.

(2) Buildings, roads, bridges and other properties $20,255,964.20

These figures, supplied by the Public Works Department, represent the expenditures made on provincial buildings, trunk and main roads, bridges, wharves and other properties, incurred in carrying on the functions of government, from which no income is derived, and which would in the main not be subject to realization.

Capital Liabilities.

British Columbia stock and debentures $23,153,146.00

The foregoing amount is the total of the funded debt, being the borrowings which have been made against the issue of stocks or debentures at March 31, 1917.

Mortgage on British Columbia Building, London .... $ 274,025.00

This represents the balance of the mortgage on the above building which will be reduced annually until final extinction in 1945.

In addition to direct liabilities the province has a contingent liability on account of securities which have been guaranteed both as to principal and interest. The amount of such securities issued at March 31st, 1917, aggregated $64,437,929, the details of which are shown as an inset in the balance sheet.

Turning next to the second section of the balance sheet:—

Current Assets.

Cash and advances .... $ 922,393.20

This is made up of cash in the hands of government agents and collectors, advances to departments and trustees of rural school districts.

Accounts receivable .... $ 555,371.98

Representing amounts which will eventually be received in cash by the government.

Livestock, stores and equipment ..... $ 291,354.38

Being the value of the above on hand in the various departments of the government at March 31st, 1917.

Special deposits, trust accounts ...... $ 6,278,145.33

With the exception of the first item (Land Registry Assurance Fund) under this head which is only kept separate from the general funds of the province to meet any liabilities which might arise in connection with the registration of titles, the individual accounts set out are all offset by liabilities of a similar amount.

Current Liabilities.

Temporary loans .... $ 2,094,689.17

This represents the amount of unfunded debt to be repaid out of revenue, or taken care of by the issue of stocks or debentures, as may be decided on.

Accounts payable .... $ 318,034.10

With the exception of $2,299.71 due to sundry creditors this is a charge set up on account of interest accrued on the public debt, due at various dates in the ensuing fiscal year.

Revenue received in advance .... $ 173,496.00

Being the proportion applicable to the fiscal year 1917-18 received in the fiscal year 1916-17 from the Dominion government under the "Terms of Union."

Special funds: Trust accounts .... $ 6,889,627.18

With the exception of the last nine items the funds of which are incorporated in the consolidated revenue fund of the province, these items are all offset by special deposits of a like amount.

The third section of the balance sheet comprises:—

Deferred Assets.

This is represented by the book values of certain payments and loans on account of the Nakusp and Slocan and the Pacific Great Eastern Railway Companies, together with a deposit in the Bank of Vancouver now in liquidation.

In view of the fact that payments are still being made on account of interest on the bonds of the railways in ques-

Northern Crown Bank

HEAD OFFICE .. WINNIPEG

Capital (authorized) $6,000,000 Capital (paid up) $1,431,200
Rest and Undivided Profits $920,202

A general banking business transacted at all branches

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BRANCHES IN WESTERN CANADA

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High River
Red Deer

B. COLUMBIA
Ashcroft
Marpole
Quesnel
Steveston
Vancouver
Hastings St.
Mt. Pleasant
Victoria

MANITOBA
Arden
Beausejour
Binscarth
Brandon
Crandall
Glenboro
La Riviere
Melita
Miniota
Pierson
Pipestone
Rathwell
St. Boniface
Ste. Rose du Lac
Somerset
Sperling
Steinbach
Stonewall
Winnipeg
Portage Ave. and Port St.
Portage and Sherbrooke
Main & Selkirk
William and Sherbrooke

SASKATCHEWAN
Alameda
Allan
Aneroid
Balcarres
Bladworth
Borden
Brock
Cadillac
Dubuc
Dunblane
Dundurn
Duval
Earl Grey
Fiske
Fleming
Foam Lake
Glen Ewen
Govan
Hanley
Harris
Holdfast
Imperial
Kenaston
Kinley
Lancer
Langham
Laura
Liberty
Lloydminster
Lockwood
Macoun
Manor
Marengo
Maymont
Moose Jaw
Nokomis
Plato
Ponteix
Portreeve
Prelate
Qu'Appelle
Quill Lake
Regina
Rockhaven
Rush Lake
Saltcoats
Saskatoon
Scotsguard
Sedley
Sheho
Stornoway Stn.
Swift Current
Venn
Viscount
Waldeck
Wymark

BRANCHES IN EASTERN CANADA

ONTARIO
Bath
Bracebridge
Brockville
Burford
Cheltenham
Comber
Enterprise
Florence
Inglewood
Inwood
Kingston
Mallorytown
Napanee—Odessa
Ottawa
Sparks St.
Rideau St.
Wellington St.
Port Dover
Scotland
Seeley's Bay
Toronto
King St.
Dundas and Chestnut Sts.
Spadina Ave.
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Woodstock

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PAID-UP CAPITAL AND RESERVE 860,225.00

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Executor, Administrator, Assignee, Trustee, Etc.

HEAD OFFICE: WINNIPEG, CAN.

BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA

Murray's Interest Tables

show the interest due on all your investments.

Tables range from 2½% to 8% from 1 day to 368 on sums from $1.00 to $10,000

IS INDISPENSABLE AS AN OFFICE TOOL—SAVES TIME — ABSOLUTELY CORRECT.

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ACCOUNTANT

Supreme Court of Ontario, Toronto

American Foreign Banking Corporation

56 Wall Street New York

Paid in Capital and Surplus $3,400,000

Organized pursuant to an amendment to the Federal Reserve Act authorizing national banks to own stock in a Bank organized to engage in Foreign and International Banking.

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Hayden B. Harris, Vice-President.
Charles A. Hinsch, President, Fifth-Third National Bank, Cincinnati.
W. R. Irby, President, Canal Bank & Trust Co., New Orleans.
C. T. Jaffray, President, First and Security National Bank, Minneapolis
Archibald Kains, President.
John G. Lonsdale, President, National Bank of Commerce, St. Louis.
Alfred L. Ripley, President, Merchants National Bank, Boston.
Levi L. Rue, President, Philadelphia National Bank, Philadelphia.
John Sherwin, President, First National Bank, Cleveland.
Eugene V. R. Thayer, President, Chase National Bank, New York.
Fred Vogel, Jr., President, First National Bank, Milwaukee.
Henry B. Wilcox, Vice-President, Merchants-Mechanics First National Bank, Baltimore.

Every description of international banking business transacted.
Acceptances given against shipments of merchandise.
Bills of exchange negotiated and collected.
Drafts and letters of credit issued
Imports and exports financed.

Facilities of the Banking Corporation may be secured through

The Standard Bank of Canada

THE

Weyburn Security Bank

Chartered by Act of The Dominion Parliament

HEAD OFFICE, WEYBURN, SASKATCHEWAN

BRANCHES IN SASKATCHEWAN AT

Weyburn, Yellow Grass, McTaggart, Halbrite, Midale, Griffin, Colgate, Pangman, Radville, Assiniboia, Benson, Verwood, Readlyn, Tribune, Expanse, Mossbank, Vantage, Goodwater, and Osage.

A GENERAL BANKING BUSINESS TRANSACTED

H. O. POWELL, General Manager

tion, together with loans to the Pacific Great Eastern, it is considered advisable to retain these amounts on the balance sheet, as "Deferred Assets," with a special notation to the effect that they are shown at their book values and that their ultimate realization cannot be determined at this date.

Unlike the municipalities, the province has never shown as an asset the arrears of taxes, and has only brought to revenue the amount of current taxes and arrears actually paid within the fiscal year. It was not possible to place the figures of these and other assets such as unpaid probate and succession duties, royalties, interest and principal on land sales, etc., on the balance sheet, as the system of accounting in force did not permit of these figures being readily obtained, and while it is the intention to place these on the balance sheet as soon as practicable, some time must necessarily elapse before a thorough investigation can place all such outstanding items on a basis sufficiently reliable to warrant inclusion in the balance sheet.

CONCERNING STEEL SHIPBUILDING

In answer to the enquiry of the St. John board of trade as to whether the government would furnish the builders with steel plates in the event of a steel shipbuilding yard being established in St. John by private capital, the deputy minister of marine advises that it is the intention of his department in connection with the proposed programme of shipbuilding to enter into contracts only with such firms as are now equipped with the necessary machinery and labor for the delivery of steel steamers complete.

The suggestion that St. John is favorably situated for the establishment of a steel shipbuilding plant has brought an enquiry as to whether there is available here a water lot with deep water frontage of 5,000 feet and a depth of 1,500 feet that would be suitable for a comprehensive shipbuilding plant. The size of the plant contemplated would involve an expenditure of between eight and ten million dollars and would employ from five to seven thousand men all the year round.

OCCIDENTAL FIRE INSURANCE COMPANY

The heavy fire losses in Canada last year are reflected in the financial statements of the fire insurance companies, now being published. The ratio of net losses of the Occidental Fire Insurance Company to net premiums was 49.9 per cent. in 1917, or 6.2 per cent. higher than in the previous year. Similar increases in this ratio have been experienced by other companies. The ratio of expenses to net premium revenue of the Occidental stood at 35.5 per cent. as compared with 40.1 per cent. in 1916. The amount paid for taxes and licenses, including war tax, was $7,423, or 4.3 per cent. of net premiums, constituting a substantial factor in the cost of operations. Considering the volume of business transacted and the general increase in the cost of so many items entering into operations, however, the ratio of expenses to net premiums must be considered as highly satisfactory.

Premiums, less rebates and cancellations, amounted to $298,850 as compared with $223,721 in 1916, or an increase of $75,128. This increase is fairly evenly divided between the East and the West. The company has continued the same conservative underwriting policy of the past, and protected itself fully by reinsurance, which accounts for the rather large premium paid for same, viz., $127,866. The increase in net premium revenue is $30,090, a very satisfactory record.

The company has placed to reserve for unearned premiums an additional sum of $22,128. This is in accordance with Dominion government requirements.

Interest and principal repayments were well met last year and investments are in good condition. All debentures have been taken into accounts at actual market value. During the past year, the company, which has its head office at Winnipeg, purchased for investment account $37,000 Dominion of Canada third war loan and $25,000 United Kingdom one-year notes. When the Victory Loan was issued in December it was decided to consolidate all Dominion of Canada war loans, which at the time totalled $102,000, and at the same time subscription was made for an additional $63,000, making a total of $165,000 of this loan underwritten by the company. Mr. C. A. Richardson is vice-president and secretary of the Occidental Fire Insurance Company. He is a careful and experienced underwriter and the company's management is in good hands.

VALUE OF CANADA'S FARM LAND

Average Has Increased Three Dollars Per Acre Since 1916 —Farm Wages Highest on Record

The average value of farm land for the whole of Canada, including land improved and unimproved, together with dwelling houses, barns, stables and other farm buildings, is approximately $44 per acre, as compared with $41 in 1916, according to returns of the Census and Statistics Office. The average values, by provinces, are as follows: Prince Edward Island, $43.7; Nova Scotia, $33.6; New Brunswick, $28.8; Quebec, $53; Ontario, $55.3; Manitoba, $31; Saskatchewan, $26; Alberta, $26.7; British Columbia, $149. In the last-named province the higher average is due to orcharding and fruit-growing.

Wages of Farm Help.

The average wages paid for farm help during the year have increased substantially since 1916 and have again reached the highest level on record. In many cases they are double what they were before the war. For the whole of Canada the wages per month of farm help during the summer, including board, average $63.63 for male and $34.31 for female help, as compared with $43.23 and $22.46 in 1916. For the year 1917, including board, the wages averaged $610.60 for males and $364 for females, as compared with $397 and $228 in 1916. The average value of board per month is returned as $19.44 for males and $14.79 for females, as compared with $17 for males and $11 for females in 1916. By provinces, the average wages per month for males and females, respectively, in the summer season, including board, were as follows: Prince Edward Island, $39.74 and $22.63; Nova Scotia, $53.75 and $24.43; New Brunswick, $57.19 and $28.14; Quebec, $59.09 and $28.98; Ontario, $59 and $31.96; Manitoba, $67.97 and $40.28; Saskatchewan, $73.21 and $41.09; Alberta, $76.09 and $44.44; British Columbia, $78.12 and $48.30.

Values of Livestock.

On the whole, there is but little change reported in the value per head of horses; in some of the provinces the value has remained stationary or has even declined. For cattle, sheep and swine, however, values are substantially higher than last year, and are higher than in any previous year for which records have been collected. For Canada the average value of horses, three years old and over, is $167, as compared with $160 in 1916; milch cows are $84, as against $70; cattle between one year old and three years average $52, against $43; sheep are $14.93, against $10.48 last year; and swine are $17.33, against $11.98 per cwt. The average value of wool is 59 cents per pound unwashed and 75 cents per pound washed. Correspondents were requested to ascertain, as nearly as possible, the average value per head of each description of farm animal, and for calculation of total values these averages have been applied to the total number of farm animals as returned in June last. The results are as follows: Horses, $429,123,000, as compared with $418,686,000 in 1916; milch cows, $274,081,000, as against $198,896,000; other cattle, $270,595,000, as against $204,477,000; sheep, $35,576,000, as against $20,927,000; swine, $92,886,000, as against $60,700,000.

The total value of farm livestock in Canada is estimated to be $1,102,261,000, as compared with $903,686,000, the estimate for 1916 as finally revised by the census returns for the prairie provinces. This is the first time the total value of farm livestock exceeded one billion dollars.

BANK BRANCHES OPENED AND CLOSED

The following is a list of bank branches opened and closed during February:—

Branches Opened—None.

Branches Closed—One.

*Pilot Butte, Sask........... Imperial Bank of Canada.

---

*Sub-branches.

Real Estate Management

The management of Real Estate during War Time requires more experience and closer attention than under peace-time conditions. This Corporation will undertake to manage Real Estate for resident or distant owners. Our Branch Offices give us exceptional ability to serve clients in Ontario and Western Canada.

Interview or Correspondence Solicited

THE
TORONTO GENERAL TRUSTS
ESTABLISHED 1882 **CORPORATION** HEAD OFFICE TORONTO
Branches: Ottawa, Winnipeg, Saskatoon, Vancouver

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited
Toronto

HENRY F. GOODERHAM, President
J. M. McWHINNEY, General Manager.

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors

E. F. B. Johnston, K.C., *President.* Hon. W. A. Charlton, W. J. Gage, Noel Marshall, *Vice-Presidents.* W. K. George, W. R. Hobbs, Jas. B. Tudhope, R. Wade, Jacob Kohler, A. McPherson, D. B. Hanna, John J. Gibson, *Managing Director.*

Chartered Trust and Executor Company
Traders Bank Building **Toronto**

Will Making

THE average human being is very much averse to making a Will; and yet it is absolutely necessary that it be done, if we would dispose of our Estate as we would wish, instead of leaving it to the disposition of the Law.

The making of a Will TODAY will not accelerate death a single instant, but rather tend to make us satisfied with an act timely and properly done.

The Corporate Executor is the only ideal Executor. Consult with us as to the making of your Will. Will Forms Free.

The Standard Trusts Company
Standard Trusts Bldg., 346 Main St. WINNIPEG

Canadian Guaranty Trust Company

HEAD OFFICE: BRANDON

Board of Directors:

ALEX. C. FRASER, President.
LT.-COL. A. L. YOUNG, Vice-President.
JOHN R. LITTLE, Managing Director.

HON. GEORGE W. BROWN, WILLIAM FERGUSON, H. L. ADOLPH, E. O. CHAPPELL, J. S. MAXWELL, JNO. A. MCDONALD, G. S. MUNRO, HON. W. M. MARTIN, M.P.P., JOHN E. SMITH, F. N. DARKE, ALEX. A. CAMERON, D. A. REESOR.

Acts as Executor, Administrator, Trustee, Liquidator, and in any other fiduciary capacity.

CANADIAN FINANCIERS TRUST COMPANY

Head Office - - Vancouver, B.C.

TRUSTEE EXECUTOR ASSIGNEE

Agents for investment in all classes of Securities.
Business Agent for the R. C. Archdiocese of Vancouver.
Fiscal Agent for B. C. Municipalities.

Inquiries Invited

General Manager **Lieut.-Col. G. H. DORRELL**

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
WINNIPEG, Man.

PUBLIC CONFIDENCE

Assets under Administration:—

1917 - - - -	$69,100,000
1918 - - - -	$76,700,000

Write for our 1917 Report.

National Trust Company Limited
Capital Paid-up, $1,500,000 Reserve, $1,500,000
18-22 KING STREET EAST, TORONTO

FEBRUARY FIRE LOSSES

Many Large Fires—Nunnery Fire Adds Sixty Deaths to Total Fatalities

The Monetary Times' estimate of Canada's fire loss during February, 1918, is $2,321,762, compared with the January loss of $2,688,556 and $2,009,953 for February, 1917. The following is the estimate of the February losses:—

Fires exceeding $10,000	$1,879,500
Small fires reported	61,750
Estimate for unreported fires (15% of total)	302,512
Total	$2,243,762

The Monetary Times' record of the past three years and this year to date, shows the following monthly losses:—

	1915.	1916.	1917.	1918.
January	$ 1,249,886	$ 1,649,217	$ 1,918,660	$ 2,688,556
February	1,019,556	3,275,600	2,009,953	2,243,762
March	1,632,696	1,406,501	2,050,650	....
April	1,463,747	1,460,437	1,317,714	....
May	881,855	1,850,205	1,163,110	....
June	1,157,156	494,557	1,184,627	....
July	773,269	3,039,634	1,101,734	....
August	403,693	1,057,109	1,230,183	....
September	1,116,109	981,703	1,301,700	....
October	1,290,325	1,077,815	704,605	....
November	1,087,980	923,235	959,049	....
December	1,595,255	3,271,496	5,144,100	....
Totals	$13,671,527	$20,487,509	$20,086,085	$ 4,932,318

The fires reported in February, at which the losses amounted to $10,000 and over, were:—

Winnipeg, Man., February 1, Canadian Pacific Telegraph block, $500,000.

Quebec, Que., February 2, Quebec stock yards, $150,000.

Renfrew, Ont., February 5, block of Mr. T. W. Guest, $12,000.

Toronto, Ont., February 5, Metropolitan Railroad Company's barns, $40,000

Toronto, Ont., February 5, Toronto Laundry Machine Company's plant, $175,000.

Winnipeg, Man., February 5, Riverview Hotel, Lauren block and adjoining buildings, $180,000.

Sorel, Que., February 6, block of stores and houses, $100,000.

Armour Heights, Ont., February 7, six automobiles, five motorcycyles and side cars, $17,500.

Dundas, Ont., February 10, Boyle block, $25,000.

Englehart, Ont., February 12, block of buildings, $12,000.

Toronto, Ont., February 12, Hunter-Rose building, $30,000.

Montreal, Que., February 14, Grey Nunnery, $185,000.

Preston, Ont., February 16, clothing store of J. P. O'-Connor, $10,000.

Halifax, N.S., February 17, building of Furness, Witby and Company, $70,000.

Rosenfeld, Man., February 17, Lake of the Woods Milling Company's grain elevator, $30,000.

London, Ont., February 22, Thomas Knowles engraving plant, $18,000.

Burlington, Ont., February 22, residence of Stewart Bruce, $10,000.

Peterboro, Ont., February 23, Peterboro planing mill, $10,000.

East Toronto, Ont., February 24, Toronto and York Radial Railway Company's barns, $25,000.

Edmonton, Alta., February 24, Maryland Hotel and Drake garage, $250,000.

Penetanguishene, Ont., February 26, Palmer block, 30,000.

Destroyed or Damaged.

Among the structures damaged or destroyed last month were: Residences, 16; factories, 2; school, 1; stores, 5; hotels, 7; stock yard, 1; business blocks, 7; plants, 2; railway station, 1; car barns, 2; society hall, 1; office, 1; planing mill, 1; barn, 1; restaurant, 1; warehouse, 1; tenement, 1; lumber yard, 1; nunnery, 1; woolen mill, 1; grain elevator, 1; business buildings, 5; engraving plant, 1; garage, 1; planing mill, 1; unoccupied building, 1.

Among the causes of fires reported last month were: Thawing frozen pipes, 1; overheated furnace, 1; defective wiring, 1; ignition from electric heater, 1; overheated stove, 2; hot ashes left in wooden receptacle, 1; accidental dropping of match 1; grounded power wire, 1; overheated stove pipes, 2.

Large Number of Fatalities.

The following is a list of the fires at which fatalities occurred last month:—

Toronto, Ont., Feb. 1	Fire from gas stove	1
Bryson, Que., Feb. 1	Trapped in burning house	1
Winnipeg, Man., Feb. 1	Trapped in burning building	1
Toronto, Ont., Feb. 2	Playing with fire from stove	1
Sarnia, Ont., Feb. 4	Explosion of oil lamp	1
Wainfleet, Ont., Feb. 5	Trapped in burning barn	1
Frankford, Ont., Feb. 5	Shock from fire	1
Winnipeg, Man., Feb. 5	Trapped in burning hotel	3
Ottawa, Ont., Feb. 11	Fire from stove	1
Montreal, Que., Feb. 14	Trapped in burning nunnery	60
Brockville, Ont., Feb. 17	Fell with burning lamp	1
St. Amable de Vercheres, Que., Feb. 21	Trapped in burning house	7
Toronto, Ont., Feb. 21	Fire from stove	1
Oven, Sask., Feb. 22	Trapped in burning house	4
Winnipeg, Man., Feb. 21	Trapped in burning house	1
Ottawa, Ont., Feb. 25	Trapped in burning house	1
Forest, Ont., Feb. 28	Fire from candle	1
		87

The following table compiled by *The Monetary Times*, shows deaths caused by fire during February, as compared with previous returns:—

	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.
January	27	27	14	26	3	10	21	28
February	12	11	21	18	11	23	19	87
March	18	24	22	27	23	23	20	..
April	20	15	11	22	14	6	15	..
May	28	18	33	8	5	14	12	..
June	13	6	18	12	2	6	9	..
July	110	9	9	8	13	268	19	..
August	22	16	29	3	14	30	12	..
September	13	6	27	9	27	6	21	..
October	17	21	15	9	7	39	23	..
November	20	22	24	14	12	12	21	..
December	17	28	13	19	11	94	15	..
Totals	317	203	236	175	142	531	207	115

STERLING TRUSTS CORPORATION

A satisfactory report was presented at the annual meeting of the Sterling Trusts Corporation, held in Toronto recently. The capital account showed an increase of $56,273 over the account of a year ago; the guaranteed trust account showed an increase of $121,877, and the estates and agency accounts an increase of $564,496. The assets on capital account now amount to $519,603; on guaranteed trust account to $603,520, and on estates and agency account to $3,491,822, making a total of $4,614,946.

Mr. E. F. B. Johnston, K.C., the company's president, in presenting the directors' report, outlined the changes which have been made in the directorate and the enlarged scope of the company's operations as a consequence. The result has been the closing of a considerable volume of new business. This will add materially to the company's earning power, and will be reflected favorably in the current year's balance sheet.

From the net earnings last year $15,000 was added to the reserve fund, making that fund $75,000. The balance carried forward was $8,998.

Mr. H. Waddington is managing director of the company, and the directorate has been considerably enlarged. In addition to the president and managing director there are three vice-presidents and fifteen directors, including Mr. G. H. Bradshaw, the manager of the company's branch at Regina. The three vice-presidents are: John Firstbrook, Toronto, president, Firstbrook Brothers, Limited, director, the Confederation Life Association; Mr. W. H. Wardrope, K.C., barrister, Hamilton; and Major E. D. McCallum, Regina, president, McCallum, Hill and Company.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance*. Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

MONEY TO LOAN.

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE, President D. M. CAMERON, Treasurer

CANADA PERMANENT
MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of TEN PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable TUESDAY, THE SECOND DAY OF APRIL next, to Shareholders of record at the close of business on the Fifteenth day of March.

By order of the Board.

GEO. H. SMITH, Secretary

Toronto, February 27th, 1918.

THE HURON AND ERIE
MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 122

Notice is hereby given that a Dividend of Three per cent. for the quarter ending March 30th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after Monday, April 1st, 1918, to shareholders of record at the close of business on March 15th, 1918.

By Order of the Board.

M. AYLSWORTH,
Secretary

London, Canada, Feb. 26th, 1918.

The Ontario Loan and Debenture Co.

DIVIDEND No. 123

Notice is hereby given that a QUARTERLY DIVIDEND of 2¼ PER CENT. for the three months ending 30th March, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd April next, to Shareholders of record of the 15th March.

By order of the Board.

A. M. SMART,
Manager

London, Canada, February 26th, 1918.

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office, 82-88 King St. E. Toronto

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY,
EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
LONDON, ENG. EDINBURGH, SCOT.

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 51 YONGE ST., TORONTO

Paid-up Capital, $1,250,000 Rest, $800,000 Total Assets, $4,968,953

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JR., Secretary. V. B. WADSWORTH, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. H. SPROULE, Manager.

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00
Total Assets, $3,111,401.68
President, WELLINGTON FRANCIS, Esq., K.C.
Vice-President, HERBERT LANGLOIS, Esq.
Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on improved Real Estate on favorable terms.

WALTER GILLESPIE, Manager

NEW WESTMINSTER'S PROGRESS

Expansion Last Year—Establishment of Shipyard—Waste in Fish Canning

(Special Correspondence.)

New Westminster, March 2nd, 1918.

The outstanding fact in the report of the trade and commerce committee submitted to the local board of trade by the chairman, Mr. J. W. Cunningham, was that the payroll of some nine leading industries in New Westminster ranges from $250,000 to $275,000 a month, and in this is to be found the basis of the better conditions of business which have prevailed during 1917, while the prospects for 1918 are even brighter.

New Industries in Operation.

Turning to new industries in operation, the report mentioned the Lumber Products, Limited, operating a sawmill with a daily cut of 25,000 feet, a box factory and a toy plant, employing 118 hands and paying out about $6,000 a month in wages; the establishment of the British Columbia Manufacturing Company's toy factory, and the operation of the machine shops at Port Mann, where the car shops are also ready to go ahead as soon as the transfer of the railway to the government is completed. This expansion at Port Mann is of direct advantage to New Westminster, because the men, particularly those with families, live in town. But the great industrial development of the year has been the establishment of the shipyard at Poplar Island, where the New Westminster Construction and Engineering Company is building four wooden steamers of 2,800 tons d.w., for the Imperial Munitions Board, and has facilities to build vessels up to 10,000 tons. Plans are being made for a marine ways capable of hauling vessels to 3,500 tons. The number of men employed ranges around 600, and the payroll for the last two weeks of January was $41,000, or at the rate of a million a year.

New Orders for Lumber.

Shipbuilding has brought orders for machine shops in its train, and as a result the Heaps Engineering Company is working to full capacity having in addition orders for machinery for spruce mills as a result of aeroplane construction development. The Heaps Company have started a new foundry, employing 15 moulders. Another concern affected by aeroplane construction is the Laminated Materials Company, which is supplying large quantities of its product for this purpose. The Timberland Lumber Company is proceeding with its plans for the erection of a big sawmill on the south side of the river opposite the city, and it is expected that this mill will be cutting lumber by October 1.

Mr. P. G. Macdonald, who has been vice-president for the past two years, was elected president by acclamation, and Mr. W. H. Elson was elected vice-president, Mr. J. R. Grant declining when nominated. Mayor Gray was re-elected secretary.

Should Conserve Fish.

The present method of canning salmon wastes a lot of good food, and pressure should be brought to bear to remedy this condition, in the opinion of Mr. Martin Monk, who recommended this in his report for the fisheries committee to the board. He pointed out that it takes 80 lbs. of raw fish to fill a case of 48 lbs. Apparently at present nothing can be done with the head and ova, although in European countries the head is used as food and the ova makes "red caviar," but at least it is quite possible under present conditions to use the shoulder and tail pieces, at present discarded.

COPIES OF MONETARY TIMES WANTED

A subscriber is anxious to secure copies of *The Monetary Times* for November 26th, 1915, and December 3rd, 1915. Readers forwarding these issues to us may have their subscriptions advanced one month.

The Royal Bank of Canada has opened a branch at Banes, Cuba.

CANADA'S MUNITION OUTPUT IS LARGE

Orders Have Been Placed for Over One Billion Dollars—Large Expenditures Made

"Through the Imperial Munitions Board orders have been placed in Canada for $1,100,000,000 worth of munitions, and the sum of $875,000,000 already has been expended in respect of these orders in plants established in every province of Canada outside of Prince Edward Island." This was the statement of Hon. Newton Rowell, president of the Privy Council, in an address at Toronto.

"There were between 500 and 600 munitions plants in the Dominion," he said, "employing between 250,000 and 300,000 workers, including as many as 35,000 women at one time. Now there were approximately 5,000 women engaged in munitions work. Canada has machined over 53,000,000 shells, 40,000,000 brass cartridge cases of 3½ pounds each, and 58,000,000 copper bands, and last summer, at one time, Canada was producing of one projectile 50 per cent. of the total number used by Great Britain and all her armies on all fronts.

Success on Fuse Output.

"When Canada first commenced making shells," he continued, "the fuses were made in the United States, because it was thought the manufacturers in the Republic were in a better position to produce them, but later on orders were placed in the Dominion, and in a short time Canada was turning out fuses at the rate of 2,750,000 per month of such a high degree of excellence that the Imperial authorities went out of their way to congratulate the Imperial Munitions Board. Canada had also manufactured 16,500,000 wooden boxes in which to ship munitions overseas. She had also been steadily producing explosives, such as cordite, 'T.N.T.,' acetone, methyl-ethyl and nitric acid, in order to keep the forces of the British Empire supplied. The refining of zinc, copper and molybdenite had been going on steadily, and the capacity for refining lead had been largely increased. Canada was also shipping overseas large quantities of asbestos."

Mr. Rowell stated that Canada is now rendering assistance to the United States in the production of munitions, and is at present engaged on orders for 7,000,000 shells, 10,000,000 forgings and 2,000,000 cartridge cases for the United States government.

Success in Aeroplane Industry.

"Canada has had phenomenal success in the aeroplane industry," said Mr. Rowell, "and is now producing more than 300 aeroplanes a month. She is supplying all the planes used by the Royal Flying Corps in 500 encampments, and also supplying planes to the United States government to a large extent. Also 1,000 high-grade aeroplane engines are at present being constructed in Canada. The sum of $10,000,000 has been spent in aeroplane plants and aerodromes in Canada. When the Camp Borden aerodrome was constructed the aviators were flying two months after the workmen started to clear the land of tree stumps. Canadians supply more than 25 per cent. of the entire flying forces of the British Empire.

Large Order for Steel.

"Orders have been placed in Canada for 350,000,000 tons of steel and wooden ships, at a cost of $64,000,000, and the Union government is now developing a large shipbuilding programme. Many of the ships being built will be owned by the government of Canada. More than eight times the tonnage produced the year before the war broke out, will be produced this year. Produce in Canada this year will be more than one-quarter of the commercial tonnage built in the United States, and more than one-fifth of the commercial tonnage built in Great Britain last year."

ST. JOHN HARBOR SURVEY

The comprehensive survey of the harbor of St. John, which the local board of trade is planning in conjunction with the federal authorities, is designed to bring out the full potentialities of the port, not only in its relation to its ocean connections, but also as to its land routes. It is one thing to have a natural port possessing water advantages, such as St. John possesses; it is another to have these advantages brought into efficient co-ordination with the land transportation lines.

This is a question that an answer will be sought for in the survey proposed. It is not expected that any real development work will begin until the war situation has been cleared up; the purpose is to prepare for the future and along intelligent, comprehensive lines.

Guelph and Ontario Investment and Savings Society

Incorporated A. D. 1876

DIRECTORS:

A. B. PETRIE, Manufacturer, Guelph and Hamilton, President.
GEORGE D. FORBES, Mfr., Guelph and Hespeler, Second Vice-Pres.
J. E. McELDERRY, Guelph.

H. HOWITT, M.D., Guelph, First Vice President.
CHARLES E. HOWITT, Retired Banker, Guelph.
W. E. PHIN, Contractor, Hamilton.

FORTY-SECOND ANNUAL REPORT

December 31st, 1917.

The Directors of the Guelph and Ontario Investment and Savings Society present to the Shareholders their report for the year ended December 31st, 1917.

After paying interest on deposits and debentures, war taxes and all other charges and expenses, the net profits for the year amount to $129,397.96, to which is to be added the balance brought forward from the previous year, viz.: $38,116.22, and premium on new stock $2,312.50, making a total of $169,826.68, which has been apportioned as follows:

Dividend No. 82, paid 2nd July, 1917	$37,465.17
Dividend No. 83, payable 2nd January, 1918	39,040.68
Added to Reserve Fund, (premium on stock)	2,312.50
Added to Reserve Fund from profits	50,000.00
Amount carried forward	41,008.33

The Reserve Fund now amounts to $739,435.00, the paid-up Capital Stock is $782,701.90 and the total Assets of the Society are $4,353,512.83.

The Securities held by the Society have been carefully examined by the Board and found very satisfactory. Payments on mortgages were well met during the year.

We have pleasure in reporting a further increase in the amount invested by the public in the Society's Currency Debentures. Sterling Debentures issued to investors in Great Britain amount to $171,183.97.

Our investments in the Dominion of Canada War Loans amount to $297,474.33.

The sum of $1,200.00 was subscribed by the Society to the Canadian Patriotic Fund, and $200.00 to the Red Cross Fund, in 1917.

The accounts have been audited each month, and the Auditors' Report is presented herewith.

All of which is respectfully submitted.

A. B. PETRIE, President.

Financial Statement for the year ending December 31st, 1917

PROFIT AND LOSS

DR.

Dividend No. 82	$ 37,465.17
Dividend No. 83	39,040.68
Interest on Deposits and Debentures	119,323.50
Commissions	636.94
Land Inspection and Travelling Expenses	689.05
Municipal and Government Taxes and License fees	3,021.80
War Taxes	8,707.60
Set aside for transfer to Canadian Patriotic Fund	1,200.00
Grant to Red Cross Fund	200.00
Expended on Improvements to Office Premises	600.00
Expenses, including Directors' Fees, Auditors' Salaries and Inspector's Salary	21,991.13
Transferred to Reserve Fund (Premium on Stock)	2,312.50
Transferred to Reserve Fund from profits	50,000.00
Balance carried forward	41,008.33
	$326,196.70

CR.

Balance brought forward	$ 38,116.22
Earnings on Investments, Rents, Interest on Bank Accounts, etc.	285,767.98
Premium on Stock	2,312.50
	$326,196.70

ASSETS AND LIABILITIES

The Assets are as follows:

Mortgages, Government Bonds, and Municipal Debentures	$3,747,032.26	
Paid-up Capital Stock of The Guelph Trust Co. (par value)	258,000.00	
Dividend payable January 2nd, 1918, on stock of The Guelph Trust Company	6,450.00	
Loans on this Society's paid-up stock	10,937.88	
Loans on this Society's debentures	20,795.99	
Office Premises	20,000.00	
Real Estate, other than Office Premises, owned by The Society	41,527.48	
Cash in Bank of Montreal, Guelph	224,894.70	
Cash in Bank of Montreal, London, England	10,476.40	
Cash on hand	13,253.22	
Rents accrued	144.90	
		$4,353,512.83

The Liabilities are as follows:

Savings Deposits	$ 581,835.88	
Currency Debentures	1,943,480.88	
Sterling Debentures	171,183.97	
Interest accrued on Deposits and Debentures	53,705.89	
War Taxes accrued	1,120.30	
		$2,751,326.92
Surplus Assets		$1,602,185.91

The Surplus Assets (Liabilities to Shareholders) are composed of:

Amount paid on Capital Stock	$ 782,701.90	
Dividend payable January 2nd, 1918	39,040.68	
Reserve Fund	739,435.00	
Balance of Profit and Loss Account	41,008.33	
		$1,602,185.91

J. E. McELDERRY, Managing Director.

We have audited the books and vouchers of the Guelph and Ontario Investment and Savings Society monthly during 1917, and found them correct. We have also examined the Mortgages and calculated the value and earnings of the Mortgages, Municipal Debentures and Government Bonds, checked the Savings Department and Debenture balances, proved the Bank balances and certify that the foregoing Balance Sheet is a correct statement of the Society's affairs at December 31st, 1917. All our requirements as Auditors of the Company have been fully complied with.

Guelph January 31st, 1918.

J. W. KILGOUR,
J. M. SCULLY, F.C.A., } Auditors

Standard Reliance Mortgage Corporation

ANNUAL STATEMENT

There was a fair attendance at the annual meeting of The Standard Reliance Mortgage Corporation held on Monday last, the 4th inst. The following were present:—J. A. Walker, K.C., Chatham; S. G. Bartlett, New Hamburg; A. W. Hilborn, Galt; W. M. Behrens, Elmira; John Laing, Freeman; David Ratz, New Hamburg; Henry G. Ruppell, Elmira; Robert Moon, Orono; Geo. Hufner, Hawkesville; W. C. Bates, Sackville, N.B.; A. H. Arnold, Brockville; Thos. Nihan, St. Catharines; N. H. Stevens, Chatham; C. A. Annis, Port Union; H. Schlemmer, Woodstock; Dr. J. T. Gilmour, John Firstbrook, F. C. L. Jones, J. A. Jackson, W. Crackle, R. S. Stonehouse, Rev. W. P. Dyer, D. D. James, F. W. Micklethwaite, G. M. Wright, E. F. B. Johnston, K.C., R. H. Greene, W. T. Cowan, R. H. Cosbie, Fred. Walker, B. H. Boyd, W. J. Fawcett, J. W. McKay, Chas. Bauckham, Rev. G. I. Taylor, Geo. A. Young, Alex. Stewart, H. Waddington, R. E. Walker, Rev. B. R. Strangways, W. Vandusen, H. A. McEvoy, David Kemp, Mrs. L. Micklethwaite, H. W. Maw, O. S. James, E. P. Beatty, R. S. Weir, Toronto.

The President of the Corporation, Mr. N. H. Stevens, took the chair, and Mr. H. Waddington, the Managing-Director, was requested to act as secretary.

The annual statement as set out below was presented and read to the meeting by the Chairman, and after dealing with the business of the Company generally, he moved the adoption of the report.

The motion to adopt was seconded by Mr. John Firstbrook, the Vice-President, after which the Managing-Director gave a detailed address dealing in particular with the several items in the balance sheet, and giving comparisons with the years passed, from which he showed that as compared with a year ago, the assets had increased $1,046,804.88; that the deposits had increased $314,289.67; that the debentures had increased $686,554.10, that the net earnings had increased $47,938.97, and that in liquid assets the increase had been $360,650.70.

As compared with five years ago, the increases were as follows:—Assets, $3,326,222.27. Deposits, $623,549.69. Debentures, $1,690,672.28. Net Earnings, $82,979.70. Liquid Assets, $580,290.00.

The Mortgage Loans by Provinces were shown to be as follows:—Newfoundland, $1,323.08. Nova Scotia, $72,054.36. New Brunswick, $1,875.62. Qubeec, $2,018.97. Ontario, $5,565,091.69. Manitoba, $140,392.94. Saskatchewan, $645,324.74. Alberta, $177,961.96. British Columbia, $10,163.77. These mortgage loans with accrued interest at the end of the year made up a total of $6,651,501.74. The valuation of the properties on which these loans were made and as taken from the records was shown to be $13,201,954.

Several of the shareholders present expressed their pleasure at the fine showing made and at the information given, after which the motion to adopt the report was put to the meeting and declared carried unanimously.

Messrs. A. C. Neff, F.C.A., and J. F. Lawson, F.C.A., were on motion re-elected the Auditors of the Company for the ensuing year On motion the following were elected Directors:—E. F. B. Johnston, K.C., John Firstbrook, Nathan H. Stevens, E. Jessop, M.D., J. A. McEvoy, Herbert Waddington, W. J. Fawcett, David Ratz, James Gunn, David Kemp, E. C. McNally, Rev. G. I. Taylor, M.A., R. H. Greene, J. T. Gilmour, M.D.

At a meeting of the Board of Directors held subsequent to the annual meeting. Mr. E. F. B. Johnston, K.C., was elected Chairman of the Board; Mr. N. H. Stevens, President for the year; Mr. John Firstbrook, Vice-President.

Balance Sheet as at 31st December, 1917

ASSETS

Mortgage Loans and Accrued Interest	$6,651,501.74	
Real Estate, acquired under foreclosure....	241,840.51	
Stocks, Bonds and Debentures, owned......	429,003.33	
Loans on Stocks, Bonds and Debentures....	43,104.80	
Sundry Investments	27,517.09	
		$7,392,968.37
Office Premises, Head Office and Branches..	$ 297,879.90	
Office Furniture and Safes, Head Office and Branches	6,224.59	
Inspectors' Automobiles (9)	4,060.00	
		308,164.49
Agents' Balances and Accounts Receivable..	$ 12,091.90	
Accrued Rentals	2,650.75	
Municipal and War Loan Bonds with accrued Interest	535,623.14	
Cash on Hand and in Banks	185,056.43	
		735,422.22
		$8,436,555.08

LIABILITIES

To the Public:—			
Debentures with Accrued Interest	$3,810,601.33		
Deposits with Accrued Interest...	1,031,700.15		
Deposit Receipts payable on certain fixed dates and upon ninety days' notice	104,727.12		
		$4,947,088.60	
Mortgages Assumed	$ 35,099.88		
Dividend payable January 2nd, 1918	91,987.97		
		127,087.85	
Total to the Public			$5,074,176.45
To the Shareholders—			
Capital Stock Subscribed	$2,643,880.00		
Less Unpaid thereon............	39,195.32		
		$2,604,684.68	
Surplus Funds—			
Reserve Fund	$ 650,000.00		
Contingent Fund	75,000.00		
Loss and Gain Balance forward	32,693.95		
		757,693.95	
Total to the Shareholders			$3,362,378.63
			$8,436,555.08

LOSS AND GAIN ACCOUNT

Interest on Debentures and Deposits	$213,934.04
Government and War Taxes	9,290.92
Contributions to Patriotic, Red Cross and Y.M.C.A. Funds	3,250.00
Dividends	179,890.49
Balance Carried Forward	32,693.95
	$439,060.00

Balance forward from December 31st, 1916...............	$ 4,743.75
Net Earnings after deducting all expenses of management and making provision for all known losses..........	434,316.25
	$439,060.00

CHAS. BAUCKHAM,
Secretary-Treasurer.

H. WADDINGTON,
Managing Director.

AUDITORS' CERTIFICATE

We have audited the books and accounts of the Standard Reliance Mortgage Corporation for the year ending 31st December, 1917, and have verified the Cash and Bank Balances and Securities, and we hereby certify that in our opinion the above Balance Sheet exhibits a true and correct view of the affairs of the Corporation as shown by its books as of that date. Our requirements as Auditors have been complied with.

A. C. NEFF, F.C.A.,
J. F. LAWSON, F.C.A.,
Chartered Accountants.

Toronto, February 16th, 1918.

Head Office: TORONTO

Branches:—CHATHAM, AYR, NEW HAMBURG, ELMIRA, BROCKVILLE WOODSTOCK.

The Sterling Trusts Corporation

The Annual General Meeting of the Shareholders of The Sterling Trusts Corporation was held at the Head Office of the Company on Monday, the 25th of February.

On motion Mr. E. F. B. Johnston, K.C., was elected Chairman of the meeting, and Mr. H. Waddington, the Managing Director, was requested to act as Secretary.

In moving the adoption of the Report, the Chairman outlined the operations of the Company, and dealt particularly with the changes recently made in the directorate and the enlarged scope of the operations of the Company by reason of them. As a result of these changes the Chairman was able to report to the meeting some business of considerable volume closed, which will add materially to the earning power of the Company and which will show substantially in the the current year's operations.

The motion to adopt the Report was seconded by Mr. John Firstbrook, Vice-President, and the Balance Sheet and Loss and Gain Account were gone into in detail and explained by the Managing Director, and in so far as they referred to the Western business of the Company, were dealt with by Mr. Geo. H. Bradshaw, the Manager of the Branch at Regina.

The Capital Account showed an increase of $56,273.34 over the account of a year ago; the Guaranteed Trust Account showed an increase of $121,877.56, and the Estates and Agency Accounts an increase of $564,496.19. The assets on Capital Account now amount to $519,603.07; on Guaranteed Trust Account to $603,520.83, and on Estates and Agency Account to $3,491,822.14, making a total of $4,614,946.04.

From the net earnings of the Company the sum of $15,000 was added to the Reserve Fund, making that fund stand now at $75,000 and the balance carried forward was $8,998.45.

A by-law passed previously by the Directors increasing the number of the Board was submitted for ratification, and passed unanimously.

The nomination of Directors was then proceeded with, and the following gentlemen were declared elected for the ensuing year.

OFFICERS AND DIRECTORS

President

E. F. B. JOHNSTON, K.C., Toronto

Vice-President, The Royal Bank of Canada.
Chairman of the Board, The Standard Reliance Mortgage Corporation.

Vice-Presidents

JOHN FIRSTBROOK, Toronto

President, Firstbrook Bros., Limited.
Director, The Confederation Life Association.

W. H. WARDROPE, K.C., Barrister, Hamilton.

MAJOR E. D. McCALLUM, Regina

President, McCallum, Hill & Co.

Directors

N. H. STEVENS, President, The Canada Flour Mills Co., Limited. President, The Standard Reliance Mortgage Corporation.		Chatham
A. H. TASKER	Capitalist	Barons, Alta.
NICOL JEFFREY	Barrister	Guelph
J. W. SCOTT President, The British Mortgage Loan Co. Vice-President, The Continental Life Assurance Co.		Listowel
A. W. BRIGGS, K.C.	Barrister	Toronto
J. C. ELLIOTT, M.P.P.	Barrister	Glencoe
GIDEON GRANT	Barrister	Toronto
DR. J. T. GILMOUR,		Toronto
F. C. L. JONES	Barrister	Toronto
DR. E. JESSOP, M.P.P.		St. Catharines
NORMAN SOMERVILLE	Barrister	Toronto
J. E. MARTIN	Capitalist	Minneapolis, Minn.
W. J. SHEPPARD Director, The Royal Bank of Canada. Vice-President, The Toronto Paper Mfg. Co.		Waubaushene
F. B. HAYES President, The Toronto Carpet Mfg. Co.		Toronto
GEO. H. BRADSHAW		Regina
W. A. BOYS, K.C., M.P.		Barrie
H. WADDINGTON, Managing Director		Toronto

The meeting then adjourned.

At a subsequent meeting of the Board E. F. B. Johnston, K.C., Toronto, was elected President of the Corporation; John Firstbrook, Toronto; W. H. Wardrope, K.C., Hamilton, and Major E. D. McCallum of Regina, Vice-Presidents, and H. Waddington, Managing Director.

HEAD OFFICE - - - - TORONTO

WESTERN BRANCH OFFICE - - REGINA, Sask.

PERSONAL NOTES

Mr. C. S. Howard, lately of the foreign department of the Dominion Bank, head office, Toronto, has been appointed assistant manager of the Montreal branch in place of Mr. L. H. Seale, who has resigned.

Mr. A. H. Clement has been appointed manager of the Montreal branch of the National Life Assurance Company, of Toronto. Mr. Clement has been connected with the Gresham Life Assurance Society, and goes to the National Life well recommended by the Canadian management of that company.

Mr. V. E. Gray, M.A., LL.B., has been appointed by the Dominion Department of Finance, Ottawa, as assistant to the commissioner of taxation. He is a graduate of McMaster University and Osgoods Hall, joining the Trusts & Guarantee Company, as trust officer, immediately after leaving Osgoode Hall, in 1914. He was made manager of the Toronto branch of that company in 1917.

V. E. GRAY.

Hon. W. J. Hanna, K.C., has been appointed president of the Imperial Oil Company of Canada in succession to Mr. Walter C. Teagle, now president-elect of the Standard Oil Company of New Jersey. He was formerly provincial secretary for Ontario, and more recently food controller. Mr. Hanna has been the legal adviser of the Imperial Oil Company since its early days, and latterly has been one of its directors, although his activities have been largely of a public character. Mr. Hanna was appointed food controller on June 20th of 1916, and retired from that office on January 24th last. When he relinquished his duties as food controller it was stated that his services had been unofficially requisitioned for the greater task of increasing the production of crude oil and essential petroleum products, not only for munition manufacturing and other requirements, but to provide a larger volume of these products for export for the use of the Allies. It is understood that pressing needs of increased production in the petroleum industry occasioned Mr. Hanna's present visit to Peru, an important source of petroleum at present. Mr. Hanna first achieved a reputation as a business executive by the development of several government enterprises, originally designed only to employ prison labor, into profitable commercial propositions, and as a practical philanthropist by his complete revolution of the administration of penal institutions under his control as provincial secretary, and by the substitution of reformation for punishment in the treatment of inmates. He became a member of the Ontario legislature in 1902, and in February, 1905, was made provincial secretary. He held this portfolio until December, 1916, when he became minister without portfolio.

Sir John Aird, general manager of the Canadian Bank of Commerce, has sailed from New York for Brazil. The trip is expected to occupy about two months.

Mr. William Dineen has been elected a director of the Crown Life Insurance Company, Toronto. He is associated with the firm of W. & D. Dineen, the well-known fur, hat and dry goods retail house, Toronto.

WILLIAM DINEEN,

Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, returned on March 2nd from Washington, where he spent several days with the Prime Minister and Hon. A. K. Maclean, acting minister of finance. In reply to an inquiry as to whether the mission had been successful, Sir Frederick referred to the statement of the Prime Minister expressing satisfaction with what had been accomplished.

Mr. L. H. Seale, formerly of the Montreal branch of the Dominion Bank, has left for New York to become head of the foreign exchange department of W. R. Grace & Company's bank. Mr. Seale resigned the assistant managership of the Montreal branch of the Dominion Bank to take up the New York post, being succeeded by Mr. C. S. Howard, formerly of the head office of the Dominion Bank, Toronto.

Mr. G. A. MacDonald, for thirty years with Justice Britton and J. L. Whiting, barristers, has been appointed inspector of taxation under the new Income Tax Act, with headquarters at Kingston. Mr. MacDonald's district comprises Frontenac, Leeds, Lennox and Addington, and Prince Edwards, Hastings, Northumberland and Durham. He will take over his duties at once and will open an office at Kingston.

PENMANS, LIMITED

At the annual meeting of Penmans, Limited, it was announced that the common stock of the company had been placed on a 6 per cent. per annum basis, a dividend of 1½ per cent. having been declared for the quarter ending April 30th.

Accompanying the increased quarterly dividend is a bonus of 1 per cent. Both will be payable May 15 to shareholders of record May 6.

The shareholders' return in the past two years has been 5 per cent., made up of 4 per cent. dividend and 1 per cent. bonus. As a quarterly dividend of 1 per cent. and a bonus of 1 per cent. have just been paid, the minimum return this year will be 7½ per cent., presuming the maintenance of the new 6 per cent. rate.

Sir Charles Gordon, president, commenting on the dividend question, stated that, while there had been complaint that the company should make larger distributions of profits, he considered it had been paying as much as it ought to. The company was obliged to carry large stocks of raw material and manufactured goods and had to borrow from the banks to finance them. He also pointed to the fact that a great deal of the company's recent activity was due to war conditions. These were instanced as reasons why the company should proceed cautiously in the matter of dividend distributions.

SUN LIFE KEEPS GROWING

THE results of operations for the year 1917 show a continuance of the notable expansion that has marked the career of the Sun Life Assurance Company of Canada. In Assets, Income, Surplus, New Business, and Total Business in Force substantial increases are recorded over the corresponding figures for previous years.

RESULTS FOR 1917

Assets at December 31st, 1917.			$90,160,174.00
Increase			7,211,178.00
Cash Income			19,288,997.00
Increase			789,866.00
New Assurances issued and *Paid for in Cash*			47,811,567.00
Increase			5,039,270.00
Assurances in Force at December 31st, 1917.			311,870,945.00
Increase			30,436,245.00
Profits paid or allotted to Policyholders			1,560,389.00
Increase			449,488.00
Profits paid or allotted to Policyholders, in past five years.			5,224,063.93
Total Payments to Policyholders, 1917.			8,840,245.00
Payments to Policyholders since organization	$69,094,316		
Assets held for Policyholders	90,160,174		
		$159,254,490	
Premiums received since organization		153,361,226	
Payments to Policyholders and Assets held for them exceed the premiums received by:		**$5,893,264**	
Undivided surplus at December 31st, 1917, over all liabilities including capital			**$8,550,761.00**

THE COMPANY'S GROWTH

YEAR	INCOME	ASSETS	LIFE ASSURANCES IN FORCE
1872	$ 48,210.73	$ 96,461.95	$ 1,061,350.00
1887	477,410.68	1,312,504.48	10,873,777.69
1897	2,238,894.74	7,322,371.44	44,983,796.79
1907	6,249,288.25	26,488,595.15	111,135,694.38
1917	19,288,997.68	90,160,174.24	311,870,945.71

The Company takes this opportunity of thanking its policyholders and the public generally for the continued confidence and goodwill of which the above figures give such strong evidence.

SUN LIFE ASSURANCE COMPANY OF CANADA

1871 HEAD OFFICE MONTREAL 1917

T. B. MACAULAY, President

CANADIAN NORTHERN STOCK ARBITRATION

The case for the Canadian Northern Railway, in connection with the Canadian Northern Railway arbitration proceedings at Osgoode Hall, Toronto, was concluded on Wednesday. As Mr. W. N. Tilley, K.C., government counsel, was not ready to go on with his case, Sir William Meredith, chairman of the arbitration, announced an adjournment of the hearing, sine die, with a proviso that a date be set by the arbitrators upon the application of either parties.

Hon. F. H. Phippen and Messrs. I. F. Hellmuth, K.C., and Pierce Butler, for the company, protested against a lengthy enlargement of the government's side of the case, on the ground that it would force the Canadian Northern Railway to assume the responsibility of unnecessary expenditures and the loss of $2,000 a day interest on the maximum amount of $10,000,000 set by the government to be paid Mackenzie and Mann for their common stock.

HAMILTON PROVIDENT AND LOAN SOCIETY

In four years, the Hamilton Provident Loan Society will celebrate its semi-centenary. Its report for the past year makes an excellent showing, indicating a strong financial position and satisfactory results achieved during 1917. Mr. George Hope is president of the company and with him on the directorate are a number of other influential and capable business men. Mr. D. M. Cameron is treasurer of the company and is an able official in whom the directors have complete confidence.

At the annual meeting this week, the president called particular attention to the satisfactory nature of the society's investments, which consist of $3,142,670 in first mortgages on improved farms, $775,816 in first mortgages on productive city and town property, $275,362 in government and municipal debentures, and $10,445 in call loans on stock. The net profits of the company for the past year, after providing for all interest due and accrued on borrowed capital, cost of management, contributions to Patriotic Funds, and all other charges, amounted to $177,267. Dividends absorbed $96,000 of that sum. Other appropriations were: Government and business tax, $3,026; war tax, $5,759; added to reserve fund, $70,000; credited to contingent fund, $2,481. The reserve fund now amounts to $1,130,000 and exceeds 94 per cent. of the paid-up capital. The contingent fund stands at $33,994.

Payments falling due under mortgages during the year, both in Ontario and the western provinces, have been particularly well met. It was deemed advisable, in view of the continued high rate of interest prevalent in Great Britain, to retire a considerable proportion of our maturing sterling debentures.

STEAMSHIPS DEAL

It became known in Montreal this week, says The Gazette of that city, that western interests, headed, it is understood, by James Playfair, of Midland, were bidding for the purchase of the Northern Navigation Company's passenger service on the Great Lakes, reports stating that $2,000,000 had been offered to Canada Steamships Lines, Limited, as owners of the Northern Navigation Company.

When the attention of Mr. James Carruthers, president of the Canada Steamships Lines, was drawn to the report, Mr. Carruthers admitted that there had been some negotiations, but stated that no price of $2,000,000 had been mentioned. At the annual meeting of the shareholders earlier in the day, Mr. Carruthers had pointed out that the company was continuing to make changes in its fleet, selling some vessels and buying others, according to its judgment as to the benefits of these sales and replacements on the future business of the company.

In connection with the current negotiations re the Northern Navigation fleet, Mr. Carruthers said that the company was prepared to sell if a favorable price was offered, but that nothing further could be said at this time. He intimated that if the $2,000,000 price suggested was offered there might be business doing.

Mr. James Playfair was head of the Northern Navigation Company, which was acquired by the old Richelieu and Ontario Navigation Company in 1911. For a time he was vice-president and managing director of the latter company, when control passed to the group which organized the Canada Steamships Lines, Richelieu's successor.

CITY DAIRY COMPANY

The net profits of the City Dairy Company for the past year, according to the company's annual report, were $70,374, after making the usual deductions. With $48,959 brought forward from 1916 there was a total of $119,334 for distribution. Of this $35,000 was carried to the general reserve account. The net profits for the year showed an increase of $52,256. Mr. C. B. McNaught, president of the company, made the following statements at the recent annual meeting:—

"The important operating economies which were introduced during the year have worked out the results expected, notwithstanding the very heavy increases in operating expenses which we have had to bear during the period under review. The volume of business transacted in the year shows a reasonable gain, and the general physical condition of the plant has been maintained at the highest point of efficiency.

"The balance sheet shows some important changes in amounts of assets and liabilities due principally to the fact that the bankers' advances to S. Price and Sons, Limited, were made to this company, and advances made by this company in turn to S. Price and Sons, Limited.

"The management has had in view for considerable time the actual merging of the business of S. Price and Sons, Limited, with that of this company, but for various reasons this could not be accomplished until the end of 1917.

"Toward the end of December the entire distribution of milk and dairy products, formerly made by S. Price and Sons, Limited, was taken over by the City Dairy organization, and is now being delivered from its plant, and, it is expected, the coming year will show important operating economies due to this change."

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members. Toronto Stock Exchange, 103 Bay Street Toronto:—

Mar. 6th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canada Cement	7	90	7.77
Canada Steamships	7	77	9.09
Canadian Locomotive	7	83	8.43
Mackay Companies	4	63	6.34
Maple Leaf Milling	7	94	7.44
Penmans	6	82	7.31
Steel of Canada	7	88	7.95
Common:			
Bell Telephone	8	132	6.06
B. C. Fishing and Packing	4	42	9.52
Canada Cement	6	60	10.00
Canadian Locomotive	6	57	10.52
Canadian General Electric	8	105	7.61
Consumers' Gas	10	147	6.80
Canadian Pacific Railway	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundry & Steel	8	63	12.69
Mackay Companies	6	79	7.59
Dominion Steel Corporation	5	59	8.47
Maple Leaf Milling	10	98	10.20
Penmans	6	74	8.10
Steel Co. of Canada	6	55	10.90
Toronto Railway	4	58	6.89
Twin City	4	53	7.54
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	97	6.18
Canada Steamships	6	80	7.50
Canadian Locomotive	6	88	6.81
Penmans	5	86	5.81
*First War Loan, 1925	5	94	5.31
*Second War Loan, 1931	5	93	5.37
*Third War Loan, 1937	5	92	5.43
Victory Loan	5½	98⅞	5.62
....	....	....	....
....	....	...	...

*Yield on stock basis.

Hon. John Oliver, who has succeeded the late Hon. H. C. Brewster as premier of British Columbia, was born in Hartington, Derbyshire, Eng., on July 31, 1856, where he was educated. He came to Canada in 1870. He was married in June, 1886, to Miss Elizabeth Woodward, of Mud Bay, B.C. By occupation he is a farmer and rancher. He was elected to the British Columbia legislature for Delta in 1900, and sat for that riding until 1909, when he was elected leader of the then Liberal opposition.

Nova Scotia Steel & Coal Company, Limited

AND SUBSIDIARY COMPANIES

December 31, 1917
BALANCE SHEET

ASSETS.

Mining Properties, Real Estate, Buildings, Plant, Machinery and Equipment, Less Depreciation		$22,988,438.96
Company's Own Bonds Purchased for Sinking Fund	$ 109,394.39	
Deferred Balances Receivable on Houses Sold.	72,786.14	
		182,180.53
Current Assets		
Inventories at or below cost	5,555,323.79	
Accounts and bills receivable	4,275,206.50	
Dominion of Canada Victory Bonds, First instalment on subscription of $500,000.00	50,000.00	
Cash in banks and on hand	2,163,022.77	
		12,043,553.06
Deferred Charges to Operations:		
Commission and discount on securities issued, less amount written off	$ 400,000.00	
Development expenditures, etc.	180,828.87	
Insurance and steamers hire prepaid	71,656.80	
		652,485.67
		$35,866,658.22

LIABILITIES.

Capital Stock.			
Eight per cent. cumulative preference. Authorized and issued, $10,000 shares of $100 each		$ 1,000,000.00	
Ordinary authorized and issued, 150,000 shares of $100 each		15,000,000.00	
			$16,000,000.00
Six Per Cent. Cumulative Preference Stock of the Eastern Car Company, Limited			750,000.00
Bonded and Debenture Debt:			
Five per cent. first mortgage sinking fund gold bonds due July 1, 1959; Authorized	$6,000,000.00		
Less—Redeemed by sinking fund	257,577.35	5,742,422.65	
Six per cent. first mortgage sinking fund gold bonds of Eastern Car Company due July 1, 1952	1,000,000.00		
Less—Redeemed by sinking fund	32,500.00	967,500.00	
Six per cent. first mortgage bonds of the Nova Scotia Land Company, Limited, due July 1, 1924	50,000.00		
Less—Redeemed by sinking fund	23,700.00	26,300.00	
Six per cent. mortgage debenture debt		4,478,600.00	
			11,214,822.65
Current Liabilities:			
Bills payable		$ 258,288.58	
Accounts and wages payable		915,617.26	
Interest accrued on bonds and debenture stock		311,208.45	
Dividend on preference stock payable January 15, 1918		20,000.00	
Dividends on ordinary stock payable January 15, 1918		375,000.00	
			1,880,114.29
Deferred Credits to Income			635,171.00
Reserves.			
For relining furnaces, coke ovens, renewals, etc, and for business profits and income taxes to December 31, 1917.		936,596.04	
For car contract and shipping contingencies, etc.		719,861.80	
General reserve		2,000,000.00	
			3,656,457.84
Surplus			1,730,092.46
			$35,866,658.22

NOVA SCOTIA STEEL & COAL COMPANY, LIMITED

and Subsidiary Companies

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNTS, FOR THE YEAR ENDING DECEMBER 31, 1917

Combined profits from operations, after providing for maintenance and renewal expenditures, but before deducting depreciation, interest charges, etc.		$3,069,449.23
Deduct. Proportion of commissions and discounts on securities written off, provision for depreciation, income tax, etc.		976,113.20
Profits before charging interest		$2,093,336.03
Deduct.—Interest:		
On the 5 per cent. Mortgage Bonds of the Nova Scotia Steel & Coal Company, Limited	$287,121.13	
On the 6 per cent. Debenture Stock of the Nova Scotia Steel & Coal Company, Limited	263,296.87	
On the 6 per cent. Mortgage bonds of the Eastern Car Company Limited	58,401.00	
On bank loans and advances	144,040.20	
		752,858.20
Total net profits		$1,340,477.83
Add—Surplus, January 1, 1917		3,532,114.63
		$4,872,592.46
Deduct.		
Dividends on 8 per cent. Cumulative preference stock of the Nova Scotia Steel & Coal Company, Limited	$ 80,000.00	
Cash dividends declared on the ordinary stock of the Nova Scotia Steel & Coal Company, Limited	562,500.00	
Stock dividends declared on the ordinary stock of the Nova Scotia Steel & Coal Company, Limited	2,500,000.00	
		3,142,500.00
Surplus carried forward		$1,730,092.46

PRICE, WATERHOUSE & COMPANY.

Montreal, March 2, 1918.

We have audited the books and accounts of the Nova Scotia Steel & Coal Company, Limited, and subsidiary companies, for the fiscal year ending December 31st, 1917, and we certify that, in our opinion, the attached balance sheet is properly drawn up and shows the true financial position of the combined companies at December 31st, 1917, and the relative profit and loss account is a fair and correct statement of the results of the operations for the year.

(Sgd.) PRICE, WATERHOUSE & COMPANY

COMPARATIVE PRODUCTION COSTS

How the Iron and Steel Industries of Canada and United States Compare in That Factor

In an exhaustive review of the position of the iron and steel industries in Canada, Mr. C. F. Whitton, at the annual meeting of the Iron and Steel Section of the Canadian Mining Institute, compared the cost of production of iron and steel in Canada and the United States.

"The bulk of the export trade of the United States in iron and steel products," he said, "has been developed from the beginning and is now being carried on extensively and principally by the United States Steel Corporation, the greatest undertaking of the kind in point of size, resources and variety of products in the world, and other large concerns located in the Buffalo, Cleveland, Youngstown, Pittsburgh and Chicago districts.

"The United States Steel Corporation, as is well known, owns vast ore deposits in the Lake Superior region with which its plants in these districts are supplied. It also owns and operates the mining railroads which transport the ore to the upper lake ports, the boat lines which carry ore to the lower lake ports and the railroads which take the ore from the vessel to the blast furnaces. All the other principal independent companies, practically own and control their supply of ore as well as vessels transporting it on the Great Lakes.

Ore in Open Market.

"Those iron and steel industries that are not so fortunately situated in this respect are forced to buy their ore in the open market, where a very large proportion of the total ore consumed is sold each year by mining companies that do not own blast furnaces or are not financially associated with blast furnace interests. The market price of ore is fixed each fall for the succeeding year, and the prices of various grades sold by different mines are based on four standard grades, namely, Old Range, Bessemer and Non-Bessemer; and Mesabi, Bessemer and Non-Bessemer. The metallic contents of these ores is taken as a standard, and the price of all other ores is adjusted according to their variation from this standard in metallic contents, phosphorus and moisture.

"The published prices for the last seven years of these four grades, which are based on delivery at Lake Erie docks, have been as follows:—

	Old Range		Mesabi		Frt. Rate G.T. to Lake Erie ports.
	Bess.	Non-Bess.	Bess.	Non-Bess.	
1910	$5.20	$4.20	$4.75	$4.00	$0.55
1911	4.50	3.70	4.25	3.50	.50
1912	3.75	3.00	3.50	2.85	.40
1913	4.40	3.60	4.15	3.40	.45
1914	3.75	3.00	3.50	2.85	.40
1915	3.75	3.00	3.45	2.80	.40
1916	4.45	3.70	4.20	3.55	.50

The standard iron content for Bessemer ores is 55 per cent.; for Non-Bessemer, 51.50 per cent.

"As all the figures in this paper relative to production, imports, and manufacturing capacities of plants are for the years 1911-1915 inclusive, the average of the ore prices for these years may be taken as representing the normal price during that period. This average is $3.08 per G.T. unloaded on Lake Erie dock for Mesabi iron ores.

Comparative Costs.

"The comparative costs of making pig iron and steel in the various processes of manufacture from pig iron to the finished product, may now be considered, and in this connection the estimated cost of mining and transporting Mesabi ore to Lake Erie ports in the years 1910 and 1915, respectively, is given in the following table:—

	1910.	1915.
Cost of ore at mine, including labor, expense, depreciation and royalty	$1.23	$1.23
Railway freight	.41	.40
Lake freight	.62	.40
Total cost lower lake ports	$2.26	$2.03
Quoted market price	4.00	2.80
Profit	1.74	.77

"The freight rates for the year 1910 as shown represent the net transportation costs of the United States Corporation, using its own railroads and lake vessels, whereas in 1915, the lake freight charge of 40 cents is the open market contract price. Taking the average of these two costs at lower lake ports as $2.15 and comparing it with average market price of $3.08 for the 5-year period, the average price paid in the open market by companies not controlling their own ore mines has been 93 cents above that of the Steel Corporation and other large United States companies. In addition to this difference, it should be pointed out that the average freight rates given above would include a profit of not less than 15 cents a ton on ore to companies owning their own mines, railroads, and lake vessels. It seems fair, therefore, to assume that small concerns which buy their ore in the market—and in this category is included all the Ontario iron and steel undertakings using ores imported from the United States—have to pay over $1 per ton on ore more than the large American companies. Assuming that an average of two tons of ore is required to make one ton of pig iron, the difference in increased cost of pig iron for ore alone is therefore at least $2.

Have Own Coal Mines.

"Most of the large concerns in the United States also own coal mines from which is obtained all the coal required by them for coking, miscellaneous heating and steam purposes. These coal lands are situated in Ohio and Pennsylvania where, in the Connellsville region mainly, the better grade of coal is found. These fields are in easy reach of Pittsburgh, and the cost of transuportation on coal is therefore very small. The greater part of the coal is brought to the coke ovens at the blast furnaces for coking. Coal used in the Chicago district is brought partly from Pennsylvania and partly from Illinois and Indiana. This coal is high in ash and volatile matter, and must be mixed with the better grade of coal from the Connellsville and Pocohontas region. It has been found that the average selling price of coke for the 5-year period, 1910-1915, was about $2 per N.T. at ovens, and the average cost to the United States Corporation was about $1.60. For the purpose of estimating the present cost of pig iron, a profit of 25 cents per ton has been assumed. The total profit on ore and coke per ton of iron would therefore be $2.40. It is apparent, therefore, that the cost of transportation of ore and coal or coke, is a very large factor in the cost of production of pig iron, and the total cost of assembling raw materials is the deciding feature affecting the economic location of blast furnaces.

Freight Rates Factor.

"The freight rates on ore and coal from Lake Superior mines to blast furnaces at three Ontario points and in the three principal American districts are tabulated hereunder. The three Canadian plants located in Ontario are selected for reference because they are principally concerned in the competition originating from the United States, especially on account of drawing their supply of ore and coal from the same districts as the American furnaces.

Freight Rates and Total Assembling Cost on Ore and Coke.

	Freight on ore G.T. Lake, rail and handling per ton iron.			Freight on coke (N.T.) rail and boat per ton iron.		Total cost per ton iron.	
				Basic.	Fdry.	Basic.	Fdry.
Sault Ste. Marie...	$0.30	$0.10	$0.80	$2.20	$2.64	$3.00	$3.44
Hamilton	.40	.65	2.10	2.40	2.88	4.50	4.98
Port Colborne	.40	.10	1.00	2.40	2.88	3.40	3.88
Buffalo	.40	.10	1.00	1.85	2.22	2.85	3.22
Pittsburgh	.40	.88	2.55	.75	.90	3.30	3.45
Chicago	.40	.10	1.00	2.00	2.40	3.00	3.40

	Basic.	Fdry.
Average cost at Sault Ste. Marie, Hamilton and Port Colborne	$3.63	$4.10
Average cost at Buffalo, Pittsburgh and Chicago	3.05	3.36

"Sault Ste Marie, Port Colborne, Buffalo, and Chicago are all lake points and the rail haul to the blast furnaces is therefore negligible. A charge of 10 cents for switching and unloading has been assumed as the approximate cost of handling at these points. The total freight charge on ore per ton of iron is based on the estimated consumption of two tons of ore per ton of iron. The freight on coke, in the case of Sault Ste. Marie, includes the cost of a rail haul to Buffalo and boat to the Sault; while in the case of Chicago, the freight rate is based on an estimate of the proportion of coal brought from Pennsylvania together with that mined in Illinois and Indiana. The freight rate on coke per ton of iron is based on

The Dominion Fire Insurance Co.

HEAD OFFICE - TORONTO

Statement for the Year Ending December 31, 1917

RECEIPTS.

Net Premiums	$325,747.65
Interest	13,366.28
Stock Forfeited	1,485.00
	$340,598.93

DISBURSEMENTS.

Net Losses	$177,602.99
Net Commissions	66,500.21
Salaries and Travelling Expenses	13,647.82
Rents	2,914.09
General Expenses	5,721.05
Goad's Plans and Revisions	285.42
Printing and Stationery	3,299.59
Postage and Telegrams	2,572.42
Advertising	2,934.25
Taxes and Registration	10,129.75
Legal Expenses	139.65
Directors' Fees	580.00
Auditors' Fees	560.00
Written off Agents' Accounts	216.79
Loss. Bonds Sold	128.00
Reserve for Taxes	1,937.50
Reserve for Doubtful Accounts	2,000.00
Reserve for Depreciation in Securities	1,587.33
Surplus	47,842.07
	$340,598.93

ASSETS.

Cash on hand and in Banks	$ 96,519.16
Call Loans	16,150.00
War Loan Bonds	38,754.32
Municipal Bonds	167,144.99
Bank Stocks	26,655.00
Consumers Gas Company Stock	5,622.80
Huron & Erie Loan & Savings Company Stock	10,250.00
Mortgage	13,000.00
Accrued Interest	3,007.08
Agents' Balances (Net)	34,643.34
Sundry Debtors	5,111.00
Office Furniture and Goad's Plans	10,000.00
	$426,857.69

LIABILITIES.

Re-insurance Reserve	$176,876.77
Unadjusted Loss (Net)	15,445.44
Re-insurance Companies' Reserve Account	52,084.85
Sundry Creditors	2,526.36
Reserve for Taxes	4,000.00
Reserve to place Security Values on Government Basis	11,587.33
Reserve Agents' Balances	2,000.00
Surplus Policyholders' Account	162,336.94
	$426,857.69

Paid-up Stock, $198,810.

OFFICERS:

President: ROBERT F. MASSIE.
Vice-President: PHILIP POCOCK.
Secretary: NEIL W. RENWICK.
Assistant Secretary: J. J. BELL.

1.2 tons of coke to one of iron, which equals 2,400 pounds per G.T. of pig iron. This practice is based on the average consumption of coke per ton of iron, in the past four years, reported by the American Iron and Steel Institute.

Comparison of Cost of Basic and Foundry Pig Iron in the United States and Canada.

	United States. Basic.	United States. Fdry.	Canada. Basic.	Canada. Fdry.	Difference. Basic.	Difference. Fdry.
Price per ton ore at lower lake ports...	$3.08	$3.08	$3.08	$3.08	....	....
Less lake freight...	.40	.40	.40	.40	....	....
Price at upper lake ports	$2.68	-$2.68	-$2.68	-$2.68	....	....
Price of coke at Connellsville ovens ..	2.00	2.00	2.00	2.00	....	....
Cost of ore per ton of iron	5.36	5.36	5.36	5.36	....	....
Cost of coke per ton of iron	2.00	2.40	2.00	2.40	....	....
Assembling cost of ore and coke	3.05	3.36	3.63	4.10	$0.58	$0.74
Cost of ore and coke per ton of iron....	$10.41	$11.12	$10.99	$11.86	$0.58	$0.74
Furnace conversion cost—						
Limestone	$0.50	$0.55	$0.55	$0.60	....	....
Labor	.55	.55	.80	.80	....	....
Steam	.35	.35	.70	.70	....	....
Surplus gas credited.	(.55)	(.55)	(.85)	(.85)	....	....
Repairs and maintenance	.10	.10	.15	.15	....	....
Supplies and expense	.35	.35	.70	.70	....	....
Relining fund	.18	.18	.25	.25	....	....
Contingent fund ..	.05	.05	.05	.05	....	....
Total conversion..	$1.53	$1.58	$2.35	$2.40	$0.82	$0.82
Total cost of pig iron	$11.94	$12.70	$13.34	$14.26	$1.40	$1.56
Less profit on ore and coke included	2.40	2.50	....	....	2.40	2.50
	$9.54	$10.20	....	....	$3.80	$4.06

Considering difference in assembling cost, total cost would be:

					Credit for coke by-products.	
Sault Ste Marie	....	....	$12.51	$13.36	$1.40	....
Hamilton	....	....	14.21	15.14	1.45	$1.75
Port Colborne	....	....	....	14.04	1.40	1.70
Buffalo	$9.34	$10.06	....	....	1.35	1.65
Pittsburgh	9.79	10.29	....	....	1.25	1.50
Chicago	9.49	10.24	....	....	1.40	1.70

Extra for benzol by-products 70c.

Selling Prices.		United States. Basic. (Valley).	United States. Foundry. (Buffalo).	Canada. Basic.	Canada. Foundry.
Average	1912	$13.90	$14.89	Average price of all kinds of pig iron imported into Canada 12 months ending March 31st.	
	1913	14.77	14.87		
	1914	12.80	12.84		
	1915	13.78	13.98		
	1916	19.87	20.63		
Minimum	1912	12.26	13.62		
	1913	12.83	13.07	1914	$14.10
	1914	12.50	12.08	1915	15.15
	1915	12.50	12.44	1916	13.80
	1916	17.88	18.00	1917	24.80

PROVINCIAL PAPER MILLS CO., LIMITED

Head Office, Toronto.

Notice is hereby given that dividends of One and Three Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable April 1st, 1918, to shareholders of record at the close of business, March 15th, 1918.

By Order of the Board.
S. F. DUNCAN,
Secretary-Treasurer.

Dated Toronto, March 7th, 1918.

BANK CLEARINGS

The following are the bank clearings for the weeks ending March 1st, 1917, and March 2nd, 1918, respectively, with changes:—

	Week ended Mar. 2, '18.	Week ended Mar. 1, '17.		Changes.
Montreal	$ 70,490,008	$ 69,551,768	+	$ 938,240
Toronto	56,959,240	49,899,798	+	7,059,442
Winnipeg	38,272,429	29,602,483	+	8,669,946
Vancouver	8,219,529	6,697,975	+	1,521,554
Ottawa	4,779,685	4,844,694	—	65,009
Calgary	5,673,169	3,579,474	+	2,093,695
Hamilton	4,359,929	4,089,128	+	270,801
Quebec	3,601,942	4,051,673	—	449,731
Edmonton	2,740,521	1,805,320	+	935,201
Halifax	3,067,547	2,138,848	+	928,699
London	1,641,930	1,922,868	—	280,938
Regina	2,605,930	2,155,606	+	450,324
St. John	1,876,139	1,693,458	+	182,681
Victoria	1,512,562	1,471,372	+	41,190
Saskatoon	1,448,210	1,222,152	+	226,058
Moose Jaw	1,001,242	798,519	+	202,723
Brandon	442,766	325,956	+	116,810
Brantford	856,357	698,808	+	157,549
Fort William	584,794	495,123	+	89,671
Lethbridge	478,260	485,507	—	7,247
Medicine Hat	416,729	420,670	—	3,941
New Westminster ..	367,741	251,244	+	116,497
Peterboro	563,492	486,580	+	76,912
Sherbrooke	613,860	694,592	—	80,732
Kitchener	502,508	563,393	—	60,885
Totals	$213,076,519	$189,947,009	+	$23,129,510

The Toronto bank clearings for the current week are $61,917,233, compared with $53,220,675 for the same week in 1917, and $42,092,332 in 1916.

FEBRUARY BANK CLEARINGS

The following are the bank clearings for the months of February, 1917, and February, 1918, respectively, with changes:—

	Feb., 1918.	Feb., 1917.		Changes.
Montreal	$278,687,555	$290,793,718	—	$12,106,163
Toronto	207,252,188	205,245,019	+	2,007,169
Winnipeg	154,002,262	128,944,345	+	25,057,917
Vancouver	34,229,519	24,628,167	+	9,601,352
Ottawa	19,570,622	18,439,678	+	1,130,944
Calgary	24,217,883	16,265,562	+	7,952,321
Hamilton	17,107,522	15,803,639	+	1,303,883
Quebec	15,593,652	14,393,657	+	1,199,995
Edmonton	11,547,831	8,600,893	+	2,946,938
Halifax	13,076,117	9,998,182	+	3,077,935
London	7,477,674	7,845,349	—	367,675
Regina	10,509,864	8,383,598	+	2,126,266
St. John	7,794,416	7,204,071	+	590,345
Victoria	6,718,129	5,489,758	+	1,228,371
Saskatoon	5,707,743	4,816,795	+	890,948
Moose Jaw	4,252,310	3,696,251	+	556,059
Brandon	1,975,256	1,570,643	+	404,613
Brantford	3,128,424	2,512,798	+	615,626
Fort William	2,390,604	1,958,986	+	431,618
Lethbridge	2,245,543	2,053,888	+	191,655
Medicine Hat	1,974,715	1,614,736	+	359,979
New Westminster ..	1,461,481	1,014,799	+	446,682
Peterboro	2,296,246	1,997,192	+	299,054
Sherbrooke	2,570,387	2,418,822	+	151,565
Kitchener	2,030,950	2,048,756	—	17,806
Totals	$837,818,893	$787,739,302	+	$50,079,591

The Toronto bank clearings for February are $207,252,188, compared with $205,245,019 for the same month in 1917, and $175,366,901 in February, 1916.

Mr. T. A. Russell has been elected president of the Canadian National Exhibition, Toronto, succeeding Lieut.-Col. Noel Marshall. The presidency went to the new incumbent by acclamation, as did also the first vice-presidency to Mr. C. A. B. Brown, and the second vice-presidency to Mr. Robert Fleming.

The Hamilton Provident & Loan Society

The Forty-Sixth General Annual Meeting of the Shareholders was held at the Society's Head Office at noon on March 4th, 1918.

The following were present: George Hope, Joseph H. Greene, Lt.-Col. Wm. Hendrie, W. H. Wardrope, Dr. E. B. O'Reilly, R. B. Davidson (Ottawa), H. W. Clarkson, John Hooper, F. W. Gates, Dr. F. Hansel, E. G. Payne, Wm. Dixon, John E. Brown, T. H. Crerar, W. A. Stewart, G. E. F. Smith, D. M. Cameron, Jas. Whicher, Wm. Aitchison, R. Butler, J. McCoy, F. H. Lamb, D'Arcy Martin, Chas. Judd, James E. Brown, Archdeacon Forneret, Dr. J. A. Locheed.

The President, Mr. George Hope, having taken the chair, the Treasurer, Mr. D. M. Cameron, acting as Secretary, read the notice calling the meeting, and the Financial Report, as follows:

The Directors beg to submit to the Shareholders the Forty-Sixth Annual Report of the Society's affairs, with accompanying Financial Statement for the year ending December 31st, 1917, duly audited.

The net profits for the year, after providing for all interest due and accrued on borrowed capital, cost of management, contributions to Patriotic Funds, and all other charges, amount to $177,267.17, which has been appropriated as follows:

Two half-yearly Dividends, at the rate of eight per cent. per annum...	$96,000.00
Government and Business Tax	3,026.42
War Tax...	5,759.61
Added to Reserve Fund	70,000.00
Credited to Contingent Fund	2,481.14
	$177,267.17

The Reserve Fund now amounts to $1,130,000.00, and exceeds ninety-four per cent. of the paid-up capital. The Contingent Fund stands at $33,994.20.

Payments falling due under Mortgages during the year, both in Ontario and the Western Provinces, have been particularly well met.

It was deemed advisable, in view of the continued high rate of interest prevalent in Great Britain, to retire a considerable proportion of our maturing Sterling Debentures.

The Directors have pleasure in again recording their appreciation of the valuable services rendered by Messrs. Gillespie & Paterson, W. S. Edinburgh, the Society's Agents in Great Britain.

The Officials and Staff continue to discharge their respective duties to the entire satisfaction of the Directors.

All of which is respectfully submitted.

GEORGE HOPE,
President.

Hamilton, January 26th, 1918.

ASSETS AND LIABILITIES

LIABILITIES TO STOCKHOLDERS		
Share Capital paid up		$1,200,000.00
Reserve Fund		1,130,000.00
Contingent Fund		33,994.20
Dividend (payable 2nd January, 1918)		48,000.00
		$2,411,994.20
LIABILITIES TO THE PUBLIC		
Savings Deposits	$976,755.38	
Sterling Debentures	497,421.26	
Currency Debentures	415,892.30	
Debenture Stock	372,786.66	
Interest on Debentures	13,735.25	
Sundry Accounts	9,172.26	
		$2,285,783 11
		$4,697,757.31

ASSETS	
Mortgages on Real Estate	$3,918,486 95
Call Loans on Stock	10,445.70
Government and Municipal Debentures owned	275,362.60
Cash on hand and in Banks	400,462.06
Office Premises in Hamilton and Brandon	93,000.00
	$4,697,757 31

D. M. CAMERON, Treasurer

The President called particular attention to the satisfactory nature of the Society's investments, which consist of $3,142,670.30 in first mortgages on improved farms, $775,816.65 in first mortgages on productive City and Town property, $275,362.60 in Government and Municipal Debentures, and $10,445.70 in Call Loans on Stock.

The Report was adopted on motion of Mr. George Hope, seconded by Mr. J. J. Greene.

The Directors were re-elected as follows: Messrs. George Hope, Joseph J. Greene, Henry L. Roberts, W. A. Wood, Stanley Mills and William Hendrie.

At a subsequent meeting of the Directors, Mr. George Hope was re-elected President, and Mr. J. J. Greene Vice-President.

VALUE OF LIFE INSURANCE

Here is an item from a Toronto daily paper:—

"Probate of the will of the late Walter Wilson Nation, manager of the Market branch of the Dominion Bank, was applied for by the widow, Mrs. Gertrude Emily Nation. The testator, who died on January 26 last, left an estate of $23,253 made up of $450 in household goods and personal effects, $11,650 insurance, $53 rent due, a summer home in Etobicoke $6,500 and $4,600 in real estate in Uxbridge."

DOMINION CANNERS, LIMITED

At the annual meeting of Dominion Canners, Limited, this week, the report presented showed net profits for 1917, before deducting bond interest, but after providing for business profits war tax, of $800,529, an increase of $132,522, or nearly 20 per cent. over 1916. The company wrote off for depreciation the sum of $258,182. The profits, with the credit balance brought forward from 1916, made a total of $1,258,944. The balance carried forward this year is $990,338 after paying interest on bonds of $108,263 and dividends on preferred stock of $160,342. In addition to this reserve the company has $150,000 as an insurance reservation. The results were termed satisfactory by President J. J. Nairn.

At the meeting all back dividends on the preferred stock, amounting to 12¼ per cent., and in addition a quarterly dividend of 1¾ per cent., were declared. payable 50 per cent. in cash and 50 per cent. in Dominion of Canada Victory Loan. This distribution is to be made on April 1.

SUN LIFE ASSURANCE COMPANY

From a little company in 1872 with income of only $48,210, and life insurance in force of $1,064,350. the Sun Life Assurance Company of Canada has grown in size and strength until at the end of 1917 its income had increased to $19,288,997 and its insurance in force to $311,870,945. This is a record of which this great institution may well feel proud. Under the direction of Mr. T. B. Macaulay, as president, in counsel with an active and influential directorate, the company's policy is one of continual progress. The company has also a splendid head office staff. the executives being men of experience and ability. The Sun Life's energetic field force, under capable branch managers, is also an important factor in the company's success. The rapid strides of the company are seen at a glance in the following table:—

Year.	Income.	Assets.	Life assurances in force.
1872	$ 48,210	$ 96.461	$ 1,064.350
1887	477,410	1,312,504	10.873.777
1897	2,238,894	7,322,371	44.983,796
1907	6,249,288	26,488.595	111,135,694
1917	19,288,997	90,160,174	311.870,945

In all branches of the company's business where increases are desirable the company recorded gains last year. The appreciation in various directions is shown at a glance in the following table:—

	At December 31st, 1917.	Increase during year.
Assets	$ 90,160,174	$ 7.211,178
Cash income	19,288,997	789,866
New assurances issued and paid for in cash	47,811,567	5.039,270
Assurances in force	311,870,945	30,436.245

The company has excellent records in other directions. The total payments to policyholders in 1917. for example, were $8,840,245. The payments to policyholders since organization amount to $69,094,316 and the assets held for policyholders total $90,160,174. The company has received premiums since organization of $153.361,226. Payments to policyholders and assets held for them exceed the premiums received by $5,893,264. The undivided surplus at December 31st, 1917, over all liabilities, including capital, was $8,550,761. These are remarkable figures and are additional testimony to the strength of one of our foremost financial institutions.

DOMINION FIRE INSURANCE COMPANY

The report of the Dominion Fire Insurance Company for 1917 reflects substantial progress, investments of an excellent character and a fair return. The company has a reputation especially for prompt payment and adjustment of claims and the company is very zealous in maintaining this good reputation along those lines. The directorate and management deserve credit for guiding this growing Canadian fire insurance company towards the right goal.

The fire premiums received last year amounted to about $46,000 and the hail premiums $50,000. The result of the year's operations was a surplus of $47,842. The assets total $426,858, and after writing off the security values by $13.587. the surplus on the policyholders' account is $34,412 more than at the end of 1916, being now $162,337. The list of the company's assets indicates conservative investment of the funds, which are of a liquid character.

NOVA SCOTIA STEEL AND COAL COMPANY

The annual statement of the Nova Scotia Steel and Coal Company is issued this year to cover the operations of the parent company and all its subsidiaries, thus a consolidated balance statement is issued to cover both the Nova Scotia Steel and Coal Company and the Eastern Car Company. On this account, comparisons with previous years cannot be made satisfactorily. The change has evidently been made at the suggestion of the auditors of the company, as the Scotia Company has guaranteed the bonds of the subsidiary and owns all the common stock. An analysis of the general consolidated balance sheet indicates that Scotia is now in a strong financial position, the total current assets being over $10,000,000 in excess of current liabilities. The combined profits from operations, after providing for maintenance and renewal expenditures, but before deducting depreciation, interest charges, etc., for the year ended December last was $3,069,449.23, before deducting proportion of commissions and discounts on securities written off, provision for depreciation, income tax, etc., which amounted to $976,113.20, leaving profits of $2,093,336.03. Deductions included interest on the 5 per cent. mortgage bonds of the Nova Scotia Steel and Coal Company, Limited, $287,121.13; on the 6 per cent. debenture stock of the Nova Scotia Steel and Coal Company. Limited. $263,296.87; on the 6 per cent. mortgage bonds of the Eastern Car Company, Limited, $58,401; on bank loans and advances, $144,040.20; total, $752,858.20, leaving total net profits of $1,340,477.83, which, added to the surplus on January, 1917. of $3,532,114.63, made an amount for distribution of $4,872,592.46. Other deductions included dividends on the 8 per cent. cumulative preference stock of the Nova Scotia Steel and Coal Company, Limited. $80,000; cash dividend declared on the ordinary stock of the Nova Scotia Steel and Coal Company, Limited. $562,500; stock dividends declared on the ordinary stock of the Nova Scotia Steel and Coal Company, Limited, $2,500,000. totalling $3,142.500, leaving the surplus carried forward $1,730,092.46.

The company is in a strong financial position and has a splendid future. The work of Mr. Frank H. Crockard, the general manager, has proved very effective, but its full value will be demonstrated after the war. when financial and general conditions are again normal. Mr. Crockard's ability and experience are assets of considerable importance to the company. Mr. Thomas Cantley remains as chairman of the board and his counsels have been of great use during the past year. The company has an influential directorate, Mr. W. D. Ross looking after the financial affairs of the corporation.

According to the Paris correspondent of the London Financial Times, it is estimated that the foreign capital invested in Russian State guaranteed securities and in Russian enterprises amounts to some £800,000,000, of which amount £600,000,000 is stated to be French capital. Of the total amount about £480,000,000 is invested in Russian State bonds and state guaranteed railways. Since the war the allied governments have given enormous financial assistance to Russia, thus greatly increasing the total indebtedness of Russia.

NEW ISSUE

Offering of

$6,900,000

Five Year 6% Refunding Gold Bonds

CITY OF MONTREAL

DATED 1st DECEMBER, 1917 DUE 1st DECEMBER, 1922

Interest payable half-yearly—1st June and December.

Principal and Interest payable in Gold at the City Treasurer's Office, Montreal, or at the Agency of the Bank of Montreal, New York.

Bonds issued in Coupon form in denominations of $100, $500 and $1,000.

ISSUE PRICE—PAR.

A full half year's interest will be paid 1st June, 1918.

The bonds therefore give a net yield to the investor of about 6½%

THE BANK OF MONTREAL, Fiscal Agent of the City of Montreal, is authorized to offer the above-named bonds for public sale on behalf of the City, at par, without accrued interest, payment to be made in full on 8th April, 1918, against delivery of the bonds at any Branch, in Canada, of the BANK OF MONTREAL, or of any bank the applicant may specify, or at the Agency of the BANK OF MONTREAL, New York or Chicago.

The issue is made to refund a like amount of Montreal Three-Year 5% Notes, the original issue having been made for public works, in anticipation of a permanent loan.

Beginning 25th February, 1918, applications for the bonds will be received by the BANK OF MONTREAL, MONTREAL, or any of its branches, from whom application forms and copies of the prospectus giving full particulars of the issue may be obtained on request. The offering is subject to withdrawal on or before the 18th March, 1918.

Applications should be addressed to the

BANK OF MONTREAL, MONTREAL

and should contain full instructions as to place of delivery and payment suitable to the applicant, and the denominations of bonds required.

The issue is made with the approval of the Minister of Finance, Ottawa.

CANADA'S GREAT OPPORTUNITY

Irish Flax Crop of 1918 from Canadian Seed, and Grown by Canadian Methods

BY ALFRED S. MOORE,
Author of "Flax from Field to Factory," etc.

Belfast, February 10th, 1918.

Work well begun is work half done. Surely the solid truth behind this aphorism cannot be too forcibly brought home to Canadian agriculturists just now with regard to the magnificent opportunity afforded them for taking a big share in the supply of the flax necessary for the world's linen trade. For years past the Dominion Department of Agriculture—and especially Mr. G. G. Bramhill, B.S.A., Chief of its Division of Economic Fibre Production—has labored incessantly to encourage Canadian farmers to grow flax for its fibre as a lucrative crop. It must be stated, however, that their labors have met with moderately varying success.

The cultivation of this crop was first introduced into the Dominion at the time of the American Civil Yar, and for a time certainly it was a flourishing industry in south-western Ontario. However, with the opening up of the Canadian North-West and the great industrial development of Canada came a change which had a potent influence on flax growing possibilities. Farm labor became both scarce and high priced. So under these adverse conditions it gradually became impossible to grow flax fibre in Canada to compete with that imported into the linen manufacturing centres of Ireland and Scotland from Russia. At one time so prosperous was not alone the growth of flax as a crop, but its further preparation, that there were some 80 scutching mills in the Province of Ontario, though before the present war the number had declined to about eight for that province, and only about 2,000 acres represented the flax growing area.

Canadian Flax Industry.

The Canadian flax industry has great possibilities—so great that just now the gate to success stands wide open awaiting its entry. Albeit, that success will only be achieved if growers and manufacturers alike will profit by the errors which have hitherto brought about the decay of the industry. Thus we may go back to the lesson taught by the failure of the first linen mill in Canada. That was in the sixties, when Mr. Elliott and Mr. Sheriff, woolen manufacturers of Almonte combined with Mr. George Stephen (the present Lord Mount Stephen), of George Stephen and Company, wholesale dry goods dealers, of Montreal, to form a linen manufacturing company. Machinery of the best type procurable was purchased by them, and so at Preston was established in a building—still existent as a portion of the woolen mills of George Pattinson & Company—the first Canadian linen mill.

Cotton Became Cheap.

Its career was not lengthy because with the cessation of the American War cotton became cheap again, but the still greater adverse influence was the impossibility of getting the Canadian farmers to grow the flax. So George Stephen and those with him in this hopeful concern had no other alternative but to close down the linen business and sell the machinery at scrap prices to minimize their loss of many thousand dollars. Similar causes—especially lack of raw material—brought about the untimely end of another and still larger contemporary linen mill, that run by Mr. Perine, of Doon, associated with the Gooderhams of Toronto. It is, of course, known that this mill at Streetsville, Ontario, is still in operation, but its survival was only due to herculean efforts on the part of Messrs. Perine & Company in insisting that a continuous supply of flax should be forthcoming from the farmers. I have mentioned these examples to show that if a flax—and linen—industry is to be successful in Canada it will only be by the reliable and mutual interdependence of the flax growers and linen manufacturers. It is the self-same cause—the unreliability of the raw supply—this time for Irish linen manufacturers, which gives Canada a magnificent opportunity to enter the industry not alone as growers of flax for the seed but also for its fibre, and further for its manufacture into the various linen products.

The activity shown at the convention of the Canadian Flax Growers held at London, Ontario, exactly a year ago—February 28th and March 1st, 1917—is one good omen that Dominion agriculturists are alive to the possibilities of the prosperous development of a Canadian flax industry. These possibilities further increased within recent months by other developments which should give an impetus to every progressive well-wisher of Canada in the hopes that the Dominion may aim not alone at home supplies, but also take a prominent position not alone in supplying the world's demands for seed and fibre, but also entering more largely in an enterprise to supply certain qualities of the finished linen goods.

Surely Canada is not behind either Russia—or Ireland for that matter—in friendly emulation and competition. So two examples of Irish enterprise in Canada are object-lessons in themselves. Thus it is well known that the chief shareholder of the Ontario Flax Company, which last season had about 1,400 acres as well as five scutching mills in operation, is Mr. James G. Crawford, the head of the York Street Spinning Company, of Belfast, Ireland. Another Irish firm also interested in Canadian flax is Lindsay Thompson & Company, of Belfast, and last season their manager at Sarnia had about 500 acres of fibre crop besides a well equipped mill under his control at Sarnia.

Can Canadian agriculturists and farmers not profit by these object lessons?

Irish Linen Manufacturers.

If further stimulus to activity and organization be needed it is forthcoming in the still more outstanding facts that at a mass meeting of the Irish linen manufacturers held in the Ulster Hall, Belfast, a few weeks ago, it was decided that to provide for this year's Irish flax crop not alone should Canadian seed be imported but also that the Canadian plan of cultivation should be largely pursued. While both these steps must be regarded as a high compliment to the Dominion one may well ask if it is not also an undeniable omen that Canadians must bestir themselves still more in the development of their flax industry.

What steps have rendered it necessary for the Irish linen trade to depend on Canada for their seed supply may not be fully known to the general reader, so some consideration of the causes cannot fail to be of interest. Although Ireland fifty years ago had over 300,000 acres growing flax fibre for her linen trade, this area—through the indifference alike of the farmer and of the manufacturer, it must be confessed—gradually dwindled during successive years, until in 1914 it was under 50,000 acres. In fact, in 1909, it was only 38,000 acres. One cannot altogether blame the Irish farmers for, as Mr. W. H. Webb, the president of the Linen Merchants' Association, has outspokenly declared, the manufacturers were lackadaisical and even unpatriotic to a degree. "They lived just by the will of the Lord. If He sent them flax no matter from where—all right. If He did not—then they groused." Into such a state had this indifference brought them, though the world still continued to clamor increasingly for Irish linen, that during the years preceding the war's outbreak the flax grown in Ireland had dwindled to be only one-fifth of the supply of raw material necessary for the great Irish linen industry, while of the remaining four-fifths the great bulk came from Russia. There were millions of acres in the British colonies quite hopeful and able to supply excellent fibre but no great encouragement was offered them. However, the linen manufacture—the third most important industry in the United Kingdom—slumbered on though on the top of a precipice until the extremely rude awakening came last November in the internal dissensions in Russia and the withdrawal of that nation from the ranks of the Allies.

Linen and Aeroplanes.

In an ordinary peace year this consequent shortage of raw material would merely have caused considerable inconvenience. But now when it is understood that the coming stroke of war must be decided in the mastery of the air, and linen is absolutely essential to the equipment of aeroplanes, it will be seen how grievous is the plight Russia's defalcation in raw flax places the Irish linen industry. As a matter of fact, one insistent order from the government was for 50,000,000 yards of the finest fabric for aeroplanes. It was only the initial order, and while it represents over one-third of the entire United Kingdom linen piece-goods exports for 1914, the surplus remaining for general civilian trade—together with the huge shortage by Russia's defection—was merely nominal, or at its best fractional. Such is the crisis the Irish linen trade found itself in at the dawn of the present year. Moreover, it was hopeless to trust any further to Russia. But there is no use of weeping over what must be endured, is there? It was up to the Irish linen industry to immediately

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ROYAL BANK BUILDING, TORONTO.

put their house in order so that they might not be caught slumbering again in false security.

Such was the state of affairs which brought about the great meeting, the most momentous meeting in the entire history of the linen manufacture, in Belfast the other week. There was no beating about the bush in a single sentence uttered either by the chairman, Mr. J. G. Crawford, the president of York Street Flax Spinning Company, or any other of the several speakers. It was an outspoken proclamation of intentions and determinations. Last year, entirely through government action, the Irish flax-growing area had been increased to 107,800 acres, though the yield through various reasons was not proportionate. For the coming season it would be necessary to increase this acreage almost three-fold, i.e., to at least 250,000 acres. The Irish farmer is sure that the crop will be lucrative to him since he will be rewarded, in addition to high prices, by bounties averaging $50 per acre. At present the price paid Irish growers for their flax fibre is round about $1,280 per ton, exclusive of the seed which he can retain. That price is not likely to diminish either for some years to come. Even should peace be declared today, there are linen stocks to be brought up to trading standard, and though the prices of the finished cloth has gone up by from 300 to 400 per cent. over pre-war prices, the demand of linen buyers has not been at all whetted.

Manufacturers Rent Acreage.

Further, too, the linen manufacturers—following the plan in Canada—have rented from the Irish farmers 4,000 acres of land ready for seeding in Ulster, and a similar 1,000 acres elsewhere in Ireland. A company representative of the entire trade will control these areas, supplying the seed, sowing the crop, harvesting the fibre and taking all the responsibility in its connection. And should the scarcity of labor prove a difficulty there is even in contemplation a plan whereby the mill operatives will be transferred to the country from the towns for a few weeks to engage in the pulling of the flax. Change of occupation is more or less a holiday, so to this latter part of the scheme the town dwellers are not likely to show any great aversion.

Coming to its financial side, the unanimous assent of the trade in general shows its declared verdict to the practicability of the scheme. As the failure of the linen industry would be more or less a national loss, the British government will be asked to guarantee $7,500,000 against any possible loss while the trade will provide another $2,500,000. Of this latter amount the spinners (on the basis of $1.20 per spindle) contribute $1,500,000; while the weavers, (on a like basis of $15 per loom), supply $500,000. The other branches of the trade, i.e., the merchants, bleachers and finishers, sign themselves responsible for another $500,000. In fact, so enthusiastic is the scheme taken up that although the Irish banks do not own a single loom or handle a yard of linen, they have sufficient faith to volunteer their backing against any loss to the extent of $2,500,000. So altogether it seems a pre-eminently business-like proposition and its working should interest the Canadian flax industry, both farmers and manufacturers alike.

Seed from Canada.

But where is the seed to come from?

For the first time in forty years the Irish farmers were last year introduced to the economical practice of growing the flax for its seed in part, as well as its fibre yield. The immense bulk of the seed, probably 96 per cent. of it, in previous years was imported from Riga in Russia, and from Holland. Now with these sources closed, where is it to come from? The Irish saved seed will only supply less than 8 per cent. of the supply necessary, and so while some further European seed is still in stock, the great bulk will come from Canada. In this connection I may be pardoned for republishing the reference thereto made by Mr. J. G. Crawford at the momentous Belfast meeting:—

"The question was, what seed could be got? In the western provinces of Canada there was annually a very large acreage under flax. In some years in the province of Saskatchewan alone there were a million acres under flax, sown with seed known as Canadian western seed, or Canadian common. It was known among the Canadian farmers as Riga flax. It had a blue flower, and the name 'Riga' was a sufficient indication of what its original pedigree was. Now in the view of the committee, and in my own view, seeing that they were so short of fibre, it was a legitimate risk to take to use Canadian common, which under favorable circumstances, produced a fibre plant. The yield of fibre may not be so great as in the case of Dutch or Riga quality. Not as good, but fibre there was in considerable quantity."

It will be guessed then that, grown with Canadian seed and to its cultivation under the methods hitherto adopted in Canada, the coming season's Irish linen production will have a very especial interest to the people on the western side of the Atlantic Ocean. It is undoubtedly an object-lesson to Canadian flax growers. Moreover, it is a magnificent opportunity which should be grasped in no uncertain fashion whereby the Dominion should in future years be foremost in having the British linen manufacture as its chief customer not alone for its flax seed but for its supplies of flax fibre.

CANADIAN FIRE INSURANCE COMPANY

The amount received in premium income by the Canadian Fire Insurance Company, of Winnipeg, during 1917 was $33,830 greater than in 1916, and there was a corresponding increase in expense and reinsurance reserve. The net result of the year's business was that after paying $60,000 dividends, or $10,000 more than last year, and providing for all ordinary and special taxation, amounting to $16,253, the sum of $67,552 was added to the shareholders' surplus.

During the year the directors thought it advisable to transfer $500,000 of the accumulated profits of the company into capital account, so that the share capital of the company has been increased from $500,000 to $1,000,000.

The loss ratio of the company for 1917 was 39.2, an increase over the loss ratio for 1916, which was 35.6. The assets of the company amount to $1,513,251, $1,000,000 of which is capital and $190,864 is to the credit of surplus account.

Mr. R. T. Riley is vice-president and managing director of the company, and is supported by the following directorate: Messrs. J. H. Ashdown (president), Sir James Aikins, R. J. Campbell, G. R. Crowe, John Galt and G. V. Hastings.

ÆTNA LIFE INSURANCE COMPANY

The Ætna Life Insurance Company was established in Hartford, Conn., sixty-eight years ago. It has been doing business in Canada for more than fifty years. The splendid reputation it holds in the United States is reflected in full measure in the Dominion, where it has an excellent organization. Messrs. T. H. Christmas and Sons are managers of the company at Montreal, Messrs. Johnson and Orr at Toronto, Mr. T. B. Parkinson at London, Ont., and Mr. Douglas J. Johnston at Winnipeg.

The company's balance sheet for the past year shows an unusually strong position. Assets were increased during the year by $9,285,820 and now total $140,584,445. Of these assets, $47,508,459 are represented by stocks and bonds, $61,990,138 by mortgages and $12,091,876 by policy loans. These show an increase of $250,000, following a slight decrease in 1916. The amortized value of bonds and market value of stocks at December 31st, 1917, less assets not admitted, was $3,073,045 in excess of their book value. The liabilities include a reserve on life, endowment and term policies of $101,544,616, a special reserve of $1,448,009 and a reserve for a special class of policies and for dividends to policyholders payable in 1918 of $3,621,339. Full provision is also made for the liabilities of the company on account of its steadily increasing accident, health and liability business. Unearned premiums on account of this business are calculated at $5,206,803, and there is reserved for liability claims, $5,968,462. There is a surplus to policyholders of $18,529,172.

The result of last year's operations were particularly favorable, there being substantial increases both in new business and business in force. New insurance paid for and in course of collection amounted to $193,817,782, a gain of $85,600,000 upon the new business of 1916. Business in force was increased by $105,370,626 to $572,916,282. The gain in this item during 1916 was $60,000,000. The premium income was increased over that of 1916 by $6,768,123. During the year the company paid to policyholders a sum of $19,875,699, representing an average daily payment of over $54,450. Since its organization in 1850 the Ætna Life has paid policyholders the large sum of $318,710,609.

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FEBRUARY MUNICIPAL BOND SALES

Three Large Issues Responsible for Large Total Last Month

The municipal bond sales in Canada during February totalled $5,243,279, compared with $561,000 in January and $458,874 in February a year ago. The February records of municipal bond sales at home for the past nine years are as follow:—

February.	Municipal bond sales in Canada.
1910	$1,272,977
1911	1,037,287
1912	2,596,378
1913	1,038,806
1914	5,995,336
1915	3,047,011
1916	1,419,909
1917	458,874
1918	5,243,279

In addition to the $5,243,279 municipals sold in Canada, $300,000 were sold in the United States, making a grand total of Canadian municipal sales for February of $5,543,279, the largest February total in recent years, with the exception of February, 1914, when the sales were $5,995,336, or $553,000 greater.

The February, 1918, total was made up chiefly of three important sales—viz., Greater Winnipeg Water District, $2,000,000; Outremont, $1,500,000; and London, $1,346,000. In addition, there were substantial sales of western school districts bonds.

Details of February Sales.

The following is a list of the sales in Canada during February, 1918:—

Saskatchewan.

Municipality.	Rate %.	Term (years).	Amount.
Harris Village	..	..	$ 5,000
School Districts	..	..	43,400
			$ 48,400

Alberta.

Municipality.	Rate %.	Term (years).	Amount.
Oyen Village	6	8	$ 3,000
School Districts	..	..	32,350
			$ 35,350

Quebec.

Municipality.	Rate %.	Term (years).	Amount.
Outremont	6	5	$1,500,000
St. Lambert	5½	10	175,000
			$1,675,000

Manitoba.

Municipality.	Rate %.	Term (years).	Amount.
Greater Winnipeg Water District	5	5	$1,700,000
School Districts	..	..	36,500
			$1,736,500

Ontario.

Municipality.	Rate %.	Term (years).	Amount.
Kenora	6	35	$ 7,400
Trenton	5½	10	10,000
Trenton	5½	30	25,500
London	6	5 & 10	1,346,000
Sandwich	6	10	38,326
Sandwich	6	15	7,955
Sandwich	6	25	21,769
Sarnia	5½ & 6	8 & 9	24,031
Oakville	6	20	43,564
Ottawa	5 & 5½	10 & 20	223,484
			$1,748,029

The following table summarizes the above details:—

Province.	Municipal bond sales, February, 1918.
Saskatchewan	$ 48,400
Alberta	35,350
Quebec	1,675,000
Manitoba	1,736,500
Ontario	1,748,029
	$5,243,279

The only sale of Canadian municipals recorded in the United States in February was $300,000 of Greater Winnipeg Water District bonds. The sales of our municipals in that market during the past three years compare as follows:—

	1915.	1916.	1917.	1918.
January	$ 340,000	$ 3,183,215	$2,454,000	$ 10,000
February	6,471,000	899,500	485,725	300,000
March	6,543,947	595,000	120,440	......
April	7,100,825	2,158,306	1,563,200	......
May	600,000	7,219,000	Nil	......
June	Nil	3,393,243	80,000	......
July	890,000	3,631,200	1,530,000	......
August	750,000	97,300	Nil	......
September	6,748,342	200,000	Nil	......
October	1,589,000	Nil	Nil	......
November	4,000,000	7,894,000	Nil	......
December	450,000	3,065,000	Nil	......
	$35,483,114	$32,335,764	$6,233,365	$310,000

Bank Loans to Municipalities.

About $20,000,000 of Canadian municipals will mature in the United States this year. In view of the war financing requirements in that market, not only is it practically impossible to sell new issues there, but only in a few instances will we be able to effect renewals. This means that arrangements must be made in Canada to take up the greater part of the $20,000,000 municipal maturities. The Canadian banks are arranging in many cases to take up these maturities on behalf of the municipalities, making loans to the civic authorities, until they are able to market their securities. This is reflected in the bank loans to municipalities, which in January totalled $40,015,466, compared with $24,487,272 a year ago. The following table, compiled by *The Monetary Times*, shows the volume of bank loans to municipalities since January, 1915:—

	1915.	1916.	1917.	1918.
January	$35,952,805	$32,015,371	$24,487,272	$40,015,466
February	38,437,903	35,149,915	26,121,324	....
March	41,227,449	38,649,462	29,877,911	....
April	43,031,360	44,371,050	35,931,996	....
May	43,948,436	43,924,036	39,790,191	....
June	46,889,816	46,773,032	42,757,673	....
July	44,029,446	42,385,096	43,989,207	....
August	46,020,730	39,882,811	43,940,176	....
September	43,928,331	38,708,745	42,721,563	....
October	45,682,230	37,613,530	41,204,781	....
November	41,064,550	32,945,963	36,459,598	....
December	30,878,028	24,056,797	36,353,039	....

Sales for Three Years.

The following table shows the sales of municipal bonds, in Canada only, during the past three years and this year to date:—

	1915.	1916.	1917.	1918.
January	$ 1,784,947	$ 1,909,441	$ 1,969,256	$ 561,000
February	3,047,011	1,419,909	458,874	5,243,279
March	2,572,357	2,027,741	229,013	....
April	8,603,094	1,979,852	1,182,974	....
May	3,464,281	2,649,000	1,375,039	....
June	2,395,744	3,043,283	1,642,003	....
July	1,618,422	1,521,525	3,814,489	....
August	1,087,415	852,447	4,637,836	....
September	2,768,484	960,435	440,268	....
October	1,245,874	1,361,665	398,771	....
November	1,645,892	1,246,480	917,191	....
December	1,676,693	669,000	890,000	....
	$31,910,214	$19,640,778	$17,955,714	$5,804,279

The January, 1918, total was given a month ago as $461,000. This should have been $561,000, the difference being accounted for by the Moncton, N.B., sale of bonds which was put in at $18,000, instead of $118,000.

Winnipeg and Montreal.

The offering of $2,000,000 Greater Winnipeg Water District 5 per cent. gold bonds is included in the February, 1918, total. A few of these were sold in January and a few in March, but the majority of the bonds were sold during February. Approximately, $1,700,000 of the total was taken by Canadian investors, the remaining $300,000 going to the United States.

Subscription lists for $6,900,000 5-year 6 per cent. refunding bonds of Montreal were opened on February 25th, and will close on March 18th. This offering, if completely sold during March, will alone make a high total of municipal bond sales for that month.

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MORTGAGE CLAUSE AND FIRE INSURANCE

It is One of the Most Common But Most Important Clauses in Policy

"The mortgage clause is one of the most common, but at the same time one of the most important clauses in use on fire policies at the present day," said Mr. E. Spencer, manager of the insurance department of the Yorkshire and Canadian Trust, before the Vancouver Insurance Institute, recently. "It is very extensively used," he continued, "more particularly so in Vancouver, where it is found that practically every building is mortgaged.

"There are numerous kinds of so-called mortgage clauses but I am just going to deal with the standard form of New York. To read this form through, one would not be given the impression that there was anything which would be likely to cause any dispute in the event of a loss, as it states clearly the meaning the company intends to convey to the mortgagee.

"Unfortunately, however, the meaning so set out is not adhered to when the clause comes before the courts, as by juggling with it they are able to place a different aspect on the various sections of the clause to the benefit of the mortgagee in practically all cases, and it is these points to which I will refer.

"It is a well-established principle in insurance law that a fire insurance policy containing a mortgage clause becomes a special contract with the mortgagee, and that the mortgagee is not bound by the conditions which restrict the rights of the assured. This is brought about by the provisions of the mortgagee clause which state 'that the policy shall not be invalidated by any act or neglect on the part of the mortgagor,' in so far as the mortgagee's interest is concerned. There is, however, a limit to the proviso, for although liberties may be taken with the printed portion of the policy, the written portion must always be respected. As an instance, there is the co-insurance clause. which if not complied with and applicable, would impair the rights of recovery of the mortgagee the same as it would the assured.

Contract of Company and Mortgagee.

"The special contract between the company and the mortgagee comes into existence as soon as the mortgagee clause is attached to the policy, but does not become active until there is some default or breach of conditions of the policy.

"In the wording of a policy we often find, 'Loss, if any, payable to ...., mortgagee, as his interest may appear, as per mortgage clause attached.' This clause is a very troublesome one, and has on many occasions made the companies pay losses for which they were not liable. The intention of the clause is, that loss, if any, shall be payable to John Doe, mortgagee, as his interest may appear as mortgagee, the balance, if any, to go to the assured. The courts, however, construe the words, 'as his interest may appear,' to mean such interest which by proper proof can be shown to exist at the time of the fire. John Doe, mortgagee, just designates who John Doe is; as his interest may appear, covers any interest he may have in the property at the time of the fire, whether it be that of mortgagee or owner.

"There is no need for the clause as the company would pay the amount due the mortgagee, the balance going to the owner without the clause on the policy.

Mortgagee and Foreclosure.

"A mortgagee during foreclosure proceeding is fully protected under the mortgage clause, but as soon as foreclosure proceedings have been consummated his position changes somewhat; he then becomes owner, and as such bears a different relationship to the property involved than formerly. His rights under the policy also undergo a change which must be provided for as he is no longer entitled to the benefit of the mortgage clause.

"An interesting case came before my notice a little while ago in connection with a foreclosure. For illustrating purposes, we will say the owner was 'A' and the mortgagee 'C.' A policy was issued to 'A' with loss payable to 'C,' with the mortgage clause attached which contained the usual provision that 'any act or neglect on the part of the mortgagor shall not invalidate the mortgagee's interest.' 'A' sold to 'B,' but the policy was not assigned. A fire occurred on, say, the 1st of January, and on the 1st of March the mortgagee foreclosed on the property and bought it at the mortgage sale. The company refused payment of the loss on the grounds that when the loss occurred, the policy was invalid as to the mortgagor though still binding as regards the mortgagee. The then mortgagee, now owner, by foreclosing on the property had released the mortgagor and taken away from the company the rights of an assignment of the mortgage, which right the company was entitled to under the last section of the mortgage clause. It is not necessary for a company to demand an assignment of a mortgagee until payment of the loss is actually made.

Neglect to Pay Premium.

"'Provided that in case the mortgagor or owner shall neglect to pay any premium due under this policy the mortgagee shall on demand pay same.' To read this clause one would naturally be given the impression that if a mortgagor neglected to pay the premium the mortgagee could be called upon to pay same, and if he refused, action could be taken against him under the conditions of the mortgage clause. This brings us back to the separate contract between the company and the mortgagee, which comes into existence at the time the mortgage clause is attached to the policy, but not active until there is a breach of the conditions or on account of non-payment of premium.

"A policy ran for six months and was then cancelled by the company for non-payment The company relying on the stipulations that the mortgagee would on demand pay the premium, took action against the mortgagee for the time they were on the risk, but the court ruled that the clause referred to only became active when the company demanded payment of the premium from the mortgagee, and he had the option of paying the premium and have the policy continue in force or cancel the policy, no liability attaching to him for payment except from the date of demand.

"This was a very unreasonable decision, especially as the intent of the clause, 'this policy shall not be invalidated as regards the mortgagee's interest by any act or neglect on the part of the mortgagor,' is very clear, that in consideration of certain privileges the mortgagee is to give some return and that is guarantee the premium.

Reserves Right to Cancel Policy.

"The company reserves the right to cancel this policy—10 days' notice to the mortgagee. Under the statutory conditions it is necessary when cancelling a policy to give the assured five days' written notice, but under the mortgagee's special agreement he is entitled to 10 days' notice. The variations of these two terms of cancellation is likely to cause no little trouble. If there is a policy for $10,000, the mortgagee's interest in which is $5,000, the company gives five days' notice to the assured and 10 days to the mortgagee, on the 6th day there is only $5,000 in force and should a loss occur between the 5th and 10th days the company would be liable to the mortgagee up to this amount. The point to be arrived at is the date on which the policy is cancelled to figure the earned premium. I have no definite information on this point, but my opinion is that the earned premium should be figured from the 10th day when the liability to the mortgagee has ceased. There is also another question with regard to the 10 days' notice of cancellation to the mortgagee which would arise should the insurance be replaced by the assured between the five and ten days, that is the payment of the loss should a fire occur. The property would be covered for $15,000, although the intention is that only $10,000 should be in force. It would, therefore, be necessary for the contribution clause to apply, hence my reason for stating that the earned premium should be figured from the 10th day.

Companies Must Pro Rate Mortgage.

"'In case of any other insurance, the company shall not be liable for greater proportion of any loss than the assured bears to whole insurance on property.' This clause is self-explanatory, but there is just one point I would like to mention and that is where there are two mortgagees on the same property, both mortgagees being insured in different offices. In the event of a loss, the companies must pro rate, the second mortgagee receiving the same consideration as the first mortgagee. The first mortgagee could not receive the full amount of the loss from his company and the company insuring the second mortgagee refuse payment on the ground that the amount to cover the loss had been paid by the company insuring the first mortgagee, as the insurer of the second mortgagee would then be pocketing premiums without assuming liability, and I think we would then all be looking for insurance from the second mortgagee in preference to the first."

DIVIDENDS AND NOTICES

PENMANS, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and one-half per cent. (1½%) has been declared on the Preferred Shares of the Capital Stock of this Company for the quarter ending 30th of April, 1918, payable May 1st, 1918, to Shareholders of record of 22nd day of April, 1918. Also a Dividend of one and one-half per cent. (1½%) on the Common Shares for the quarter ending 30th day of April, 1918, being at the rate of six per cent. per annum (6%), payable 15th of May, 1918, to Shareholders of record of the 6th of May, 1918.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer

Montreal, 4th March, 1918.

PENMANS, LIMITED

BONUS ON COMMON STOCK

Notice is hereby given that a Bonus of one per cent. (1%) has been declared on the Common Shares of the Capital Stock of this Company, payable 15th of May, 1918, to Shareholders of record of 6th of May, 1918.

By Order of the Board.
C B. ROBINSON,
Secretary-Treasurer.

Montreal, 4th March, 1918.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of the Canadian General Electric Company, Limited, will be held at the Head Office of the Company, corner King and Simcoe Streets, Toronto, on Monday, March 25th, 1918, at 12 o'clock noon, for the purpose of receiving the Annual Report of the Directors, the election of Directors for the ensuing year, and for the transaction of any other business which may properly be brought before the meeting.

By order.
J. J. ASHWORTH,
Secretary.

Toronto, March 9th, 1918.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

DIVIDEND NOTICE

Common Stock Dividend No. 75

Notice is hereby given that a quarterly Dividend of two per cent. for the three months ending the thirty-first day of March, 1918, being at the rate of eight per cent. per annum, has been declared on the Common Stock of the Company.

Preference Stock Dividend No. 44

Notice is also given that a half-yearly Dividend of three and one-half per cent. for the six months ending the thirty-first day of March, 1918, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

The above Dividends are payable on and after the first day of April, 1918, to Shareholders of record at the close of business on the fifteenth day of March, 1918.

By Order of the Board.
J. J. ASHWORTH,
Secretary.

Toronto, March 5th, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarter per cent. (1¾%) on the Common Stock of the **Dominion Textile Company, Limited**, has been declared for the quarter ending 31st March, 1918, payable April 1st to shareholders of record March 15th, 1918.

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 4th March, 1918.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

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RAILWAY EARNINGS

The following are the earnings of Canada's transcontinental lines for the month of February:—

	1917.	1918.	Inc. or dec
Canadian Pacific Railway.			
February 7	$1,890,000	$2,096,000	+ $206,000
February 14	2,180,000	2,306,000	+ 126,000
February 21	2,225,000	2,435,000	+ 210,000
February 28	2,537,000	2,482,000	— 55,000
Grand Trunk Railway.			
February 7	$ 928,462	$ 675,115	— $253,347
February 14	828,671	752,861	— 75,810
February 21	956,487	980,013	+ 23,526
February 28	1,139,386	1,133,392	— 5,994
Canadian Northern Railway.			
February 7	$ 493,600	$ 634,600	+ $141,000
February 14	602,000	688,000	+ 86,000
February 21	598,700	652,800	+ 54,100
February 28	664,300	715,600	+ 51,300

HAD PURCHASER FOR C.N.R. STOCK

Government was Not Prepared to Sell Its Stock—Sir Donald Mann's Testimony

Sir Donald Mann, first vice-president of the Canadian Northern Railway system, set a value of 60 cents on the dollar on the Canadian Northern common stock last week, and declared that in five years' time it should be worth par. He made the declaration before the board of arbitration during the course of his hearing as witness for the company in the proceedings which are to determine a price for the 60,000 shares of the railway's common stock held by him and his associates. Sir Donald led up to his statement by reviewing the physical advantages which had been secured to the railway by the judgment of its locating engineers and the policy of the executive, which had been to choose productive territory and avoid natural barriers such as opposed all United States transcontinentals and the Canadian Pacific Railway in Canada.

Canadian Pacific Railway as Purchaser.

Sir Donald scouted the idea suggested by Mr. Justice Harris that the stock of the Canadian Northern Railway had no more value than the stock of any similar enterprise forced into a receivership. He denied that the Canadian Northern Railway was ever in that position and declared that had the Dominion government been willing to do so a sale of all the common stock might have been made a year ago. "The trouble then was," said Sir Donald, "our partners were too wealthy. We had an opportunity to sell, but the government would not sell with us." Sir Donald was about to divulge, in confidence, who the prospective purchaser was, but Mr. Tilley objected to any statement being made which was not given as subject to cross-examination. Later, and in reply to Sir William Meredith, the Canadian Northern Railway magnate admitted that the Canadian Pacific Railway was one of the likely purchasers a year or so ago.

"No definite price had been fixed for the stock at that time, said Sir Donald, but they had asked $30,000,000 for the 60,000 shares and had been prepared to accept $20,000,000." Sir William Meredith was of the opinion that later developments in the condition of world finance, chiefly produced by the entry of the United States into the war, had practically annulled all such negotiations, but Sir Donald differed with him.

Buyer Could be Found.

Sir Donald declared that a willing and able purchaser could be found, even under present financial conditions, if the Dominion government were willing to sell their 40 per cent. holdings along with the 60 per cent. held by Sir Donald and his friends. A most careful analysis, which examined every factor, had been made, he pointed out, and it had been determined by experts that in five years' time the earning powers of the road could be developed to a dividend-paying point and be established as a commercial success.

In testifying to his faith in the future good fortune of the Canadian Northern Railway, Sir Donald covered in a concise manner the ground which has been gone over in detail by many previous witnesses. Comparing the productivity of the territory served by the Canadian Northern Railway with the country adjacent to the Canadian Pacific Railway, he pointed out that whereas the Canadian Pacific Railway main line ran through 900 miles of "farmable" lands in the prairies, the Canadian Northern Railway had pre-empted an area of farming country on the plains which required 1,200 miles of main line to traverse it. Their mileage was greater on the plains and less in the mountains than the line of the Canadian Pacific Railway, he said, and as to gradients the comparison showed a tremendous advantage in favour of the Canadian Northern Railway. "The act is altogether wrong if it does not take cognizance of these facts as factors of value for the purpose of this arbitration," declared Sir Donald.

The Canadian Consolidated Rubber Company, Limited, have purchased the property at the south-east corner of Yonge and Front Streets, Toronto, at a price of $47,000 cash. The property has a frontage of 30 feet, and the price is more than $1,500 a foot. The buildings on the property were erected thirty years ago by the late Sir Frank Smith.

IMPORTANT INSURANCE GATHERING AT TORONTO

A meeting of the executive board of the Association of Life Agency Officers was held at Toronto this week. The membership of this organization includes agency officers of both the United States and Canada. Those attending the meeting this week were Messrs. Winslow Russell, vice-president, Phœnix Mutual, Hartford; Glover S. Hastings, superintendent of agencies, New England Mutual, Boston; Isaac Miller Hamilton, president, Federal Life, Chicago; W. E. Taylor, vice-president, Equitable Life, New York; G. E. Copeland, superintendent of agencies, Northwestern Mutual; Borden, superintendent of agency bureau, Equitable Life, New York; G. H. Hunt, superintendent of agencies, Imperial Life, Toronto.

It was decided to hold the next annual meeting of the association at the La Salle Hotel, Chicago, on October 1st and 2nd. A number of well-known insurance men will address the meeting, including Mr. J. F. Weston, managing director of the Imperial Life Assurance Company, Toronto. On the first day of the convention the delegates will be entertained at a banquet by the life insurance companies which have their head offices in the State of Illinois.

The association was organized at Chicago on October 16th, 1916, and its first annual meeting was held in conjunction with the World's Salesmanship Congress at Detroit in June, 1917.

STANDARD RELIANCE MORTGAGE CORPORATION

During the past year, the Standard Reliance Mortgage Corporation, Toronto, made substantial investments in government and municipal bonds. According to the financial statement, these, with cash holdings, amount to $735,000. Debenture liability increased by $686,544 to $3,810,000, or 21 per cent., and deposits rose $209,562 to $1,031,700, or 25 per cent. Net earnings for the year were $434,316, an increase of $47,938, or 12 per cent. There was an increase in the company's assets during the year of $1,046,000.

The following table shows at a glance the improvement in the company's position during the past three years:—

	1913.	1915.	1917.	Increase, per cent.
Assets	$5,110,332.81	$6,732,581.78	$8,436,555.08	65
Deposits . ..	512,877.58	605,698.53	1,136,427.27	120
Debentures ..	2,119,989.05	2,718,825.30	3.810,661.33	*80
Surplus security	2,399,139.53	3,272,593.56	3.362,378.63	*40
Net profits...	351,336.55	382,752.93	434,316.25	23
Mortgage loans	4,255,220.43	5,501,663.18	6,651,501.74	56
War loans, municipal debentures and cash...	140,388.97	174,028.33	720,679.57	415

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*Nearly.

In the past four years the assets of the corporation have increased $3,326,000, or 65 per cent.. Deposits have increased $624,000, or over 120 per cent. Debentures have increased by $1,690,000, or nearly 80 per cent. Surplus security has increased $1,000,000, or 40 per cent. Mortgage loans have increased $2,400,000, and war loans, municipal debentures and cash have increased $580,000, or 415 per cent.

The usual 7 per cent. dividend was paid, provision made for government taxes, contributions of $3,150 to patriotic funds, and a surplus of $27,950 carried forward. The president, Mr. N. H. Stephens, states in his annual report that the real estate acquired under foreclosure shows a slight increase over the amount of a year ago, this owing to the cleaning up of the former Sun and Hastings mortgages during the latter half of 1917. The president adds that since the accounts were closed several of the properties have been sold. By the end of 1918 he expects to make a further reduction in this item. The president is also hopeful of the success of the policy of realization on the Dovercourt Land, Building and Savings Company investments. He intimates that a scheme has been arranged whereby this end will be more speedily accomplished.

Mr. H. Waddington is managing director of the company. He has had a long experience in the business, and brings to bear upon the company's affairs a conservative and progressive policy. He is supported by an active directorate.

Commenced Business 1901 — Received Dominion Charter June 17th, 1908

The Occidental
Fire Insurance Company
WINNIPEG, MAN.

Under the control of

The North British & Mercantile Insurance Co.

Balance Sheet as at 31st Dec., 1917

ASSETS.

Cash in Bank and on hand		$ 86,538.43
Agents' Balances		57,068.53
Losses Recoverable		10,910.74
		$154,517.70
Debentures:		
Book Value	$246,818.79	
Less Amount reserved in Accordance with Dominion Government Valuations	9,254.97	
		237,563.82
Loans on Mortgages		119,344.29
Real Estate		6,000.00
Interest Accrued		8,869.36
Mortgage Charges Recoverable		23.28
Office Furniture and Fire Maps (Less Depreciation written off)		5,000.00
		$531,318.45

LIABILITIES.

Losses under Adjustment and Adjustment Expenses outstanding			$ 20,116.27
Amount Retained on Account of Re-Insurance			69,345.48
Sundry Creditors			2,046.14
Taxes, Commissions, etc., Accrued			9,364.73
			$100,872.62
Reserve for Unearned Premiums			112,333.23
Total Liabilities to the Public			$213,205.85
Capital and Surplus:			
Capital Authorized and Subscribed, 5,000 Shares of $100 each	$500,000.00		
Capital Paid Up		$174,762.70	
Surplus:			
Amount at Credit 31st December, 1916	$120,780.43		
Transferred from Revenue Account	22,569.47		
		$143,349.90	
			318,112.60
			$531,318.45

RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.

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Montreal Stock Exchange

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Mar. 6th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi com.	....	....	....	....
Ames-Holden com.	....	....	....	....
" pref.	....	47	....	....
Asbestos Corporation	....	....	....	70
" pref.	....	....	....	....
Bell Telephone	....	....	131	115
British Columbia Fishing & Packing	....	45	41	30
Brompton	....	45½	45	142
Brazilian	....	35½	34⅞	415
Canada Car com.	....	25	23	250
" pref.	....	58	57	245
Canadian Converters	....	43	....	....
Canada Cement com.	....	60	59¾	415
" pref.	....	....	90½	87
Canada Cottons	....	....	....	100
" pref.	...	....	....	....
Canadian Con. Rubber pref.	....	....	....	...
Canadian Pacific Railway	....	....	....	1
Canadian General Electric	....	104½	103½	35
Canadian Locomotive com.	....	59	....	....
" " pref.	....	....	....	....
Canada Steamship Lines com.	....	40	39½	401
" " " pref.	....	77½	76½	151
Civic Investment	....	75	74	457
Civic Power com.	...	....	....	....
Cons. Mining and Smelting	....	25	....	305
Consumers Gas com.	....	....	....	....
Dominion Bridge	....	....	....	....
Dominion Coal pref.	....	94½	....	....
Dominion Iron pref.	....	92	91¼	65
Dominion Steel Corporation com.	....	59½	58⅞	1370
Dominion Textile	....	84¾	84½	88
" pref.	....	101	....	10
Howard Smith com.	....	....	....	
Illinois Traction com.	....	....	....	....
" pref.	....	....	....	....
Intercolonial Coal com.	....	35	...	....
Lake of the Woods Milling com.	....	135	130	....
Laurentide Co.	....	....	151½	55
Lyall Const. com.	....	68½	....	....
Macdonald	....	16	15¾	218
Mackay Cos. com.	....	....	...	10
" " pref.	....	....	....	....
Maple Leaf Milling com.	....	98	97⅞	25
Montreal Tramway	....	....	....	1
" " deb.	....	....	76	5000
Montreal Telegraph	....	120	....	58
Montreal Cotton com.	....	50	....	10
" " pref.	....	....	....	1
Nova Scotia Steel	....	....	....	123
Ogilvie Flour Mills com.	....	....	155	....
Ontario Steel com.	....	21½	23	25
Ottawa Light, Heat & Power	....	....	....	....
Penmans	....	75	74½	415
" pref.	....	....	....	....
Price Bros.	....	....	....	....
Riordan Paper	....	121	120	353
" pref.	....	....	....	....
Quebec Railway, Light, Heat & Power	....	17	16	125
Shawinigan Water & Power	....	....	....	161
" " " rights	....	....	....	4318
Sherwin-Williams pref.	....	....	....	15
Spanish River com.	....	13¾	....	2
Smart Woods	....	59	....	110
Steel Co. of Canada	....	53	52½	298
" " " pref.	....	....	....	12
St. Lawrence Flour Mills com.	....	50½	50	205
" " " pref.	....	....	....	10
Toronto Railway com.	....	60	....	3
Wayagamack	....	....	....	....
Bank of British North America	....	...	....	3
Bank of Commerce	...	185	....	13
Bank of Montreal	....	210	....	28
Bank of Ottawa	....	201	....	....
Bank of Toronto	...	....	....	....
Bank d'Hochelaga	....	140	....	....
Banque Nationale	....	....	....	....
Bank of Nova Scotia	....	....	....	28
Dominion Bank	...	....	....	....
Merchants Bank	....	167	....	30
Molsons Bank	....	179¾	....	....
Quebec Bank	....	....	....	....
Royal Bank	3¼	208	....	....
Standard Bank com.	....	....	....	....
Union Bank	....	....	144	10
Montreal Bonds	Last Sale			
Asbestos	72½	....	....	40000
Bell Telephone	98½	....	92	....
Canadian Car.	....	....	....	....
Canada Cement	96¾	97	....	....
Canadian Converters	....	....	....	2000
Canada Felt	....	....	....	....
Cedars Rapids	90	....	84½	6500
Dominion Coal	94½	....	....	....
Dominion Cotton	90	....	....	2000
Dominion Iron and Steel	97	88½	....	....
Dominion Textile A	97½	....	....	....
" " B	97	....	....	....
" " C	97	....	....	....
" " D	96½	....	....	....
Lake of Woods Milling	103	....	....	....
Laurentide	101	....	....	....
Lyall Construction Co.	83¾	....	....	....
Montreal Light, Heat & Power	101	....	....	1000
Montreal Tramways	91¼	....	....	....
National Breweries	90	....	75	2000
Nova Scotia Steel	90	....	....	....
Ogilvie A	10	....	....	....
" B	103	....	....	....
" C	103	....	....	....
Penmans	....	....	....	....
Price Bros.	...	....	....	....

Montreal Bonds (*Continued*	—	Asked	Bid	Sales
Quebec Railway, Light and Power	67	60	....	....
Riordan Paper	....	....	....	....
Sherwin-Williams	....	....	....	1500
First Dominion War Loan	98¼	91	93⅝	9000
Second Dominion War Loan	98½	....	93	7700
Third Dominion War Loan	....	92	....	46700
Wabasso Cotton	....	....	....	....
Wayagamack	81	78	....	....

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden pref.	....	14½	....	....
American Cynamid	....	30	28½	....
" pref.	....	....	52	...
B. & L. (Landed)	....	....	....	....
Barcelona	....	10	9½	...
British Columbia Fish	. ..	....	41	20
Brazilian	...	35½	35	268
Canada Bread	....	17	16	....
" pref.	....	....	....	....
Canadian Car & Foundry	....	24	22½	....
" " " pref.	....	56	53½	....
Canadian Canners pref.	....	....	....	35
Canadian General Electric	....	105	104	85
" " " cum div. pref.	....	....	....	10
Canada Landed & National Investment	....	....	....	....
Canadian Locomotive	....	....	....	....
" pref.	....	....	82¾	5
Canadian Pacific Railway	....	145	142¼	2
Canada Permanent	....	162½	....	1
Canada Steamship	....	39¾	39½	500
" " pref.	....	77	76¼	23
Can. Salt	....	....	....	45
Cement com.	....	59¾	59½	65
" pref.	....	....	90	1
City Dairy	....	....	....	..
" pref.	....	....	60	....
Colonial Loan com.	....	....	....	100
Coniagas com.	....	....	....	16
Confederation Life	....	375	....	...
Consumers Gas	....	148½	....	16
Crow's Nest Pass com.	....	50	....	...
Detroit	....	....	....	...
Dome	...	865	825	....
Dominion Canners	5	....	....	....
Dominion Iron com.	....	....	....	....
" " pref.	....	....	....	....
Dominion Steel Company	....	59¼	58½	425
Duluth Sup.	....	41	....	....
F. N. Burt	....	....	....	....
" pref.	....	....	....	....
Hamilton Provident	....	....	....	....
Huron & Erie com.	....	....	....	....
Lake of the Woods com.	....	....	....	....
La Rose com.	...	....	....	....
Mackay Companies	....	79	78½	155
" pref.	....	63¼	62¼	2
MacKinley Darragh com.	....	....	....	....
Maple Leaf Milling	....	98	95	30
" " " pref.	....	93½	....	41
Monarch	....	....	10	....
" pref.	....	....	....	10
Nat. S. Car	....	....	9	175
" pref.	....	35	31	6
Nipissing	....	....	....	....
Nova Scotia Steel	....	850	810	..
" " " rights	....	68	65	28
Pacific Burt com.	....	....	....	....
" pref.	....	...	....	....
Penmans com.	....	....	....	....
Petroleum	....	75	74½	10
Riordon	....	1325	1275	....
" pref.	....	....	....	....
Rogers com.	....	....	....	....
" pref.	....	....	....	....
Russell Motor	.. .	....	....	....
" pref.	....	....	....	....
Sawyer-Massey	....	70	....	....
" pref.	....	....	....	10
Shredded Wheat	....	41	....	....
Spanish River	....	....	....	....
" pref.	....	50	....	....
Cons. Smelters	....	25¼	24¼	85
Standard Chemical	....	....	....	....
" " pref.	....	57	....	....
Steel Company of Canada	....	53	52½	198
" " " pref.	....	88	86½	....
Toronto General Trust	....	....	....	10
Toronto Paper	....	72	65	....
Toronto Railway	....	58	....	....
Trethewey S. Mines com.	....	18	15½	....
Tucketts	....	19	....	....
" pref.	1¾	....	....	...
Winnipeg Electric	....	48	....	13
Twin City	....	53½	51	120
Bank of Commerce	....	185	....	9
Bank of Ottawa	....	201	....	....
Bank of Hamilton	...	....	184	....
Bank of Montreal	....	210	....	....
Bank of Nova Scotia	....	....	....	....
Bank of Toronto	....	187	....	....
Dominion Bank	....	202	....	5
Imperial Bank	....	185	...	5
Merchants Bank	2½	....	167	....
Molsons Bank	....	179¾	....	....
Royal Bank	....	208	....	....
Standard Bank	....	200	....	....
Union Bank	....	....	144½	10
Toronto Bonds	Last Sale			
Canada Bread	92½	....	....	....
Canada Locomotive	95	94	....	....
Penmans	89	....	80	....
Riordon	....	....	....	....
Sao Paulo, 1929	84	. ..	....	..
Steel Company of Canada	96½	....	88½	500
First War Loan	98	91	93½	4800
Second War Loan	98¼	93	92½	8500
Third War Loan	....	91¾	91½	30550

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GUELPH AND ONTARIO INVESTMENT AND SAVINGS

After paying the usual 10 per cent. dividend, the directors of the Guelph and Ontario Investment and Savings Society decided to add $50,000 to the reserve fund out of the past year's earnings. This left a substantial balance of $41,008 to be carried forward. The reserve fund amounts to $739,435, and the company's assets total $4,353,512. The assets consist of first mortgages on improved real estate, chiefly farm property, also government and high-class municipal bonds. The company makes it a strict rule not to invest in any speculative securities of any kind, and the securities are carefully selected and approved of by the directors. This conduct of the business largely accounts for the company's excellent financial position.

The public confidence in the Guelph and Ontario is reflected in the increase in the company's own debentures. The savings deposit department affords every convenience to depositors. The company holds a substantial amount of Dominion war bonds, and during the past year $1,200 was granted to the Canadian Patriotic Fund and $200 to the Red Cross Fund.

Mr. A. B. Petrie is president of the company, which has its head office at Guelph. He is supported by a strong directorate, including Mr. J. E. McElderry, the capable managing director. The company continues to make progress and to maintain its strong position.

HOWARD SMITH PAPER MILLS COMPANY

The annual report for 1917 of the Howard Smith Paper Mills Company shows slightly higher earnings than in the previous year. The profit and loss account shows net profits of $200,546, against $159,153 in the previous year. Other sources, including previous balance, brought the amount available for distribution up to $237,113, against $193,097. After deduction of bond interest and dividends there was a surplus of $114,473, against $32,850 in the preceding statement. No provision is made for war taxes in the statement

BUILDING PERMITS COMPARED

RETURNS FOR THIRTY-FIVE CITIES.

DEPARTMENT OF LABOUR FIGURES	December 1917	January 1918	January 1917	Jan. 1918, compared with Jan. 1917. Increase+ Decrease−	
				Amount	Per Cent.
CITIES	$	$	$	$	
Nova Scotia	24,360	71,280	22,855	+48,425	+211.88
Halifax	13,225	62,470	20,055	+ 42,415	+ 67.89
Sydney	11,135	8,810	2,800	+ 6,010	+ 214 64
New Brunswick	2,625	....	3,500	− 3,500	....
Moncton	1,125	....	3,500	− 3,500	....
St. John	1,500	....	....	....	....
Quebec	132,610	167,482	613,448	− 445,966	−72.70
Maisonneuve	....	....	120,000	−120,000	....
Montreal	56,270	116,110	249,895	− 133,785	− 53.54
Quebec	8,440	30,572	117,938	− 67,366	− 74.08
Sherbrooke	....	....	9,000	− 9,000	....
Three Rivers	50,000	19,300	112,000	− 92,700	− 82.77
Westmount	17,900	1,500	4,615	− 3,115	− 67.49
Ontario	620,485	611,120	590,414	+20,706	+ 3.51
Brantford	149,915	5,245	2,000	+ 3,245	+162.25
Fort William	850	80,000	50	+ 79,950	+159,900.00
Guelph	150	....	1,000	− 1,000	....
Hamilton	26,450	50,000	51,825	− 1,825	− 3.52
Kingston	9,607	5,195	4,340	+ 855	+ 19.70
Kitchener	....	3,600	275	+ 3,325	+1,209.09
London	34 590	17,150	14,435	+ 2,715	+ 18.81
Ottawa	11,100	8,875	54,650	− 45,775	− 83.76
Peterborough	335	3,300	11,625	− 8,325	− 71.61
Port Arthur	2,740	16,895	21,276	− 4,381	− 20.59
Stratford	790	2,945	1,780	+ 1,165	+ 65.45
St. Catharines	8,215	3,035	4,428	− 1,393	− 31.46
St. Thomas	800	....	5,200	− 5,200	....
Toronto	370,358	409,965	394,880	+ 15,085	+ 3.82
Windsor	4,585	4,915	22,650	− 17,735	− 78.30
Manitoba	9,600	41,100	79,175	−38,075	−48.09
Brandon	....	....	10,725	− 10,725	....
Winnipeg	9,600	41,100	68,450	− 27,350	− 39.96
Saskatchewan	12,584	5,800	54,575	−48,775	−89.37
Moose Jaw	800	....	51,000	− 51,000	....
Regina	7,050	700	2,200	− 1,500	− 68.18
Saskatoon	4,734	5,100	1,375	+ 3,725	+270.91
Alberta	10,100	507,700	3,800	+503,900	+13,260.53
Calgary	10,100	505,300	3,300	+502,000	+15,212.12
Edmonton	....	2,400	500	+ 1,900	+380.00
British Columbia	62,195	158,155	34,165	+123,990	+362.62
New Westminst'r	1,600	1,650	1,300	+ 350	+ 26.92
Vancouver	56,295	53,125	29,045	+ 24,080	+ 82.91
Victoria	4,300	103,380	3,820	+ 99,560	+2,606.28
Total	$874,559	$1,562,637	$1,401,932	+ $160,705	+ 11.46

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 3-16 pm	1¼ pm	....
Mont. funds	par	par	⅛ to ¼
Sterling—			
Demand	$4.80.90	$4.81.15	$4.83½
Cable transfers	$4.82.10	$4.82.40	$4.84½

Sterling demand in New York, $4.75¼.
Bank of England rate, 5 per cent.

INDEX NUMBERS OF COMMODITIES

(DEPARTMENT OF LABOUR FIGURES)	No. of Commodities	Index Numbers		
		*Jan. 1918	*Dec. 1917	*Jan. 1917
I. Grains and Fodders:				
Grains, Ontario	6	405.2	392.6	270.1
" Western	4	329.7	312.2	258.6
Fodder	5	208.1	221.3	193.1
All	15	319.3	314.1	258.7
II. Animals and Meats:				
Cattle and beef	6	321.8	301.4	247.5
Hogs and hog products	6	341.2	338.6	253.6
Sheep and mutton	3	279.6	268.8	223.6
Poultry	2	361.8	327.1	280.2
All	17	336.3	311.8	249.2
III. Dairy Products	9	260.1	253.9	233.3
IV. Fish:				
Prepared fish	6	241.6	241.6	186.4
Fresh fish	3	242.9	234.0	178.7
All	9	242.0	207.9	183.8
V. Other Foods:				
(A) Fruits and vegetables				
Fresh fruits, native	1	229.8	254.0	229.8
Fresh fruits, foreign	3	133.2	146.8	104.5
Dried fruits	4	251.1	250.5	200.4
Fresh vegetables	5	349.8	329.3	373.7
Canned vegetables	3	246.9	246.9	181.7
All	16	257.7	255.2	234.9
(B) Miscellaneous groceries and provisions				
Breadstuffs	10	264.7	260.9	200.9
Tea, coffee, etc.	4	153.9	153.9	138.7
Sugar, etc.	6	230.9	240.5	180.9
Condiments	5	209.3	199.1	153.5
All	25	227.7	226.5	178.7
VI. Textiles:				
Woollens	5	369.2	369.2	242.0
Cottons	4	287.2	272.0	187.8
Silks	3	130.9	130.0	115.0
Jutes	2	615.9	615.9	385.1
Flax products	4	388.4	388.1	243.3
Oilcloths	2	173.7	173.7	139.8
All	20	326.0	322.8	216.4
VII. Hides, Leather, Boots and Shoes:				
Hides and tallow	4	277.2	317.9	351.9
Leather	4	271.5	271.5	268.5
Boots and Shoes	3	229.0	229.0	221.1
All	11	261.8	273.1	285.9
VIII. Metals and Implements:				
Iron and steel	11	281.8	281.1	186.9
Other metals	12	242.9	240.5	232.9
Implements	10	199.1	199.1	156.5
All	33	243.6	241.8	194.4
IX. Fuel and Lighting:				
Fuel	6	207.4	207.4	201.6
Lighting	4	117.3	114.0	96.9
All	10	171.4	170.0	159.7
X. Building Materials:				
Lumber	14	231.9	231.9	185.8
Miscellaneous materials	20	208.7	209.1	179.6
Paints, oils and glass	14	263.2	261.2	213.0
All	48	232.6	230.9	191.1
XI. House Furnishings:				
Furniture	6	207.3	207.3	177.5
Crockery and glassware	4	237.5	237.5	209.0
Table cutlery	2	150.7	150.7	132.2
Kitchen furnishings	4	208.5	208.5	155.4
All	16	208.1	208.1	168.9
XII. Drugs and Chemicals	16	290.6	276.1	236.7
XIII. Miscellaneous:				
Raw Furs	4	511.5	465.4	399.5
Liquors and tobacco	6	171.6	169.8	167.2
Sundries	7	200.8	196.8	155.5
All	17	263.6	250.5	216.4
All commodities	†262	257.1	253.5	208.1

*Preliminary figures. †Nine commodities off the market, fruits, vegetables, etc. one line of spelter was dropped in 1915.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Mar. 6th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......pref.	60	87.50	Can Salt.............. 6's	92.50	...	Imper. Trust Co. Toronto	....	37.50	Peoples Loan...........	81	90
" " ....6's	....	90	Cockshutt Plow.....pref.	65	75	Inter Lake Steamship.6's	95	....	Rosedale Golf Club......	340	365
Alberta Pac. Grain..com.	97	....	Collingwood Ship...com.	20	30	Lambton Golf Club.. ...	340	380	Sovereign Life..........	12	20
Ashdown Hardware 5's	87	92	Can. Westinghouse......	100	118	London Loan & Savings.	100	115	Stan. Reliance ... (par 50)	....	45
Atlantic Sugar......pref.	20	28.50	Consumers Cordage pref.	70	85	Maritime Coal ....5's	67	71	Sterling Coal........com.	9.50	11
" " ....6's	80	86.50	Chapman Ball Bearing ..	20	28	Matthew-Blackwell com.	43	50	" " ......bonds	69	72
Belding Paul....... com.	10	15	Dom. Fire	18.50	21	Matthew Laing.......6's	93	96.50	St. Lawrence Sugar...6's	90	95
" " ......pref.	73.50	80	Dom. Explosives	....	25	M'Donald...........pref.	77.50	82.50	Trust & Guarantee.......	80	90
Buffalo Lock & Roch..5's	...	55	Dominion Glass.....com.	25	29	Mexican Mahogany...6's	....	55	Toronto Paper........6's	85	90
Black Lake............6's	20	27	Dom. Iron & Steel 5's.1939	73.50	79.50	Murray-Kay ....pref.	....	23.50	Toronto Y'k Rad. 5's. 1919	90	95
Brand-Henderson ... 6's	93.50	....	D. Po'er & Trans......5's	80	85.50	Morrow Screw........6's	85.50	92	West. Assurance	5	6.75
British Amer. Assur.....	7.50	....	Dom. Power ....com.	52	60	Milton Pressed Brick....	26	...	Wt. Can. Flour. 6's (1931)	92	96
Can. Cereal & Flour.com.	....	.80	Dunlop Tire.......... 6,s	96.50	100.50	Mississauga Golf.........	....	65	" " (1928)	95	100
Can. Fairbanks .....pref.	85	90	Eastern Car...........6's	90	94	National Life	30	....	....	....	..
Can. Cons. Felt.....pref.	29	....	Ford Motor of Canada...	190	225	North. Crown Bank	70	82	....	....	....
Can. Marconi............	1.75	2.50	Great West Permanent..	....	70	Nova Scotia Steel 6% deb.	65	92	....	....	....
Canada Machinery..com.	10	14	Imperial Oil.............	265	300	Ont. Pulp Bonds........	78.50	82	....	....	....
" " ..pref.	45	50	....	....	....	....	....	....	....	....	....

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

Merchants Casualty Co.

Head Office: Winnipeg, Man.

The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments. Embracing the entire Dominion of Canada.

SALESMEN NOTE

Our accident and health policy is the most liberal protection ever offered for a premium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.

Good Openings for Live Agents

Eastern Head Office...1 Adelaide St. E., Toronto
Home Office .. ...Electric Railway Chambers, Winnipeg, Man.

LONDON GUARANTEE AND ACCIDENT COY.

Limited

ESTABLISHED 1869

Head Office for Canada: TORONTO

Employer's Liability	Personal Accident	Sickness
Elevator	Fidelity Guarantee	Court Bonds
Contract	Internal Revenue	Teams and Automobile

AND FIRE INSURANCE

The Imperial Guarantee and Accident Insurance Company of Canada

Head Office, 46 King St. W., TORONTO, Ont.

IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital	$200,000.00.
Authorized Capital	$1,000,000.00.
Subscribed Capital	$1,000,000.00.
Government Deposits	$111,000.

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance — Sickness Insurance — Plate Glass Insurance
Burglary Insurance — Automobile Insurance — Guarantee Bonds

The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

P. R. REED, President.
T. B. REDDING, Vice-President.
E. M. WHITLEY, Secretary-Manager.

Canada Security Assurance Company

HAIL DEPARTMENT

CALGARY - ALBERTA

68th ANNUAL STATEMENT

ÆTNA LIFE INSURANCE CO.

OF HARTFORD, CONN.

MORGAN G. BULKELEY - President

Capital Stock, $5,000,000

JANUARY 1, 1918

ASSETS.

Home Office Building		$ 1,000,000.00
Real Estate:		
Acquired by Foreclosure	$47,600.85	
Supply Department	75,000.00	
		122,600.85
Cash on hand and in banks		6,773,455.85
Stocks and Bonds		47,508,459.51
Mortgages secured by Real Estate		61,990,138.56
Loans on Collateral		982,619.00
Loans secured by Policies of this Company		12,091,876.24
Interest due and accrued December 31, 1917		2,803,460.09
Due from Re-Insurance Companies and others		31,340.08
Premiums in course of collection and deferred premiums		4,207,449.[illegible]6
Amortized value of Bonds and Market Value of Stocks over Book Value, less Assets not admitted		3,073,045.37
TOTAL ASSETS		$140,584,444.91

LIABILITIES.

Reserve on Life, Endowment and Term Policies	$101,544,616.00
Additional Reserve, not included above	1,448,009.00
Premiums paid in advance, and other Liabilities	1,781,179.31
Unearned interest on Policy Loans	312,009.76
Taxes falling due in 1918	1,173,20[illegible].19
Reserve for special class of Policies and Dividends to Policyholders payable in 1918	3,621,339.26
Losses and Claims awaiting proof and not yet due	999,646.22
Unearned Premiums on Accident, Health and Liability Insurance	5,206,803.28
Reserve for Liability claims	5,968,461.83
Surplus to Policyholders amortized basis for Bonds	18,529,172.06
TOTAL LIABILITIES	$140,584,444.91

Increase in Premium Income	**$ 6,768,123.05**
Increase in Assets	**9,285,320.41**
Increase in Life Insurance in force	**105,370,625.64**
Payments to Policyholders during 1917	**$ 19,875,699.75**
Payments for Taxes during 1917	**1,244,866.08**
New Life Insurance Issued in 1917	**$202,664,856.68**
Life Insurance Paid for in 1917 ($185,707,587.68) and in Process of Collection ($8,110,194.00)	**193,817,781.68**
Life Insurance in Force, January 1, 1918	**572,916,282.45**
Paid Policyholders since organization in 1850	**318,710,609.48**

T. H. Christmas and Sons, Managers,
Guardian Building, St. James Street, Montreal.

Johnson and Orr, Managers,
906-9 C.P.R. Building, Toronto

T. B. Parkinson, Manager,
209 Dominion Savings Building, London, Ontario.

Douglas J. Johnston, Manager,
605 Union Trust Building, Winnipeg.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Brockville, Ont.—The rate of taxation for the year has been placed at 34 mills, an increase of two mills over last year. This is exclusive of the provincial war tax.

Raleigh, Ont.—Messrs. A. E. Ames and Company, of Toronto, have purchased a block of $29,923 6 per cent. bonds, payable in ten annual instalments, for drainage purposes.

Smith's Falls, Ont.—A block of $21,120.29 6 per cent. local improvement bonds, payable in twenty annual instalments, has been awarded to Messrs. Mulholland, Bird and Graham, of Toronto.

Hull, Que.—The annual report of the city assessor shows an increase of $841,285 in the total valuation of the city, of which amount $503,627 is taxable. In the last ten years the valuation of the city has increased by over $8,000,000, while the population has risen by 2,332 during the past twelve months.

County of Halton, Ont.—A block of $40,000 20-year 6 per cent. bonds, due on November 6th, 1937, for bridge purposes, has been awarded to Messrs. A. E. Ames and Company, of Toronto. Also a block of $74,000 6 per cent. good roads debentures, payable in twenty annual instalments, with principal and interest, has been awarded to them.

Saskatchewan,—The following is a list of authorizations granted by the local government board from February 18th to February 22nd, 1918:—

Rural Telephone Company.—Industrial, $800 15-years not ex. 8 per cent. annuity; P. J. Murray, Bradwell.

Village.—Pennant, $1,750 10-years and $1,500 7-years not ex. 8 per cent. instalment; R. L. Wright, Pennant.

Towns.—Leader, $3,500 10-years and $7,500 7-years 7 per cent. annuity; P. J. Hooge, Leader. Alsask, $3,250 10-years 7 per cent. annuity; Fred. J. Clark, Alsask.

The following is a list of debentures reported sold from February 18th to 22nd, 1918:—

School Districts.—Leader, $5,500, Paragon, $8,000; Great-West Life Assurance Company, Winnipeg. Davidson, $2,000; F. S. T. Hutchison, T. B. and E. B. Scott.

Rural Telephone Companies.—Great Deer, $3,200, Lundeen, $3,300, Outram, $3,000; W. L. McKinnon and Company, Regina. Leslie, $3,400; Northern Crown Bank, Foam Lake. Ridpath, $8,300, Togo, $12,300; J. A. Thompson, Winnipeg.

Rural Municipality.—Scott, $6,000; Great-West Life Assurance Company, Winnipeg.

Red Deer, Alta.—The following auditors' report has been made for 1917:—

"Sufficient depreciation has been provided for on all buildings and equipment belonging to the city, and in addition the real estate owned by the city has been written down to its assessed value. Sufficient has been written off the boulevards, cement sidewalks, roads, bridges and plank sidewalks, waterworks and sewers to bring the book value down to the unexpired value of the debentures issued against these utilities.

"We have inspected the titles and securities covering the real estate and other assets and find them to be in order with the following exceptions:—

"(1) We were unable to find the title for the rink site, and recommend that one be obtained forthwith.

"(2) There is no title for the Station Park, and, with regard to this property, we would suggest that this should not stand amongst the assets of the city. In the original survey of the townsite it appears as part of the street, and several years ago it was brought on to the books at a value of $30,000, but it appears very doubtful whether the city could ever get the title for this property, and we would recommend that the asset should stand on the books only at the cost of the improvements which have been done on it, and that the $30,000 should be written off capital surplus.

"We, however, would like an expression of opinion of the council on this matter before making an entry.

"(3) Agreement for sale of Cement Builders, Limited, $2,500. This remains in the same state as it was at the end of last year, no agreement apparently being in existence, but we are informed that the city will be taking title to this property during the coming year, when this matter will be finally adjusted.

"There are balances of money raised by debenture which are still unexpended as follows:—

City Square	$ 103.01
Isolation Hospital	28.63
Boulevards	33.52
Cement sidewalks	1,227.05
Waterworks	648.78
Sewers	88.35
	$2,129.34

"This amount is in a special savings account at the 31st December, 1917.

"The amount received during 1916 on the Inglewood lots still remains in suspense, but we understand that the city will be taking title for most of these lots, and this matter will be adjusted during the coming year."

The auditors signing the report are Messrs. Baldwin, Dow and Bowman, chartered accountants, who state that the city's books and records are in excellent condition.

MORTGAGE COMPANIES MERGE

The Holland Canada Mortgage Company, Limited, of Winnipeg, with offices in the Curry building, has amalgamated with the Netherlands Mortgage Company of Canada, which has in the past maintained an office in the Electric Railway building.

The merged companies will be known under the name of the Holland Canada Mortgage Company, and Mr. J. G. Coster, who has been the general manager of the Holland Canada company, will be the general manager of the combined companies, and will continue his offices in the Curry building.

Prior to the present amalgamation the Holland Canada had investments in this country ot $5,400,000 and the Netherlands Mortgage Company had investments of $2,400,000. The total investment of the new company will, therefore, be $7,800,000.

The two companies, which are now uniting their forces under one management, are the oldest of the Holland companies operating in this country, the Holland Canada being the first to commence business here.

The Holland Canada opened its offices in Winnipeg in the month of March in 1910, and the Netherlands Mortgage Company followed a few months later, in June of the same year. The business of the merged companies will be carried on along the same lines as in the past.

BRITISH NORTHWESTERN INSURANCE COMPANY

A properly conservative attitude has been taken by the directors of the British Northwestern Fire Insurance Company, of which Hon. Edward Brown is president. While the balance sheet may appear to warrant it, the directors are of the opinion that it is in the best interests of both the shareholders and policyholders of the company that until the future can be viewed with greater certainty, the surplus revenue will be better employed for the present in strengthening the position of the company by building up its reserves rather than using the surplus revenue for dividends. This policy has been followed, therefore, and, after providing usual allowances for depreciation in office equipment and for reduction in value of securities to government valuation, the balance of the past year's revenue was transferred to general reserve account and profit and loss and surplus account.

The increase in the company's business last year was uniformly distributed over the provinces of the Dominion in which the company is operating. While 1917 was an unprofitable year for the business of fire insurance, the company's loss ratio was below the general average for all companies. The operating expense ratio was reduced below that of 1916. The large increase in premium income, 30 per cent. over that of 1916, was not obtained by taking on business of a greater hazard than the company has been in the habit of writing. No change had been made in the underwriting policy. Mr. F. K. Foster is managing director and secretary of the company.

CONFEDERATION LIFE
ASSOCIATION

Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:
W. D. MATTHEWS, ESQ.
Vice-President
SIR EDMUND OSLER, M.P.

John Macdonald, Esq.
Joseph Henderson, Esq.
Lt.-Col. A. E. Gooderham
Thos. J. Clark, Esq.
Gen. Supt. of Agencies,
J. TOWER BOYD

Lt.-Col. J. F. Michie
Peleg Howland, Esq.
Lt.-Col. The Hon. Frederic Nicholls
John Firstbrook, Esq.
Actuary, V. R. SMITH, A.A.S., A.I.A.
Secretary, J. A. MACDONALD.

Medical Director:
ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)

HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION
The Western Life Assurance Company

have made the following increases for the quarter ending March 31st, over the corresponding period of last year:

NEW BUSINESS........................ 280%
CASH RECEIPTS........................ 140%
— and —
INVESTED ASSETS have increased during the quarter by..................... 83%

Work for a PROGRESSIVE COMPANY. We want two more District Agents for the West. If you are an up-to-date Agent, write at once to the Head Office of the Company,

WINNIPEG .. .. MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds.........	$ 66,500,000	Investments under Canadian Branch, over...	$ 16,000,000
Deposited with Canadian Government and Government Trustees, over..............	7,000,000	Revenue, over...............	7,900,000
		Bonus declared...........	40,850,000
		Claims paid............	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

PROFIT RESULTS COUNT
ASK FOR SAMPLES

London Life Insurance Co.
LONDON ... ... Canada
POLICIES "GOOD AS GOLD." 4

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.

BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE • TORONTO, CANADA

"MUTUAL" PROTECTION AGAINST DISABILITY AND DEATH

Many Policyholders fear that a time will come when, owing to permanent disability from illness or accident, they will be disqualified from earning an income and paying their premiums. The Mutual Life of Canada issues a Policy which not only waives further payment of premiums but provides a monthly income of $10.00 per thousand of insurance, should such a condition develop and be clearly proven. This is a Policy which affords protection to the full amount of the policy at death for the beneficiary and protection for the assured while helpless—Write for full particulars.

One of the most perfect Insurance Policies issued.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario

TO PROVIDE PROTECTION
for dependents is by no means the only function of a Life Insurance Policy. Some of the other uses to which the Great-West Policies may be put are:

Protection for one's own future.
Protection for business enterprises.
To compel systematic saving.
Provision for paying a mortgage.
Providing a life income for self or dependents.

The Company issues many different plans of insurance. Premiums are low and the profits to policyholders remarkably high. Information on request.

The Great-West Life Assurance Co.
DEPT. "P"
HEAD OFFICE : : WINNIPEG

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

PREMIER TRUST COMPANY

One of our youngest financial corporations, the Premier Trust Company, of London, Ont., shows satisfactory progress, according to its second annual report. Mr. W. F. Roome is president, Mr. A. A. Campbell is general manager, and Mr. W. A. Spittal is secretary-treasurer.

The gross revenue, including $3,066 carried forward from the previous year, amounts to $13,115, and after defraying the expenses of management, head office and branch at Windsor, Ont., Dominion government taxes and all other charges, there remained $8,818, which has been distributed as follows, viz.: Dividends, $6,953; balance carried forward to revenue account, $1,864.

"In the early life of a trust company," says the directors' report, "it is not expected to have many wills probated, yet, notwithstanding this fact, two probates have been taken out during the past year, and, in addition thereto, a number of administrations, amounting in all to $31,039."

The statement of assets and liabilities discloses the total assets in the hands of the company amounting to $179,976, being an increase of $65,409 over last year.

INSURANCE MANAGERS, REINSURANCE ADVISERS

The Sterling Offices, Limited, have been registered in the United Kingdom to act in the capacity of managers, secretaries, underwriters, reinssurance advisers, trustees, etc., for insurance companies. They will take over a large portion of the insurance and financial business now transacted by Mr. A. Rendtorff, of 25 Birchin Lane, London, E.C., 3, as a private individual. By the articles of association only British subjects may at any time be shareholders. There are no foreign financial interests whatsoever associated with the flotation. Mr. Rendtorff is a naturalized British subject, born in Denmark of Danish parents. By the transfer of Mr. Rendtorff's staff the Sterling will have at their disposal a large organization, by which they will be enabled to render immediate service to any company desiring to open new departments or to extend their present activities. They have already been authorized to act in various managerial capacities for the London Guarantee and Accident, the Century, Essex Union and the Norske Lloyd Insurance Companies.

The officers will also act as reinsurance advisers and intermediaries. A separate department has been established to deal with reinsurance treaties to companies not officially represented by the Sterling.

PREFERRED ACCIDENT COMPANY IN CANADA

With offices and agencies at leading points throughout the Dominion, the Preferred Accident Insurance Company, of New York, one of the strongest accident corporations of this continent, will shortly have its Canadian organization complete. The company recently decided to extend its operations to Canada, and all the necessary preliminaries have been completed. A deposit of $75,000 has been made with the Dominion government, and the company is now ready to issue its attractive policies.

The Preferred Accident Insurance Company writes accident, health and automobile insurance. It is the only company that confines its accident business strictly to preferred risks. To parties whose occupations come within that classification it is prepared to give greater benefits than can be secured from any company insuring all classes of hazards.

The company is in a strong financial position and has an excellent reputation in the United States. At December 31st, 1917, its assets amounted to $4,657,672, with a surplus and voluntary reserve of $1,464,786, or over double its paid-up capital of $700,000. Since organization the company has paid in losses $12,500,000.

Mr. J. W. Mackenzie has been appointed manager for Canada. Although a comparatively young man, he has had a lengthy experience in the accident insurance business, both in the United States and Canada. His widespread connection in this country and his ability will be valuable assets to the company in relation to their Canadian business. The company has made Toronto its headquarters for Canada, and offices have been taken in the Canadian Pacific Railway building. Applications for Toronto agencies are now being received.

CONTINENTAL LIFE INSURANCE COMPANY

The financial statement of the Continental Life Insurance Company for 1917 reflects a strong position. The net reserves held by the company for its policy liabilities now amount to the sum of $2,025,475. The assets of the company, consisting principally of first mortgages, policy loans, bonds and debentures, and the company's head office building, amounted to $2,376,161 at the end of the year.

Despite war conditions, the directors were able to report for 1917 the largest amount of new insurance ever written by the company in a single year, showing, as the directors stated, "that the people have every confidence in the stability of the financial institutions of the country, and that the unparalleled protection afforded by life insurance is in greater demand than ever."

The applications for new insurance and revival of policies amounted to $3,059,137. The insurance issued and revived reached the total of $2,917,589, a gain of $646,030 over the year 1916, and the insurances in force at the end of the year amounted to $12,031,151, a gain of $1,465,277 during the year. The annual premiums on the business in force amount to $439,410. The net premium income after taking off the premiums paid for reinsurance was $406,564. The net income from other sources was $109,153, making the total income $515,717

Mr. George B. Woods is president of the company, and he has had a successful regime. The company has an active directorate, a capable head office staff and an energetic field force.

HAIL INSURANCE LAST YEAR

A statement of the premium income received and losses paid by the various companies underwriting hail insurance in the province of Saskatchewan has been prepared by Mr. A. E. Fisher, superintendent of insurance. The statement shows that $2,203,493.27 was paid in premiums for hail insurance, while the losses paid totalled $744,902.45. The loss ratio works out approximately at 33.8 per cent. The figures given below are subject to correction:—

Company.	Premiums.	Losses.
Acadia Fire Insurance Company.	$ 60,905.68	$ 11,828.34
British America Assurance Company .	69,446.20	20,570.21
British Crown Assurance Corporation .	308,372.81	51,373.93
Canadian Indemnity Company ...	145,832.86	32,593.98
Canada Hail Insurance Company.	49,475.97	12,359.30
Canada Security Assurance Company .	112,258.60	13,800.49
Connecticut Fire Insurance Company .	102,696.79	32,827.91
Dominion Fire Insurance Company .	77,489.97	17,117.09
Excess Insurance Company	192,075.00	47,963.11
Great North Insurance Company..	89,449.00	19,491.73
Home Insurance Company	293,603.86	64,787.73
Hartford Fire Insurance Company	182,332.57	71,506.28
Middle West Insurance Company.	54,282.01	12,633.65
Nova Scotia Fire Underwriters...	47,279.39	11,320.37
New York Fire Underwriters.....	55,836.77	46,515.80
Rochester Underwriters	94,334.33	20,208.40
St. Paul Fire and Marine Insurance Company	109,032.25	100,583.94
Winnipeg Fire Underwriters	23,355.16	2,320.43
Westchester Fire Insurance Company .	135,434.05	26,344.00
	$2,203,493.27	$744.902.45

When to these figures are added the payments made to the Municipal Hail Commission, approximately amounting to $930,000 (the claims paid by them totalling $830,000), it will be seen that hail protection during 1917 cost the people of Saskatchewan a little over three million dollars, while one and a half million was returned in loss claims.

Figures published by the insurance department of the province of Alberta shows that the hail companies in that province received $1,786,101.02 and paid out $1,148,438.75. The premium rate is much higher in Alberta than in Saskatchewan.

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WINNIPEG CANADA

PEOPLE'S LOAN AND SAVINGS CORPORATION

The gross revenue of the People's Loan and Savings Corporation, of London, Ont., including $1,789 carried forward from the previous year, amounts to $65,061, and, after providing for interest on deposits and debentures,, Dominion, provincial and municipal taxes, patriotic subscriptions and general expenses, there remained $31,644, which has been distributed as follows, viz.: Two half-yearly dividends at the rate of 6 per cent. per annum on the capital stock, $28,694; transferred to reserve fund, $2,000; carried forward to the credit of revenue account, $949; total, $31,644.

The reserve fund now amounts to $50,000, being 10.39 per cent. of the paid-up capital stock. Deposits and debentures have increased $54,923 over the previous year, indicating increasing public confidence. There are few other depositories for money that offer the exceptionally high ratio of security, being $2.48 security for every dollar of liability to the public.

Mr. W. F. Rome is president of the company, Mr. A. A. Campbell is managing director, and Mr. W. Spittal is secretary-treasurer. The company has been in business for twenty-five years.

CANADIAN STEEL PLANTS EXPECT CONTRACTS

That all steel plants in Canada will probably be operating at full capacity throughout the year under heavy demand, and that large new munitions contracts are expected from the United States and Great Britain, are opinions expressed by Colonel Thomas Cantley, chairman of the board of directors, Nova Scotia Steel and Coal Company.

The production of steel ingots and direct castings in Canada in 1917 was approximately 1,700,000 tons, creating a new record, the previous banner year being 1916, when about 1,300,000 tons were produced. The production of pig iron likewise advanced in 1917 to 1,200,000 tons. About 13,000 tons of this came from electric furnaces. The electric furnaces accounted for 45,000 tons of steel last year, as against 19,000 tons in 1916.

LOAN TO CANADA WILL HELP TRADE

Canadian Credit Will Benefit Future Relations, Says the Wall Street Journal

The Wall Street Journal editorially says:—

"Even were a considerable part of a Canadian credit here employed in exports of competitive manufacture the ultimate benefit in eloquent dollars and cents would far outweigh any small share of trade which our merchants might meanwhile miss. It would do more in adding to a secure foundation of trade such elements as esteem and confidence as would give to the permanency of our future commercial relations a guaranty to which none other would be comparable.

Canadian-American Trade.

"Trade between Canada and this country amounted in 1917 to $1,243,000,000, or nearly 14 per cent. of exports and imports. Exports to Canada were more than $829,000,000 in value, while imports ran over $413,000,000, leaving balance in our favor of $416,000,000. How largely Canada bulks in our imports of essentials is evident from the fact that over 13 per cent. of such purchases were made there. On the other hand, 13 per cent. of all our sales were to Canada.

"Trade balances for five years, including 1917, totalled $1,394,000,000 in our favor. Our trade is even more closely interwoven from the fact that a large part of our shipments is of steel and its products, tractors and farm machinery, automobiles and all kinds of farm supplies and equipment from the United States factories to their branches in Canada.

British Investments Ceased.

"With the declaration of war British investments in Canada came to a standstill. That source of revenue has been cut off to the last farthing. With the curtailment of immigration another source of cash income has been materially diminished. Canada sold her farm products in British markets, in which there were large holdings of American investments and securities, and was in this way able to provide for a considerable part of her current trade indebtedness in United States markets. Exporters, however, are now called on to arrange Canadian credits for wheat and other foodstuffs sold to the old country. Canada's war industries are placed in a similar position.

"In the circumstances various plans have been suggested for a Canadian credit here—one which would create a reservoir of $300,000,000 to stay the wasteful progress of hostile exchange rates and to lubricate the great war industries built up on the other side of the St. Lawrence. All these plans are meritorious in principle. It no longer calls for more than ordinary commonsense in the credit department of any business to realize a merchant is as much interested in the means available to his customer for payment as in the original sale of the goods."

MORE PROVINCIAL GOVERNMENT LOANS PROPOSED

The Ontario legislature on Monday voted $9,000,000 to the Hydro-Electric Power Commission for development work and extensions to the various systems of the commission. Hon. T. W. McGarry, provincial treasurer, stated that if the commission required all the money this year, "we will have to go into the market to borrow it." There is a probability, however, that the commission may not use the whole amount this year.

A bill was introduced in the Nova Scotia House of Assembly on Monday giving authority to the government to borrow $1,000,000. The purpose of the loan is intended for the payment of any of the existing obligations of the province, the payment of any debentures of the province when the same becomes due or payable, and payment for services chargeable to capital account that may be authorized by the legislature.

There have been four provincial government issues, amounting to $6,620,000, this year to date, as tabulated in *The Monetary Times* last week. This compares with a total of $6,382,500 for the twelve months of 1917. With the proposed Nova Scotia issue and several millions for the Ontario Hydro-Electric Commission, the current year's provincial government borrowings will exceed those of last year.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Aurora, Ont.—March 3—The Salvation Army Barracks on Mosley Street was damaged. Estimated loss, $1,000.

Blenheim, Ont.—March 6—A Canadian Pacific Railway refrigerator car containing 150 barrels of apples was destroyed. Estimated loss, $8,000.

Blytheswood, Ont.—March 1—Home of Robert Jolliffe was damaged. Caused by defective stove pipe. Estimated loss, $100.

Kitchener, Ont.—March 2—Departmental store of Weseloh, Gouldie, Limited, on the corner of King and Frederick Streets, was destroyed. Estimated loss, $65,000.

Lakefield, Ont.—March 3—The Cavendish stable, used as a storehouse for motor boats and canoes, was destroyed. About 100 new canoes, along with several launches and a new Overland automobile, belonging to the Brown Boat Company, were consumed, with heavy loss.

Montreal, Que.—March 2—Establishment of the D'Allard Manufacturing Company was damaged.

New Toronto, Ont.—March 4—The Central Prison brick plant was destroyed. Caused by defective wiring.

Quebec, Que.—February 21—Building owned by Dr. E. Laberge and occupied by Mr. Emile Le Lievre, plumber and tinsmith, on Bridge Street, was damaged. Estimated loss, $2,000.

Stratford, Ont.—March 2—Garage of the Canadian Cereal Company on George Street was damaged.

Tillsonburg, Ont.—March 6—The Huntley Machinery Manufacturing Company's main plant was destroyed. Estimated loss, $75,000.

Toronto, Ont.—March 4—Some officers' uniforms in the Railway Building at Exhibition Camp were damaged. Estimated loss, $300.

March 6—Contents of building at 1741 Dundas Street were damaged. Estimated loss, $100.

Vancouver, B.C.—January 27—Premises of the Electrical Repairing and Engineering Company and the British Columbia Gramaphone Company were damaged.

Victoria, B.C.—February 24—Residence of Mr. Frank Scott, of 1407 Walnut Street was damaged. Caused by overheated stove. Estimated loss, $150.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Esterhazy, Sask.—February 14—Building owned and occupied by W. H. Blyth and Company, and Manhinnick Renuart and Company was destroyed. Estimated damage on stock $20,000, on building $7,500. A total insurance of $21,500 is divided among the following companies: Canada National, $2,000; Queens, $7,500; British Colonial, $1,000; and $11,000 in an unknown company. Out of the amount of insurance $4,000 is carried on the building.

Rosenfeld, Man.—February 17—Grain elevator owned by the Lake of the Woods Milling Company was destroyed. Estimated damage on contents $18,000, on elevator $3,000. The loss is fully covered under a blanket policy covering all the company's property from St. John, N.B., to Vancouver.

CANADA NORTH-WEST LAND COMPANY

The financial statement of the Canada Northwest Land Company for the year 1917 shows sales of the company's farm lands amounting to 32,312.23 acres for $494,037.51, as compared with 16,898.20 sold for $247,627.47 in 1916. Townsite sales also show an increase over the preceding year. The amount received from these sales has been transferred to profit and loss account, which stands at $1,757,277.13. Average price obtained for farm land in 1917 was $15.29 per acre, compared with $14.65 an acre in 1916.

A distribution on realization of assets amounting to $5 per share was paid during the year. The financial statement draws attention to the fact that these payments are bound to come at irregular intervals and cannot be in any way regarded as dividends, as the assets of the company are proportionately depleted.

The last $5 distribution of assets, the eleventh, was made in September.

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JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

Opportunities in Canada for Research

Valuable Fertilizers Are Wasted—New Method of Briquetting Peat—Substitutes for Gasoline—Conservation of Heat—Chemical Research—Many Kinds of Fish, Valuable for Food, Neglected

By A. T. DRUMMOND, LL.D.

SINCE my communication, a year ago, in *The Monetary Times*, on this subject, the changing conditions, then in process, throughout the world, resulting chiefly from the war, and affecting not only industry, but the mental attitude of the people towards current problems, have led to many new promising opportunities for research in the different departments of industry, and have emphasized the importance of others. A year of experience has also raised the question as to how best research can be practically carried out.

Presently research has been practically relegated to a committee, with headquarters at Ottawa, but whose members are scattered over the Dominion, and not every one of whom is known to be a specialist in research work. The ground to be covered, geographically speaking, is vast, the number of lines in which investigation, requiring expert knowledge, can be made, is large, and it is not possible, under present arrangements, for any one individual, however high his attainments in his past special work have been, to grapple with the situation. The original suggestion made to the government still commends itself—that the work of research should be commenced, under a committee, by directly utilizing the extensive laboratories of McGill, Toronto and Queen's Universities—each in the special lines for which it was equipped and in which it was already doing effective work in research; that special experts in these lines, with post-graduate assistants, devoting their whole attention to the work, should be employed in each university; and that all work should be co-ordinated by the committee, in order that each laboratory should have before it only those problems which it could efficiently undertake.

From this as a beginning, the research investigations could be extended to other institutions, especially in the industrial centres, which, in time, provided the necessarily large equipment; or, as in Great Britain, the government could aid with grants, through the research committee, any institution which was grappling with a special industrial problem of great interest to the country. Thus, our Canadian industries could, in a larger way, have trained expert knowledge placed at their disposal in overcoming difficulties which often present themselves, or in seeking new and improved methods of manufacturing, or in discovering and adapting to industrial uses, the numerous possibilities which are stored away among the vast resources of this country. At the same time, in the post-graduate assistants, men would be specially qualified as experts, who will be invaluable in the laboratories, which must accompany all the great manufacturing and mining establishments of the future. This suggestive plan can still be carried out. The cost to the government would be a bagatelle. The German State Governments have for a great many years in the past expended vast sums annually on their universities, especially in research on industrial lines, and it is claimed that whatever position that empire has attained in commerce, manufacturing and agriculture, as well as in the army and navy, is due to the direct work of its universities, and the men who have been trained there.

The two problems which have, this winter, entered deeply into the public mind, are those of food for ourselves and the allied nations, and fuel for domestic, manufacturing and transportation purposes. Food is chiefly an agricultural problem, involving, not so much increased areas under cultivation, as our governments appear to imagine, but much larger production on existing areas, through more fertilizing of the land and better cultivation. What have our farmers to say when the average production in Scotland, for ten years past, has been, of wheat over 39 bushels and of barley over 35 bushels per acre, as against the averages for Canada last year of 16 bushels of wheat and 23 of barley?

With the lower prices here than in Scotland, the question may well be asked, "Does grain farming pay?" And yet, Prof. Zavitz tells us that at the Guelph Farm, 55 and 59 bushels of barley have been obtained to the acre by the use of fertilizers. Our clear need is cheap, concentrated, standardized fertilizers, which divested as far as possible of all unnecessary associated matter, can be transported at low cost over the long railway journeys to the farms. In pursuance of this, our chemical and mining laboratories should further investigate the problems of separating the potash from our abundant feldspars, the phosphates from their associated rock, ammonia sulphate from the peats, nitric acid from the coke oven products, and of other sources of fertilizers, whilst they may well examine further into the extraction of nitrogen from the air, which, under present methods, requires too much power to be economical, not only in this process, but in view of the many other industries needing hydro-electric power.

But there are many other valuable manures, lying at our doors, which are at present neglected and which can be applied directly to the soil, or chemically or mechanically prepared for it. Fallen leaves in the forests and on our streets are more valuable than stable manure; the garbage and sewage of the cities and towns are so effective as fertilizers that every municipality should investigate methods for their disposal in this way, instead of carelessly permitting them to be accumulated in dumps, or to be deposited in the rivers and lakes, there to endanger the lives of the citizens of its own and other municipalities; the wastage and offal from the abattoirs, and of the fish, fruit and vegetable canneries are in the same way valuable, whilst the straw and chaff so often burned in our Northwest after the thrashing of the grain, the lawn cuttings of the cities, seaweed, shell marl, peat, sawdust, wood ashes, soft, and probably even hard coal ashes—all have their values in the soil and need only more detailed research on the part of the chemist to indicate the particular plants and particular soils for which they are suited. What is much needed is a farmers' and gardeners' vade mecum which would in brief, popular language, tell them of the special soils and fertilizers best suited to each of the different grains and vegetables, and of the various fruit trees, and the best methods of cultivation in each case.

Fish Valuable for Food.

There are other lines of research in food products. Investigation is greatly needed into the food values of the great numbers of species of fish found on both the Atlantic and the Pacific coasts, which are at present unfamiliar to the public, and not therefore being easily marketable, are not sought for by the fishermen, or, if caught, are thrown away. Probably every fish found in our cold northern seas is edible, and if the fishermen could sell everything they catch, not only would the supply be much greater, but the prices could be correspondingly lowered. Why should haddock and cod, and, to less extent, salmon, halibut, mackerel and smelts almost monopolize the public taste in its too limited demand for fish from the sea? As to fresh-water fish, the great problem is the systematized restocking on a large scale and at frequent intervals, of our lakes and rivers, already so largely depleted. This should be an international matter, in consequence of the vast areas occupied by the Great Lakes, separating there the United States and Canada, and the direct interest both countries have in sustaining the fishing industry. What appears to be needed is co-operation in finding the best methods of rearing the fry, transporting them to their feeding grounds at distant points, and caring for them there during their earlier stages.

Briquetting of Peat.

The problems connected with fuels involve not only an ample supply being available, but the conservation of heat itself, such a large proportion of which, under present methods, is allowed to be dissipated into the atmosphere without any attempt at utilizing it. Peat has from time to time attracted attention with us as a fuel, in consequence of the extensive areas occupied by it in Canada, but thus far, the problems of successfully briquetting it to ensure that it will stand weathering, rough handling, and long transportation, as well as of its adaptability to steam and domestic purposes, and as a coke for smelting, have not been worked out. As peat is largely composed of fibres or tubes filled with water, a new English proposal is to grind the peat to a pulp, mould this pulp into briquettes, and submit these briquettes for a few hours to a drying machine, from which they emerge as hard, densified blocks, ready for steam or domestic purposes, and which can be converted into a charcoal or coke for smelting ores. How far is this a suggestion for economical application to our Canadian peats? The resulting coke represents about 40 per cent. of the densified peat, whilst the valuable by-products include sulphate of ammonia, acetic acid, phenols, alcohol, oils and a gas of which about 14,000 cubic feet can be obtained from a ton of the densified peat.

Conservation of Heat.

The large proportion of the heat derived from our fuels which goes up the chimney, without being utilized, may well be the subject of investigation. Probably two-thirds of the heat from our grate fires is, in this way, absolutely lost, and, in a less degree, this also applies to the furnaces in our houses, offices and factories. In our homes, where ample fires are maintained in these furnaces for at least seven months of the year, there seems no reason why arrangements might not be made, through alterations in the chimney and furnace, for utilizing the same fire for cooking as well as for heating. Further, by having the chimney in the centre of the house, instead of in the cold outside wall, the heat, as it ascended, could be utilized from floor to floor, radiating into at least four rooms on each floor, and utilized also there, for special purposes, as well as for heating. These ideas require careful thinking out, but are quite practicable, and, in our severe winter climate, would not only add to our comfort, and economize fuel elsewhere in each home, but would further utilize heat which is now thoughtlessly wasted.

Substitutes for Gasoline.

Notwithstanding Dr. Rittman's discovery of a process under which the production of gasoline from petroleum can be more than doubled, a pressing transportation problem at present is the scarcity and consequent high price of that motor fuel. In England, compressed gas, held in steel tanks with reducing valves, is being tried as a substitute, but attention here should be centered most on the possibilities of alcohol, the sources for which are so numerous on our American continent. The only satisfactory results obtained by the South African Research Committee were from alcohol derived from the cheap, Natal, sugar cane molasses, by adding a certain proportion of pyridine bases and wood naphtha or benzine. This may convey suggestions to our chemical experts in their investigations with alcohol from waste wood, sawdust, pulp mill liquors, potatoes, corn, and other readily available material. In Sweden and Norway, a sulphate spirit from the pulp mills has already been successfully used. In each country, it is a question of relative cost, as well as of the availability of the raw material.

Chemical Research.

Stimulated largely by the needs of the Allies in the war, many brilliant discoveries have been made in the domains of chemistry and of electro-chemical metallurgy, particularly in explosives and the methods of using them; in the extraction of copper, zinc, and other metals from refractory ores; in the Bessemer process of steel production; in dyestuffs; in anaesthetics; in manufactures of the finer grades of glass; and in scores of other important lines. Many of these discoveries are now being practically applied in the conduct of this great war, in which science is playing such a leading part, but will find their equal value in more peaceful operations when the war clouds have passed by. Chemistry has now found its place in the public mind as one of the most important aids to industry, and in its bearing on the needs of the future, it affords abundant further opportunities for research. Even when chemistry has only a partial, although important, part to play in what are, otherwise, mechanical or metallurgical processes, the opportunities are large. For instance, some of our common plants, and weeds of the wayside, capable of extensive cultivation, may yet furnish fibres of a fine grade suitable for high-class paper, or for use directly for, or mixture with, silk goods, or for mixture with wool to give a closer texture and a more attractive and warmer material than the present union goods. The discovery would be very important if, by some chemical or mechanical process, or both, the curl which is characteristic of sheep's wool, and which chiefly gives rise to the warmth of woollen material, by creating air interspaces everywhere with similar effect to that of the double window, could be communicated to any other sort of hair or fibre which is available in quantity.

CANADA AND WEST INDIES

Transportation Facilities Must Be Improved—Halifax and St. John

Editor, *The Monetary Times*:—

Sir,—The subject of closer commercial relations between Canada, the British West Indies and contiguous British territory—a reference to which appeared in a recent issue of *The Monetary Times*—is an opportune one for consideration at any time, and particularly now that Britishers everywhere should be arranging their post-war trade programmes. So far as Canada and the British West Indies are concerned, each country has commodities the other needs and which could be exchanged with mutual profit.

It was this feeling of mutual interest which led to the extension in 1913 of Canada's preferential tariff to the British West Indies and to the adjoining colony of British Guiana. Under this tariff there has been an increased development of trade between Canada and the British West Indies, but this has been comparatively small. If our manufacturers and shippers were thoroughly alive to the importance of their West India trade connection, and the necessary transportation facilities were available, it would be much larger.

During the fiscal year 1917, the exports from Canada to the British West Indies amounted to $5,179,083, as compared with $4,134,901 in 1916. Imports from the islands showed a much greater increase the figures for 1917 being $14,239,595, as against $6,354,991 in 1916.

Exports and Imports.

An analysis of the export figures shows increases in coal, codfish, herring, planks and boards, butter, canned or condensed cream and milk, flour, cereals, potatoes, clothing, cordage, drugs, fertilizers, glassware, rubber tires, boots and shoes, nails, steel manufactures, harness leather, paper, paints, ships, trunks, automobiles and household furniture, while there was a decrease in meats, pork, mackerel, pickled fish, salmon, scantling, staves, oats, peas, biscuits, brooms, oil cake, parts of automobiles and carriages and manufactures of wood.

In the matter of imports from the West Indies, increases are noted in beans, cocoanuts, cocoa, coffee extract, feathers, package fruits, honey, lime juice, sponges, nutmegs, sugar, syrups, vegetables, wax, cocoa beans, dyeing articles, drugs and old copper, the decreases being chiefly noticeable in molasses, salt, hides, oranges and grape fruit, bark extracts and crude lime juice.

The Barbados Advocate, in discussing improved commercial relations with Canada in a recent issue, remarked that:—

"It cannot be too strongly pointed out that this one market, that of the British West Indies, is comparatively close at hand, is waiting for further development, and possesses these direct advantages that the merchants there (in Canada) are strongly desirous of having more extensive and closer relations with us, and that, already, throughout these colonies there are active branches of two leading Canadian banks, ready to assist with information and banking facilities in developing our trade."

Transportation Facilities.

The same paper declares that these advantages would be futile if they were not linked with such transportation conditions as more frequent and quick steamship services between near Canadian ports and the British West Indies, fast through freight services with Canadian business centres timed to meet the arrival and departure of the steamships, and through freight rates and charges between the West Indies and Montreal and Toronto via a Canadian port not exceeding those via New York and Boston. There must also be cold storage facilities, cool, ventilated accommodation, especially for fruits, in both steamships and cars, rapid sailings and prompt handling of cargoes.

These results can be obtained only by the utilization to the fullest extent of the advantages possessed by the Canadian ports of Halifax and St. John. Both ports are open the whole year round. Both have close connection with central Canadian points, St. John having two transcontinental lines, the Canadian Pacific Railway and the Canadian Government Railway, while Halifax has the Canadian Government Railway. There is practically little difference in the ocean distances between Halifax and St. John and the West India Islands, Halifax having the advantage in the run to Bermuda of 21 miles. Against this, St. John has a decided advantage in the matter of land haul, by both transcontinental lines. By the Canadian Pacific, the rail and ocean mileage, from Montreal to Bermuda via St. John is 1,254 miles, while via Halifax and the Canadian Government Railway it is 1,588 miles. If the Canadian Government Railway line via Moncton were employed, St. John would still have a considerable advantage in the rail haul. This advantage will be increased with the completion of the Valley Railway connection with the government transcontinental line.

A recent bulletin from the trade commissioner at Barbados shows that in the shipment north of the molasses crop of 1917, a much larger proportion came via St. John than via Halifax. In other commodities, no doubt, Halifax excelled St. John.

St. John and Halifax.

In any scheme for increased development of West India and contiguous trade, which may be exploited after the war, the ports of St. John and Halifax must be considered together. Neither St. John nor Halifax would be satisfied with anything less. Whether the increased development scheme would be covered by an alternate direct service from and to the ports of St. John or Halifax by the Royal Mail Steam Packet line, or a direct service by either the Canadian Pacific Railway or the Canadian Government Railway, or both, are matters for future determination. There is no doubt that considering the short railway haul a direct Canadian Pacific Railway steamship line from St. John via Bermuda to the West India Islands and contiguous British territory in South America would be a most attractive one to Montreal and Upper Canadian shippers, and would greatly facilitate trade in the directions indicated.

What is more particularly needed at this moment is the concentration of the business thought of Canada upon the possibilities of these trade connections for Canadian manufacturers and shippers. The more publicity that can be given to this matter the better. Geography can be relied upon to furnish the balance of the argument.

Yours, etc.,
R. E. ARMSTRONG

St. John, N.B., March 12th, 1918.

ANOTHER PROVINCIAL GOVERNMENT LOAN

Another provincial government loan will be offered next week, the amount probably being $1,000,000. The prospectus is in preparation. So far this year $6,630,000 of Canadian provincial bonds have been successfully floated, at prices yielding the investor from 6 to 6½ per cent. The provinces thus accommodated are Saskatchewan, Manitoba, New Brunswick and Ontario. In the entire year 1917, the provinces borrowed only $6,382,500. Next week's loan will bring this year's total of provincial bond sales to $7,630,000.

PROPOSED FEDERAL RESERVE SUBSIDIARY

Suggested Bank in the United States and Its Relations to Canadian Banks

It is generally conceded that the suggested subsidiary of the Federal Reserve banks of the United States to handle foreign business, would have a considerable effect in promoting international trade and in facilitating financial intercourse. Canadian bankers naturally have been much interested in the recent Washington dispatches giving details of the organization and powers of the proposed bank, as set out in the bill just introduced to the Senate. In view of the more definite nature of the proposals, and on the presumption that Congress will enact the necessary legislation, Mr. H. M. P. Eckardt, who contributed several valuable banking articles to *The Monetary Times Annual*, discusses in The American Banker, of New York, some of the features or points which will particularly affect the business of the Canadian institutions.

To Every Bank in Country.

It is stated, he says, that the new Federal Reserve Foreign bank would extend accommodation not only to the twelve Federal Reserve banks, but also to every bank in the country, whether a member of the Federal Reserve system or not. Apparently the branches established in the United States by Canadian banks might thus be permitted to obtain accommodation. The seven New York agencies of Canadian banks carry on operations by authority of the New York State legislature. Similarly the Bank of Nova Scotia in Boston derives its powers from the State government of Massachusetts; the Bank of Montreal and the Bank of Nova Scotia in Chicago get their authority from the State of Illinois; the Bank of Montreal and the Canadian Bank of Commerce have the status of State banks in Washington—the latter institution having the same standing in Oregon; and the Canadian Bank of Commerce and the Bank of British North America, each have an establishment in California, which is subject to the control of the government of that state.

Canadian Banks' Position.

So, unless these institutions are excluded specifically or by means of a general prohibition, it would seem that they, along with the State banks of purely United States origin, would be eligible for participation in the benefits arising out of the change in the banking system. That is to say, these branches and agencies of the Canadian banks could presumably dispose of their foreign exchange bills, direct to the new bank, and also buy exchange directly from it when occasion required.

It appears that some of the important dealers in the New York exchange market have been somewhat apprehensive over the prospective encroachment of the Federal Reserve banks upon their special field of activity. They fear that if the new organization sets out to monopolize the exchange business, or if it over-regulates the market, there may be a drastic readjustment, which would affect them severely. The Canadian bank agencies have always been numbered among the important private dealers in exchange at New York. Not so long ago the leading Canadian banks were reputed to be the largest dealers in exchange, but latterly several of the great American banking institutions have developed this department of their business to very large dimensions, and have taken the leading places in the market. However, the Canadian banks still constitute an important factor; and they, like the big New York banks, would be affected if the new quasi-official bank adopts an aggressive policy.

Foreign Exchange.

At present several of the leading National and State banks negotiate the sterling and other foreign exchange sent to them by their numerous correspondents at interior points, and they buy exchange in large amounts direct from shippers or exporters, not only from those domiciled at New York, but also from many large concerns located elsewhere. The Canadian bank agencies naturally derive a considerable supply of exchange from their own branches in the Dominion, and they also have connections with a few American banking institutions at interior points, and quite a number of important American exporters. So far as the exchange from their Canadian offices is concerned, they are practically certain to retain it. On receiving the bills from Canada, they would perhaps dispose of the exchange to the new Federal bank, if it offered the best rates. Perhaps, in any case, there will be enough exchange business for all the recognized dealers, even after the new institution begins its operations. It will represent an additional place at which the other dealers may transact business; and conceivably it will furnish them with funds on satisfactory terms for carrying on their own deals.

Canadian and Federal Reserve Banks.

Then the new foreign bank is to be authorized to receive deposits from American and foreign banks, and from the American foreign governments. This clause if enacted would apparently open the way for the head offices of Canadian banks to carry accounts with the Federal Reserve Foreign bank. If the operations of the new foreign bank are to be restricted to exchange bills relating to imports to, or exports from the United States, that would prevent the Canadian bankers from utilizing there the large volume of bills drawn against Canadian exports to Great Britain. These bills are now largely negotiated in New York, and it would seem to be a good point if the new bank were empowered to take them. Since the war began it has been demonstrated time and again, that special legislation on trade and finance, which treats Canada as a foreign country, creates hardships, and causes loss to business men in both countries. Examples of this are seen in the United States embargo upon exports and the recently imposed regulation regarding imports into the United States. To broad minded observers it seems that the best results are obtained from the policy of recognizing that in these matters the United States and Canada are practically one country. Both are now giving all their energy and attention to the sacred purpose of preserving the world from the domination of a cruel military oligarchy; and that being the case it seems to many of the bankers, and business men that the cause of the Allies and the best interests of the United States and Canada would be promoted if Washington in placing its embargoes, regulations, and prohibitions re foreign trade, specifically excepted Canada. This would make for closer harmony and greater efficiency; and would also tend to make the post-bellum trade and financial intercourse of the two North American countries more intimate and more advantageous to both, concludes Mr. Eckardt.

NIAGARA FALLS POWER COMPANY

The Niagara Falls Power Company and the Canadian Niagara Power Company for the year ended December 31st last showed a total operating revenue of $3,225,115, as opposed to $3,062,835 in the preceding year. The operating expenses showed a great expansion, totalling $1,207,886, as against $851,896 in 1916. The net operating revenue was $2,017,229. The net income was $2,195,804, as against $2,365,815 the previous year. The surplus is $1,200,064; at the end of 1916 it was $1,362,116. The companies have $25,565,711 invested in real estate, power stations etc., $2,200,525 in investments, and $1,605,617 in cash. During the year $300,000 was put into United States government 4's and $250,000 into the Canadian Victory Loan. The total assets of the companies amount to $32,303,382. The Niagara Junction Railway Company, a subsidiary, showed an operating revenue of $184,365, as against $156,053 the previous year. The operating expenses were $115,395 and the net earnings $68,970. The net earnings, owing to the higher operating costs, showed a slight decrease from those in the previous year.

FOR CANADIAN EXPORTERS

In view of the fact that the prohibited list of imports into the United Kingdom is subject to change at any time, Canadian exporters should communicate with the department of trade and commerce, Ottawa, before making arrangements to ship articles to the United Kingdom. When possible the information desired will be furnished.

If the shipment is destined for any country other than the United Kingdom or British possessions, inquiries should be addressed to the customs department, Ottawa, to ascertain whether or not an article is prohibited from being exported and if a license for the export of the commodity referred to can be granted.

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NEED FOR BANKRUPTCY ACT

For twenty years, the advisability of enacting a federal bankruptcy law has been discussed. We are still without that very necessary and desirable legislation. Public opinion is now practically unanimous in its demand for this legislation. There is no reasonable objection to the government taking steps at the coming session to give Canada a bankruptcy law for which we will not be compelled to apologize every day. In an address to the Ontario Bar Association at Toronto recently, Mr. S. W. Jacobs, K.C., a barrister of Montreal, made a forceful plea for proper bankruptcy legislation. After tracing the numerous attempts made from year to year to get Parliament to act in the matter, he described in detail the dangers and disadvantages of the existing and diverse legislation in Canada. He made it quite clear that laws affecting bankruptcy and insolvency go to the very root of our present-day civilization.

One of the important points made by Mr. Jacobs was the relation of our defective bankruptcy laws to the development of Canada's trade abroad. While traders from the United Kingdom, France, Belgium, the United States, and so on, are met with uniform customs, banking and other laws, they are met also with insolvent laws enacted by the various provinces of the Dominion, which do not possess that uniformity which is so desirable in such matters. It is of the utmost importance that we should have a uniform legislation, applicable to the whole Dominion, in order that outside traders in their dealings with us may not find themselves face to face with a country divided, from a legislative standpoint, into four or five provinces, in matters of such considerable importance.

Mr. Jacobs pointed out that the British North America Act gives to the Parliament of Canada the power to enact legislation on bankruptcy and insolvency, recognizing, no doubt, that legislation of this kind, intimately bound up, as it is, with trade and commerce, should have application throughout the Dominion. "Trade interests are of national importance," he said, "and local or provincial considerations should be brushed aside, when measures looking to stimulation of commerce are in question. A merchant in one part of the country should be encouraged to deal with a trader in any other part of the country, and the greater the expansion of trade effected in this way, the more does it make for the breaking down of prejudices, petty rivalries, and provincial differences. In the effort to stimulate trade, a harmonious legal system is bound to be a factor of no small importance." There is no good excuse for delayed action in this matter.

FOR INVESTORS

Many of the 800,000 people of Canada who made their first investment during the Victory Loan campaign are already being approached by unscrupulous dealers and asked to sell their securities at ridiculously low prices. The warning issued by the department of finance in this connection is very timely. It must not be forgotten that there are many legitimate channels for investment and that there are well-organized and established organizations from whose members quotations on all securities may be procured, such as the Montreal or Toronto Stock Exchanges. Membership in these bodies is composed of firms who have well established a recognized permanent business office address and who must live up to the ethical standards established by the exchanges.

At considerable expenditure, facilities have been installed for procuring all kinds of information which may affect security values in any way by numberless private wire connections with all parts of the world. Seeking investment knowledge and advice of such investment houses will, unlike the counsel given by other specialists, cost nothing. Though money may sometimes be easily made, it can be far more easily lost, if carelessly invested.

TRADE RETURNS

The transportation difficulties, rail and ocean, are reflected in the trade figures. Our exports of agricultural products in January were valued at only $26,000,000 compared with $91,000,000 in the previous month, despite the urgent demand of the United Kingdom for our products. A better record was made in regard to manufactures. In December, the total volume of exports under that head was the smallest during the past year. A considerable improvement occurred in January when exports of manufactures were valued at $41,383,115, an increase of nearly $8,000,000, representing more than 40 per cent. of the total exports of all classes. Another satisfactory gain was $4,500,000 in "animals and their produce," while increases were shown under the heads of "the mine" and "the fisheries." How our export totals during January and December last were made up, is shown in the following table:—

Exports of—	January, 1918.	December, 1917.
Mine	$ 5,528,992	$ 5,026,041
Fisheries	3,390,587	3,016,059
Forest	3,110,324	3,836,909
Animals	15,918,079	11,433,910
Agricultural	26,390,294	91,216,447
Manufactures	41,383,115	33,635,790
Miscellaneous	494,893	246,763
Total	$96,216,284	$148,411,919

Our imports in January were valued at $60,000,000 compared with $61,000,000 in December and $107,000,000 in May. Imports, which have been decreasing steadily since the summer of 1917, largely because of the difficulty of securing raw materials in the United States, were the smallest reported in any month in more than a year. Because of a decrease of $13,000,000 in the import figures the net trade balance in favor of Canada was in January last nearly $9,000,000 higher than in January a year ago, and a new record for the month. If our imports continue to decline and our exports increase, the trade balance will rapidly improve. At the same time, as a large part of our imports are raw materials from the United States and as much of the product is finished here for export, a decrease of imports will to some extent affect the volume of our export trade also. Our trade balance may possibly be improved by a compulsory reduction of the importation of articles which may properly be considered luxuries. This matter is having the consideration of the War Trade Board.

BANK AMALGAMATIONS

The continued amalgamation of banks in the United Kingdom has excited much comment in banking and trading circles. The extent to which they have proceeded in the last twenty-five to thirty years is seen from figures presented in a recent issue of The London Economist. The thirty-four English joint stock banks in existence in 1917 have been reduced to thirty-three as a result of the amalgamation of the London and Provincial and London and Southwestern. If the provisional agreements between the National Provincial Bank of England and the Union of London and Smiths and the London County and Westminster and Parr's are completed there will be a further reduction to thirty-one. The Banking Almanac for the current year shows that in 1886 the average amount of deposits in each bank was about £2,750,000, while by the end of 1917 it had increased to £40,000,000 or £42,500,000 on the assumption that the mentioned amalgamations will proceed. In 1872 one bank office existed for every 12,766 inhabitants, but now there is one for every 5,030.

While certain important proposals for further bank mergers were being discussed, Mr. Bonar Law, chancellor of the exchequer, was asked by a member of parliament whether his attention had been called to the possible danger to the commercial community of the concentration of banking business into monopoly concerns. The Chancellor did not accept this definition of the movement, which was obviously exaggerated, but, without expressing any opinion on the question of principle, considered that the matter was one of public importance, and intimated his intention of appointing a committee consisting of bankers, merchants, and manufacturers to consider and report to what extent they thought it desirable in the public interest to interfere with such arrangements. In the meantime he expressed the hope that any further schemes which might be contemplated would not be proceeded with, the hope in such a case being almost tantamount to a demand. The London correspondent of the New York Annalist crystalizes the objections heard overseas as to the concentration of banking resources. The feeling is, he says, that a money trust may be the outcome, with results detrimental to the national interest. This is not the case in Canada. The approval of the Royal-Northern Crown bank merger by the department of finance indicates that amalgamations are sometimes a source of strength to the banking and business position, rather than otherwise.

ARRANGEMENTS FOR RAILS NEARLY COMPLETE

Arrangements whereby the need for rails for renewals on the Canadian government railways and the Canadian Northern system during the present year will be met have been practically completed by Hon. J. D. Reid, the minister of Railways and Canals. The purchase of 355 miles of 67-pound rails, which were rolled in the United States under orders placed there by the Russian Purchasing Commission, has been completed, and some of the steel is now on its way to Canada.

Negotiations for an additional 150 miles of rails, manufactured for Russia, have also been practically completed, making a total of some 500 miles available for replacement on the lines now owned or controlled by the Canadian government.

There is also a possibility that 350 miles of 80-pound rails on the Hudson Bay Railway will be lifted for use on lines where traffic is more dense and will be replaced by the lighter rails being obtained from the United States.

RIORDON COMPANY'S SHIPMENTS MOVING FASTER

An official of the Riordon Pulp and Paper Company states that the difficulty experienced in getting shipment of stocks on hand through shortage of cars is gradually adjusting itself. Shipments are now going forward much more freely and orders awaiting shipment are being reduced. The situation has not entirely clarified itself as yet, but with more favorable weather conditions now in sight there should be a distinct improvement from now onward. The United States still owes Canada about 20.000 cars, and these are said to be coming in more freely of late.

Sales of the company are running most satisfactorily, and the company is assured of capacity business for a long time to come.

Mr. E. B. Leroy, resident manager of the Canada Permanent Mortgage Corporation, of St. John, N.B., will retire May 1st, and be succeeded by Mr. H. M. N. Stanbury. Mr. Leroy is coming to Toronto to reside.

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RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Kingston, Ont.—March 12—The Central Public School, on Sydenham Street, was damaged. Estimated loss, $5,000.

London, Ont.—March 8—Contents of the United Typewriter Company's office in the Ashplant building were destroyed.

Marysville, N.B.—March 6—Home of Mr. E. J. Kingsley was destroyed. Caused by defective flue.

North Toronto, Ont.—March 12—House of Edward Hurst, Willowdale, North Yonge Street, was destroyed.

Point Edward, Ont.—March 6—The old office building of the late Dr. McLaren on Front Street was destroyed. Estimated loss, $500.

Quebec, Que.—March 8—Back part of Messrs. Dombrowski Brothers' furniture store, situated on the ground floor of the Merger building, on St. Joseph and Crown Streets, was damaged.

Saskatoon, Sask.—March 10—The J. H. Ashdown's wholesale hardware store was destroyed. Estimated damage to building, $100,000; to stock, $500,000.

South Devon, N.B.—March 4—House of George Ward was damaged. Caused by defective flue. Estimated loss, $60.

Souris, P.E.I.—March 10—Building owned by Dr. Sullivan, and used by himself and the Eastern Grocery Company, was destroyed. An estimated loss of $9,000 is divided between them.

Sydney Mines, N.S.—March 7—The McRae block and several adjoining buildings were destroyed. Estimated loss, $75,000.

Toronto, Ont.—March 11—Grocery store of Mr. Leparick, 150 Dundas Street, was destroyed. Caused by rats nibbling matches. Estimated damage to contents, $1,000; to building, $700.

March 12—Two ferry boats of the Toronto Ferry Company were destroyed.

March 13—The Adams Furniture Company's garage, four auto trucks and adjoining buildings were damaged. Estimated loss, $3,500.

Vancouver, B.C.—March 3—Vacant house at 2003 Hastings Street East was damaged.

Windsor, Ont.—March 5—The brick block on the corner of Hall Avenue and Wyandotte Street was damaged. Caused by overheated stove in E. Miller's apartment. Estimated loss, $3,000.

Winnipeg, Man.—March 7—The B. Miller's stationery store, in front of the Grand Theatre, on the corner of Main Street North and Jarvis Avenue, was destroyed. Estimated loss, $3,500. Insurance to the amount of $1,000 was carried in the Yorkshire Fire Insurance Company.

ADDITIONAL INFORMATION CONCERNING FIRES RECENTLY REPORTED

Conaston, Ont.—February 26—The frame schoolhouse was destroyed. Estimated damage to building, $10,000; to contents, $1,018. Insurance on building is carried in the Phœnix of England, Employers' Liability and Springfield Fire Insurance Companies. Insurance on contents is carried in the Phœnix Insurance Company.

Orillia, Ont.—The Royal Bank was damaged. The building was owned by Mrs. Breen, and the loss was $780. Royal Bank supplies were damaged to the extent of $150. Insurance was carried in the Liverpool and London and Globe Insurance Company.

Saskatoon, Sask.—Fire Chief Heath submits the following report for the month of February to *The Monetary Times*:—

An apartment block, owned by Mr. J. D. Ferguson, was damaged on February 9th. Caused by dropping of lighted match into varnish can. The estimated damage to building was $50, and the insurance was carried in the General Accident Insurance Company to the amount of $63,000.

On February 15th a dwelling-house, owned by Murray and Munroe, and occupied by Mr. Morton, was damaged. The cause was reported as children playing with matches. The estimated damage to building is $300; to contents, $199. A total insurance of $10,800 is carried in the Atlas, Commercial Union and Fidelity Phœnix Fire Insurance Companies.

Toronto, Ont.—February 26—The Hunter, Rose building, occupied by the Hunter, Rose Company, Limited, on Sheppard Street, was destroyed. The cause was reported as spontaneous combustion. Estimated damage to building, $5,000; to machinery, $20,000. The total insurance carried on building is $40,000, and is divided among the following companies: British America Assurance Company, $5,000; British Dominions General Insurance Company, $5,000; Caledonian Insurance Company, $5,000; Employerss' Liability Assurance Corporation, $5,000; Law, Union and Rock Insurance Company, Limited, $5,000; National Fire Insurance Company, of Hartford, $5,000; Northern Assurance Company, Limited, $5,000; Nova Scotia Fire Underwriters, $5,000.

The total insurance carried on machinery is $85,000. The following companies are interested: Dominion Fire Insurance Company, $10,000; Employers' Liability Assurance Corporation, $5,000; Liverpool and London and Globe Insurance Company, Limited, $5,000; London Guarantee and Accident Company, Limited, $2,500; London Guarantee and Accident Company, Limited, $2,500; London and Lancashire Fire Insurance Company, $5,000; London and Lancashire Insurance Company (Fire), $5,000; National Fire Insurance Company, of Hartford, $5,000; New York Underwriters' Agency, $5,000; Niagara Fire Insurance Company, $2,500; Norwich Union Fire Insurance Society, $5,000; Ocean Accident and Guarantee Corporation, Limited, $2,500; Phœnix Assurance Company, of London, $10,000; Provincial Insurance Company, Limited, $5,000; Union Insurance Society, of Canton, Limited, $5,000; Yorkshire Insurance Company, Limited, $10,000.

Vancouver, B.C.—Fire Chief Carlisle submits the following report for the month of February to *The Monetary Times*:—

The fire department responded to 46 alarms during the month of February.

The estimated total damage resulting from fires for this period was $5,586, of which amount $5,056 was covered by insurance, leaving the property loss above insurance at $530. The total value of the property involved was $277,550.

The following shows the cause of fires, alarms, etc., for the month: Children playing with matches 1, carelessness with matches, cigarettes 1, chimney fires 16, city limits (out of) 1, defective chimney and stovepipe connections 1, electrical origin (short circuit in wiring) 2, false alarms 5, fire escaping through check-draft in furnace pipe 1, firewood left on top of furnace and too near stove to dry 2, flying sparks (from chimney) 3, match in shavings on floor 1, overheated hot air furnace 1, overheated range 1, overheated stove 1, overheated stovepipe 1, smoke scares 3, stove placed too near wall 1, too big a fire in open fireplace 1, trucks loaded with matches caught in passing 1, unprotected chimney pipe 1, and unknown 1.

The following shows the value of property involved by fire, the total loss and the insurance carried: Fires where damage occurred, 17; total value of property involved by fire, $277,550; total insurance carried, $191,150; total loss, $5,586; insurance paid, $5,056; property loss above insurance, $530.

Victoria, B.C.—Fire Chief Davis submits the following report for February to *The Monetary Times*:

Loss by fire on buildings, $353; Loss by fire on contents, $55. Total loss by fire on buildings and contents, $408. Insurance on buildings, $18,800; insurance on contents, $1,000. Total insurance on buildings and contents, $19,800. Property at risk, $330,400.

NOTICE TO APPLICANTS FOR PRIORITY ASSISTANCE

The war trade board desires to make the following suggestions to firms in Canada making applications for priority assistance: If all applicants for steel plates, for instance, would attach to their applications a letter giving full details of dimensions, sizes, and, when necessary, analyses, it would assist materially in the consideration of their application by the war trade board. The board has also sent out report blanks to dealers in scrap, and the prompt filling in and return of these would go a long way to assist the board in compiling correct statistics as to the quantity of this material in Canada. Report blanks have also been sent for the same purpose to those dealing in tin ingots, and the prompt return of these is equally desired.

The Bank of British North America

Incorporated by Royal Charter.

The Court of Directors hereby give notice that a dividend of Forty Shillings per share, less Income Tax, will be paid on the 5th April next to the Proprietors of shares registered in the Dominion of Canada, being at the rate of 8% per annum for the year ended 30th November last.

The dividend will be paid at the legal par of exchange on the 5th day of April next.

No transfers can be made between the 22nd inst. inclusive and the 4th prox. inclusive, as the books must be closed during that period.

JACKSON DODDS,
Secretary.

No. 5 Gracechurch Street,
London, E.C.
March 5th, 1918.

THE MOLSONS BANK

Capital Paid-Up, $4,000,000 Reserve Fund, $4,800,000

Incorporated by Act of Parliament 1855.

HEAD OFFICE ... ... MONTREAL

BOARD OF DIRECTORS

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Trenton
Wales | Waterloo
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Foster
Fraserville and Riviere du Loup Station
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Lachine
Lachute | Matane
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" St. James St.
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" Maisonneuve
" Cote des Neiges
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Richmond
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Agents in Great Britain and Colonies—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

Foreign Agents—France—Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

THE BANK OF NOVA SCOTIA

Capital paid-up - $	6,500,000
Reserve Fund -	12,000,000
Total Assets over	130,000,000

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS

CHARLES ARCHIBALD, President
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Vice-Presidents
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General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

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30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
10 in Quebec
14 in Western Provinces

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Bay Roberts
Bell Island
Bonavista
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Burin
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Catalina
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Fogo
Grand Bank
Harbor Grace
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

COINSURANCE CLAUSE IN FIRE POLICIES

Percentage of Coinsurance Principally Used in Fire Insurance is Eighty—An Interesting Explanation

"The percentage of coinsurance principally used in fire insurance is 80," said Mr. Fred. A. Burgess, manager of the insurance department of Messrs. Waghorn, Gwynn and Company, Limited, of Vancouver, in his address on February 11th, before the Insurance Institute of that city, "and the clause is usually worded as follows:—

" 'It is a part of the consideration of this policy, and the basis upon which the rate of premium is fixed, that the insured shall maintain insurance concurrent in form with this policy, on each and every item of the property hereby insured, to the extent of at least 80 per cent. of the actual cash value thereof, and that, failing so to do, the insured shall be a coinsurer to the extent of an amount sufficient to make the aggregate insurance equal to 80 per cent. of the actual cash value of each and every item of the property hereby insured, and, in that capacity, shall bear his, or her, or their proportion of any loss that may occur.'

Added to Clause.

"To this clause," he continued, "is generally added the following:—

" 'In the event that the aggregate claim for any loss is less than $2,500 (provided, however, such amount does not exceed 2 per cent. of the total amount of insurance upon the property described herein and in force at the time such loss occurs) no special inventory or appraisement of the undamaged property shall be required.'

"The 80 per cent. coinsurance clause," said Mr. Burgess, "is an obligation on the part of the assured to maintain insurance during the currency of the policy equal in amount to at least 80 per cent. of the actual value of the property insured. The fixing of values in advance—i.e., at the time of the effecting of the insurance—as a basis for the settlement of the loss in connection with this clause, is not sufficient. In the actual settlement of losses account must be taken of changes in values, by reason of increased or decreased cost of materials or labor or depreciation through age, use or fluctuation in market prices of commodities. A revaluation of buildings or plants after a term of years, and stocktaking at least once a year, or at seasons when stock fluctuates should therefore be recommended.

When Property is Destroyed and Insured.

"The 80 per cent. coinsurance clause would not affect the settlement of a loss under a policy in the following cases: 1st. When the property insured is totally destroyed, as the full amount of insurance would be paid upon satisfactory proof of such total loss. 2nd. When the property is insured for not less than 80 per cent. of its actual cash value, whether the loss be total or partial.

"A percentage coinsurance clause affects the settlement only when both the amount of the loss and the percentage of insurance carried to value are below the coinsurance percentage stated in the policy as per the following example:—

"Assured sustains a loss of $400 on property worth at the time of the fire $1,000. He holds a policy for $700 subject to the 80 per cent, coinsurance clause. Sound value of the property at the time of fire, $1,000; amount of insurance required under the 80 per cent. clause, $800; amount of insurance actually held, $700; showing a deficiency (which is the amount the assured contributes on as a coinsurer) of $100. The loss, amounting to $400, is apportioned as follows: The company insured $700 and contributes 700/800ths of the loss, $350; the assured is a coinsurer for $100 and contributes 100/800ths of the loss, $50, showing the assured a loser by $50 for not having maintained insurance up to 80 per cent. of the value, as agreed upon under the 80 per cent. coinsurance clause.

"One of the first features noticed by the underwriter in examining a report of a policy issued on a building of ordinary, substantial or fire resistive construction is whether the contract carries a coinsurance clause, and this also applies to risks on stocks or to special hazards, after the commercial rating of the assured has been accepted as passable.

"It will thus be seen that from the standpoint of the insurance company coinsurance is considered one of the most important features in the contract, and it naturally follows that there must be sound reasons for this. If you will kindly bear with me I shall endeavor to elucidate.

"For example, a building is not encumbered in its revenue producing career by a mortgage, and therefore not compelled to carry insurance at all. The owner finds he has a very valuable piece of ground in the heart of this city and decides to erect a fine building of such construction and appearance as to last many years and thus insure tenantry. He studies the fire-fighting apparatus, water supply and personnel of the city's fire department and decides that on account of the class of exposing buildings and the class of any new ones likely to be erected, he does not believe his block will have one chance in a hundred of being totally destroyed or even damaged to a very high percentage by fire. Like every other human being he wants a very low rate of insurance, claiming that on account of the superior construction of his block and of those blocks exposing, his building cannot be totally destroyed by fire. He obtains his very low rate, not only because he wants it, but because the system of rating gives it, and then proceeds, after being canvassed very ardently, to place an amount of insurance, say, $30,000, which, to his mind, is about the maximum amount of damage which could be done before the city's department extinguished a fire. The agent may be successful in persuading his company, he tries hard anyway, and succeeds if the company represented by him is hungry for premiums or is new in the agency and wants to cultivate it, to write the risk.

Company Gets Advice.

"The company will, no doubt, be in receipt of some very nice letters telling it how to properly underwrite and what a lot of new risks it will get if it takes this line; but on the other hand the owner of the building will be probably told by the agent that he is in receipt of a letter from his company to the effect that it does not care to only insure the painting, wood trim, glass and frescoe work of the building without insuring the rest of the structure. This argument or stand of the company is no doubt considered by the owner to be unreasonable and befogging, but the agent says the company knows that its stand is not clear to the owner, but if he will agree to insure his block up to 70, 80 or 90 per cent. of the value and maintain that amount of insurance, they will give him certain percentages of reduction from the very low rate which the owner at present enjoys.

Universal Schedule.

"In 1902, after several years of labor, a committee of 34 eminent fire insurance men of the United States closed its work of endeavoring to form what was called a universal schedule. This committee went into the question of coinsurance very carefully, and in the universal schedule the reasons for the coinsurance clause from the companies' standpoint are carefully set forth and give a clear conception of the why of coinsurance and the reduction of rate therefor.

"The experiences of companies as to the distribution of losses according to percentage of value in fire department cities is about as follows: 68 per cent. are under $100 in amount: 15 per cent. are over $100 and under 25 per cent. of the value of the property; 7 per cent. are between 25 per cent. and 50 per cent. of the value of the property; 5 per cent. are between 50 per cent. and 80 per cent. of the value of the property; 5 per cent. are total losses.

"It will be apparent that coinsurance or contribution is of no value to the insurance company on total losses or those under $100 as the coinsurance clause has a waiver.

"It is on the remainder, or 27 per cent. of the losses (those that are over $100 in amount, but not total), that the coinsurance clause is a benefit, but the fact must not be lost sight of that insurance companies grant reduction in rate on policies written with a coinsurance clause. Therefore, they have a chance to receive a benefit salvage on but 27 per cent. of the losses, and reduce their premium income without securing a resultant benefit on 73 per cent.

No Allowance in Rate.

"In the part of the Dominion where the Canadian Fire Underwriters' Association rating schedule is in use, no greater allowance is made in the rate for the 90 per cent. coinsurance clause than for the 80 per cent. clause. In British Columbia a greater reduction is allowed from the rate, for the higher percentage of coinsurance. In Eastern Canada blanket cover is allowed for 90 per cent. or 100 per cent. coinsurance and in British Columbia we do the same, only in the blanket cover we do not allow a greater reduction for the 90 per cent. than for the 80 per cent. specific as the blanket cover is obviously worth something to the assured. So that in the matter of reduction in the rate for coinsurance British Columbia is more lenient than they are in Eastern Canada. If we adopt the Canadian Fire Underwriters' Association system, we must

THE

Merchants Bank

OF CANADA

ESTABLISHED IN 1864

Capital Paid-up - - - - -	$7,000,000
Reserve Fund and Undivided Profits	7,421,292

Head Office, MONTREAL

Board of Directors:

Sir H. MONTAGU ALLAN, President
K. W. BLACKWELL, Vice-President

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F. ORR LEWIS
ANDREW A. ALLAN
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ALFRED B. EVANS
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LT.-COL. J. R. MOODIE

E. F. HEBDEN, Managing Director
D. C. MACAROW, General Manager
T. E. MERRETT, Supt. of Branches and Chief Inspector

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Montreal, Head Office: St James St.
" 1255 St. Catherine St. E.
" 320 St. Catherine St. W.
" 2215 St. Denis St.
" 1319 St. Lawrence Blvrd.
" 1866 St. Lawrence Blvrd.
" 672 Centre St.
" Notre Dame de Grace
Beauharnois
Bury
Chateauguay Bsn.
Grand Mere
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" Notre Dame St.
Maisonneuve
Napierville
Ormstown
Quebec
" St. Sauveur
Quyon
Rigaud
Shawville
Sherbrooke
Ste. Agathe des Monts
St. Jerome
St. Johns
St. Jovite
Vaudreuil
Verdun

ONTARIO

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Alvinston
Athens
Barry's Bay
Belleville
Bothwell
Brampton
Brantford
Bronte
Chatham
Chatsworth
Chesley
Clarkson
Collingwood
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Douglas
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Finch | Ford
Port William
Galt
Gananoque
Georgetown
Glencoe
Gore Bay
Granton
Guelph
Hamilton
" East End
Hanover
Hespeler
Ingersoll
Kincardine
Kingston
Kitchener
Lancaster
Lansdowne
Leamington
Little Current
London
London East
Lucan | Lyn
Manitowaning
Markdale
Meaford
Mildmay
Mitchell
Napanee
Newbury
New Toronto
Niagara Falls
Oakville
Orillia | Ottawa
Owen Sound
Parkdale
Pembroke | Perth
Petite Cote
Prescott
Preston
Renfrew | Sarnia
Stratford
St. Eugene
St. George
St. Thomas
Tara
Thamesville
Thorold
Tilbury
Toronto
" Wellington St.
" Parl't St.
" Dundas St.
Dupont and Christie Sts.
Wallaceburg
Walkerton
Walkerville
Waterford
Watford
West Lorne
Westport
Wheatley
Williamstown
Windsor | Yarker

MANITOBA

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Carberry
Gladstone
Hartney
Macgregor
Morris
Napinka
Neepawa
Oak Lake
Portage la Prairie
Russell
Souris
Starbuck
Winnipeg
" Bannerman Av.

SASKATCHEWAN

Antler | Arcola
Carnduff
Frobisher
Gainsborough
Gull Lake
Humboldt
Kisbey
Limerick
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Meacham
Melville
Moose Jaw
Oxbow
Prelate
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Regina
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Lethbridge
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Munson
Nobleford
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Ponoka
Red Deer
Rimbey
Sedgewick
Stettler | Strome
Tofield
Trochu
Vegreville
Viking
Wainwright
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BRITISH COLUMBIA

Chilliwack
Nanaimo
New Westminster
Oak Bay
Sidney
Vancouver
" Hastings St.
Victoria

NEW BRUNSWICK

St. John

NOVA SCOTIA

Halifax
Sydney

SUB-AGENCIES—*Ontario*—Beachville, Breslau, Calabogie, Coatsworth, Frankville, London South, Mimico, Mount Pleasant, Muirkirk, Newington, Pelee Island. *Manitoba*—Austin, Griswold, Lauder, Sidney. *Alberta*—Galahad, Grainger, Millicent, Minburn, Penhold, Rumsey, Heisler, Huxley. *Saskatchewan*—Senlac.

SAVINGS DEPARTMENT AT ALL BRANCHES.

New York Agency—63 and 65 Wall Street

Bankers in Great Britain—The London Joint Stock Bank, Limited
The Royal Bank of Scotland.

Toronto Branch—A. B. PATTERSON, Manager

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler -	President
W. D. Matthews .	Vice-President
C. A. Bogert - .	General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Established 1873 130 Branches

Capital (Authorized by Act of Parliament)	$5,000,000.00
Capital Paid-up	5,381,270.00
Reserve Fund and Undivided Profits	4,534,863.63

DIRECTORS

W. F. Cowan, President. W. Francis, K.C., Vice-President.
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Head Office, 15 King St. West TORONTO, Ont.
C. H. EASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE BANK OF OTTAWA

Established 1874
94 Branches in Canada

Capital paid up -	$4,000,000
Rest - - -	$4,750,000

A BANK WELL EQUIPPED TO SERVE THE PUBLIC

Drafts, Money Orders and Letters of Credit issued

Interest added half-yearly to Savings Balances

Toronto Branches: Cor. King East & Victoria Sts., Cor. Broadview Ave. & Gerrard St., Cor. Queen St. & Pape Ave.

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst
236 Broadview, Cor. Dundas St East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

fall into line with the rate reduction for coinsurance and will be bound to have an argument to face from the intelligent assured. Our system is certainly more scientific, but may be too fine to be of much practical use.

Gambling or Carelessness.

"A great amount of either gambling or carelessness takes place in the amount of insurance carried, and the following are the figures of the adjustment of the loss of the Quaker Oats Company, of Peterborough, Ont., by the fire of December 11, 1916. It will be observed that through under insurance the assured became a coinsurer to the extent of nearly $800,000:—

Sound value as adjusted	$2,228,416.03
Adjusted loss	1,852,218.46
Insurance required under 90 per cent. coinsurance clause	$2,005,574.43
Insurance carried	1,206,500.00
Deficit	$ 799,074.43

Apportionment.

Insurer.	Insures.	Pays.
Companies	$1,206,500.00	$1,114,245.14
Assured (shy)	799,074.43	737,973.32
	$2,005,574.43	$1,852,218.46

"The Quaker Oats plant was sprinklered and 'fireproof,' but that did not prevent an immense loss. Owing to conflagration experience the insurance companies fortunately no longer use the word 'fireproof,' they use the term 'fire resistant.' One manager said that he missed the Quaker Oats loss because the coinsurance clause had a 10 per cent. waiver in it, and he refused to write the risk, which shows his good judgment, and he certainly cannot be classed as one of the insurance gamblers.

Are Clauses Traps?

"It has very often been claimed by those ignorant of the application of coinsurance conditions, that such clauses are tricks or traps laid by insurance companies to catch the unwary and as a matter of fact some States in the United States have legislated against the coinsurance clause. Nothing is further from the truth, however, and court decisions are sufficient evidence to refute any such statement. The name of the clause is bad and tends to misunderstanding and if we in Canada changed it to 'reduced rate average clause,' it would be much better.

"The coinsurance clause should be explained to the assured on every possible occasion, and for this reason I am of the opinion that a clause by another name and more simply worded should be used. I like the 'reduced rate average clause' as follows:—

" 'In consideration of the reduced rate at which, and the form under which this policy is written, it is expressly stipulated and made a condition of the contract that, in the event of loss, this company shall be liable for no greater proportion thereof than the amount hereby insured bears to 80 per cent. of the actual value of the property described herein at the time when such loss shall happen, nor for more than the proportion which this policy bears to the total insurance thereon. This clause, however, shall not apply to any loss which does not exceed 2 per cent. of the total insurance on the property.

" 'If this policy be divided into two or more items, the foregoing conditions shall apply to each item separately.'

Ignorant of Coinsurance.

"Those not engaged in the insurance profession are to a very great extent entirely ignorant of the meaning of coinsurance and look upon the slight saving of premium at the outset only too readily and then, when caught by not living up to their end of the contract, blame the agent for not explaining more fully. I have from time to time been told by business men that the insurance business is not brought out enough as an educational factor, as it is the bulwark of business and the backbone of all credit and being such a very important feature it should be studied. Speaking along this line I wish to mention a point pertaining to the mortgage business. A man loans a sum of money on a property and often takes in perfectly good faith a policy with loss payable to him as mortgagee, the amount of which is equivalent to his loan. The policy has a coinsurance clause in it and the mortgagee thinks he is fully protected, seeing he has a good company. He may, or may not be, but the fact that his policy reads for, say, $5,000, is by no means evidence that it is $5,000 of insurance. If the mortgagor wishes to take advantage of the lower rate by having his policies subject to a coinsurance clause then he should hand over to the mortgagee, and the mortgagee should also insist on it, all his insurance with loss, if any, payable to the mortgagee as his interest may appear. I saw an article on a case where the mortgagee being caught brought suit to the effect that the mortgage clause over-rode the coinsurance clause; but the decision was against him. The case was tried in New York State. The mortgage document provides that the mortgagee may demand insurance up to the full insurable value of the property with loss payable to him, and in my opinion the mortgagee should take advantage of this feature, as he is not called upon to take unnecessary chances when putting out his funds. This is particularly important at the present time when values are appreciating so rapidly. In fact, it is very dangerous just now for a mortgagee to accept as security a policy which is subject to a coinsurance clause.

Coinsurance was Compulsory.

"I have been informed through reliable sources that very many years ago the British government exacted a duty on all fire insurance contracts and at that time there was a law to the effect that no one could recover under a fire insurance policy more than a proportion of his loss unless he was carrying coinsurance up to 100 per cent. of the value of the property. To this extent 100 per cent. coinsurance was mandatory or compulsory at that time.

"There are, of course, many very simple examples of the coinsurance clause which could be set out, such as insurance on two or more buildings under one sum or the subject of blanket insurance.

"The point I wish to bring out most forcibly is the fact that there is not sufficient educational propaganda in the insurance business for the benefit of those engaged in other lines of endeavor and from whom we must obtain premiums.

"The insurance profession is an honorable one. It is the backbone of all credit, the bulwark of business and a most generous, economical and efficient collector and distributor of funds for those in adversity by reasons of calamity, and as such an important part of the business of the world, I hold it should command the dignity and respect it so ably deserves."

LIFE INSURANCE IN CANADA

Commenting on life insurance in Canada, the Insurance Press, New York, says:—

Attempts to approximate the effect of war upon the insurance production of United States companies by a comparison with the experience of English companies have proven unsatisfactory by reason of the general difference in human traits and office practices between the two nations.

A more reliable basis for comparison is furnished by the preliminary reports of life insurance transactions in Canada in 1917. Conditions across the border, both with respect to public attitude, agency management and business customs, are somewhat akin to conditions in the United States.

Despite the fact that the Dominion has loyally borne a heavy burden in the form of taxation and drafted men, the people of Canada last year purchased 10 per cent. more life insurance than in any previous year, the total being closely estimated to be $260,000,000, against $231,101,625 in 1916.

One might naturally suspect that the heavy mortality from war losses, and the financial drain upon the public of providing for war taxes and war loans would cause a high lapse ratio of outstanding insurance. But, according to the estimated figures, it would appear that the insurance gained last year was considerably greater than the increase for any preceding year, thus indicating that the war acually produced a stabilizing effect upon life insurance in force.

It may be difficult to explain satisfactorily these two significant increases, by reason of the fact that Canada is not presumed to enjoy a corresponding prosperity with the United States. However, the experience of Canadian companies and agents last year should be most reassuring and encouraging to their comrades on this side of the boundary, who, by reason of the tremendous impetus to United States industry as an outgrowth of the production of war necessities, have vastly superior opportunities, and accordingly should secure a proportionately greater share of the nation's prosperity.

THE STERLING BANK
OF CANADA

Many business houses have proved the completeness of our service in the solution of financial problems.

Head Office
King and Bay Streets, Toronto 63

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. Established 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL	$ 19,524,300.00
RESERVE FUND	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

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ESTABLISHED 1865
Union Bank of Canada
Head Office - WINNIPEG

Paid-up Capital	$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	140,000,000

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CANADIAN BANKRUPTCY LAW

Montreal Barrister Makes Strong Plea for Its Enactment —Banks and Other Creditors

"Why is it that year after year bills should have been introduced into our Federal parliament, having for object to correct abuses and simplify the law, without legislative effect being given to them?" This question was asked by Mr. S. W. Jacobs, K.C., barrister, Montreal, in a plea for a Canadian bankruptcy law, at the recent meeting of the Ontario Bar Association. After outlining the attempts to obtain this legislation Mr. Jacobs stated that it was admitted on all sides that a universal bankruptcy act makes for stability in commercial relations throughout the country. "It unifies the various provinces to this degree that it makes the law on this subject the same in all parts of Canada, permitting the lawyer to advise his Halifax client on the law as it exists in Vancouver," continued Mr. Jacobs. "It familiarizes the Bar of one section with the jurisprudence of the other section. It permits merchants throughout the country to know exactly what their legal position is, with regard to their various customers, and does away with the old feudal idea which in some parts of Canada would seek to prevent outsiders from having similar rights to those of their own province. (An instance of this may be cited from one of the Maritime Provinces, where a few years ago, and probably still to this day, traders assigning for the benefit of their creditors had the right, under the provincial act, to mention, in the deed of assignment, the parties whom they wished to have preferred over other parties and the court was bound to give sanction to such preferred creditors, to the detriment of others not so preferred.)

Duty of Parliament.

"Is it not the paramount duty of parliament to brush away every obstacle standing in the road of a uniform bankruptcy act, simple in its design, unequivocal in language, and expeditious in procedure? The great difficulty has been with regard to the provisions regarding discharge to the insolvent debtor, and this difficulty has no doubt been responsible for the failure of the measure to go through. The Federal authority, as already observed, by virtue of the British North America Act alone, is empowered to grant a discharge, and provincial legislative bodies are, under the British North America Act, prevented from dealing with this phase of bankruptcy law. Indeed, so far as the power of provincial legislatures is concerned, these can only apply the provisions of their respective local acts to the distribution of the debtor's assets, and nothing more, and it is therefore more or less of a misnomer to refer to statutes of the legislatures dealing with insolvent traders as 'insolvency' and 'bankruptcy' laws. It can readily be seen that any act which would seek to deprive a certain class of creditors of the full amount of contract obligations due to them, would meet with organized and concerted opposition at their hands.

Discharge to Insolvents.

"The Fortin and Monk bills were careful in their provisions to deal as lightly as possible with the question of discharge to insolvents, Mr. Fortin's bill providing that to obtain a discharge it was necessary to secure the consent of three-quarters, in value, of the creditors, as well as the payment of all privileged and preferred claims, and that the discharge to the debtor would not operate a discharge to the endorser on promissory notes, and further, that banks could in no way be affected by the provisions of the bill respecting discharge. Mr. Monk's bill contained provisions that all privileged and preferred claims were to be paid, and the consent of the creditors of at least one-half of the amount of the claims should be obtained, to give the insolvent his discharge.

"The objection, in my view, to these provisions, is that they did not deal widely enough in the matter of discharge. Where a debtor has been obliged to go through the insolvency courts, through misfortune, and as a result of uncontrollable circumstances, the law ought to give him an opportunity of obtaining a clean bill of health, without interference by his creditors, and any bankruptcy law which gives the creditors the right to declare whether a debtor should or should not be given his discharge is an infringement on the rights of the court, which alone, after hearing the evidence, ought to decide whether the circumstances justify a release from obligations. Were this not the case, the door is left open to abuses produced through the desire by certain creditors to obtain advantages over others. The debtor could be harassed by his creditors, with the threat that failure to pay an increased dividend, on the side, would bring about organized opposition of those who have it in their power to prevent the victim's rehabilitation.

Debtor and Misfortune.

"I do not presume to suggest that discharge be granted lightly or without careful investigation of the debtor's entire management of his business. Were this to be done, it would put a premium upon inefficiency and shiftlessness, and it must be the duty of the court to decide the extent to which the debtor has been responsible for his own misfortune, and where it is shown that the disordered state of his business is brought about through no dishonesty or wilful negligence, the law ought to consider it a matter of public policy to see that after a certain length of time the debtor is once more permitted to engage in business on his own account. This is in line with the well-considered opinion of the present day in all civilized communities, and differs materially from the rule which at one time prevailed throughout the world.

Banks and Other Creditors.

"Banks should have no rights different from general creditors, and any attempt to place these institutions on a footing different from others is bound to carry in it the germ which will ultimately destroy the benefit sought to be given to honest traders, and incidentally to the general community.

"Creditors recognized as privileged and preferred by law, such as landlords, might very well be brought into line also, in such a way that large portions of the assets belonging to the insolvent should not be diverted for the payment of these preferred claims, to the exclusion and detriment of general creditors, as is now the rule, particularly in the province of Quebec.

"Official assignees ought not to be given the extensive powers, or permitted to occupy the autocratic positions held by them under the old bankruptcy acts, and provisions whereby insolvent estates should be placed in the hands of an officer of the court, and under the direct supervision of such court, ought to find a place in any new bankruptcy measure brought before the House."

DENOUNCES PREMIUM BONDS AS LOTTERY

The proposal that Great Britain issue "premium bonds" with the view of stimulating the sale of its war loans has been criticized, and recently the Government Select Committee, which investigated the subject, decided against the measure. Among the severest critics of the plan is Sir Robert M. Kindersley, a director of the Bank of England and a financial expert of high standing. In view of the beginning of some talk in the United States in favor of a similar issue, his remarks may be of interest.

"The advocates of premium bonds," he says, "argue that to buy a premium bond is not gambling, because the purchaser can never lose his capital. This argument is hardly convincing when a certain portion of his yearly interest is to be used for a pure lottery. What they, in fact, say is this: 'If you will invest your money in a certain government security we will give you leave to subscribe a portion of your interest each year to an out-and-out government lottery.'

"But apart from the specious excuse that no gamble is involved in the issue of premium bonds, let us examine the real basis of the appeal. Is it to patriotism? Is it to the wise provision for old age or sickness? Is it to self-denial for the sake of those we have sent to fight for us? Is it to steady, continuous effort to help win the war? Surely it is to none of these. The appeal of the premium bond is frankly to the baser instinct of cupidity—to the desire to 'get-rich-quickly-without-effort.' It is suggested that the state should deliberately play upon and cultivate what is well known to be a weakness of human nature—a weakness which has probably wrought to mankind more mischief in the economic sphere than almost any other failing."

Disscussing what would happen after the war, Sir Robert says: "Even the most ardent supporters of premium bonds only look upon them as a war measure. Is it reasonable to suppose that, having cultivated this gambling spirit, the millions of small investors would return to the ordinary solid but unexciting investments? It is much more probable that they would become the prey of any financial shark who might dangle in front of them the possibility of a big increment of capital from some worthless mining or other speculative share, while their betting propensities would be found to have been greatly intensified."

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LOAN COMPANY'S AFFAIRS WILL BE CONSIDERED

Mr. J. A. C. Cameron, the Official Referee, has announced that a meeting of the debenture-holders, depositors and creditors of the defunct Dominion Permanent Loan Company will be held at Osgoode Hall on March 21st for the purpose of considering the position of the company's affairs. The shareholders' meeting, at the same place and for the same purpose, will be held on the following day. Prior to these meetings Mr. G. T. Clarkson, who has been acting in the capacity of provisional liquidator, will be appointed permanent liquidator.

On April 22nd the official referee will sit at Osgoode Hall to hear the report of the liquidator upon the claims of the creditors submitted, at which all parties interested are invited to attend. It has also been directed by the official referee that debenture-holders, depositors and all others having claims against the company must submit the same to Mr. G. T. Clarkson not later than March 18th.

LARGE FIRES IN MANITOBA

Mr. H. O'Connor, deputy fire commissioner for Manitoba, has made a report to Hon. Edward Brown, provincial treasurer, as to recent fires in that province. He says: "During February 91 fires were reported. Of these, 74 were in Winnipeg and 17 in other parts of the province; 41 of these have been adjusted at losses amounting to $174,141, and 50 fires in course of adjustment. Further adjustments have been made with respect to fires occurring during January with losses amounting to $129,001.83, bringing the total adjustments for that month to $201,413.34. In connection with the Caldwell Block fire, at the corner of Main and McDermot, the Riverview fire, the fire at 1010 Magnus Avenue, McLaughlin farm, Neepawa, and at La Riviere, there has been deplorable loss of life—seven in all. Carelessness in the use of matches and on the part of smokers is responsible for numerous fires, involving serious loss."

LIFE INSURANCE AND BANK CREDITS

Relation of One to the Other — Some Considerations for Business Men

"The corporations and partnerships of the nation are only beginning to awaken to the part which life insurance can be made to play in the affairs of not only large, but of the moderate and small sized business as well," said Mr. A. Gordon Ramsay, assistant superintendent of agencies of the Canada Life Assurance Company, Toronto, at a recent meeting of the Kiwanis Club, Hamilton.

"Until a few years ago," he continued, "the protection of the family was the only function of life insurance to be generally appreciated or even recognized. One of Canada's foremost bankers in referring to the intimate relationship between commercial life insurance and the extension of credit by his bank, recently said:—

" 'This bank always regards it as a favorable feature in a borrower's application when he is able to show that both his family and his business have been protected by life insurance against the contingency of his unexpected death. It often happens that the prosperity of a business is, in a large degree, dependent upon the continuance of a single life. In such a case, it is more than usually important to cover by insurance the risk of disaster to the business through the unexpected death of that individual. The bank, moreover, is always glad to see the position of a firm fortified by partnership policies, especially where the capital is so moderate in proportion of the volume of the business that no portion of it could be withdrawn without embarrassment.'

Success in Business.

"Commercial life insurance also interests the banker when he is passing on a credit risk from a moral standpoint. Of this the president of the Chase National Bank of New York says:—

" 'When a man comes to us to borrow, we want to know how much life insurance he carries, not so much because of its bearing on his financial power, but as an indication of his type of mind, for the type of mind that induces a man to insure his life, is the type of mind which makes for success in business.'

"Until lately, business insurance has been considered mainly in connection with the affairs of the larger firms. It is, however, becoming recognized that this form of protection is just as necessary, if not more so, to the smaller corporation, partnership or business man. One need only look round the city corner or enter a village to discover a modest partnership, be it a grocery, butcher or drygoods store, or a general store, which at this moment needs a class of protection for its business and its credit which the life insurance company alone can provide.

Death of Partner.

"The banker and wholesaler feel they are vitally interested in how this partnership customer will be affected by the death of one of the partners. What funds will be available for the purchase of his interest or for the continuation of the business? There may not be available sufficient capital or borrowing power to enable the surviving partner to purchase the interest of the deceased. Another partner with capital is difficult to find, particularly in a hurry. Frequently, it means a winding up of the business with loss to all concerned.

"If the estate retains its interest in the business, a situation in all probability develops which produces lack of harmony damaging to the efficiency of the surviving partner and hence damaging to the business. A partnership with his friend John's widow or executor will be very different from the old partnership.

"There are other aspects of this subject in which the bank is interested. To cite a few only. Business insurance protects the firm against the direct financial loss due to the death of, say, its highly trained technical man, who may be the only one familiar with an important chemical formula in their manufactured product. There may be a silent partner who is depended upon for regular or periodical endorsement of the firm's paper.

"A manager of a department or branch may have connections belonging to the firm which would be seriously affected by the death of that manager. For instance, a firm of cattle commission merchants with widespread interests insures the lives of its branch managers.

"Many businesses depend upon the capital, experience, initiative or technical ability of one or more individuals. The business may be largely protected from the loss due to the death of such a man by business insurance. Apart from the protection against death, business insurance provides a convenient means which appeals strongly to a banker, for gradually building a reserve or surplus, whether its purpose be to retire a mortgage, or a bond issue, or merely an ordinary precaution."

TIN PLATE FOR CANADIAN CANNERS

The War Trade Board of Canada has been successful in making an arrangement with the War Trade Board of the United States whereby the fruit, vegetable and fish canners of Canada will be enabled to obtain supplies of tin plate from the United States at a price which will approximate to the price of $7.75 per base box of 300 pounds, now paid by United States canners.

An order-in-council has been prepared by which the Canadian government will take power to purchase on behalf of the canners the total supply of tin plate necessary to meet the requirements of the canning industry. The individual canners will through their organizations indicate their requirements to the government, supplemented by the guarantee of a chartered bank, and in due course the government will see that tin plate is shipped to them. The government will act as a clearing house for the transactions, but the trade will facilitate the work.

It is estimated that through the work of the War Trade Board a saving of $600,000 a year will be effected for the food canning industry.

BRITISH AMERICA ASSURANCE COMPANY

Fire, hail and marine insurance are written by the British America Assurance Company, a Toronto underwriting corporation which has been doing business for eighty-four years. During that period the British America has built up a substantial financial position, which is clearly reflected in its latest balance sheet, presented to the shareholders at the company's recent annual meeting. Its reputation for efficient service, fair treatment and prompt payment has been strengthened year by year, until to-day it ranks as one of the leading underwriting corporations of this continent, with a world-wide reputation.

The results of operations last year in the company's fire and hail department show premiums, less reinsurances, amounting to $2,442,577 and losses (paid and outstanding) amounting to $1,236,646. After charging agents' commissions, taxes and general expenses here is a credit balance of $266,957.

The premiums, less reinsurances, in the marine department amounted to $1,390,785, and the losses (paid and outstanding) totalled $748,934. After charging agents' commissions, taxes and general expenses there is a credit balance of $379,220.

Including interest and rents, there is a total balance to the credit of the year's operations of $726,791, a satisfactory outcome of the year's work.

From the fire and marine profits of $646,177, plus interest and rents of $80,613—a total of $726,791—the company paid dividends on preference stock up to 30th June, 1917, have taken care of the decrease in the market value of securities and have reduced the value of head office buildings to $220,000. The company also got rid of the item of $6,958, which appeared in assets last year for insurance maps, although these have a marketable value in the insurance world of at least four times that amount. Then the directors have earmarked a special reserve for hail business. The new Dominion Insurance Act of 1917 calls for a special hail reserve of one-half of the profits until that reserve reaches one-half of the year's net premiums, but instead of this the directors have set aside the total amount of the year's profits in this branch. The company have made provision for taxes to the extent of $30,000. In this connection Mr. Meikle, president, said that the insurance business meets levies for taxes in nearly every country in the world, and in some parts the tax is so heavy as to make an insurance manager think he is working for the governments instead of for his stockholders. However, with all these payments and provisions, the company have the large balance of $482,029 to carry to reserves.

Mr. W. B. Meikle is president and general manager of the British America Assurance Company, and Mr. John Sime is assistant general manager. Mr. E. F. Garrow is the secretary of the company.

THE
TORONTO GENERAL TRUSTS
CORPORATION

DIVIDEND No. 87

Notice is hereby given that a dividend of Two and one-half per cent. (2½%) has been declared upon the paid-up Capital Stock of this Corporation for the quarter ending March 31st, 1918, being at the rate of Ten per cent. (10%) per annum, and that the same will be payable on and after the Second day of April, 1918.

The Transfer Books of this Corporation will be closed from Saturday, March 23rd, to Saturday, March 30th, both days inclusive.

By Order of the Board,
A. D. LANGMUIR,
Toronto, March 5th, 1918. General Manager

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

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An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

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Chartered Trust and Executor Company
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Ask at the same time for YOUR copy of farm land listings. These are assets arising out of estates in process of being wound up and where it is necessary to realize. Prices and terms moderate.

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The Empire Loan Company
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National Trust Company Limited

DIVIDEND NOTICE.

Notice is hereby given that a dividend for the three months ending March 31st, at the rate of

TEN PER CENT. PER ANNUM,

has been declared upon the Capital Stock of the Company, and that same will be payable on and after April 1st.

The Transfer Books will be closed from the 21st to the 31st of March, both days inclusive.

By order of the Board.
W. E. RUNDLE,
Toronto, March 6th, 1918. General Manager

NOVA SCOTIA STEEL COMPANY

Pig Iron Produced Cheaply—Investment Bankers' Views —Merger Discussion

Messrs. Hayden, Stone & Company, the New York-Boston investment banking house which has taken so large an interest in the affairs of Nova Scotia Steel & Coal Company, in their current weekly letter express complete confidence in the outlook of the company. They believe that nowhere on the continent, with possibly the exception of Alabama, will pig iron be produced any cheaper than, if as cheap as, at the plant of tht Nova Scotia Steel, when the plans of the present management have made reasonable progress.

As the view of the banking house which stood behind the company's recent $5,000,000 stock issue, the following comment is of interest in Canada, especially because of current discussion on the possibilities of a merger between Scotia and Dominion Steel Corporation.

Report Somewhat Disappointing.

"The report for 1917 will be, on the face of it, somewhat disapointing. It is, however, very satisfactory to those who have realized the necessities of this business as well as its opportunities. There is ahead of this company a great programme of development of its ore and coal properties, and a reconstruction and vast enlargement of its manufacturing plant. Obviously this is not the wisest time in which to indulge in expenditures for plant enlargement, and, in fact, the programme in that respect, as well as with respect to development of coal and ore properties, is not fully matured.

"Meanwhile, the work of the management is to consolidate its position and increase in every way its available working capital. Great progress in that respect was made in 1917, particularly by the issuance of new common stock, and to a very large extent by conversion of slow and very uncertain assets into the quickest form of assets. The result is that the net working capital on December 31st, 1917, was $5,750,525 against $2,281,730 on December 31st, 1916.

Eastern Car Company.

"One of the departments of the Nova Scotia Steel Company which has absorbed a great deal of working capital, and which has hitherto yielded very unsatisfactory results, is the Eastern Car Company. At one time in 1917 there was practically $5,000,000 of Nova Scotia money locked up in that business. Since the year 1918 opened some very substantial amounts on that lockup have been converted into cash, and there is a good prospect that within the next few months the remaining amounts will be materially reduced.

"The programme such as we have hinted at above will require time and considerable investments. The fundamental fact about Nova Scotia Steel which appeals to us, and which we are sure will make it a big winner in time, is that it has a very high grade iron ore deposit within a very short distance of a good coal deposit, and transportation between the two, or to an assembling plant, is very inexpensive.

"Meanwhile, there is no incentive to display net earnings other than are necessary to give shareholders a moderate rate of interest on their investment. Everything else should be reserved and go back into plant or working capital."

As to Merger Discussions.

The Scotia-Dominion Steel merger discussion may be resumed shortly, but expressions of opinion as to whether anything will come of the plans are showing greater divergency. The financial editor of the Montreal Gazette says:—

"One obvious reason for greater scepticism is furnished in the financial statement of the Scotia company made public early last week. With a large number of Iron shareholders the effect of the statement has probably been to raise new questioning as to whether the merger was desirable from their standpoint, the presumption with such shareholders being that Dominion will make a better showing than Scotia. In Scotia quarters, on the other hand, there is some resentment against the attitude that the Scotia statement is to be read unfavorably in view of the fairly obvious fact that the company, under new management, set about what has been described as a house cleaning.

"With all that, there are indications of a feeling that the possibilities of a merger becoming a fact have been hurt by premature discussion of supposed details, which at the best could be only guesswork at this stage of negotiations."

MANITOBA'S WORKMEN'S COMPENSATION BOARD

Mr. Herbert G. Wilson is to be retained as commissioner to administer the Maintoba Workmen's Compensation Act. In accordance with the recommendation of the Fallis Commission, the responsibility of the administration is to be shared by two directors to be appointed by order-in-council.

CANADA'S NET DEBT SHOWS LARGE INCREASE

Canada's net debt stood at $1,010,780,470 on February 28th, an increase during February of $13,251,263. The total gross debt of the Dominion on February 28th was $1,996,393,359. Total assets were $985,612,889. Total war expenditures for the eleven months' period to the end of February was $207,849,726.

Revenues show an increase. In February, 1918, the revenue was $21,225,872, as compared with $17,513,473 in February of last year. Expenditure on account of consolidated fund was $11,323,497 in February of the present year, in comparison with $12,581,954 in February, 1917.

WESTERN LEGISLATION CRITICIZED

Judicial methods in Manitoba and Alberta were the subject of pointed comment by Mr. H. S. Osler, K.C., vice-president of the Canadian Mortgage Investment Company, at the company's recent annual meeting.

"In the western provinces," he said, "there has been no modification of the injurious legislation to which we referred a year ago. On the contrary, the Alberta legislature has since given a finishing touch to its almost spoliatory enactments by depriving lenders of the customary recourse under the personal covenants of borrowers. In fact, had the purpose of the governments in the provinces of Manitoba and Alberta, which have been pre-eminent in the devising of legislation of this character, been to impair the value of mortgage investments, and to drive capital from their provinces, it may be questioned whether any course could have been better suited to that end.

"In addition to those legislative acts, we have had to deal, in the two provinces named, with judicial decisions of so grave a character as ought not, it seems to us, in the public interest, to be passed over without discussion. It is impossible to refer to these matters here with the fullness and details necessary. For the present, it is sufficient to say that six judges in Manitoba and three in Alberta have concurred in rendering decisions of such a character that no directors or trustees responsible for the investment of moneys on mortgage in the provinces named, can, in our opinion, wisely overlook their significance. We have been forced to the conclusion that there are now in office a certain number of judges for whose conduct in the exercise of judicial functions government and parliament should be invited to assume responsibility. If the subversion of mortgage contracts and the spoliation of investors is to be brought about judicially by deliberate loading of the scales of justice in favor of debtors, then, in our judgment, it will become necessary that government and parliament be told that the power that appoints these men to the Bench must find a way of controlling them, or accept responsibility for the consequences that must follow. A few more such judgments as those we refer to, and this country will be in danger, in our opinion, of reaching the level of a Latin American republic, as regards insecurity of contracts and cynical perversion of the forms of law.

"The fount and origin of the evil is everywhere recognized, and need not here be referred to. Contrary to a common impression, judicial appointments are not made for life, but 'during good behavior'; and there appears to be a growing conviction that in this country a definition of judicial good behavior is overdue. An instructive debate on this subject took place in the Senate a few months ago, and the trenchant and learned addresses delivered by some of the members on the subject indicated a full realization of the nature of the conditions existing, as well as the altered mental atmosphere in which the question is likely in future to be discussed and considered.

"At a time of tension like the present, and with the many emergent matters demanding attention, it would be inadvisable to ask the first minister and parliament to deal immediately with the question of the subversion of contracts which has been attempted in Manitoba and Alberta. But the facts in the case will, in good time, be submitted in the proper quarters, and steps taken to secure a full and public discussion of the considerations involved."

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance*. Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

MONEY TO LOAN.

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE President D. M. CAMERON, Treasurer

THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 122

Notice is hereby given that a Dividend of Three per cent. for the quarter ending March 30th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after Monday, April 1st, 1918, to shareholders of record at the close of business on March 15th, 1918.

By Order of the Board.

M. AYLSWORTH,
London, Canada, Feb. 26th, 1918. Secretary

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. H. SPROULE, Manager.

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of TEN PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE SECOND DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March.

By order of the Board.

GEO. H. SMITH, Secretary

Toronto, February 27th, 1918.

The Ontario Loan and Debenture Co.

DIVIDEND No. 123

Notice is hereby given that a QUARTERLY DIVIDEND of 2¼ PER CENT. for the three months ending 30th March, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd April next, to Shareholders of record of the 15th March.

By order of the Board.

A. M. SMART,
Manager

London, Canada, February 26th, 1918.

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY,
EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
LONDON, ENG. EDINBURGH, SCOT.

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 51 YONGE ST., TORONTO

Paid-up Capital, $1,250,000 Rest, $800,000 Total Assets, $4,968,953

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after **1st April, 1918**, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board.

7th March, 1918. WALTER GILLESPIE, Manager.

FIXED EXCHANGE FOR THE EMPIRE

Exchange in Canada is Naturally More Closely Associated With New York Than With London

The remarks made by Mr. Goodenough, general manager of Barclays Bank, at the annual meeting of the shareholders of that institution, as to the desirability of securing an inter-Imperial trading preference by establishing and maintaining a fixed rate of exchange within the Empire, has naturally excited much interest in Anglo-Canadian banking and financial circles. The question is one about which the average business man hesitates to express an opinion—at least for publication. It is one rather for the expert in economic questions. Mr. Moreton Frewen's writings on such subjects have made him a recognized authority, and when asked by a representative of the Canadian Gazette, of London, to give his opinion, he made the following statement:—

Winnipeg and Chicago.

"Any suggestion from Mr. Goodenough is entitled to respect, but on the face of it I can see no possible method by which we could maintain a fixed exchange within the Empire. What regulates exchange is the bill market—some relation between exports and imports, which again depends upon weather, harvests and other things. The exchange, again, of Canada must always be more closely associated with the exchange with New York, Chicago and St. Louis than with London. Nothing we could do that I see could dissociate the exchange of Winnipeg with Chicago. As far as I can foresee Canadian exchange on London after the war should strongly favor Canada. In Britain we are likely to see strange results. I should think our exchange on New York and thus on Montreal may go for a long period to some point well below $4.50, perhaps to $4; that will make the American market a better market for Canada to sell in than this English market. On the other hand it will greatly stimulate British exports to Canada and the United States and in this way ultimately restore exchange.

Form of Steady Exchange.

"There is a form of steady exchange which is extremely important and which could be easily obtained, and that is the exchange between silver-using nations (all Asia) and gold-using nations. If that is fixed it would be the reddest of red letter days in the financial history both of Canada and the United States, immensely improving all trade across the Pacific. The exchanges with Asia have fallen with the great fall in silver to a point where China, for example, can often no longer buy gold exchange at all. Last September the great advance in silver had really returned China to the world's finance and trade as a solvent and prosperous customer. The rise in silver then had enabled the Shanghai merchant to buy a bill on London for a gold sovereign with, say, four of his taels, whereas a couple of years earlier such a bill had cost him eight taels.

"But while I see quite easily how the exchange of silver money for gold money can be fixed and maintained, I see no possible means of fixing exchange between distant points in the Empire. If Mr. Goodenough has a plan in his mind, we would all gladly consider it; for the rest there is no exchange trouble ahead for Canada, but there is a perplexing position growing up in England. I think, however, the issue of the small five-shilling notes here, now pending, will relieve the strain on our depleted gold stocks and have other beneficial results."

WILL WRITE AUTOMOBILE INSURANCE

The British America and the Western Assurance Companies, Toronto, will write automobile insurance. In announcing this, Mr. W. B. Meikle, president of the companies, stated that it is not likely that the business transacted in this new department will be large.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ending March 8th, 1918:—

Dominion Reduction Mine, 88,000; Silver Queen Mine, 74,615; Buffalo Mine, 131,930. Total, 294,545 pounds, or 147 tons.

The total shipments since January 1st, 1918, now amount to 2,071,422.8 pounds, or 9,031 tons.

COPPER PRODUCTION LAST YEAR

It was Less Than in 1916—New Refinery at Trail—United States War Industries Board Fixed Price

The production of copper in 1917, amounted to 108,860,358 pounds, valued at $29,588,254, as against 117,150,028 pounds valued at $31,867,150 in 1916, a decrease of 7.08 per cent. in quantity and 7.15 per cent. in value, according to the preliminary statement of Mr. John McLeish, B.A., Chief of Division of Mineral Resources, Ottawa. Though less than the previous year, the 1917 production was greater than any other previous record. In 1916, the increase over the production of 1915 had been 16.2 per cent. in quantity and 83.0 per cent. in value. The electrolytic copper refinery installed at Trail, B.C., began operations about November 1, 1916, with a capacity of 10 tons of refined copper per day, which has been increased to 20 tons per day.

Of the total 1917 production, 86,508,758 pounds were contained in blister copper and in matte produced in Canada, and 22,351,600 pounds estimated, as recovered from ores exported.

In addition to the recoveries from domestic ores, there were also recovered in British Columbia smelters, 5,033,630 pounds of copper from imported ores.

From Pyrite Ores.

The production in Quebec from pyrite ores was 5,013,560 pounds, valued at $1,362,636, as against 5,703,347 pounds valued at $1,551,424 in 1916. These are the quantities reported as being paid for; the actual metal contents were much higher.

The Ontario production is derived chiefly from the nickel-copper ores of the Sudbury district and of the Alexo mine in Timiskaming supplemented by a small recovery from the Cobalt district silver ores and by shipments made from a few copper properties under development. The total production in 1917 amounted to 42,796,213 pounds valued at $11,632,014, as against 44,997,035 pounds valued at $12,240,094 in 1916 a decrease of 4.0 per cent. in quantity.

There was an important copper production in Manitoba in 1917 derived from the ore deposits at Schist Lake northwest of The Pas operated by the Mandy Mining Company. These sulphide ores as well as those at Flin Flon Lake in the same district, have had a very large amount of development work expended upon them during the past two years. The ore shipments which amounted to 3,388 tons were made under great difficulty of transportation having been hauled 40 miles by sleigh in winter, then 190 miles by barge during summer and then 1,500 miles by rail to the smelter at Trail.

British Columbia Production.

The British Columbia production was 57,717,535 pounds valued at $15,687,631, as against 63,642,550 pounds valued at $17,312,046 in 1916—a decrease in quantity of over 9 per cent.

The production included 40,720,413 pounds recovered in blister and matte and 16,997,122 pounds being the estimated recovery from ores shipped to United States smelters.

The production from the Yukon in 1907 amounted to 2,182,050 pounds valued at $593,081, as against 2,807,096 pounds valued at $763,586 in 1915. The production is derived from the mines of the Whitehorse district in southern Yukon.

Prices: The New York price of electrolytic copper, which was 28 cents early in 1917, increased to a maximum of 32 cents towards the middle of February though small lots sold as high as 34 cents. Then there was a gradual falling-off till it reached 24⅓ in July. The price remained uncertain until October when the United States War Industries Board, by agreement with the copper producers, fixed the price at 23½ cents which remained the price for the last quarter of 1917.

The dividend on the common stock of Twin City Rapid Transit Company, which has been 6 per cent. per annum since 1910, was reduced to 4 per cent. this week, with a declaration of 1 per cent. for the current quarter. The 1917 statement of the company, issued about a month ago, showed a heavy rise in expenses, with a reduction in net that left only $8,050 to be carried forward after the common stock dividend had been paid. The total net income available for dividends was only $1,538,050, against $2,237,547 in 1916, and the final surplus of $8,050, compared with $707,547 the previous year.

Western Assurance Company

INCORPORATED A.D. 1851

FIRE, MARINE & EXPLOSION INSURANCE

STATEMENT AS OF DECEMBER 31st, 1917

Fire Premiums for 1917		$2,907,772.79	
Marine Premiums for 1917		4,232,714.87	
			$7,140,487.66
Interest and Rents			133,989.26
TOTAL INCOME			$7,274,476.92
Fire Losses	$1,572,995.10		
Agents' Commissions	597,089.50		
Taxes	82,819.68		
General Expenses	418,102.79		
		$2,671,007.07	
Marine Losses	$3,321,911.93		
Agents' Commissions	466,897.77		
Taxes	72,946.92		
General Expenses	98,283.57		
		3,960,040.19	
			6,631,047.26
PROFIT FOR THE YEAR			$ 643,429.66

CAPITAL STOCK (fully paid up) .... $ 2,484,625.65

TOTAL ASSETS AT 31st DECEMBER, 1917 .... $6,393,588.75

LOSSES PAID SINCE ORGANIZATION IN 1851, OVER $70,000,000.00

BOARD OF DIRECTORS

W. B. MEIKLE, President

SIR JOHN AIRD
ROBERT BICKERDIKE (Montreal)
H. C. COX
ALFRED COOPER (London, Eng.)
D. B. HANNA
E. HAY

DR. JOHN HOSKIN, K.C.
Z. A. LASH, K.C., LL.D.
GEORGE A. MORROW, O.B.E.
LT.-COL. THE HON. FREDERIC NICHOLLS
BRIG.-GEN. SIR HENRY PELLATT, C.V.O.
E. R. WOOD

BOARD AT LONDON, ENG.

RT. HON. SIR JOHN H. KENNAWAY, Bart., C.B., Chairman

SIR ERNEST CABLE ALFRED COOPER SIR CHARLES JOHNSTON, Bart.

LONDON OFFICE: 14 CORNHILL, LONDON, E.C.

Head Offices: Corner Scott and Wellington Streets, Toronto

NO TEMPORARY LOAN FOR TORONTO

Board of Control Agrees With Finance Commissioner's Recommendation

A temporary loan to meet war expenditure will not be made by the city of Toronto, according to a recommendation of the board of control, based on a report of Finance Commissioner Bradshaw, whose expert advice cannot, without serious results, be ignored by the civic authorities, especially in these difficult days of financing. In his report, the commissioner said:—

"The suggestion of seeking a temporary loan was no doubt prompted by the hope that it would lower this year's tax rate, but I fear that consideration has not been given to the effect that such a course would have on the rate in future years, when such loan with interest would have to be paid."

Effects of Loan Policy.

Commissioner Bradshaw presented a classified statement of the city's war expenditures totalling $4,340,324.09, of which $1,190,025 was incurred but not paid last year.

The amount was partially offset by a special credit of $1,540,420.16, which would pay last year's balance of war debts and leave $350,394 to meet those of the current year.

On the assumption that a loan of two million dollars was obtained at six per cent. for one year, Mr. Bradshaw showed the effect on the 1919 war expenditures, first, if the war is over this year, and, secondly, if it was not, as follows:—

Debt charges on the $4,500,000 debentures already issued	$ 580,372
Balance of $1,000,000 grant to the Toronto and York Patriotic Fund, which Council decided should be passed over to 1919	500,000
Repayment of temporary loan and interest	2,120,000
One-half of life insurance liability and of civic employees' wages during period of demobilization	1,034,699
	$4,235,071
Second case (war not over) the war expenditures would be the foregoing, and the other half of life insurance liability and of civic employees' wages	1,034,699
Total	$5,269,770

In the first case the amount meant 7½ mills on the present assessment and 8½ mills in the second case, which the commissioner stated would not be offset by special credits.

Means Adding to Burden.

"If the loan were obtained for a longer period, say two or three years," said Mr. Bradshaw, "it would simply mean that the agony would be deferred, but would be intensified through interest charges."

After dealing with the taking over of the street railway, outstanding debentures and the extent to which the city is now leaning on the banks, Mr. Bradshaw said, in concluding his report:—

"While the prospective tax rate is high, yet citizens generally are well aware of the reason. Moreover, in meeting it they will have the assurance that debts and debt charges are not piling up; that there are no deferred liabilities to increase next year's rate, and that when normal times come we shall again get back to a reasonable rate, which will not only relieve the taxpayer, but will tend to encourage the establishment of new industries and manufacture in our midst, and especially in the new industrial area which the city harbor commission is preparing."

Mayor Favors 27 Mill Rate.

The mayor said he did not agree with the report, and thought that the tax rate could be brought down to 27 mills by a short-term loan. The banks, he held, were full of short-time money which could be procured at 4½ or 5 per cent.

Asked by Controller O'Neill if this were so, the commissioner said he could doubtless bring the tax rate down to 25 or 24 mills, but thought it would be a crime to do so, as it would load next year with an unbearable tax rate. When he entered office there were $17,000,000 of floating loans and that was a condition which should not be repeated.

Mineral Production of Canada in 1917.

Preliminary figures, subject to revision, of Mr. John McLeish, Chief of Division of Mineral Resources, Ottawa.

——		Quantity.	Value.
METALLIC.			$
Antimony ore (exports)	*Tons	774	50,476
Cobalt, metallic contained in oxide, etc.	Lbs.	1,069,134	1,742,614
Copper, value at 27.180 cents per lb.	"	108,860.358	29,588,254
Gold	Ozs.	747,366	15,449,426
Iron, pig from Canadian ore	Tons	46,022	768,783
Iron ore sold for export	"	169,192	590,336
Lead, value at 11.137 cents per lb.	Lbs.	32,072,269	3,571,889
Molybdenite (MoS_2 contents at $1 per lb.)	"	271,530	271,530
Nickel, value at 40 cents per lb.	"	84,470,970	33,778,388
Platinum	Ozs.	49½	5,090
Silver, value at 81.417 cents per oz.	"	22,150,680	18,034.419
Zinc, value at 8·901 cents per lb.	Lbs.	31,227,351	2,779,547
Total		... .	106.630.752
NON-METALLIC.			
Actinolite	Tons	120	1,320
Arsenic, white and arsenic in ore	"	....	709.937
Asbestos (b)	"	144,185	7,215,389
Asbestic	"	9,596	18,688
Barytes (b)	"	958	16,000
Chromite (a)	"	36,352	490,001
Coal	"	14,015,588	47,643,646
Corundum	"	188	32,153
Feldspar (not complete)	"	11,493	54,555
Fluorspar	"	4,249	68,756
Graphite	"	3,714	402,892
Grindstones	"	2,279	44,037
Gypsum	"	339,418	887.170
Magnesite	"	58,090	728,275
Manganese	"	158	14,836
Mica		....	350,732
Mineral pigments: iron oxides	"	9,372	81,685
Mineral water		....	145,276
Natural gas	M. cu. ft.	26,465,686	5,003,342
Petroleum	Brls.	205,332	478,937
Pyrites	Tons	403,243	1,586,091
Quartz	"	205,851	440,444
Salt	"	138,909	1,047,792
Talc	"	15,812	76,539
Total		....	67,249.514
STRUCTURAL MATERIALS AND CLAY PRODUCTS.			
Cement, Portland	Brls.	4,768,498	7,699,521
Clay products: $4,603,755—			
Brick: Common		....	2,017,046
Brick: Pressed and paving		....	589,406
Kaolin	Tons	533	9,594
Pottery		....	122,878
Refractories: Fireclay, firebrick, etc.		....	210,838
Sewerpipe		....	778,159
Tile		....	434,465
All other: Fireproofing, hollow blocks, etc		....	441,369
Lime	Bush	6,338,212	1,517,918
Sand and Gravel	Tons	7,157,279	1,908,773
Sand-lime brick	No.	12,432,990	143,393
Slate	Sq.	1,422	7,789
Stone: $3,221,422—			
Granite		....	613,588
Limestone		....	2,291,692
Marble		....	55,820
Sandstone		....	260,322
Total structural materials and clay products		....	19,102,571
All other Non-Metallic		....	67,249.514
Total value Metallic		....	106,630,752
Grand Total, 1917		....	192,982,837

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* Tons of 2,000 pounds.

(a) Shipments by mine operators. The final shipment of ores and concentrates (including customs mill shipments) were 23,327 short tons valued at $572,115 and containing 8,465 tons of Cr_2O_3.

(b) Owing to delay in receipt of returns, the value of the production of barytes and part of the production of asbestos is not included in the total value.

The N. Bawlf Grain Company has bought all the elevators, thirty-two in number, of the Imperial Elevator Company of Alberta.

A London despatch announces that for the protection of holders of Russian railway, municipal and government bonds, for the instance of which they have been responsible, the following six banking institutions have agreed to work together: Barings, Hambro, Lloyds, London County and Westminster Bank, Rothschilds, and Schroeder.

A Dominion license has been issued to the Security Mutual Casualty Company authorizing it to transact in Canada the business of employers' liability insurance and workmen's compensation insurance, restricted to the issue of policies to the Swift Canadian Company, Limited, and allied interests in Canada.

Royal Bank Absorbs Northern Crown

Purchase Price Will Be Approximately $200 Per Share, Part Stock and Part Cash—Finance Minister Consents to Amalgamation—There Are Now 20 Chartered Banks Compared With 29 Nine Years Ago—Latest Accounts and Figures of the Two Banks.

ARRANGEMENTS have been completed for the purchase by the Royal Bank of Canada of the Northern Crown Bank. Shareholders of the Northern Crown benefit from the transaction by receiving a relatively high price for their holdings. Approximately $200 a share, partly in cash and partly in Royal stock, will be paid to he stockholders of the Northern Crown. As the stockholders had to submit to their stock being cut in two in 916, the price paid by the Royal will give them back heir full capital. Their loss will be confined to the oss of interest sustained through the suspension of dividends between November, 1914, and the early part of 1917. The minister of finance has officially given his consent to the sale, it is announced.

The Royal Bank, prior to the purchase of the Northern Crown Bank, had paid-up capital of $12,911,700. The paid-up capital of the Northern Crown Bank was $1,431,200.

The purchase of the Northern Crown Bank by the Royal Bank places the Royal Bank second in standing in Canada, according to assets. By the addition of over $27,000,000 of assets of the Northern Crown Bank to those of the Royal Bank, the latter now has total assets of $348,396,309.

PERSONNEL OF THE TWO BANKS

Royal Bank Recently Introduced System of Officers in Vogue in London

Sir Herbert Holt, president of the Royal Bank of Canada, as been aptly described as "a power in constructive Canadian finance." His career is one of practical attainment losely associated with the period of marked railway expansion n Canada occupying the two decades from 1870-1890.

SIR HERBERT HOLT,
President, Royal Bank of Canada, which has purchased the Northern Crown Bank.

Born in Ireland in 1856, in the pursuit of his chosen vocation of engineering, Sir Herbert came to Canada in 1875. During 1883 and 1884 he was engineer and superintendent of construction for the Prairie and Mountain sections of the Canadian Pacific Railway, and successfully carried out extensive ontracts for the same corporation in the Rocky Mountains, he province of Quebec and the State of Maine. He built lines ggregating five hundred and fifty miles for the Mackenzie nd Mann interests in the Canadian West from 1889 to 1892, nd since then has devoted himself exclusively to financial ffairs. In 1911 Sir Herbert joined the board of directors f the Sun Life of Canada.

Mr. Edson L. Pease, who was appointed in January, 1916, as managing director and chief executive officer of the Royal Bank, had been general manager since 1900. He resigned that office, Mr. C. E. Neill succeeding him. These changes were made in conformity with the bank's plan to introduce the system of officers in vogue in British banking houses in London. Mr. Pease has been a banker all his business life. Born in Quebec province, he entered the service of the Canadian Bank of Commerce at Montreal in 1874. In 1883 he joined the Merchants Bank of Halifax (afterwards absorbed by the Royal Bank) as accountant. In 1887, he went to Montreal and became successively branch manager, assistant general manager, general manager and vice-president of the Royal Bank. Like most of the chief executives of Canadian banks, therefore, Mr. Pease has risen from the ranks to his present high and responsible position. He is a good banker, and is well liked. As one would expect, he is associated as director with a number of financial and business concerns. His present position as managing director and chief executive officer of the Royal Bank has given him time to forward still further the best interests of the institution and its clients.

E. L. PEASE,
Vice-president and Managing Director, Royal Bank of Canada.

Mr. Pease, at the last annual meeting of the Royal Bank, created widespread comment by his suggestion that a bank of re-discount should be established in Canada, patterned after the Federal Reserve Bank in the United States. On this point, he said:—"We cannot foresee all the difficulties of finance that are likely to beset us. In my opinion, the question of providing supplementary banking facilities in this country is very important, and should receive the consideration of the government and the banks. If we had a bank of re-discount patterned somewhat after the Federal Reserve Bank in the United States, it would render legitimately available millions of assets in the form of high-grade commercial paper, now lying dormant in the portfolios of the banks, and thereby greatly increase our financial resources. I think the government should appoint a committee of experts to investigate the suggestion."

General Manager Neill.

Mr. C. E. Neill, who was appointed general manager of the Royal Bank in January, 1916, had acted as assistant general manager since 1907. He is a capable banker and measures fully the high standard required in his responsible position. Mr. Neill comes from the Maritime Provinces, from whence so many expert bankers have been drawn. He was born at Fredericton, N.B. Some years ago he managed the Vancouver branch of the Royal Bank, later becoming supervisor of the branches, and then inspector. Mr. Neill has been closely associated with Mr. Pease for a number of years, and his latest appointment was taken as an indication of the continuance of the successful policy which has marked the bank's administration in the past.

C. E. NEILL,
General Manager, Royal Bank of Canada.

General Manager Campbell.

Mr. R. Campbell, the general manager of the Northern Crown Bank, has held that position for several years. He is a capable and conservative banker and has had the full confidence of his directors.. Mr. Campbell has been with the Northern Crown Bank as general manager for about ten years. At the annual meeting of the bank held at Winnipeg in February, 1910, Mr. Edward Gurney, then vice-president of the institution, said:—

"The bank may now be considered to have passed through the infantile stage, which has in it more or less of solicitude. The bank now has secured the services of an efficient staff, and I think no one but a banker can appreciate the import of this. To secure a staff of bank men capable of handling real money, is one of a very serious character, and I think it may be said that we have after the usual vicissitudes of such a performance, secured an efficient staff of men well qualified for the work and thoroughly and loyally identified with the institution. The servant of a bank needs to have a good degree of initiative, plenty of enterprise tempered by thorough conservatism. He must not be a speculator, either for himself or the bank, and he should not be a borrower from the institution, and I think I may say that the staff which we have working for us is thus well described."

The following is the directorate of the Royal Bank of Canada: Sir Herbert S. Holt, K.B., E. L. Pease, E. F. B. Johnston, K.C., Jas. Redmond, G. R. Crowe, D. K. Elliott, Hon. W. H. Thorne, Hugh Paton, Wm. Robertson, A. J. Brown, K.C., W. J. Sheppard, C. S. Wilcox, A. E. Dyment, C. E. Neill, Sir Mortimer B. Davis, K.B., G. H. Duggan, C. C. Blackadar, J. T. Ross, R. MacD. Paterson, G. G. Stuart, K.C. Sir Herbert S. Holt is president, Mr. E. L. Pease vice-president and managing director, and Mr. E. F. B. Johnston, K.C., second vice-president.

The following is the directorate of the Northern Crown Bank: Capt. Wm. Robinson (president), A. McT. Campbell, E. F. Hutchings, John Stovel (vice-president), Geo. Fisher, Sir D. C. Cameron, W. R. Bawlf and H. J. Symington.

Two directors from the Northern Crown board will be elected to the board of the Royal in due course. The Royal already has two directors in the west, and it is the intention to form an advisory committee of these four western directors, the committee to meet at Winnipeg and deal with matters of direct importance to the western provinces.

TWENTY CHARTERED BANKS NOW

Thirty Years Ago, There Were 41 and Nine Years Ago, 29 —Advantageous to Shareholders

Only two bank mergers have occurred in Canada since the war commenced. One was the absorption of the Quebec Bank by the Royal; the other was announced yesterday—viz., the purchase of the Northern Crown Bank by the Royal. A third might have been consummated had the department of finance approved, and that was the proposed amalgamation of the Bank of Hamilton with the Royal.

The first banking amalgamation in Canada since July, 1914, occurred in 1916, when the Royal Bank purchased the Quebec Bank. The directors of the banks reached an agreement whereby for every three shares of Quebec Bank stock shareholders of the Quebec Bank received one share of Royal Bank stock and $75 in cash.

Tendency of Banking Business.

The directors of the Quebec Bank informed their shareholders that "with the present condition of business in the west, your directors cannot hold out the hope that if the separate existence of the bank is maintained, the dividends would be continued. On the contrary, your directors feel that it is necessary for them, owing to severe competition, if the proposed amalgamation were not sanctioned by shareholders, to reduce the dividend for some years to come."

It was also pointed out that "the tendency of modern banking business has been towards the amalgamation of banks and the creation of financial institutions having large resources for the purpose of financing modern industries. It has happened that your directors have been obliged to refuse advances to some of the bank's best customers because, in their opinion, the amount asked for, though safe and profitable, bore an undue proportion to the resources of the bank."

Advantageous to Shareholders.

It was added that the experience of banks, both in Europe and in Canada, had shown that amalgamations such as that proposed were highly advantageous to the shareholders.

The bank amalgamation of 1916 reduced the number of chartered banks in Canada to 21, and the present merger to 20. How this compares with the position in certain previous years is shown in the following table compiled by *The Monetary Times*:—

July.	No. of chartered banks in Canada.
1869	27
1879	40
1889	41
1899	38
1909	29
1912	26
1914	22
1916	21
*1918	20

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*March.

ROYAL BANK HAS 425 BRANCHES

Merger Does Not Duplicate Branches at Many Points—Strong Connection With West Indies

A comparison of the situation of the bank branches of the Royal and Northern Crown banks, indicates that there will be little duplication of branches as a result of the merger. The following table, compiled by *The Monetary Times*, shows the number of branches which the two banks had at the end of 1917 in the various provinces and abroad:—

	Royal.	Northern Crown.
Ontario	123	25
Quebec	52	..
Nova Scotia	54	..
New Brunswick	19	..
Prince Edward Island	5	..
British Columbia	38	7
Manitoba	4	22
Saskatchewan	37	55
Alberta	28	4
United States of America	1	..
England	1	..
Newfoundland	6	..
West Indies	47	..
British Honduras	1	..
British Guiana	3	..
Costa Rica	2	..
Venezuela	4	..
Totals	425	113

In Ontario and West.

The Northern Crown Bank has branches only in Ontario and the four western provinces. The Royal Bank is represented in every province and also in the United Kingdom and the United States.

By the acquisition of the Northern Crown, the Royal has strengthened its position in the two provinces in which the system was weak, namely, Manitoba and Saskatchewan. The Royal has only 3 branches in Manitoba, against the Northern Crown's 22; in Saskatchewan the Royal is better represented, but it was late in getting into the field, while Northern Crown was in early, so that the Royal has been as strategically weak as the Northern Crown is strong in this particular territory.

There are fifteen towns and cities where the two banks have been competing and where branches will be closed. These include Toronto, Winnipeg, Vancouver, Victoria and Ottawa. In Toronto the Northern Crown Bank has three branches and the Royal Bank has thirteen branches. In Winnipeg there are three branches of the Crown Bank and two of the Royal Bank. There are three branches of the Northern Crown in Ottawa and three branches of the Royal Bank. Vancouver has ten branches of the Royal Bank and two branches of the Northern Crown Bank. In Victoria there are three branches of the Royal and one of the Crown Bank. The other places in which the banks overlap are: Brandon, Man.; Calgary, Alta.; Edmonton, Alta.; Kingston, Ont.; Marpole, B.C.; Moose Jaw, Sask.; Regina, Sask., Saskatoon, Sask.; Swift Current, Sask., and Woodstock, Ont.

West Indies and South America.

It has developed strong connections in the West Indies and South America, in which sections it has no less than 57 branches.

During the winter of 1917 six of the directors of the Royal Bank, including Sir Herbert Holt, the president, and Mr. E. L. Pease, the managing director, made a tour of inspection of the branches in the south. None of the directors had previously visited any branch south of Cuba. They returned most favorably impressed with the excellent connection acquired in Cuba, Porto Rico, Santo Domingo, Costa Rica and the British West Indies by many years of patient work. It was distinctly advantageous to obtain a personal knowledge of local conditions, and to meet the bank's leading customers. The directors were pleased with the buildings erected by the Royal Bank and the locations in general, and were happy to learn that the Royal Bank is held throughout the south in the highest esteem. They also visited the republics of Venezuela and Colombia. Since then the bank has opened 4 branches in Venezuela, where the outlook is promising. The directors were gratified to receive from Viscount Grey, the late Foreign Secretary, his approval of the establishment of branches in that country, and a promise of support from the British government.

The Royal Bank has 2,948 employees for its 425 branches, an average of 6.93 employees per branch. The Northern Crown Bank has 477 employees for its 113 branches, an average of 4.22 employees per branch.

FINANCE DEPARTMENT'S SANCTION RECEIVED

Bank Merger Has Official Approval—In Public Interest—What Bank Act Says

The proposed purchase of the Northern Crown Bank by the Royal Bank of Canada has been sanctioned by the department of finance.

It will be recalled that when the Royal Bank in August, 1915, desired to amalgamate with the Bank of Hamilton, Sir Thomas White, on behalf of the government, refused consent, and issued the following statement:—

"With regard to the tentative proposals for the amalgamation of the Royal Bank of Canada and the Bank of Hamilton, which have been placed before him, the minister of finance, Hon. W. T. White, has stated that after giving the matter very careful consideration he has reached the conclusion that as both the banks in question are strong, favorably known and well-established institutions, and are actual and potential competitive factors in the Canadian banking field, it would not be in the public interest that he should give the consent required from him under the terms of the bank act, and the interested parties have been notified accordingly."

Early in 1916, there were persistent stories that negotiations were proceeding with a view to the absorption of the Northern Crown Bank. Several banks were named as likely purchaser. While an amalgamation was discussed in January of that year with a bank with head office in Montreal, the negotiations fell through. The finance department at Ottawa was not then approached on the matter by either of the banks concerned, and no formal application was made to the finance minister. The matter was mentioned to the minister, however, by an agent interested in the affair and Sir Thomas White informed him that any application would be considered on its merits and that good reasons for a merger would have to be presented.

The fact that the present amalgamation has been sanctioned by the finance department is a plain indication that the government deem the purchase of the Northern Crown by the Royal to be in the public interest.

What Bank Act Says.

The bank act allows any bank to sell the whole or any portion of its assets to any other bank which may purchase such assets. The minister of finance must consent to the entering into of an agreement between the two banks before an agreement is made. Nothing in the act "shall be construed to prevent the governor-in-council or the treasury board from refusing to approve of the agreement or to recommend its approval."

It is interesting to recall the report of Professor Joseph French Johnson, New York University of Finance and Commerce, on Canada's banking system, prepared for the National Monetary Commission of the United States about four years ago. He said: "The tendency in Canadian banking, as in all forms of business activity, is unmistakably toward combination. . . . It will not be surprising, therefore, if Canada has fewer banks ten years hence than now. One or two mergers would give the country a bank as dominant in its field as is the Bank of France or Bank of Germany."

* * *

The Canadian Pacific Railway's surplus available for dividends on the $260,000,000 ordinary stock—including in surplus the amount earned in special income as well as railway account—amounted to $41,334,215 during the year ended December 31st last. That represented earnings at the rate of 15.89 per cent. on the ordinary stock, against 16.76 per cent. in the twelve months to June 30th, 1916, the last full year for which complete figures are available.

CANADIAN BANK AMALGAMATIONS TO DATE

COMPILED BY "THE MONETARY TIMES"

Name of Purchasing Bank	Name of Bank Absorbed	Date of Absorption	Details of Terms of Amalgamation or Purchase	Price of Stock of two Banks concerned at time of Absorption.
Bank of Montreal	Exchange Bank of Yarmouth, N.S.	May 15th, 1903	The assets of the Exchange Bank of Yarmouth were purchased by the Bank of Montreal, who assumed all liabilities of the former; the shareholders netted about $82.00 per share, par value $70 00.	Bank of Montreal, 257 Exchange Bank of Yarmouth, not obtainable
	People's Bank of Halifax, N.S.	May 9th, 1905	The Bank of Montreal issued $400,000.00 new stock at 253 in exchange for People's Bank of Halifax stock at 115.	Bank of Montreal, 260 People's Bank of Halifax, not obtainable
	Ontario Bank	October 13th, 1906	Bank of Montreal took over the assets of the Ontario Bank and assumed its liabilities, and agreed to liquidate its affairs, with open doors.	Bank of Montreal, 260 Ontario Bank, last quoted, in June, 1906, 137.75
	People's Bank of New Brunswick	April 30th, 1907	The assets of the People's Bank of New Brunswick were purchased by the Bank of Montreal, who assumed all liabilities of the former on a basis of 230 for People's stock and 258 for Bank of Montreal stock.	Bank of Montreal, 248.50 People's Bank of New Brunswick, not obtainable
*The Bank of Nova Scotia	Union Bank of Prince Edward Island	October 1st, 1883	The Bank of Nova Scotia issued $114,300.00 stock to shareholders of Union Bank of Prince Edward Island, representing $162,222.22, the surplus of the Union Bank of Prince Edward Island assets and earning power over liabilities.	No record
	The Bank of New Brunswick	February 16th, 1913	The Bank of Nova Scotia issued 10,000 shares stock and paid $100,000.00 cash to shareholders of Bank of New Brunswick, being one share of Bank of Nova Scotia stock and $10.00 cash for each share of Bank of New Brunswick.	Bank of Nova Scotia, February, 1913, high 265¾, low 260 Bank of New Brunswick, no record—last 260¾, April, 1912
	The Metropolitan Bank	Novemb'r 16th, 1914	The Bank of Nova Scotia issued 5,000 shares stock and paid $1,000,000.00 cash to shareholders of The Metropolitan Bank, being one share Bank of Nova Scotia stock and $200.00 cash for each two shares of The Metropolitan Bank.	Bank of Nova Scotia, 261 Metropolitan Bank, last quotation March, 1914, high 211, low 206
†The Merchants Bank of Canada	Commercial Bank of Canada	June 1st, 1868	One share of Merchants for one share of Merchants Bank of Canada, and one share of the Merchants Bank of Canada for three shares of the Commercial Bank of Canada.	——
Union Bank of Canada	United Empire Bank of Canada	April 1st, 1911	The shareholders of the United Empire Bank of Canada received in exchange for their holdings an equal amount of stock in the Union Bank of Canada.	Union Bank, high 150½, low 150
The Canadian Bank of Commerce	Gore Bank	May 19th, 1870	$445,104.00 stock	Gore, 60—61 Commerce, 108—109
	Bank of British Columbia	January 2nd, 1901	$2,000,000.00 stock and $312,000.00 cash	Bank of British Columbia, no quotation Commerce, 147—149
	Halifax Banking Company	May 30th, 1903	$700,000,00 stock and $6,000.00 cash	Halifax Banking Co., no quotation Commerce, 164—166
	Merchants Bank of Prince Edward Island	June 1st, 1906	Purchased for cash	Merchants Bank of P.E.I., unlisted stock Commerce, 175
	Eastern Townships Bank	March 1st, 1912	$3,000,000.00 stock	Eastern Townships Bank, 175 Commerce, 215

CANADIAN BANK AMALGAMATIONS—*Continued*

Name of Purchasing Bank	Name of Bank Absorbed	Date of Absorption	Details of Terms of Amalgamation or Purchase	Price of Stock of two Banks concerned at time of Absorption
Royal Bank of Canada	‡Union Bank of Halifax	November 1st, 1910	For every five (5) shares, par value $50.00, of Union Bank stock, shareholders of Union Bank received two (2) shares, par value $100.00, of Royal Bank of Canada stock.	Royal Bank of Canada, 242—245 Union Bank of Halifax, 195
	Traders Bank of Canada	September 1st, 1912	For every four (4) shares of Traders Bank stock, shareholders of the Traders Bank received three (3) shares of Royal Bank of Canada stock.	Royal Bank of Canada, 228 Traders Bank, 166¾—168
	Quebec Bank	January 2nd, 1917	For every three (3) shares of Quebec Bank stock, shareholders of the Quebec Bank received one (1) share of Royal Bank, plus $75 in cash.	Royal Bank, 211—213 (Nov. 30th) Quebec Bank, 103—106 (Dec. 30th)
	Northern Crown	March, 1918	Northern Crown stock purchased at $200 per share, being paid partly in Royal Bank stock and partly cash.	Royal Bank of Canada, 208 Northern Crown, 87
The Standard Bank of Canada	The Western Bank of Canada	February 13th, 1909	Stockholders of the Western Bank were paid in cash, $160 per share.	Standard Bank, 238—228¼ Western Bank, not listed
Imperial Bank of Canada	Niagara District Bank, St. Catharines	June 21st, 1875		
The Home Bank of Canada	La Banque Internationale du Canada	April 15th, 1913	6,000 fully paid up shares of Home Bank of Canada for net assets of La Banque Internationale du Canada.	Neither stock listed
The Northern Crown Bank	The Northern and Crown Banks of Canada amalgamated under the name of "The Northern Crown Bank"	July 2nd, 1908	Share for share allotted	No quotations available

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* In addition to those shown in this table, the Bank of New Brunswick, which was amalgamated with the Bank of Nova Scotia on February 16th, 1913, had in 1901 taken over the Summerside Bank. † The Merchants Bank opened for business on May 9th, 1864. In February, 1868, the name was changed to The Merchants Bank of Canada, and a proposition was made to the Commercial Bank of Canada. On May 22nd, 1868, authority was received from the Government, and the amalgamation took place June 1st 1868. ‡ The Union Bank of Halifax absorbed the Commercial Bank of Windsor in 1902.

HOW THE BANKS COMPARE

Royal and Northern Crown Accounts as Shown in January Statement—Position of Other Banks

The following figures taken from the January statement of the Canadian banks to the department of finance, compare the principal accounts of the Royal and Northern Crown banks:—

ASSETS.

	Royal Bank.	Northern Crown Bank.
Current gold and subsidiary coin	$ 15,018,263	$ 185,684
Dominion notes	18,203,844	1,534,141
Deposit for note circulation	645,585	75,500
Deposit in central gold reserves	13,500,000	1,500,000
Notes of other banks	5,852,959	166,865
Cheques on other banks	11,423,897	1,307,079
Deposits due from other Canadian banks	233,720	706,382
Due from banks in United Kingdom	315,413	40,000
Due from banks in Canada and in United Kingdom	10,271,883	162,096
Dominion and provincial government securities	14,329,219	8,210,371
Canadian municipal securities and Colonial public securities	22,763,884	2,921,769
Railway and other bonds, debentures and stocks	12,571,974	1,424,743
Call loans in Canada	11,866,288	269,735
Call loans elsewhere	8,574,785	......
Current loans in Canada	96,747,073	7,733,169
Current loans elsewhere	60,487,539	......
Loans to provincial governments	367,660	138,690
Loans to municipalities	2,597,818	83,853
Overdue debts	581,759	156,681
Real estate	1,116,833	79,382
Mortgages on real estate	....	86,407
Bank premises, cost	6,468,104	354,407
Liabilities of customers	7,072,712	717
Other assets	133,996	113,409
Total assets	$321,145,219	$27,251,090

LIABILITIES.

	Royal Bank.	Northern Crown Bank.
Capital authorized	$ 25,000,000	$ 6,000,000
Capital subscribed	12,911,700	1,431,000
Capital paid up	12,911,700	1,429,606
Amount of reserve fund	14,000,000	715,600
Rate per cent. of last dividend	12	5
Notes in circulation	25,042,322	2,704,825
Balance due to Dominion government	13,953,061	948,727
Balance due to provincial government	833,863	1,012,315
Deposits payable on demand	70,991,036	9,099,663
Deposits after notice	108,938,079	11,017,184
Deposits elsewhere	59,056,308	.. .. .
Deposits made in Canada	502,640	1,919
Due to banks, United Kingdom	198,392	....
Due to banks elsewhere	5,800,593	16,539
Bills payable	410,988	... .. .
Acceptances	7,072,712	717
Liabilities, others	8,878	4,072
Total liabilities	292,809,778	24,805,964
Amount of loans	448,668	403,108
Amount of current coin	14,563,105	181,614
Average amount of Dominion notes	21,252,683	1,526,760
Amount of notes in circulation	28,118,471	3,203,005

Position of Royal after Merger.

The principal items of the balance sheets of the two banks compare as follows, and the position of the Royal, after the merger, is shown in the third column:—

(Three last figures omitted.)

	Royal.	Northern.	(Amal.)
Capital authorized	$ 25,000	$ 6,000	$ 31,000
Capital paid up	12,911	1,429	14,340
Reserve fund	14,000	715	14,715
Demand deposits	70,991	9,099	80,090
Notice deposits	108,938	11,017	119,955

	(Three last figures omitted.) Royal.	Northern.	(Amal.)
Current coin	15,018	185	15,203
Dominion notes	18,203	1,534	19,737
Canadian government securities	14,329	8,210	22,539
Municipal and foreign securities	22,763	2,921	25,684
Railway and other bonds	12,571	1,424	13,995
Call loans	11,866	269	12,135
Call loans outside	8,574	....	8,574
Current loans	96,747	7,733	104,480
Total liabilities	292,809	24,805	317,614
Total assets	321,145	27,251	348,396

How Other Banks Compare.

The relative standing of the leading six Canadian banks so far as assets are concerned, according to 1918 returns, are as follow:—

Bank of Montreal	$392,625,438
Royal Bank	348,396,309
Bank of Commerce	333,531,870
Union Bank	132,847,139
Bank of Nova Scotia	130,608,152
Merchants Bank	130,510,378

The following statement shows the relative position of the three largest Canadian banks, with the Northern Crown figures included in those of the Royal, as they will be from now on:—

	(Three last figures omitted.) Commerce.	Montreal.	Royal.
Capital authorized	$ 25,000	$ 25,000	$ 31,000
Capital paid up	15,000	16,000	14,340
Reserve fund	13,500	16,000	14,715
Demand deposits	95,324	108,250	80,090
Notice deposits	118,198	143,559	119,955
Current coin	19,045	20,668	15,203
Dominion notes	20,099	57,253	19,737
Government securities	17,307	11,139	22,539
Canadian and other government securities	25,195	40,128	25,684
Railway and other bonds	6,108	12,504	13,995
Call loans (Canada)	14,767	......	12,135
Call loans (outside)	19,314	77,623	8,574
Current loans (Canada)	139,767	99,789	104,480
Total liabilities	303,022	356,954	317,614
Total assets	333,531	392,625	348,396

The acquisition of the Quebec Bank by the Royal, brought the latter institution third in the matter of paid-up capital, the Bank of Montreal leading, and the Canadian Bank of Commerce being second. The present merger places the Royal Bank second in point of total assets, although the Canadian Bank of Commerce leads all the banks in the matter of commercial loans in Canada, with a total of $139,767,000.

BOTH BANKS REPORTED STRONG

"Never Freer from Doubtful Debts"—Royal. "Funds Safely Invested"—Northern Crown

Discussing the position of the Royal Bank at the last annual meeting, held in January, Mr. E. L. Pease, managing director of the bank, said:—

"There never was a time when we were freer from doubtful debts than at present. Recoveries have been made to a remarkable extent in connection with advances, of which ultimate payment was regarded as doubtful three years ago. This is probably the experience not only of all the banks, but of merchants and manufacturers generally."

Funds Safely Invested.

Reviewing the operations of the Northern Crown Bank for the past few years at the last annual meeting of the bank in January, Capt. Robinson, president, said:—

"We may congratulate ourselves upon what has been accomplished and the position we now find ourselves in. Increased resources have enabled us to take up our full allotment of loans made to the government by the banks for the purpose of financing the war, and on more than one occasion to take considerably more than was expected of us. We have at the same time always been in a position to amply supply the needs of our clients. Our funds are now safely and profitably invested, and, owing to the liquid nature of a large proportion of our loans, we are in an excellent position to take up any new business of a desirable character that may be offered to us."

When Capital Was Cut.

At the annual meeting of the Northern Crown Bank in January, 1917, Mr. J. Ashdown, a director of the institution, referring to the position of the bank, said:—

"A year ago, when we cut our stock in half, I was one of the strongest advocates that this should be done. I cannot see that the position of the shareholders was in any way impaired by it, but we put ourselves in a better position. There was some opposition to this, but I noticed that in all the financial journals it was favorably commented upon, and the passing of the dividend in the same way. Now we have gone on, and we are in a very strong position. With the number of other large and strong institutions to compete with we have not got the amount of mercantile business that we would like to have, and we have been obliged to invest the money largely in government loans. These loans do not pay the percentage of profits that you expect, because you have got a large proportion of your deposits, which are themselves interest bearing. You must take into consideration the expenses of maintaining an institution of this sort."

DOMINION FIRE INSURANCE COMPANY

In commenting upon the excellent report of the Dominion Fire Insurance Company in these columns last week, it was stated that the fire premiums received by the company last year amounted to about $46,000 and the hail premiums $50,000. It should have been stated that these amounts were the increases in the premium receipts during the year, as would be observed from an examination of the company's financial statements for the past two years. As stated in our issue last week, the Dominion Fire Insurance Company is making substantial progress and has an unusually good reputation for prompt payment and adjustment of claims.

PETROLIA SELLS BONDS

The Canada Bond Corporation, of Toronto, have purchased a block of $26,752.42 6 per cent. bonds of Petrolia, Ont., payable in nineteen annual instalments. These bonds have been issued for general purposes.

ALLIED BONDS IN NEW YORK

The following table shows the high and low prices since issued and the last price on March 7th, 1918, of the active foreign bonds dealt in on the New York Stock Exchange:—

British and French.

Bonds.	High.	Low.	Last.
Am. Foreign 5's	99¼	90½	95⅝
Anglo-French 5's	98¼	91⅞	99¾
Bordeaux 6's	88	74	86⅛
Lyons 6's	98½	74	87
Marseilles 6's	98½	74	86½
Paris 6's	99⅛	73½	84½
French 5½'s	101	91½	96⅜
U.K. 5's	101	93½	98½
U.K. 5½'s (1919)	98⅞	93¼	96⅜
U.K. 5½'s (1921)	98½	84¼	92⅝
U.K. 5½'s (1919), new	101½	95½	98¾

Canadian.

Bonds.	High.	Low.	Last.
Canada 5's (1921)	100⅝	90	94
Canada 5's (1926)	101¼	89	94½
Canada 5's (1931)	102⅜	87½	92⅜
Canada 5's (1919)	98	96⅝	95⅝
Alberta 4½'s (1924)	95½	91	93

Other Allies.

Bonds.	High.	Low.	Last.
Japanese 4½'s (1925)	98½	73⅞	89
Japanese 4's (1931)	94½	63	75⅝
Russian 6½'s (1919)	102¼	39	42
Russian 5½'s (1921)	94¾	34	38

CANADA

THE DOMINION INCOME WAR TAX

Its Meaning and Application

THE Dominion Income War Tax Act, passed at the last session of Parliament, is now in force, and all those liable to taxation under the provisions of the Act must file the required returns for the year 1917, on or before 31st March, 1918.

The Act provides that there shall be assessed, levied and paid upon the 1917 income of every person residing or ordinarily resident in Canada, a tax upon income exceeding $1500 in the case of unmarried persons and widows, or widowers without dependent children, and upon income exceeding $3000 in the case of all other persons.

Corporations and joint stock companies carrying on business in Canada, no matter how created or organized, shall pay the normal tax upon income over $3000. The fiscal year of corporations and joint stock companies may be adopted if desired.

Your Immediate Obligation.—You are now required by law to fill out in triplicate, one or more of the five special forms enumerated below. Read the particulars about the forms provided, then note the form or forms that fit your case. Don't forget to make three copies. You keep one copy, and in the case of Forms T1 and T2, deliver two to the Inspector of Taxation for your district. In the case of Forms T3, T4 and T5, two copies must be filed with the Commissioner of Taxation at Ottawa.

Penalties.—Default in filing returns renders the person or persons liable on summary conviction to a penalty of one hundred dollars for each day during which the default continues. Any person making a false statement in any return or in any information required by the Minister of Finance shall be liable on summary conviction to a penalty not exceeding ten thousand dollars or to six months' imprisonment, or to both fine and imprisonment.

FORMS TO BE FILLED IN AND FILED

Individuals—Form T1 is for all individuals having the requisite income. Fill in pages 1, 2 and 3, make no marks on page 4.

In giving particulars of dividends received, state amount received from each company, listing Canadian and Foreign Companies separately.

Partnerships as such need not file returns, but the individuals forming the partnerships must.

Corporations and Joint Stock Companies must fill in Form T2, showing total income. Amount paid during the year to Patriotic and Canadian Red Cross Funds, and other approved war funds, should be shown under Exemptions and Deductions. A financial statement should also be attached. In giving particulars of dividends received, state amount received from each Company, listing Canadian and Foreign Companies separately.

Trustees, Executors, Administrators of Estates and Assignees use Form T3, to state particulars of the distribution of income from estates they are handling. A separate form is required for each estate and total incomes must be given as well as distribution thereof.

Employers.—On Form T4 employers shall make a list of the names of employees and amounts paid to each in salaries, bonuses, commission, or other remuneration wherever the combined sum of such remuneration for the calendar year 1917 amounted to $1000 or more. This applies to all classes, regardless of number of such employees.

Corporations Listing Shareholders.—Corporations and Joint Stock Companies shall list on Form T5 Shareholders residing in Canada to whom Dividends were paid during the calendar year 1917, stating the amounts of dividends and bonuses paid to each.

Don't wait to the last minute. Get the necessary forms now, and make your information accurate and complete.

Forms may be obtained from the District Inspectors of Taxation and from the Postmasters at all leading centres.

Postage must be paid on all letters and documents forwarded by mail to Inspector of Taxation.

Department of Finance
Ottawa, Canada

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Shaunavon, Sask.—Tenders are called up to March 16th for $10,000 7 per cent. debentures on annuity basis. Mr. F. G. Horsey is the town clerk.

Moncton, N.B.—The city will make application to the legislature for authority to issue $30,000 bonds for permanent streets contracted for in 1917.

Etobicoke, Ont.—Messrs. G. A. Stimson & Company have purchased $36,000 6 per cent. 40-year debentures. This sum will be used by the township for hydro-electric extensions.

Port Coquitlam, B.C.—An issue of $30,000 treasury certificates on security of 1917 unpaid taxes, amounting to $38,904, has been purchased by the National Bond Corporation at 86.

North Vancouver, B.C.—A temporary loan by-law which was introduced on February 28th provides that the corporation may borrow up to $170,000 from their bankers, to be secured by this year's taxes.

Gananoque, Ont.—A rate of 37 mills on the dollar taxes has been decided upon by the town council for 1918, made up as follows:—22 mills for general purposes and local improvement, 12 mills for schools, half-mill for public library, one and a half mills for patriotic fund and one mill provincial war tax.

Red Deer, Alta.—The following particulars are given in the pamphlet recently issued with the auditors' report for 1917, which was printed in *The Monetary Times* last week:—Assessment, 1917—City, $3,195,580; business, $52,700; public school, $4,753,880; and separate school, $146,800. Tax rate—General, 8.5; debenture, 7.5; school, 6.5; total, 22.5 mills. Mr. A. T. Stephenson is secretary-treasurer of the city.

Trail, B.C.—Permits have been given to the city for three separate bond issues, namely: To issue and offer for sale $50,000 in sewer debentures, 20 years, at six per cent., the money having already been borrowed by the city from its banker and the work completed; to issue and offer for sale $6,400 in waterworks debentures, 20 years at six per cent., being the balance of last year's issue, on account of the discount on the $80,000 issue of 1917; to issue and offer for sale $15,000 school debentures for 20 years and six per cent. interest, to furnish the city's part of the funds for the much-needed four-room wing to the Central School building.

Saskatchewan.—The following is a list of authorizations granted by the local government board from February to March 1st, 1918:—

School Districts.—*Boakview, $600 5-years not ex. 8 per cent. instalment; W. E. Martin, Saltcoats. *Poolcapelle, $1,200 10-years not ex. 8 per cent. annuity; Mike Filijsourch, Swan Lake. *Rippowan, $2,000 10-years not ex. 8 per cent. annuity; R. F. Campbell, Hawarden. *Arras, $2,000 10-years not ex. 8 per cent. annuity; J. Bonas, Muenster. *St. Quentin, $1,750 10-years not ex. 8 per cent. instalment; F. Hamm, Dana.

Rural Telephone Company.—Lanigan, $1,500 15-years not ex. 8 per cent. annuity; Robt. Hackwarl, Lanigan.

Town.—Govan, $3,000 15-years 7 per cent. annuity; A. Graham, Govan.

The following is a list of debentures reported sold from February 25th to March 1st, 1918:—

School Districts.—Moon Lake, $1,400, Riverhurst, $4,000; J. H. Kern, Moose Jaw. Cut Arm, $1,600. Chris. Thorvaldson, Bredenbury. Green Corn, $1,800; Nay & James, Regina.

Rural Telephone Companies.—Idaleen, $1,800, Scott, $10,900, Penzance, $7,000, Aneroid North, $1,500, East Margo, $4,000, Quill Plains, $2,800, Wheat Valley, $3,600, Yellow Lake, $5,800, Lloyd George, $5,400, North Ceylon, $1,300; W. L. McKinnon & Company, Regina. East Mount, $3,000; Nay & James, Regina. Mazenod, $1,250; F. Somerville, Regina. Eden Valley, $1,000; Bond & Debenture Corporation, Winnipeg. Lewiswyn, $3,800; J. A. Thompson, Winnipeg.

Village.—Prelate, $1,500, $7,500; Wm. J. Shaw, Prelate.

Rural Municipality.—Bitter Lake, $5,000; Kerr, Fleming & Company, Regina.

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*Being sold by the local government board.

INDUSTRIAL BOND ISSUE

A block of $200,000 five-year bonds, issued by the Page Wire Fence Company of Canada, Limited, has been purchased by Credit Canadien Incorpore. The bonds are unconditionally guaranteed by the city of Three Rivers. The proceeds are intended for the establishment of a new plant for the company at Three Rivers, Que..

SHAWINIGAN NOTES TAKEN UP

As the market quotation of the rights indicated at the close of subscription on March 1st, the entire issue of Shawinigan Water and Power's $1,500,000 convertible notes, offered to shareholders, was taken up by either the shareholders or those who purchased subscription rights from them. There was no unsold balance left over for subsequent placing.

INTEREST RATES ON ALLIED LOANS INCREASED

Interest rate on loans by the United States to Allies has been raised from 4¼ to 5 per cent. as a result in the recent increase in the rates on certificates of indebtedness from 4 to 4½ per cent.

Since it now costs the United States government more to borrow money from the American people, Secretary McAdoo felt it necessary to charge more for the allied loans.

The interest rates on allied loans have risen gradually from 3 per cent. on the first credits last April.

Credits to the allies now amount to $4,734,400,000, and $4,386,400,000 has actually been paid. Of the $348,000,000 unpaid balance, $137,000,000 is still credited to the Russian government.

WESTERN ASSURANCE COMPANY

Including interest and rents, there was a total balance of $643,429 to the credit of the year's operations by the Western Assurance Company, Toronto. This is a very satisfactory record, the business of the company's marine department contributing largely to the result. The directors' report, presented at the company's annual meeting recently, showed that the premiums received by that department, less reinsurances for the year, amounted to $4,232,714, the very large increase being due to the continued demand for insurance covering the increased risks due to war. The losses (paid and outsanding) amount to $3,321,911, and after charging agents' commissions, taxes and expenses of all kinds, the credit balance in this department was $272,674.

In the fire department the premiums, less reinsurances. for the year, amounted to $2,907,772. The losses for the year (paid and outstanding), after deducting recoveries under reinsurances, were $1,572,995, and after charging agents' commissions, taxes and expenses of all kinds, this department gave a credit balance for the year of $236,765.

Out of the large credit balance of $643,429 the company used $21,566 to reduce the value of the head office buildings to $200,000, a figure which the directors are convinced is not too high for the two buildings the company has in a busy corner of Toronto, especially when it is borne in mind that in recent years considerable amounts have been expended on modernizing them, and that these amounts have been paid from time to time out of current revenue. The directors have struck out the item of $15,479, which appeared in last year's assets for insurance maps, although they have had these valued as being marketable for at least four times that sum. They think it better to charge any outlay for furniture or maps in future to general expenses. After providing for these writings-down, for dividends on preference stock up to 30th June last, for writing off the net decrease in the market value of securities, and for some small adjusting entries, the balance in hand has been increased by the sum of $488,948, making the balance now $1,920,011. An analysis of the company's balance sheet indicates the maintenance of a strong position.

The Western Assurance Company has an excellent reputation, and is one of the veterans in the Canadian underwriting field, having served the public for sixty-seven years. Mr. W. B. Meikle is president and general manager. He is a capable and conservative underwriter, and has an experienced assistant in Mr. John Sime. Mr. C. C. Foster is secretary, and Mr. C. C. Wainwright and Mr. A. R. Pringle are assistant secretaries of the company.

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LIMIT PROFITS OF PACKERS

Must Not Exceed Two Per Cent. on Gross Sales in Any Year,—Cannot Evade Tax

Regulations providing for the licensing of abattoir companies and meat packing companies whose annual sales exceed $750,000 and for limitation of their profits are set forth in an order-in-council just passed by the government and made public. The restrictions upon profits are the same which the Union government shortly after its organization announced it would impose, and they are to be effective as from January 1st last.

Licensed companies are required so to fix their selling prices that their profits will not exceed 2 per cent. of their gross sales in any one year. If a company makes a profit in excess of 7 per cent. upon the capital actually invested in its business, it may retain only one-half of such excess up to 15 per cent., in excess of 15 per cent. it may not retain any profits. In no cases, however, are the profits of a company to exceed 2 per cent. on its gross sales; that is to say, no packing concern will be permitted to earn profits in excess of 11 per cent. on its invested capital or 2 per cent. on its gross sales, whichever is the lesser amount. All additional profits will be taken by the government. Furthermore, meat packers will not be allowed to charge up taxes, paid under the business profits war tax act or the war income tax act, to expenses, or to deduct them from profits. Instead, such Federal taxes will be levied "only upon the profit properly retained" by such companies under the order-in-council.

Subject to Business Profits Tax.

Packing concerns are permitted to retain as much as 11 per cent. profit on their invested capital. The profit so retained would therefore be subject to taxation under the business profits tax to the extent of 25 per cent. of the amount whereby it exceeded 7 per cent. on capital or to the normal income tax of 4 per cent. upon income in excess of $3,000, whichever produced the greater sum.

The limitation of profits of packing houses, fixed by the Canadian government, is thus more onerous than that adopted in the United States. In the latter country packing concerns are divided into two classes. The first class, known as "The Big Five," comprises only five corporations, each of which boasts annual sales in excess of $100,000,000. The profits of those five companies are restricted to 2½ per cent. of their gross sales in any year or to 9 per cent. on their capital. The capital upon which the percentage is to be calculated is the average necessarily used by the packer in his business. In his capital, however, the United States packer is allowed to include borrowed capital, which the Canadian packer will not be allowed to do.

The second class of American packers, those whose sales amount to less than $100,000,000 a year, within which Canadian companies would come, is subject only to one restriction—namely, that profits must not exceed 2½ per cent. of the gross annual sales. Packers of that class in the United States are therefore allowed one-half of 1 per cent. on their annual turn-over in profits more than are the Canadian abattoir or meat packing companies.

Cannot Evade Tax.

Some features of the order-in-council are interesting. Licensees, in fixing prices and determining profits, are not to discriminate as between different kinds of livestock, classes of materals or products, plants, localities or persons, to the injury of any competitor, of any livestock producer, or of the public. Packers will not be permitted, for the purpose of evading the limitation of profits, to transfer stock of any subsidiary company or to divest themselves of ownership of such companies. They are warned against adopting any method of computing profits which will conceal or understate the full and true value thereof, or which will divert to any other person or business the profits which properly accrue to them. Capital, actually invested in the business of a packing company, is defined in the same manner as is capital for the purposes of the business profits tax act.

In view of the intention of the William Davies Company, recently advertised in the Canada Gazette, to increase its capital stock from $2,000,000 to $5,000,000 one clause of the order is worthy of attention. That section provides that "the minister of finance may determine the amount of the capital of any incorporated company issuing stock after January 1st, 1918, and if, after that date, the capital stock of a company is increased or additional stock is issued, or if the stock is, in any way, changed or reorganized in such manner as to increase the amount of the capital for the purposes of the regulations, the minister of finance may decide whether or not it is fair and proper to include such increases, or any part thereof, when determining the capital of such company for the purposes of the regulations; and the decision of the minister shall be final and conclusive."

Details in Regulation.

The regulations deal in detail with the status of subsidiary companies, methods of computing sales, businesses included in the operation of the order and businesses excluded from its operation, computation of profits and of capital, allowances for deterioration, repairs and maintenance, the right of the minister of finance to information as to licensed companies' businesses and of his representatives to access to the books of packing companies and their subsidiary corporations. Excluded from the computation of sales and profits of such companies are: "The slaughtering of livestock and the manufacture of any product of livestock in any foreign country, any business which has nothing to do with human food, livestock or products of slaughtered livestock, the raising, fattening or feeding of livestock, any business other than the slaughtering of livestock, the manufacture of products therefrom which may hereafter be excluded by authority of the minister of finance." The sale in any other country of products manufactured in Canada is not excluded from the operation of the order.

The regulations will remain in force during the continuance of the war, and any violation of them may be punished by a fine not exceeding $5,000, or imprisonment for not more than six months, or both fine and imprisonment.

SASKATCHEWAN MUNICIPAL HAIL LOSSES

The sixth annual convention of the Saskatchewan Hail Insurance Association was opened in the City Auditorium recently, with A. E. Wilson, of Indian Head, the president of the association, in the chair. The preliminary business was, however, commenced, and the minutes of the last convention, held in Regina, were adopted as read by the secretary, E. G. Hingley.

The president of the association read the directors' report for the period from March 1st, 1917, to February 28th, 1918, which reviewed the work done by the association, and the report was received by the delegates and laid on the table for discussion later. The report of the board of directors called particular attention to the auditors' report for the same period, which showed that a surplus of approximately $68,000 was brought forward to 1918. During the year 1917 the amount paid out in insurance claims amounted to $823,362.42, the claims numbering 4,978. The revenue received was 930,799.35, and the cost of administration amounted to $36,596.68. The hail losses in the province were comparatively small until August 21st, when a storm swept over the central portion of the province.

MARINE INSURANCE

Commenting upon the marine insurance business by companies in Canada, Mr. W. B. Meikle, president of the Western Assurance Company, Toronto, at the recent annual meeting said:—

"Submarines were exceedingly active in the spring and early summer, and the losses in the marine department poured in day after day during the first part of 1917. Fortunately, the latter part of the year gave better results. As the business in this branch is composed mainly of war risks and of cargoes on steamers, the duration of the risks is short, and so the outstanding liability at the end of any month is small compared to the total premiums for the year.

"The premiums in the marine department for 1917 reached a figure that will not likely be attained by us again for some years. As 90 per cent. of the cargo space on all steamers from this side is reserved for government shipments, and these government shipments are not insured, and as the number of vessels on the ocean has been gradually decreased by submarine warfare, it will be readily seen that for some time to come there cannot be the same volume of marine business as formerly. With a reduced business, competition between marine insurance companies will naturally be keener, and this will tend towards cheaper rates, and the time may soon come when it will be better judgment to stay out of the business altogether rather than to write it at what we may consider inadequate rates."

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Montreal Stock Exchange

STEEL RAILS FOR CANADIAN RAILWAYS

An order for 100,000 tons of steel rails, or enough to lay tracks on some 800 miles of railroad, has been placed by Hon. J. D. Reid, minister of railways, on behalf of the government, with the Dominion Iron and Steel Company. The rails are to be manufactured at the company's plant at Sydney, Cape Breton, and all are to be delivered by the end of July next. Rolling will begin on April 1st, and it is hoped that during April 10,000 tons can be ready for use in making replacements on Canadian railways. In May, June and July it is expected that the rail mill will be producing up to its full capacity, and that deliveries will reach 30,000 tons a month. The rails will be heavy ones, probably 85 pounds to the yard, and will be suitable for renewals on railway main lines.

QUARTERLY AUDIT IN BRITISH COLUMBIA

Many additional responsibilities fall upon the government of the province of British Columbia, as compared with those provinces which have no control over their natural resources, and emphasize the need for a comprehensive and thorough accounting and audit system, such as has been put in force by that government, in charge of Mr. A. N. Mouat, comptroller general.

At various points considered to be most advantageous to the public, government agencies have been established for the sale of lands, the recording of pre-emptions and mining claims, the registration of births, deaths and marriages. Applications for water rights and coal lands are also made through the district agent, who transmits them to Victoria. In addition to his duties as district commissioner of lands, mining recorder and registrar of births, deaths and marriages, a government agent is usually appointed a stipendiary magistrate (with no jurisdiction over city cases), official administrator, gold commissioner, registrar of voters, registrar of the supreme and county courts, and registrar under the marriage act for the performance of civil marriages. While in some instances a government agent holds the appointments of mining recorder and assessor, these offices are usually held by other officers attached to the agency.

To take a concrete instance, here are set out the various offices held by the government agent at Kamloops, together with the staff engaged in carrying on the work appertaining to these offices, also members of his staff holding specific appointments and their assistants:—

Government agent: district commissioner of lands; district registrar of the supreme court; registrar of the county court; registrar of voters; registrar under the marriage act; district registrar of births, deaths and marriages; stipendiary magistrate; recording officer, Kamloops cattle district; water recorder, Kamloops water district; collector of revenue; clerk of the peace. Staff for above duties: two male clerks, one female clerk, one female stenographer.

There is also at the agency an official who holds the combined offices of assessor and mining recorder, with a staff of two male clerks.

The government agent, in addition to being collector of revenue, is also disbursing officer, paying all official salaries, wages and accounts against the government in his district after proper certification, and within the sums voted by the legislature.

There are 37 government agents, located from the international boundary in the south to the Yukon territory in the north, and from the eastern boundary to Queen Charlotte Islands in the west. There are, in addition, a considerable number of collectorates throughout the province, and it is the government's endeavor to overtake the work ahead, so as to bring these, and all other outside offices, including registries and other legal offices, within a quarterly audit.

The fire department of Red Deer, Alta., consists of a paid chief, two teamsters, who sleep in the hall, and about twenty-four volunteers, six of whom sleep in the hall, the city furnishing rooms and bedding free. A combination chemical and hook and ladder truck and a separate hose wagon are used. A fire pressure of 120 pounds is provided. Fire losses for the past few years were: 1908, $1,175; 1909, $1,350; 1910, $1,415; 1911, $1,275; 1912, $1,307; 1913, $858; 1914, $2,330; 1915, $800; 1916, $520; 1917, $65. Red Deer has the lowest insurance rates of any city of similar size in Western Canada.

INSURANCE ON ORIENTAL RUGS

L. Babayan, dealer in Oriental antiques, receives $5,350 insurance for loss sustained in a fire at his premises, 77 Bay Street, Toronto, on March 27th, 1916, and not $47,500 as was claimed. Mr. Justice Kelly at Osgoode Hall recently rendered judgment in five actions instituted by Mr. Babayan against the following companies: Union Fire Insurance Company, Continental Insurance Company, Phœnix Assurance Company, of London, and the North British and Mercantile Insurance Company. The award of $5,350 is to be shared by the companies in proportion to the amount of insurance held in each by Babayan. This is fixed by his lordship as follows: Union Fire, 2-19ths; Law, Union and Rock, 4-19ths; Continental, 2-19ths; Phœnix, 4-19ths; North British and Mercantile, 7-19ths. In all cases the plaintiff is awarded interest from September 10th, 1916, and costs.

The trial of Babayan's action lasted for fourteen days. In his judgment Mr. Justice Kelly remarks that the over-valuation of stock in Babayan's store was largely due to the fact that the estimator considered the increased cost of such goods as Oriental rugs, embroideries, draperies, brassware and Oriental furniture, owing to the war. Justice Kelly also comments upon a code by which the plaintiff indicated the value of rugs, etc. "There is a great difference between the cost prices of rugs such as these," he says, "and the prices usually quoted to and frequently obtained from the customer."

At another point he says: "The plaintiff's books and records were in a chaotic condition, and had been so, extending back as far as the investigation of them went at the trial."

In connection with the over-valuation of the goods his lordship says that Babayan was not wholly blameless, but the adjuster was also to blame.

PULP AND PAPER INDUSTRY

The investigation into the pulp and paper industry by a Dominion government commission is a cause of uneasiness to the trade, and this has been increased by similar action in the United States, which is the chief market for a great part of the Canadian product. During the last decade there has been a very remarkable development in the volume of production and of exports, and this development under normal trade conditions would tend to continue, owing to the natural advantages possessed by Canada as regards raw materials and manufacturing facilities.

The effect of the investigation has been to check development very considerably. It cannot be expected that new capital will seek employment in an industry in which selling prices are arbitrarily fixed at a point which, in the opinion of practical men, does not provide a sufficient margin of profit and a reserve against the hazards of the times. If the extraordinary demand is to be met more plant will be essential, yet very little is being built. The cost of new plant would be now about double what it would have been in pre-war times, and prices for the chief paper products are regarded as inadequate to provide interest upon the necessary capital and a sufficient amount for depreciation so that the fixed charges may be normal after the war.

This industry and its development are of great national importance because of its present contribution to the value of our exports and of its great possibilities. Since 1912 the annual exports of the various classes of pulp and paper products have been as follows:—

Year ending March 31st.	Paper.	Chemical Pulp.	Mechanical Pulp.	Pulp Wood.	Total.
1912	$ 3,867,119	$ 1,587,535	$3,506,700	$5,697,901	$14,659,325
1913	6,324,810	2,100,842	3,408,702	6,806,445	17,640,781
1914	12,675,036	2,923,083	3,441,741	7,388,770	26,428,630
1915	15,478,338	4,806,622	4,459,539	6,817,311	31,561,810
1916	20,021,270	6,801,011	3,575,537	5,743,847	36,141,665
1917	26,072,646	14,032,920	6,371,133	6,448,189	52,924,888

The paper referred to in the above classification is largely newsprint. About the middle of January the minister of finance fixed the price in Canada at $57 per ton, effective for three months from February 1st. It is understood that the actual average cost of this class of paper is slightly above that figure, in view of which those mills which do not export are at a decided disadvantage, as they are not benefited by the higher price of $60 per ton fixed in the United States. The investigations being carried on are not yet completed and the restrictions as to price may, therefore, be only temporary. It is however, very important that the growth of an industry which is able to contribute so substantially to our export business should not be obstructed.—Canadian Bank of Commerce statement.

BRITISH COLUMBIA TIMBER
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GRADUATED WAR TAX ON INCOMES

If the income war tax law, about to be applied, did nothing more than cause a national stock-taking, it would serve a most useful purpose.

The taking of an inventory of one's resources invariably induces a desire to save and a desire to save when translated, as it very frequently is, into a determination to save means getting on with the war, as well as happiness all around. This process, first an inventory of one's resources, then a desire to save, applied to every unmarried person, or widow and widower without dependent children, receiving an income of $1,500 and over, and to all other persons receiving an income of $3,000 and over, will unquestionably result in a large proportion of cases, in a determination to save. And that means more general prosperity and renewed national strength.

But a national stock-taking is only incidental, of course, to the chief purpose of the income war tax which is to provide revenue for the prosecution of the war in as equitable a manner as possible. The tax is to be graduated, according to one's ability to pay. Those who are in receipt of only a living wage or salary will not be called upon to pay; those enjoying the highest incomes will be called upon to pay the greatest amounts, and the great body of income receivers between, will be called upon to pay in their due proportion.

Moreover, the purpose of the act is to distribute the burden equitably among all classes. By way of illustration, the farmer will be required to add to the value of his actual income, the value of the home-grown products which his own family consumes. This places the farmer on a plane with the salaried man, the value of whose services is wholly represented in the income received and against which he must charge all his living expenses.

Canada has established a war record that is the envy of the world. It is certain that the Canadian people will run true to form in answer to this latest call of their war government.

PUBLICATIONS RECEIVED

Municipal Finance.—Auditors' Report, 1917, City of Red Deer, Alta.

Coal.—"Where it is and how to get it." Issued by the Coal Operators of Northern Alberta.

Mining.—Preliminary report of the mineral production of Ontario in 1917. Issued by the Bureau of Mines, Parliament Buildings, Toronto.

Empire Trade.—"Empire Building from Within," paper read at the Bristol Branch of the Royal Colonial Institute, by Mr. Henry L. Riseley.

Mining.—Preliminary report on the mineral production of Canada during calendar year, 1917. Prepared by Mr. John McLeish, B.A., Chief of the Division of Mineral Resources and Statistics, Ottawa.

Statistics.—Statistical Year Book of Quebec, 1917. Compiled by G. E. Marquis, head of Bureau of Statistics, Provincial Secretary's Department, Parliament Buildings, Quebec. A very useful volume of over 550 pages, well arranged and indexed.

Municipal Finance.—"Taxation in the Urban Municipalities of Saskatchewan," by Robert Murray Haig, Ph.D., Assistant Professor of Economics, Columbia University. Issued by the Department of Municipal Affairs, Parliament Buildings, Regina.

Banking.—Home Bank Monthly, February, 1918. Issued by The Home Bank of Canada, Toronto. Contents: Early Efforts to Secure Banks; Thrift in the Sixteenth Century; the Comic Movies; Savings Accounts; our Flueless Homes; Heard Across the Roll Top Desk; the Case of John Walrinson; the Big Problem of the U.S.; and the Chain Letter.

Tropics.—Bulletin of the Imperial Institute. A quarterly record of progress in tropical agriculture and industries and the commercial utilization of the natural resources of the Dominions, Colonies and India, edited by the director and prepared by the scientific and technical staff of the Imperial Institute and by other contributors. Published by John Murray, Albemarle Street, London, W., England.

Bank Map.—An excellent bank map of Ontario and Quebec has been issued by the Department of the Interior at Ottawa. The map is on a scale of 25 miles to the inch and embodies several important features. Every city or town in which a chartered bank branch is located is indicated by a circle. If more than one branch exists in said location, the exact number is shown in the circle. But what is almost of more importance is the railway feature of this map, under which all the railways, great and small, operating in the two provinces, are indicated by a color scheme. The four large systems—the Canadian Pacific, Grand Trunk, Canadian Northern and Canadian Government Railways—are represented by a different colored line, while the smaller roads are grouped under one color. The merchant or fish dealer of the Maritime Provinces as well as the farmer of Western Canada can each determine at a glance, the shortest and most convenient route by which manufactured goods may be shipped to him, and at the same time ascertain the most feasible method of routing his own products to the markets of Central Canada.

Statistics.—Now that improvement of the statistical records of Canada is in hand, a volume on statistical methods, just published, will prove of service to the Dominion and provincial government officials, who deal with Canadian statistics and to those who interpret statistics. It also makes a good textbook for college students, a manual for statisticians and business executives. The volume regards statistical methods as means rather than as ends, as constituting simply one phase of general methodology, and as including not only methods of analysing but also of collecting and assembling statistical data. The methods discussed are of general application although the illustrations, for the most part, are drawn from economic and business fields. The order of treatment is the same as that followed in the planning and analysis of a statistical problem. Statisticians, business executives and students of statistical methods generally will find the volume not only a compendium of statistical procedure but also a guide in the process of logical statistical analysis. Emphasis is given to the necessity of a clear formulation of the problem in mind, to the meaning, collecting and assembling of data, and to the necessity of a rigid interpretation and use of units of measurements. All of these steps are held to be preliminary but indispensable to the formulation of a statistical judgment, and to the employment of the refinements of mathematical analysis which alone are too generally associated with "statistical methods."

"An Introduction to Statistical Methods." By H. Secrist, Ph.D. Published by The Macmillian Company of Canada, St. Martin's House, Bond Street, Toronto. Price, $2.00.

National Prosperity.—The permanent causes of the wealth of nations is the subject discussed in a timely volume of studies in the conservation of permanent national resources. The work emphasizes the thought that conservation is to be regarded as a treatment of the foundations of national prosperity. The war makes it important to emphasize the fact that in the treatment of conservation we are dealing with national preparedness both for war and peace. "There is danger," as stated in the preface to the volume, "that in dealing with measures of preparedness we may direct our attention too exclusively to the needs of to-day and to-morrow, whereas nothing stands out more clearly as a result of our world war than the fact that preparedness must be a permanent, all-round condition; for otherwise our preparations may be in vain. While it is true that this book deals mainly with permanent conditions of prosperity and preparedness, it also has lessons for the immediate present." The book is written by Richard T. Ely, Professor of Political Economy in the University of Wisconsin, Ralph H. Hess, Associate Professor of Political Economy in the University of Wisconsin, Charles K. Leith, Professor of Geology in the University of Wisconsin, and Thomas Nixon Carver, David A. Wells Professor of Political Economy in Harvard University. It is an opportune work and will be read with great interest and benefit by the many Canadians who are interested in our national problems.

"The Foundations of National Prosperity." By Ely, Hess, Leith and Carver; price $2.00. Published by the Macmillan Company of Canada, St. Martin's House, Bond Street, Toronto.

INQUIRY INTO DOMINION PERMANENT SITUATION

Declaring that the estates of the late J. R. Stratton and the late D. W. Karn, former presidents of the Dominion Permanent Loan Company, should be compelled to repay any profits made from their association with the Dominion Permanent Loan Company, Mr. U. A. Buchner, a London lawyer, recently addressed a meeting of nearly a hundred London and Western Ontario debenture owners and stockholders in that city.

Mr. Buchner, who personally is in danger of a loss of between $4,000 and $5,000, told the meeting that years ago he was a legal adviser of the Dominion Permanent Loan Company. Thus, he said, he has learned a good deal which he could use in delving if he is made a member of an advisory committee which he hopes to see named to co-operate with Assignee Clarkson.

He claims that years ago he had attended a meeting of the company at Toronto and had asked for information concerning the assets of the corporation. He was told by officers to wait until after the directors' meeting for the information, but he says he is waiting yet.

VALUE OF WAR ORDERS IN CANADA IS LARGE

Orders for munitions, marine engines and other supplies for war purposes to an estimated value of $50,000,000 have been placed by the United States in Canada during the past five months. Of the total, orders to the amount of $35,000,000 have been placed by the Imperial Munitions Board. The latter mentioned orders include contracts for 7,000,000 shells, 2,000,000 cartridge cases and 10,000,000 forgings. Such orders from the United States have an important influence in redressing the balance of trade between Canada and equalizing exchange between the two countries.

British orders for munitions to the value of some $880,000 000 have been placed in Canada. In April, May, June and July last the amount of British orders ran as high as from $45,000,000 to $50 000.000 a month. Since then there has been a diminution of orders owing to the growth of the munition industry in Great Britain, and also in some measure to the shipping situation. Now, the Imperial Munitions Board is still expending about $25,000,000 a month in Canada on behalf of Great Britain. The largest type of shell now being produced is a 6-inch high-explosive howitzer shell, and the manufacture of fuses has to a great extent been discontinued.

DIVIDENDS AND NOTICES

PENMANS, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and one-half per cent. (1½%) has been declared on the Preferred Shares of the Capital Stock of this Company for the quarter ending 30th of April, 1918, payable May 1st, 1918, to Shareholders of record of 22nd day of April, 1918. Also a Dividend of one and one-half per cent. (1½%) on the Common Shares for the quarter ending 30th day of April, 1918, being at the rate of six per cent. per annum (6%), payable 15th of May, 1918, to Shareholders of record of the 6th of May, 1918.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer

Montreal, 4th March, 1918.

PENMANS, LIMITED

BONUS ON COMMON STOCK

Notice is hereby given that a Bonus of one per cent. (1%) has been declared on the Common Shares of the Capital Stock of this Company, payable 15th of May, 1918, to Shareholders of record of 6th of May, 1918.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.

Montreal, 4th March, 1918.

PROVINCIAL PAPER MILLS CO., LIMITED

Head Office, Toronto.

Notice is hereby given that dividends of One and Three Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable April 1st, 1918, to shareholders of record at the close of business, March 15th, 1918.

By Order of the Board.
S. F. DUNCAN,
Secretary-Treasurer.

Dated Toronto, March 7th, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarter per cent. (1¾%) on the Common Stock of the **Dominion Textile Company, Limited,** has been declared for the quarter ending 31st March, 1918, payable April 1st to shareholders of record March 15th, 1918.

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 4th March, 1918.

OTTAWA LIGHT, HEAT & POWER COMPANY, LIMITED

DIVIDEND NO. 47.

Notice is hereby given that a quarterly dividend of 1½% (one and one-half per cent.) being at the rate of 6% per annum, on the Capital Stock of this Company, has been declared for the period ending March 31st, 1918, payable on April 1st, 1918, to Shareholders of record at the close of business on the 20th day of March, 1918.

The transfer books of the Company will not be closed.

By order of the Board.
D. R. STREET,
Secretary-Treasurer.

Ottawa, March 11th, 1918.

THE MONTREAL CITY AND DISTRICT SAVINGS BANK

Notice is hereby given that a Dividend of two dollars and thirty cents per share on the Capital Stock of this Institution (65% paid up) has been declared and will be payable at its Head Office, in this city, on and after Tuesday, the second day of April next, to Shareholders of record on the 15th day of March next, at three o'clock p.m.

By order of the Board.
A. P. LESPERANCE,
Manager.

Montreal, February 25th, 1918.

PATON MANUFACTURING COMPANY OF SHERBROOKE

Notice is hereby given that a Dividend of (4%) Four per cent. and a bonus of (2%) Two per cent. for the half-year ending January 31st have been declared payable on the 15th day of March next, to Shareholders of record of the 28th instant.

By order of the Board.
A. D. BRODIE,
Secretary.

Sherbrooke, February 20th, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st MARCH, 1918, payable APRIL 15th, to shareholders of record March 31st, 1918.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, March 4th, 1918.

THE CANADIAN CROCKER-WHEELER COMPANY, LIMITED

DIVIDEND NOTICE

The Directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending March 31st, 1918, to Shareholders of record March 20th, 1918. Also a dividend of One and Three-quarters per cent. (1¾%) on the common stock of the Company for the three months ending March 31st, 1918, to shareholders of record March 20th, 1918.

The stock books will be closed from the 20th to the 31st of March, both days inclusive.

Checks will be mailed to shareholders on March 30th, 1918.

By order of the Board.
L. R. GRIMSHAW,
Secretary-Treasurer.

St. Catharines, March 8th, 1918.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent. extra if charged.

CAPABLE OFFICE ASSISTANT DESIRES POSITION. —An office assistant, lady, desires position in Toronto. Experienced; is careful and accurate; a good writer; can be trusted with confidential or secretarial work, and can furnish first-class references. Box 147, care of *The Monetary Times*, Toronto.

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INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Algoma Steel Corporation.—An official of the company states that satisfactory progress is being made on the installation of the thirty coke ovens, which are expected to be completed by the end of June or early in July.

Goodwins, , Limited. — Goodwins, Limited, department store, of Montreal, earned a net profit of $150,985 in the year ended January 31st last after interest charges and increased allowances for reserves. As compared with 1916, net showed a gain of $25,331, and represented earnings at the rate of 8.6 per cent. on the company's $1,750,000 preferred stock. The total current assets are $1,439,135, as against current liabilities of $861,827.

Riordon Pulp and Paper Company.—The company reports earnings of $1,943,651, including income from its investments, for the year ended December 31st last, an increase of $417,036, or about 27 per cent., as compared with 1916. The figures are after the deduction of the 1916 war tax, but no provision has been made for the 1917 tax. An exceptionally large allowance for depreciation, which includes, this year, provision for exhaustion of timber areas, reduced the net balance after fixed charges and preferred stock dividend to $962,942, a decrease of $202,794, or about 21 per cent. Earnings on the ordinary capital, which were at the rate of 25.9 per cent. in 1916, appear as 21.4 per cent. for 1917. The depreciation allowance, which accounted for the reduction in net profits, was $766,055, against $149,480 the year before.

La Rose Consolidated Mines Company.—The company reports profits of $71,372 for 1917. The production for the year was 437,337 ounces, having a net value of $328,751. Against an average price of 64.89 cents an ounce for silver in 1916, the company last year received 82.94, but the increase was more than offset by higher costs of production, the average being 68.64 cents an ounce, against 46.39 in 1916. The company's surplus at the end of 1917 was $485,286, against $740,353 in 1916.

The report says that there is still a small amount of ore left in pillars and the backs and walls of old stopes, but no estimates as to the quantity or value can be made. The general manager states that options on two gold properties were dropped owing to unsatisfactory exploration results, and that while other properties were examined none was acquired.

Canada Cement Company.—Addressing the shareholders at the annual meeting of the company, held at Montreal on March 8th, the president, Senator W. C. Edwards, said that he had always looked forward to the time when he could make the statement that there was not a drop of water in the common stock. As a result of the excellent business of the past year, he was now in a position to make that statement.

Dealing with the facts presented in the annual report, the president emphasized the fact that the earnings from the cement business proper had been sufficient to take care of fixed charges, preferred dividends and ordinary dividends chargeable to the year's profits. The new business handled by the company had resulted most successfully.

F. P. Jones, vice-president and general manager, commenting upon the cement business proper of the company, remarked that it had never been a record one, especially in the country districts. The directors, however, expect that after the war there will be a greater demand for cement than at the present time. The company is in a position to take care of any extra business without further outlay of capital. The old board of directors was elected without change.

Dominion Canners, Limited.—The report presented by the directors at the recent annual meeting of the company on March 6th was termed satisfactory by President J. J. Nairn. It showed that the operating profits for the past year, after providing for the business profits war tax, but before deducting bond interest was $800,429. This, with the credit balance brought forward from 1916, made a total of $1,258,944. The balance carried forward this year is $990,338, after paying interest on bonds of $108,263 and dividends on preferred stock of $160,342. In addition to this reserve, the company has $150,000 as an insurance reservation.

The report also announced that the directors have declared a dividend of 1¾ per cent. on the preferred stock, payable on April 1st.

The following are extracts from the report presented by the president:—

"Our stocks of canned goods on hand are unusually light, and we will probably go into next season with little or nothing in the shape of canned goods. No one can forecast the future. There are so many uncertainties, and it seems necessary to protect ourselves against the unforeseen.

"Regarding export business. Last year we advised you that we were diligently working up our export trade, and this particularly has been of material assistance to us, but owing to transportation and foreign financial conditions, this trade is now practically cut off. Labor has advanced considerably, tins have also greatly advanced; in fact, all those materials that enter into the pack, such as fruits and vegetables, range from 50 up to 100 per cent. higher. Therefore, we cannot for the present expect to sell goods at normal prices."

Intercolonial Coal Company.—Profits for the year ended December 31st last totalled $183,419, compared with $122,734, an increase of $60,685, or 49.4 per cent. Deductions included sinking fund, $6,000; interest, $14,579; discount debentures, $2,102; depreciation, $35,970; war tax, $17,150; dividends, $7,626, totalling $83,427, and leaving a surplus for the year of $9,992, which, added to the previous surplus, made the profit and loss total $179,089.

Mr. Charles Fergie, president, stated at the annual meeting recently that the total quantity of coal raised was 170,700 tons, compared with 143,748 in 1916, an increase of 35,952 tons. A ready market was obtained for the output, the demand during the greater part of the year being much in excess of the supply.

The demand for fireclay products also continued extremely brisk, and the clay department experienced another very successful year. Outputs were at times, however, adversely affected owing to shortage of labor. There were during the year 5 per cent. debentures redeemed to the amount of $52,500, leaving of this issue now only $47,500 outstanding. Of the first mortgage issue, $6,000 of the 6 per cent. bonds were also redeemed, but no part of the 5 per cent. bonds, thus leaving still outstanding $177,500 of the 6 per cent. and $17,500 of the 5 per cent. bonds.

With prospects of an increased production and the continuance of an excellent market, the outlook for 1918 is very promising, and another year's satisfactory and successful operations may reasonably be looked forward to.

Current assets totalled $301,868, compared with current liabilities of $42,098, leaving the net working capital $259,770, compared with $164,307 a year ago.

Paton Manufacturing Company.—The statement of the company for 1917 shows that the profits did not come up to the record level of 1916, being $108,332, compared with $314,311 for the preceding period. After paying the preferred and common dividends, amounting to $72,000, there was a balance to profit and loss of $36,426.

The balance of profit and loss from the previous year amounted to $644,955, and from that was deducted war taxes for the accounting period from February 1st, 1915, to January 31st, 1916, amounting to $30,787, to which was added a $6,000 contribution to the Sherbrooke patriotic fund. This left the surplus slightly smaller than the preceding year, the amount carried forward being $644,594, against $644,955 at the end of the previous year.

The profit and loss account compares as follows:—

	1917.	1916.
Profit for year	$108,332	$314,311
Balance debt. recovered	94	479
	$108,426	$314,790
Dividends	72,000	78,000
Surplus for year	36,426	202,904
Total	$644,594	$644,055

The balance sheet shows that the current active assets were higher than a year ago. Total assets were $1,371,499, compared with $1,306,719 a year before.

The balance sheet compares as follows:—

	1917.	1916.
Current liabilities	$ 126,905	$ 61,763
Capital stock	644,955	600,000
Cash	1,903	162,672
Accounts receivable	172,671	134,855
Insurance	8,609	7,849
Stocks	563,924	494,135
Investment	185,410	24,525
Total active assets	932,518	824,037
Land, buildings, etc.	438,981	482,681
Total assets	1,371,499	1,306,719

BRITISH AMERICA ASSURANCE COMPANY

INCORPORATED 1833

FIRE, MARINE AND HAIL INSURANCE

STATEMENT AS OF DECEMBER 31ST, 1917

Fire and Hail Premiums for 1917		$2,442,577.36	
Marine Premiums for 1917		1,390,785.47	
			$3,833,362.83
Interest and Rents			80,613.63
TOTAL INCOME			$3,913,976.46
Fire and Hail Losses	$1,236,646.55		
Agents' Commissions	534,700.77		
Taxes	66,760.49		
General Expenses	337,512.42		
		2,175,620.2	
Marine Losses	748,934.48		
Agents' Commissions	234,192.75		
Taxes	7,987.57		
General Expenses	20,450.07		
		1,011,564.87	
			3,187,185.10
PROFIT FOR THE YEAR			$ 726,791.36
CAPITAL STOCK (fully paid up)			$1,399,029.79
TOTAL ASSETS AT 31st DECEMBER, 1917			$3,522,019.73
LOSSES PAID SINCE ORGANIZATION IN 1833, OVER			$43,000,000.00

BOARD OF DIRECTORS

W. B. MEIKLE, President

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LONDON OFFICE, 14 CORNHILL, E.C.

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Montreal and Toronto Stock Transactions

Stock Prices for Week ended Mar. 13th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	—	Asked	Bid	Sales
Abitibi com.	....	....	....	....
Ames-Holden com.	....	....	....	....
" pref.	....	....	....	....
Asbestos Corporation	....	....	....	....
" " pref.	....	....	....	....
Bell Telephone	....	....	....	4
British Columbia Fishing & Packing	....	46	41½	560
Brompton	....	....	....	50
Brazilian	....	36¾	36½	516
Canada Car com.	....	24	....	80
" pref.	....	60	59½	395
Canadian Converters	....	..	....	....
Canada Cement com.	....	60½	60	675
" pref.	....	91	90½	91
Canada Cottons	....	....	49½	88
" pref.	...	....	....	11
Canadian Con. Rubber pref.	....	....	....	...
Canadian Pacific Railway	....	....	....	2
Canadian General Electric	....	....	....	175
Canadian Locomotive com.	....	....	....	....
Canada Steamship Lines com.	....	40	38⅝	375
" " " pref.	....	77⅛	76⅞	165
" " " (Voting Trust)	....	....	39	150
Civic Investment	....	75	74¼	359
Civic Power com.	...	....	....	....
Cons. Mining and Smelting	....	25	....	340
Consumers Gas com.	....	....	....	....
Dominion Bridge	....	....	....	....
Dominion Canners pref.	....	81	80	10
Dominion Iron pref.	....	93	91½	25
Dominion Steel Corporation com.	....	60	59¾	1073
Dominion Textile	....	85	81¾	117
" pref.	....	....	....	....
Goodwins Ltd.	....	11	....	....
Illinois Traction com.	....	....	....	....
" pref.	....	80	....	17
Intercolonial Coal com.	....	35	....	....
Lake of the Woods Milling com.	....	....	....	20
Laurentide Co.	....	....	....	35
Lyall Const. com.	....	....	....	155
Macdonald	....	15½	15	960
Mackay Cos. com.	....	....	....	....
" " pref.	....	....	....	....
Maple Leaf Milling com.	....	98	....	110
Montreal Tramway	....	153	....	....
" " deb.	....	....	....	100
Montreal Telegraph	....	12	....	....
Montreal Cotton com.	....	....	....	....
" pref.	....	....	....	....
Nova Scotia Steel	....	....	....	....
Ogilvie Flour Mills com.	....	....	151	....
Ontario Steel com.	....	....	23	25
" pref.	....	....	....	25
Penmans	....	....	....	49
" pref.	....	....	....	17
Price Bros.	....	....	....	....
Riordan Paper	....	....	....	50
" pref.	....	....	....	....
Quebec Railway, Light, Heat & Power	....	17	15½	126
Shawinigan Water & Power	....	111	113¾	214
" " " rights	....	....	....	....
Spanish River com.	....	13¾	....	35
" pref.	....	50	....	....
Smart Woods	....	58	....	....
Steel Co. of Canada	....	57⅝	57⅛	5132
" " " pref.	....	90	....	57
St. Lawrence Flour Mills com.	....	....	50	....
" " " pref.	....	....	....	....
Toronto Railway com.	....	....	....	....
Wayagamack	....	....	...	....
Bank of British North America	....	...	....	....
Bank of Commerce	....	185	....	12
Bank of Montreal	....	210	....	2
Bank of Ottawa	....	201	....	....
Bank of Toronto	....	....	....	....
Bank d'Hochelaga	....	140	....	4
Banque Nationale	....	....	....	....
Bank of Nova Scotia	....	248	....	....
Dominion Bank	....	....	....	....
Merchants Bank	....	167	....	1
Molsons Bank	....	....	....	9
Quebec Bank	....	....	....	....
Royal Bank	....	....	....	2
Standard Bank com.	....	....	....	....
Union Bank	....	....	145	19
Montreal Bonds				
Asbestos	....	....	....	....
Bell Telephone	....	93½	....	200
Canadian Car.	....	....	....	....
Canada Cement	....	97	....	....
Canadian Converters	....	....	....	....
Canada Felt	....	....	....	....
Cedars Rapids	....	....	....	900
Dominion Coal	....	....	....	....
Dominion Cotton	....	....	....	....
Dominion Iron and Steel	....	86½	81	....
Dominion Textile A	....	....	....	....
" " B	....	97	....	....
" " C	....	....	....	....
" " D	....	....	....	....
Lake of Woods Milling	....	....	....	....
Laurentide	....	....	....	....
Lyall Construction Co.	....	....	....	....
Montreal Light, Heat & Power	....	....	....	....
Montreal Tramways	....	....	....	....
National Breweries	....	....	....	....
Nova Scotia Steel	....	....	....	....
Ogilvie A	....	....	....	....
" B	....	....	....	....
" C	....	....	....	....
Penmans	....	....	....	....
Price Bros.	....	....	....	....

Montreal Bonds (Continued	—	Asked	Bid	Sales
Quebec Railway, Light and Power	....	60	....	....
Riordan Paper	....	....	....	....
Sherwin-Williams	....	....	....	....
First Dominion War Loan	....	....	....	13300
Second Dominion War Loan	....	....	....	6700
Third Dominion War Loan	....	....	....	10100
Wabasso Cottoo	....	81	....	....
Wayagamack	....	....	....	....

Toronto Stocks	—	Asked	Bid	Sales
Ames-Holden	....	11½	....	....
" pref.	....	50	....	....
American Cynamid	....	36	32	....
B. & L. (Landed)	....	....	52	...
Barcelona	....	9⅞	9½	....
British Columbia Fish	....	46	41	25
Brazilian	....	36½	36¾	593
B. C. Packers	....	....	....	35
Canada Bread	....	17	16	....
" pref.	....	25	23	....
Canadian Car & Foundry	....	58½	57	....
" " " pref.	....	....	....	23
Canadian Canners	....	....	....	53
" pref.	....	....	....	106
Canadian General Electric	....	101½	104	95
" " " cum div. pref.	....	....	....	225
Canada Landed & National Investment	....	....	82¾	....
Canadian Locomotive	....	162½	....	10
" pref.	....	115¾	113½	....
Canadian Pacific Railway	....	40	39½	50
Canada Permanent	....	77	76¾	507
Canada Steamship	....	....	....	240
" " pref.	....	....	....	110
" " (Voting Trust)	....	...	....	100
Can. Salt	....	60½	59¾	....
Cement com.	....	....	90	282
City Dairy	....	....	60	....
Colonial Loan com.	....	....	....	1106
Coniagas com.	....	375	....	...
Confederation Life	....	146½	....	....
Consumers Gas	....	50	....	28
Detroit	....	860	820	..
Dome	....	23	21	100
Dominion Cannera pref.	....	81	79	....
Dominion Iron com.	....	....	....	....
" " pref.	....	....	....	....
Dominion Steel Company	....	60½	59⅞	195
Duluth Sup	....	41	....	20
F. N. Burt	....	....	....	....
" pref.	....	86	84½	5
Hamilton Provident	....	....	135	....
Huron & Erie com.	....	207	....	....
Lake of the Woods com.	....	....	....	....
La Rose com.	....	....	....	200
Mackay Companies	....	78	76½	16
" pref.	....	62¼	61½	103
MacKinley Darragh com.	....	....	....	....
Maple Leaf Milling	....	98	96	40
" " " pref.	....	....	....	25
Monarch	....	....	40	....
" pref.	....	....	....	....
Nat. S. Car	....	12	10	50
" pref.	....	36	34	....
Nipissing	....	870	850	12
Nova Scotia Steel	....	....	....	60
" " " rights	....	66	64	....
Prov. Paper	....	50	45	....
" pref.	....	82	....	....
Penmans com.	....	75	74	....
Petrnleum	....	1350	1275	....
Riordon	....	121	....	....
" pref.	....	....	....	....
Rogers com.	....	....	....	....
" pref.	....	....	....	....
Russell Motor	.. .	58	52	....
" pref.	....	70	....	2
Sawyer-Massey	....	....	10	50
" pref.	....	10	....	....
Shredded Wheat	....	....	....	....
Spanish River	....	....	....	....
" pref.	....	....	....	....
Cons. Smelters	....	50	....	100
Standard Chemical	....	25½	24¾	....
" " pref.	....	....	....	....
Steel Company of Canada	....	57	....	555
" " " pref.	....	57½	57	15
Toronto General Trust	....	90	88½	....
Toronto Paper	....	....	....	....
Toronto Railway	....	72	65	....
Trethewey S. Mines com.	....	58	....	500
Tucketts	....	16½	15½	....
" pref.	....	19	....	....
Winnipeg Electric	....	....	....	....
Twin City	....	48	....	160
Bank of Commerce	....	55	53½	....
Bank of Ottawa	....	185	....	...
Bank of Hamilton	...	201	....	22
Bank of Montreal	....	....	184	....
Bank of Nova Scotia	....	210	....	....
Bank of Toronto	....	....	....	....
Dominion Bank	....	187	....	5
Imperial Bank	....	202	....	23
Merchants Bank	....	....	185	....
Molsons Bank	....	....	167	....
Royal Bank	....	179¾	....	....
Standard Bank	....	208	....	....
Union Bank	....	200	....	....
Toronto Bonds				
Canada Bread	....	....	115	....
Canada Locomotive	....	....	....	....
Penmans	....	....	....	....
Riordon	....	....	80	....
Sao Paulo, 1929	....	. ..	....	....
Steel Company of Canada	....	....	88½	1000
First War Loan	....	91	93⅝	8500
Secund War Loan	....	92¾	92⅝	7900
Third War Loan	....	92	91¾	8700

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BERT. R. MASECAR
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Auditor Accountant Liquidator Trustee
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Chartered Accountants
Successors to
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Represented at Halifax, St. John, Winnipeg, Vancouver

LARGE EXPENDITURE ON RAILWAY EQUIPMENT

The Hon. Dr. Reid, minister of railways, is arranging for new rolling stock, locomotives and rails for Canadian railways this year aggregating a total cost of approximately forty million dollars. In addition to the 100,000 tons of steel rails to be rolled by the Dominion Iron and Steel Company and the rails secured in the United States, announced recently, the railway department is ordering 7,500 new freight cars, 150 locomotives and several hundred new colonist sleepers and other passenger cars. The colonist sleepers will be required to accommodate the big movement of troops to be expected when the influx of returning soldiers really starts in. The freight cars will include a large number of coal cars to relieve the scarcity evident this winter. All the new equipment will be ordered on government account, but deliveries will be allocated to all railways as needs require.

Prices submitted in the tenders received are very high as compared with pre-war prices. Box cars, for instance, now cost from $2,600 to $2,800 each, as compared with $1,400 each before the outbreak of the war. Locomotives have increased in cost by 150 per cent., and now run at about $60,000 each.

In an effort to reduce costs through pooling orders by the government, officials of the railway department are investigating costs of raw material and of manufacture, and arrangements may be made with the manufacturers for governmental purchase of iron and steel supplies at minimum cost, through co-operation with the United States government.

ALBERTA PREVENTS SALE OF SECURITIES

The results of legislation in Alberta are related in a report of the Public Utilities Board of that province. The Commissioners say that up to November 30th sales in Alberta of securities of approximately $3,500,000 have been prevented by the operation of the act. This estimate apparently is based not upon the capitalization of the companies refused certificates, but upon the stock for the issue of which in Alberta formal application was made. The Commissioners say:—"The prosperity prevailing, particularly amongst the agricultural population, has caused company promoters to turn their attention to the province as a likely field in which to sell shares in their speculative enterprises.

"That the act has prevented the offer to the public of much stock in companies doomed from the very outset to failure there can be no doubt. Generally speaking, the sale has been barred by the refusal of the board to grant the certificate, but in some few instances this has resulted from the board's action in attaching for the safeguarding of the purchasers conditions that the promoters, though acquiescing in, have failed to comply with."

The tax rate in St. Thomas, Ont., will be about 30 mills, owing to the increase of expenditures outlined for the coming year. This increase will amount to about $15,000, to cover special additional patriotic grants and increased wages of about $6,000 to city employees.

GOVERNMENT FINANCE

PUBLIC DEBT	1917
Liabilities—	$ cts.
Payable in Canada	693,862,008 91
Payable in London.........	362,703,312 10
Payable in New York......	75,873,000 00
Temporary Loans	199,181 461 06
Bank Circut'n Redemp. Fd.	5,799,604 27
Dominion Notes...........	256,572,765 54
Savings Banks............	52,562,415 21
Trust Funds	10,893,231 83
Province Accounts.	11 920,481 20
Miscel. and Bkg. Accounts.	27 017,071 39
Debt	1996 393 359 81

	1917
Assets—	$ cts.
Investments—Sinking Fds.	16,140,112 76
Other Investments	212,818,809 35
Province Accounts.........	2,296,327 90
Miscel and Bkg. Accounts	721,557,609 32
Total Assets..............	985,012,889 33
Total Net Debt 28th Feb...	1010780470 48
Total Net Debt 31st Jan...	997,529,207 28
Increase of Debt..........	13,251,263 20

Revenue and Expenditure on account of Consolidated Fd.	Total to 28th Feb. 1918
Revenue—	$ cts.
Customs	130,485,189 58
Excise.....	24,014,567 99
Post Office	18,250,000 00
Pbc. Works, R'lways & Canals	25,427,976 61
Miscellaneous	31,588,893 61
Total	229,766,627 82
Expenditure	124,781,121 79

Expenditure on Capital Account, Etc.	Total 28th Feb. 1918
	$ cts.
War...........	207,819,726 63
Public Works, Railways and Canals	24,776,356 50
Railway Subsidies	720,104 75
Total............	233,316 187 88

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Mar. 13th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......com.	40	47	Canada Machinery..com.	10	14	Ford Motor of Canada...	190	225	National Telephone...5's	52	....
" " ....pref.	80	88	" " ..pref.	44	50	Home Bank..............	60	65	North. Crown Bank	87.50	....
Alberta Pac. Grain..com.	97	....	" " ..6's	71	76.50	Imperial Oil............	275	300	North Ont. L. & P.... 6's	75	82
Amer. Sales Book...pref.	....	90	Continental Life.........	17	25	Imper. Trust Co. Toronto	....	37.50	Ont. Pulp Bonds........	76	81.50
Arena Bonds	....	90	Can. Westinghouse......	103	118	Goodyear Tire	175	200	Peoples Loan............	81	90
Atlantic Sugar......pref.	20	28	Consumers Cordage pref.	70	85	Lambton Golf Club......	350	390	Rosedale Golf Club......	335	365
" " ...... com.	4	8	Chapman Ball Bearing ..	20	28	Loews Theatre ......com.	77	83	South Can. Power.......	12	15
Belding Paul......... 5's	75	80	Dom. Explosives	....	25	Maple Leaf Con.Mk. pref.	50	....	Sovereign Life...........	12	20
" " ...pref. xd	71	78	Dom. Fire	18.50	21	Maritime Coal ....5's	67	71	Sterling Bank.	....	82.50
Can. L. & P.............5's	40	45	Dom. Iron 5's. 1939	73	78.50	Massey Harris..........	112	130	Sterling Coal........com.	9.50	11
Black Lake............6's	20	26	Dominion Glass.....com.	30	....	Matthew-Blackwell com.	43	50	" " ......bonds	69	72
Brand-Henderson...com.	45	51.50	Dom. Power.........com.	52	...	Matthew Laing.......6's	93	96.50	Toronto Paper........6's	85	90
Brant Roofing....... . .	90	....	D. Po'er & Trans......5's	80	85.50	M'Donald...........pref.	75	82	Toronto Y'k Rad. 5's. 1919	90	96
Can. Cereal & Flour.. 6's	....	.90	Dominion Power..,pref.	90	96.50	Morrow Screw........6's	85,50	92	West. Assurance	5	6.75
Can. Cons. Felt.....pref.	30	....	Dunlop Tire.......... 6,s	96.50	100	Milton Pressed Brick....	25	35	Wt. Can. Flour. 6's (1931)	90	96
Can. Fairbanks .....pref.	83	90	Eastern Car...........6's	90	94	Mississauga Golf.........	....	65	" " (1928)	96	101
Can. Marconi............	1.75	2,50									

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

CANADA'S JANUARY TRADE

Canada's aggregate trade during January last amounted to $161,182,305, as compared with $177,946,907 during the corresponding month last year, a decrease of $16,764,602. The comparative figures, compiled by the Department of Trade and Commerce, Ottawa, are as follows:

	Month of January		10 Months ending January	
	1917	1918	1917	1918
Total Imports entered for Consumption—	$	$	$	$
Dutiable goods.....	39,855,400	34,257,484	370,646,468	460,976,855
Free goods........	32,467,674	26,419,930	304,318,080	362,082,846
Total	72,323,074	60,677,414	674,964,548	823,059,701
Coin and Bullion........	2,928,278	526,869	25,922,701	·10,774,845
Grand total......	75,251,352	61,204,283	700,887,249	833,834,546
Duty collected..........	12,762,621	10,542,643	119,141,351	136,339,474
Total Exports from the Dominion of Canada—				
The mine	6,836,464	5,528,992	70,562,024	61,027,608
The fisheries	2,784,824	3,390,587	20,860,380	24,900,767
The forest........	3,695,352	3,110,324	49,833,800	45,622,438
Animals and their produce........	11,745,761	15,918,079	105,332,667	152,271,401
Agricultural products.....	22,550,924	26,390,294	340,002,369	501,728,297
Manufactures........	50,814,082	41,383,115	368,655,496	564,256,545
Miscellaneous	678,852	494,893	5,489,336	4,004,128
Total merchandise........	99,106,259	96,216,284	960,736,072	1,353,811,184
Coin and bullion........	9,560	49,210	85,952	287,143
Grand Total exports........	99,115,819	96,265,494	960,822,024	1,354,098,327
Total Canadian Trade—				
Merchandise entered for consumption........	72,323,074	60,677,414	674,964,548	823,059,701
Merchandise, domestic—exported	99,106,259	96,216,284	960,736,072	1,353,811,184
Total merchandise, for consumption and domestic exported........	171,429,333	156,893,698	1,635,700,620	2,176,870,885
Coin and bullion entered for consumption........	2,928,278	526,869	25,922,701	10,774,845
Coin and bullion exported	143 489	231,838	196,190,607	2,972,822
Merchandise, foreign—exported	3,445,807	3,529,900	20,470,769	38,874,724
Grand total Canadian trade........	177,946,907	161,182,305	1,878,284,697	2,229,293,276

Lau
Lyall
Montr
Montre
Nationa
Nova Scot
Ogilvie.......
" ....
" ....
Penmans......
Price Bros.......

ORDERS FOR SHELLS FROM UNITED STATES

Imperial Munitions Board, asked as to the orders for n the United States, placed in Canadian factories, week that no large orders were received recently. months ago orders were received for the machining of 6,500,000 seventy-five millimetre shells, the manufacture of ten million seventy-five millimetre forgings from steel supplied by the United States, and the making of two million cartridge cases. In addition to these orders another has been received for 425,000 4.7 shells. This comprises the total of the orders received by the Imperial Munitions Board from the United States for Canadian factories.

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Sickness
Automobile
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Lewis Building, MONTREAL
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A STRONG CANADIAN COMPANY

Paid up Capital	$200,000.00.
Authorized Capital	$1,000,000.00.
Subscribed Capital	$1,000,000.00.
Government Deposits	$111,000.

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AND FIRE INSURANCE

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ONE-TON TRUCK
PRICE
$750
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FORD, ONT.

Supplied as chassis only

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BUSINESS men everywhere who have hauling or delivering problems to consider—whether operating a wholesale business, a retail store, or a farm—will welcome the arrival of the Ford One Ton Truck.

Heretofore, the Ford user who wanted to carry loads up to a ton found it necessary to get one of several special attachments or extensions which were on the market. Now the standard Ford truck is available—a car that can withstand the drudgeries of commercial use, and yet lacks superfluous weight, and is easily handled.

The truck differs from Ford passenger cars in that it is specially designed throughout in proper pattern and strength for heavy-duty service. It has a final drive of the worm gear type, so that all gears are enclosed. Rear wheels are equipped with solid tires. Front tires are pneumatic. Standard Ford motor, transmission and ignition.

The largest truck and automobile company in the British Empire, with an organization of more than 700 Canadian dealers stands back of every Ford truck purchased.

See any Ford Dealer in Canada, or write for a catalog

Ford Motor Company of Canada, Limited, Ford, Ontario

READJUSTMENT OF INDUSTRY

How to Secure Remunerative Trade Without Unrestricted Competition

How to secure remunerative trade without unrestricted competition; how to maintain efficient production with competitive co-operation. These two problems were discussed at length by Colonel David Carnegie, M.I.C.E., F.R.S., Edin., member and ordnance adviser, Imperial Munitions Board, Ottawa, at the annual meeting of the Canadian Mining Institute, Montreal, last week. In dealing with the first problem, Colonel Carnegie said:—

"I believe there is a place where each consumer, buyer, manufacturer and employee can do the most efficient service, and at the same time have his share in the responsibility and profits of the industry. By the union of these interests a social service would be developed and dissipate servile fear and eye service.

"By restricting competition in securing trade on the one hand, and inspiring competitive co-operation in production on the other, a combination of the complete forces in industry can be obtained. To secure these ends I suggest for your consideration the formation of two distinct organizations. The first, which might be named National and District Trade Boards, composed of representatives of buyers and manufacturers, possessing the sanction and authority of government to trade in the manner I am about to outline, with a view to the abolition of unrestricted competition between each manufacturer of the same industry in each district. The second, the formation of District Production Boards, composed of representatives of the employers and the employees, having government sanction and authority to deal with provisions for the maintenance of efficient labor, processes and plants for the production of the products of their industry. It may be found eventually that one organization for the control of buying and selling as well as production, instead of two organizations as I have suggested, will be more efficient, but it appears for the present that two boards would give fuller and freer opportunity for the exercise of the gifts of administration on the one hand and technical skill on the other if each board had independent control.

"Some may ask why should a body of manufacturers require government sanction and authority to direct their own industry? Is the industry not able to look after its own interests without having one of its representatives approved and secured by government to overlook its operations? Is not industry already sufficiently trammelled by officialism and government red tape?

Reasons for Government Connection.

"There would appear to be at least two reasons why it is advisable to have such government sanction and authority. First, because the chairman and vice-chairman of such boards in this country would have free access to the department of trade and commerce as officials of that department, and thus obtain more quickly information necessary to carry on the work of the board. Second, the general public would look upon any such combination of manufacturers, if they were not under government direction, as a monopoly for selfish gain and to raise prices of products. And that the interests of the community would not be sufficiently safeguarded.

"These national and district trade boards would be distinct from the district production boards in both the personnel and duties performed. The former board would have representatives of the manufacturers and buyers concerned in the commercial and financial administration in securing and distributing orders to the manufacturers, as well as seeing to the final delivery of the manufactured products. The latter board would have representatives of manufacturers and employees, and would be concerned in all matters relating to the technical and human problems in the production of the industry.

"On these boards the administrator, the buyer, the manufacturer and the worker are all represented, each in his own sphere where the maximum of service can be rendered by each in the most efficient and harmonious manner.

"The functions of production boards I will define more fully when dealing with the second problem.

"In describing these trade boards, I wish to avoid giving the slightest impression that the district and national boards have for their object private monopoly.

"1. I propose the formation of trade boards for each industry, in each district and nation, consisting of representatives of the buyers, merchants or consumers elected by them in sufficient number to represent their interests. The chairman to be nominated by the elected board from one of the manufacturers, and the vice-chairman from the buyers. Both these officers to have their nominations confirmed by government and their services secured by government for the period covered by their election. Both to have full administrative powers granted to them to act with the executive representatives of the manufacturers and buyers in carrying on the duties of their office.

"2. Each trade board to be incorporated as an association to carry on the business of the board on behalf of the industry represented and within a definite geographical area.

"3. The trade boards to be known as district and national boards, having a distinct number or geographical designation and bearing the nature of the industry. For instance, the steel and iron industry of Canada might have two district boards and one national board. The board in the one district might be called the eastern steel and iron trade board, the other the western steel and iron trade board, having the geographical boundaries fixed for each.

"The national board might be styled the Dominion steel and iron trade board.

Functions and Duties of Boards.

"4. The functions of the district trade board:—

"(a) To tabulate the rated capacities of all works in the specific industry of the district over which it presides. To receive from manufacturers monthly or periodically, rates of surplus capacities available at their works for production for definite periods.

"(b) To tabulate the domestic requirements of the district and submit to the national board schedules giving the surplus available capacity of factories in the district which could be used for foreign trade.

"(c) The district trade board would be the recognized medium approved by government through which all enquiries would be submitted for work usually offered to competition by buyers, users or consumers in the district over which the board presided. The government or board, however, would not prevent any user, consumer or buyer from sending similar enquiries to any foreign market or prevent them from purchasing the goods from a foreign market, if after receiving tenders from the board they were not so favorable as those received from foreign competitors.

"(d) The board, as a rule, would receive tenders from manufacturers to guide it in tendering and in negotiating contracts with buyers, or if it had sufficient information to enable them to prepare tenders for competitive work it would not be necessary to apply to the manufacturers in each case when the board was tendering for work.

"(c) No contracts for work to be concluded by the district trade board without the approval of the chairman, or in his absence the vice-chairman of the board.

"(f) The board to place orders with manufacturers at prices at which the contracts are negotiated with the buyers, prices for work for which tenders are not called to be fixed by the board. From time to time schedules of prices to be made by the board of different standard articles, based upon quotations from manufacturers and upon rates of raw materials, rates of labor and other conditions of local importance to guide the board in quoting buyers.

Responsible for Delivery.

"(g) The district trade board to be held responsible for the delivery of the work in accordance with the specifications, drawings and terms of contract, inasmuch as the board negotiates the contracts with the buyers.

"(h) The board to have full authority to allocate to the manufacturers orders for execution in accordance with the rated capacity and general ability of each manufacturer to fulfil the contracts.

"(i) The board to have authority to purchase any raw materials required in the fulfilment of contracts undertaken which it would be obviously more economical to purchase for all and distribute among the manufacturers rather than each manufacturer himself procuring the raw materials to be required

"(j) The district trade board to receive all payments for work placed with the individual manufacturers by the board and completed and delivered to the customers. Payments to be made by the board to the manufacturers for all products

(Continued on page 48.)

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BANK AMALGAMATIONS IN ENGLAND

No Fusions of Such Importance for Two Decades—Causes and Consequences

Commenting on the number and nature of bank amalgamations in England, the London Financial Times says:—

"Amalgamation epidemics in the banking arena, like their counterparts in the pathological world, tend to recur in cycles, but their origin may be due both to local and national causes. A time of war one would hardly have predicted as a favorable period for fusions and absorptions, yet the past year was noted for the number of bank amalgamations and for the importance of the various institutions involved. No corresponding arrangements of such outstanding significance, indeed, had occurred since 1896, when by the merging of Gurney and Company, J. Backhouse and Company, and Barclay, Bevan, Tritton, Ransom, Bouverie and Company, and twelve other private firms, the present concern of Barclays was founded. In that year, too, there were seven other fusions, including the swallowing up of the Channel Islands Bank, the Carlisle City and District Banking Company, and the Huddersfield Banking Company by what is now the London City and Midland. Prior to that the most remarkable season was 1891. The absorption tendency first showed itself in 1878-79, and may be said to have been started by the failure of the City of Glasgow Bank and the West of England and South Wales District Bank.

Primary Cause of Mergers.

"The original incentive may therefore be described as the desire of individually small institutions to strengthen their position and to enlarge their scope for action by union on more or less mutual terms. This principle, no doubt, underlies to a considerable degree most amalgamations, but in later years there has also sprung up among the big banks a fierce spirit of emulation which at times has passed into such keen competition as to occasionally run dangerously near to hostility. Apart from factors appertaining specially to the banks themselves there have been external causes which have favored concentration and consolidation. The multiplicity of small institutions which served very well a quarter of a century or more ago would be useless to our modern commercial methods and to the extent that banks have adapted themselves to the bigger trading conceptions of to-day the amalgamation policy has been merely a phase of the general evolution of our mercantile system. The most important changes of the past year illustrate this argument. While offhand, as we have already remarked, a time of international crisis might be supposed to leave no room for attention to fusion questions, it has in reality forced them to the front. The chief deals—at all events the first—did not arise out of the recrudescence of a desire on the part of their participators to assume yet bigger dimensions, but solely out of the need to supplement their activities in directions the expansion of their business showed to be imperative.

Pressure of War Work.

"The war has thrown enormous additional work on the banks and has opened up to them spheres of usefulness they would have fought shy of not so very many years ago. It was often a case then of an institution threatening to become 'pot-bound'; its existing boundaries menaced the vitality of activities which had grown beyond them. Then the only alternatives were to launch out on a new programme involving the raising of fresh capital and challenging other banks or to seek alliance with another concern which could give ready-made what was wanted, and would find to hand in return something it needed itself. There were three characteristics of last year's mergers. There was an extension of local enterprise in the acquisition by the Union Bank of Manchester of the Halifax and District Permanent Banking Company; there was the invasion of Ireland by the big Metropolitan institutions exemplified in the passing of the control of the Belfast Banking Company to the London City and Midland and of the Ulster Bank to the London County and Westminster; and the reciprocal expansion of spheres of operation illustrated by the fusion of the London and Provincial and the London and South Western and the Union of London and Smiths and the National Provincial of England. Since the close of 1917 we have had the arrangement between the London County and Westminster and Parr's, which has introduced a new element into the movement and suggested rather a revival of the competitive spirit. The announcement of this fusion was only made known at the beginning of this month, but undoubtedly it is strictly a phase of last year's boom, and that boom cannot be properly renewed without taking it into consideration.

"Contrast these noteworthy deals with the relatively insignificant performances of 1916 and 1915. There was none actually in the former year, but only the completion of the arrangement between Barclays and the United Counties of Manchester, which was negotiated in 1915, but had been hung up through the delay of the New Issues Committee of the treasury in sanctioning the necessary creation of shares. The only other fusions in 1915 were the acquisition of the Bank of Whitehaven by the Manchester and Liverpool District Banking Company and the purchase of Thomas Barnard and Company by Parr's. Various methods of payment distinguished last year's deals. The Union of Manchester bought the Halifax and District outright for cash, the London City and Midland and Belfast deal was carried through by an exchange of shares, the London County and Westminster paid the Ulster shareholders partly in cash and partly in shares, and the London and Provincial and South Western, the National Provincial and Union, and the London County and Westminster and Parr's arrangements are to be entirely on a share basis. Though these movements among banking institutions indicate a general trend of development not confined to this country, it is not difficult to outline the objectives of the individual institutions.

Invasion of Ireland.

"The invasion of Ireland in more pronounced form by leading London houses was inevitable sooner or later if they were to hold their own there. The industrial expansion in the Emerald Isle of recent years has led to much increased activity on the part of the banks, and the growth of their deposits reflects the rapid expansion of internal trade. New branches are being opened up in all directions and assistance given with a good deal of foresight to new lines of industry. English banks naturally wish to share in the prosperity this means, and by far the easiest method of doing this was the course adopted—the taking over of an existing national institution and carrying it on in its native guise. The Union of Manchester's acquisition exemplifies the same principle in a qualified degree in the North of England. The trend of its business required better representation in the Yorkshire area, and the purchase of the Halifax and District gave it what it needed and widened still further the scope of its possibilities in the Northern area.

As to the London Fusions.

"The three big London fusions are all of a complementary and supplementary character. How necessary the London and Provincial and the South Western have always deemed themselves to each other is proved by the fact that they have flirted together for nearly half a century, though only now has the marriage been arranged. The South Western is mainly a metropolitan institution, with the addition of a strong foreign connection, but with only a weak hold on the industrial centres and the seaports. There, on the contrary, the London and Provincial is powerful, and it has a specially good business in South Wales, though it was comparatively limited in action in the metropolis and had no direct foreign feeders. The combination of the two produces an almost ideal undertaking, and its future development will be well worth watching. The case of the Union of London and the National Provincial is almost as convincing, and anyhow there are plenty of grounds to justify the deal. The Union's principal interests are in the metropolis, though from time to time it has materially expanded its connection in the provinces by judicious acquisitions. But these expansions have not carried it much into the ground covered by the National Provincial, so that it remains true that out of a combined total of 700 officers the two concerns outside of London meet in only about thirty-five places. The National Provincial, on the other hand, is notably a Midland and Northern undertaking, and its association with the metropolis is primarily for the convenience of its country connections, and it certainly does not clash there with the Union. The amalgamation of two such concerns should result in a highly useful institution and, anyhow, the fusion makes it the third biggest bank in the United Kingdom—no mean ideal to live up to.

"The main reason put forward for the London County and Westminster and Parr's merger is that the latter brings to the former a big and much needed northern connection, and that the former will give the latter a very convenient foreign outlet, principally in France and Spain. It is obvious, however, that this cause of amalgamation has not just sprung into being, but has existed for some time, and that the contagion

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of the other deals must have acted as an incentive to bring it about at this particular moment. Nevertheless, there is good reason for believing that the closer association of interests will be mutually beneficial. Parr's is much more a provincial than a London house, and has built itself up by a very pronounced policy of absorption which it seems fitting should end by the self-denying ordinance which now causes it to coalesce with the London County and Westminster. The latter has probably the most extensive business abroad of all the metropolitan institutions, and besides its own branches oversea it is the agent here for numerous foreign banks. It has plenty of country branches, too, but they happen to lie in almost every direction but the north, so that the alliance with Parr's will certainly fill a gap in its sphere of operations in this respect. The arrangement makes the combination the second largest bank in the United Kingdom, judged by the list of deposits, and not very far either behind the first, which is still the London City and Midland."

READJUSTMENT OF INDUSTRY

(Continued from page 44.)

passed and shipped, less the amount required to pay for working expenses of the board. The amount deducted to be mutually arranged between manufacturers and board.

"(k) The board to be responsible for the transportation of the materials produced and to make such arrangements with railways and shipping boards as required for the most economical and rapid means of transportation.

"The district trade board would have authority to form committees from its members or co-opt members from the buyers' and sellers' representatives of the same industry, for directing, selling, distributing, financing and for the control of any other departments in aid of the full and proper conduct of the board's business.

Manufacturers and Board.

"5. Manufacturers associated with the district trade board would be required to enter into agreement with the board that they would abide by the conditions of the incorporation, which would have for its object the securing of remunerative trade without unrestricted competition.

"Manufacturers, however, would have the right to continue any arrangement they might have for the supply of customers with products for which orders may be received direct from time to time without competition.

"However, should enquiries for competitive work be sent to any manufacturer after buyers have been notified that the district trade board would handle competitive business, such enquiries would be forwarded to the board for its attention.

"6. Each manufacturer would be entirely free to organize and operate his works just in the manner he considered best to obtain the maximum output of the best quality.

"He would have the opportunity of being a member of the production board, and derive the benefits of such membership in helping him to maintain efficient production.

"7. Periodic meetings of the various district trade boards of the same industry to be held for conference, with a view to improving methods of operating boards.

"8. To avoid overlapping of services, all buyers would be kept supplied with list of products manufactured within the various districts, to help them in sending to the board of the district where the articles were being produced, and where freight charges would be less in delivering the goods.

Formation of Useless Companies.

"9. The district trade board would have the right to appeal against the formation of new companies within its district if in the opinion of the board there was insufficient trade to keep in operation any additional capacity without general loss to the community. Such appeals would be lodged with the provincial or Dominion governments and contain facts regarding the condition of the industry. These would be placed before the promoters for their information. In spite of any appeal, however, the board would have no right to interfere with the process of company formation, so long as the promoters were prepared to take the risks. If additional factories were required it would have the right to encourage the formation of new companies or the extension of existing factories.

"Other duties in regard to free inter-communication and harmonious efforts between the boards of different industries to facilitate the flow of products from all industries would naturally follow.

"I have gone into details more fully than was perhaps necessary to explain the functions of the board for securing trade without unfair competition, but I am sure I haven't, by any means, exhausted the uses of such boards in developing industry without all the hurtful influences which accompany fierce competition for trade, particularly when dull times come.

"I will now describe briefly the constitution and functions of the national trade board.

National Trade Boards.

"The constitution and functions of these boards would be similar to the district trade boards, excepting that they would be responsible for foreign trade only.

"1. The board would be a properly incorporated body composed of representatives of manufacturers, together with representatives of the buyers, just as in the case of the district boards. These would be elected by the votes of the various district boards in the same industry. Each district board would have the right to have a representative on the national board, not necessarily one of the members of the executive of the district board. The chairman would be nominated from the manufacturers and the vice-chairman from the buyers by the national board, and if government approved of their selection their services would be secured by the government for the period covered by the term of office for which they were elected.

"2. The functions of each national trade board would be as follows:—

"(a) To tabulate the markets of the world for the nation's surplus production in the industry it represented.

"(b) To tabulate the world's capacity to produce the articles made by manufacturers in the country represented by the board.

"(c) To secure through the industrial consular and diplomatic foreign services, outlets for the nation's surplus productive capacity. For instance, instead of trade commissioners' reports which are now published in journals by the department of trade and commerce, being searched by each manufacturer so that enquiries for work may be noted and tenders prepared and sent to the foreign government or buyers, by each individual manufacturer, such reports would be passed immediately by the department of trade and commerce to the national trade board, who would handle the matter for all the manufacturers.

"(d) To undertake the distribution of orders and payments for products through the district boards. All transportation of export goods to be undertaken by the national boards.

"(e) To promote international negotiation with all industrial countries who carry on an export trade, with the object of securing trade for each other without unrestricted competition, by the establishment of international boards.

"3. The national board to have full authority to requisition any information from the manufacturers of the industry represented, in regard to methods and costs of manufacture, wages and hours of labor, conditions of labor and other matters affecting production."

Colonel Carnegie's remarks on the second problem—namely, how to maintain efficient production with competitive co-operation, will be printed in *The Monetary Times* next week.,

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BANK CLEARINGS

The following are the bank clearings for the weeks ending March 8th, 1917, and March 9th, 1918, respectively, with changes.

	Week ending March 9, '18.	Week ending March 8, '17.	Changes.	
Montreal	$ 74,798,454	$ 78,539,499	—	$ 3,741,045
Toronto	61,917,233	53,220,675	+	8,696,558
Winnipeg	44,845,382	37,761,116	+	7,084,266
Vancouver	9,039,130	6,536,790	+	2,502,340
Ottawa	6,503,530	5,287,511	+	1,216,019
Calgary	6,738,214	5,328,492	+	1,409,72
Hamilton	4,874,536	4,389,649	+	484,887
Quebec	4,591,871	3,987,381	+	604,490
Edmonton	3,483,857	2,469,402	+	1,014,45
Halifax	3,790,261	2,336,603	+	1,453,65
London	2,722,451	2,391,379	+	331,07
Regina	2,923,597	2,654,423	+	269,17
St. John	2,506,586	2,322,222	+	184,36
Victoria	1,758,260	1,520,104	+	238,15
Saskatoon	1,607,642	1,459,519	+	148,12
Moose Jaw	1,198,145	944,619	+	253,52
Brandon	615,598	403,704	+	211,89
Brantford	1,110,367	837,410	+	272,95
Fort William	791,959	502,839	+	289,12
Lethbridge	710,571	610,811	+	99,76
Medicine Hat	454,328	436,115	+	18,21
New Westminster	400,087	267,867	+	132,22
Peterboro	747,191	707,247	+	39,94
Sherbrooke	889,472	673,117	+	216,35
Kitchener	620.547	651,214	—	30,66
Total	$239,639,269	$216,239,708	+	$23,399,56

The Toronto bank clearings for the current week ar $57,020.370. compared with $50,840,452 for the same week i 1917. and $40,298.328 in 1916.

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How Germany Has Financed the War

All Paper Money Required Has Been Raised, Regardless of Inflation —Arrangements for Rectifying Finances Left Until After the War —Sir Edward H. Holden, Chairman of the London City and Midland Bank, Gives Details of the Methods by Which the Teutons Have Expanded Currency to Meet the Increasing Demands

WHAT is the financial position of Germany as the country enters on the second half of the fourth year of the world war? Whence come the funds for the war loans which have followed one another at half-yearly intervals, in March and September, ever since the fall of 1914? How, with little and decreasing assistance from outside, has the nation financed itself through the period that saw the Allies turn to the United States for replenishment of their money bags? And what is to be Germany's position when the war ends: Will the country be solvent or bankrupt?

Sir Edward H. Holden, chairman of the London City and Midland Bank, Limited, of England, has answered some of these questions in his report for the last year to the shareholders of his bank. From a comparison of the balance sheets of the Reichsbank for July 23, 1914, just before the start of war, and for December 31, 1917, Sir Edward shows that the ratio of gold held by the bank to notes issued fell in three years and a half from 71.7 per cent. to 20.9 per cent.; the ratio of gold to liabilities (notes issued and credit accounts) from 47.8 per cent. to 12.3 per cent.; the ratio of cash balance to notes from 95 per cent. to 34 per cent., and the ratio of cash balance to liabilities from 63.4 per cent. to 20 per cent.

Only by the device of creating banks privileged to make loans by issuing notes which the Reichsbank was empowered to include in its cash balance was this last item of relation of cash balance to liabilities kept from a worse showing. Without the addition of these so-called Darlehnskassen notes the ratio for December would have fallen to 13.3 per cent. The device was one of Germany's first provisions to adjust her banking facilities to the demands of the war and Sir Edward discusses this, and other preparations in detail. After stating that before the war began Germany had thoroughly prepared the financial lines on which to proceed, he continues:—

"Two decisions appear to have been reached: First—To raise all the paper money she required, regardless of inflation, through the Reichsbank, *i.e.*, the National Bank of Germany, and, in case this proved insufficient, through the loan banks. Second—To leave all arrangements for rectifying her finances until after the war. Let us see how she has manufactured her paper money through the Reichsbank, and in explaining this I repeat two principles which I laid down last year—(1) Every bank is a manufactory of credit, and (2) when a bank makes a loan or discounts bills it creates a credit account or issues notes. You will find the loan or bill on the asset side of the balance sheet and the credit account or notes issued on the liability side. Loans are made by the Reichsbank by discounting bills and to a small extent in other ways, but it is only against bills discounted and the cash balance as cover that notes can be issued, and, further, the amount of the notes issued must never exceed three times the cash balance. Thus, the law, by making these conditions, controls the issue of notes, but there is no legal control over the creation of credit balances, which may be increased to any extent.

"When the war broke out, the German banking law was that the cash balance of the Reichsbank must be equal to at least one-third of the notes issued and that the bank must hold bills of exchange equal to the remaining two-thirds; these bills of exchange were to fall due within three months and to bear three names, except in special cases, when only two names were required. The ordinary government treasury bill was not a bill of exchange within the meaning of the law, and was not regarded as 'bank cover' for notes issued. It was anticipated by the government that, as the war progressed, the inland bills would be diminished by reason of transactions being settled in cash, and the foreign bills would also be diminished by reason of the imports and exports being curtailed. The government also recognized that they would be compelled to obtain large supplies of notes from the Reichsbank, and that it would be necessary to provide large amounts of bills of exchange as 'bank cover' for these notes. They, therefore, obtained authority by a law of August 4, 1914, to raise the necessary funds by issuing bills of exchange of the empire or treasury bills, and it was further provided that these treasury bills bearing the signatures of two members of the National Debt Office should be regarded as bills of exchange within the meaning of Section 17 of the Act of 1875, provided they matured within three months; that is to say, after being discounted at the Reichsbank they were to be regarded as 'bank cover' for Reichsbank notes. We thus see how they overcame their first great difficulty of providing 'bank cover' for an increased note issue, because as the treasury bills discounted increased, so the power to issue the banknotes increased.

"Their second difficulty was the cash balance itself. They could not continue to issue notes unless they continued to increase the cash balance. This cash balance consisted of gold, silver, imperial treasury notes, and notes of other banks. They afterward adopted every measure possible to increase the gold, yet they could not obtain sufficient to continue issuing increasing amounts of notes. On August 4, 1914, they had passed a law establishing banks with power to make loans by issuing notes, technically named Darlehnskassenscheine. The Reichsbank was empowered to include these notes in its cash balance and to treat them in all respects as gold; that is, for every Darlehnskassen note held in the cash balance of the Reichsbank they could issue three Reichsbank notes. They thus got over the second difficulty of the cash balance.''

Sir Edward includes in his report the balance sheets of the Reichsbank for July 23, 1914, and December 31 last (printed elsewhere in this article) and asserts:—

"On comparing these balance sheets we see that, though they raised their gold from £67,845,000 in July, 1914, to £120,329,000 in December, 1917, they were still deficient in gold to the extent of £65,000,000, and that the Darlehnskassen notes were placed in the cash balance to that extent to act as gold. Further, we see that their loans have increased from £66,620,000 to £839,089,000, an increase of £772,469,000, which means that the credits and notes created by the loans have increased to a corresponding extent. These increased credits have been created largely by the bills of exchange or treasury bills. Our view, from this point, of the working of the Reichsbank is very interesting. The government comes down to the bank with a parcel of treasury bills, which are really undertakings that, if the bank will place to its credit the amount specified on each bill, less the discount, it will within three months repay the bills, though, of course, it may repay this parcel of. bills by borrowing on other parcels. The bank then issues its own notes in payment of the credit balances created, by the discount of these bills, and the notes are used to pay for commitments of the State. , These notes go out into the hands of the public, and, to a large extent, find themselves on deposit with the joint-stock banks, where they form the base for the extension of further credits by the joint-stock banks. Hence, the deposits of the banking institutions in Germany have increased to a very large extent, and it is estimated that the total increase since the beginning of the war amounts to the equivalent of about £1,000,000,000. We see the same thing happening in this country, in America, and in other countries.

"The following statement shows at the end of each month, from the commencement of the war to the present time: 1, the bills discounted; 2, the liabilities, consisting of notes and credit accounts; 3, the total cash balance; 4, the ratio of the cash balance to the liabilities, and 5, the ratio of the gold held to the notes:—

1914	Bills Discounted. £ Mills	Liabilities. £ Mills.	Total Cash £ Mills.	Ratio of Cash Balance to Liabil. P. C.	Ratio of Gold to Notes. P. C.
July	37	142	90	63.4	71.7
August	237	334	91	27.4	35.7
September..	237*	342*	104	30.4	36.2
October ...	138	274	138	50.6	44.5
November .	146	280	139	49.8	47.3
December ..	197	340	150	44.2	44.1
1915					
January ...	189	305	124	40.7	46.4
February ..	205	322	127	39.4	46.6
March	343*	483*	148	30.6	41.5
April	189	339	160	47.2	44.6
May	207	341	144	42.3	44.7
June	246	382	144	37.7	40.8
July	239	359	135	37.7	43.3
August	247	365	133	36.6	43.3
September..	373*	529*	168	31.7	39.3
October ...	210	378	181	47.7	40.8
November .	233	379	157	41.5	40.6
December ..	290	464	188	40.6	35.3
1916					
January ...	264	414	160	38.7	37.7
February ..	289	427	150	35.0	37.4
March	406*	567*	173	30.5	35.1
April	257	422	173	40.9	36.4
May	274	423	153	36.1	36.5
June	330	481	157	32.6	34.0
July	327	471	146	31.0	35.1
August ...	354	498	142	28.5	34.6
September..	538*	682*	145	21.3	33.7
October ...	394	536	138	25.8	34.5
November .	404	550	143	26.0	34.3
December ..	480	631	148	23.5	31.3
1917					
January ...	409	565	141	25.0	32.1
February ..	449	609	144	23.7	31.1
March	682*	851*	146	17.2	29.3
April	436	615	153	24.9	30.4
May	468	641	151	23.5	30.6
June	548	720	149	20.7	28.2
July	556	735	150	20.4	27.1
August	568	761	159	20.8	25.7
September..	781*	987*	175	17.7	23.5
October ...	587	804	177	22.0	23.1
November .	612	833	181	21.8	22.6
December ..	730	976	195	20.0	20.9

The percentages are calculated on the exact figures.

"To understand thoroughly the fluctuations in these figures, it is necessary that I should give some explanations, which I now furnish under headings:—

Bills Discounted and Liabilities.

"We must note in the first place that the German war loans have been issued at the end of every six months, the first being in September, 1914, and the others in each subsequent March and September. About three months before a loan is put out the government announces the date of the issue of the loan, and makes arrangements with joint-stock banks to allow 4½ per cent. on all deposits which are ear-marked for the loan, and in addition arrangements are made with the Reichsbank for the sale of special war loan treasury bills, which carry a preferential rate of discount on the condition that the proceeds are used to take up war loans. These special bills mature on the day when subscriptions for the loan may be paid in full, and the bills are then automatically converted into war loan. They must not be confused with the ordinary government treasury bill, which we have been discussing, and are not included in the Reichsbank statement under bills discounted. The fluctuations in this item at the end of March and September are caused by the ordinary treasury bill. As the date approached when payments on war loan might be made in full, bankers and others, who had to make provision for their own or their clients' applications, rediscounted their bills at the Reichsbank, thus increasing the bills discounted. We also note, at the same time, that the liabilities increase. This is caused by the proceeds of the bills being paid to the credit of the government on account of the war loan. Hence, we observe large increases in the bills discounted and in the liabilities at the end of every March and September, which we have indicated with an asterisk (*).

"I have pointed out already that the German law only takes cognizance of the ratio of the cash balance to the notes issued, but the real position of a bank is gauged by the ratio of the cash balance to the liabilities, consisting of the notes issued and the credit balances. In the case of the newly constituted Federal Reserve Banks of the United States, the legal ratio of gold to notes is 40 per cent., and the legal ratio of gold or lawful money to deposit liabilities is 35 per cent. On reviewing the ratio of the cash balance of liabilities of the Reichsbank, the lowest in 1914 was 27.2, in 1915, 30.6, in 1916, 21.3, and in 1917, 17.2, but we must remember that the cash balance has been assisted by the addition of large amounts of Darlehnskassen notes. For example, the balance sheet for December 31, 1917, includes £65,000,000 of these notes. Had these notes not been added to the cash balance, the ratio would have fallen to 13.3 per cent.

Darlehnskassen or Loan Banks.

"In addition to the notes issued by the Reichsbank we must further consider those issued by the above banks. This system is a resuscitation of a similar system which was established in 1848, and which existed during the war of 1870. The loan banks were designed for the purpose of making loans such as ought not to be made by the ordinary joint-stock or private banks, because they come under the class of 'dead loans.' They make their loans to individuals, firms, and municipalities, and the loans are made by the issue of government notes to the extent of from 40 to 85 per cent. of the value of the security offered. The real reason why these banks were established appears to have been to lighten the loans of the Reichsbank and of the joint-stock banks, thus preventing the latter from being locked up. As we have seen, the Reichsbank has been working at full stretch for the government, and could not itself make these advances and issue notes against them, because notes could only be issued by the Reichsbank against a cover of cash and bills, drawn for three months and bearing two or three names.

"Last year, with regard to our own country, we pointed out that when depositors of banks take up war loan, new credits are not created, but that when loans are made to take up war loan or when banks themselves take up war loan, new credits are created. The same principle, of course, applies in Germany, and the creation of all these notes by loans has created new deposits; consequently, the credit accounts of the joint-stock banks show large increments just as the English banks show them.

"The war loans of Germany have been as follow:—

1.	In September, 1914	£224,000,000
2.	In March, 1915	455,000,000
3.	In September, 1915	608,000,000
4.	In March, 1916	538,000,000
5.	In September, 1916	535,000,000
6.	In March, 1917	656,000,000
7.	In September, 1917	631,000,000
	Total	£3,647,000,000

"The amount of the floating debt, consisting for the most part of treasury bills, at the present time may be estimated at about £1,450,000,000, so that the total borrowings of Germany since the outbreak of war appear to be about £5,100,000,000, against total cash borrowings in the case of this country of about £4,900,000,000.

"Dr. Havenstein, the president of the Reichsbank, has recently made a speech from which it appears that the loan banks will be continued for four or five years after the war, and that they will be available for any sort of lending. They will make the terms easy for those who have borrowed from them for the purpose of taking up war loan; but even the extended lendings of those banks will not be sufficient to meet the conditions which are expected to arise after the war. When peace comes the holders of war loan will find themselves compelled to convert their holdings into hard cash for the purpose of investing in raw materials, new machinery, and new factories, the result of which will be to throw millions of pounds worth of war loan on the market."

GRAIN SITUATION IN WESTERN CANADA

The following is a report of the grain situation in Manitoba, Saskatchewan and Alberta, issued by the North-West Grain Dealers' Association on March 7th:—

	Bushels.	Feb. 14, 1917. Bushels.
Wheat inspected to March 7th....	128,426,000	112,500,000
Wheat in transit, not inspected..	2,300,000	2,000,000
Wheat in store, country points...	15.500,000	33,800,000
Wheat required for seed, feed and country mills	35,000,000	35,000,000
Wheat in farmers' hands to market	13,500,000	30,000,000
	194,726,000	
Allowed for dual inspection......	3,000,000	
Total wheat crop	191,726,000	
Oats inspected to March 7th.....	32,895,000	55,000,000
" in store, country points.....	10,845,000	11,500,000
" in transit, not inspected....	1,500,000	1,500.000
" in farmers' hands to market	7,500,000	18,000,000
Barley inspected to March 7th...	5,640,000	6,500,000
" in store, country points..	1,580.000	1.700,000
" in transit, not inspected..	180,000	100,000
" in farmers' hands to market	900,000	1,850.000
Flax inspected to March 7th.....	3.250,000	3.275,000
" in store, country points....	820,000	850.000
" in transit, not inspected....	92,500	800,000
" in farmers' hands to market	600,000	1,500.000
Rye inspected to March 7th......	480,000	

MEETING OF LAND MORTGAGE COMPANIES' ASSOCIATION

The annual meeting of the Land Mortgage Companies' Association of Ontario was held in Toronto last week. This association is composed of twenty-four of the leading companies established for the purpose of lending money on the security of real estate, some of which have been in existence for considerably more than half a century. The principal feature of the meeting was the reception and adoption of the annual report of the executive committee containing a relation of the various questions of interest to companies of this nature which had engaged the attention of the committee during the year. The address of the president, Mr. R. S. Hudson, contained an interesting reference to the recent failure of a loan company which had always had an unsavory reputation, and through mismanagement had finally come to grief. Gratification was expressed that it had never been permitted to become a member of the association, and Mr. Hudson pointed out the lesson which younger managers and companies should learn, that the only safe policy is a strict adherence both to the letter and spirit of the law and, in these times of uncertainty, to keep strong in cash resources.

The officers and executive committee were unanimously re-elected, namely:—R. S. Hudson, Toronto, president; C. W. Cartwright, Hamilton, first vice-president; Edward Saunders, Toronto, second vice-president; George H. Smith, Toronto, secretary-treasurer; and Messrs. V. B. Wadsworth, Walter Gillespie, and G. A. Morrow, Toronto; J. W. Stewart, St. Thomas; A. M. Smart and Hume Cronyn, London; E. F. Dwyer, St. Catharines; J. E. McElderry, Guelph; and J. H. Kittermaster, Sarnia. The latter filled the place vacated by the death of the late Mr. J. H. Helm, of Port Hope.

Bank of Montreal to Absorb Bank of British North America

Minister of Finance Has Approved Proposal — Merger Will Give Bank of Montreal a Total of $470,000,000 of Assets.

As *The Monetary Times* goes to press, it is announced that the minister of finance has approved a proposal for the purchase of the Bank of British North America by the Bank of Montreal. The final completion of the transaction apparently rests with the shareholders of the Bank of British North America, and it is understood that a special meeting of the shareholders will be called in London shortly. Four weeks will then elapse in due course before the decision as to the merits of the proposal could be made. The fact that negotiations are so far advanced that the consent of the finance minister has been obtained makes it evident, however, that there is every reason to expect that the shareholders of the Bank of British North America will give their assent to a proposal which has the approval of their directors.

Ottawa despatches state that in so far as the finance department is concerned, approval would seem to have been given on the ground that the transaction would be equitable to the shareholders of both institutions and in the best interests of the public. It may be further noted in connection with the department's probable attitude that an anomaly exists in the present position of the Bank of British North America as an institution operating in the Dominion under a British charter, with its board of directors sitting in London. If the absorption by the Bank of Montreal goes through, the remaining nineteen institutions—assuming the final ratification of the Royal-Northern Crown transaction—making up the chartered bank system of Canada would all be operating under the provisions of the Canadian Bank Act. There would be a uniform system, instead of one with an exception.

While official information is lacking, it is believed that the terms of the proposed purchase would provide for payment to British Bank of North America shareholders partly in cash and partly in stock of the Bank of Montreal.

GENERAL MANAGERS OF MERGED BANKS

Both Have Served Many Years in the Banking Profession and Are Capable Business Men

Sir Frederick Williams-Taylor, LL.D., the general manager of the Bank of Montreal, which proposes to take over the Bank of British North America, is one of the foremost bankers of the continent. He has been in the banking business during practically the whole of his business life, and prior to assuming his present responsible position, was manager of the London branch of the Bank of Montreal. While in London, he was the winner of the Society of Arts gold medal for a paper on the Canadian banking system, a paper which attracted widespread attention. Sir Frederick is a very capable and enterprising banker and a public spirited citizen, doing at present a great deal of patriotic work.

Sir Frederick Williams-Taylor, LL.D.

Mr. Hugh Blair Mackenzie, the general manager of the Bank of British North America, was born at Ingersoll, Ont., on December 14th, 1867. He is the son of Venerable Archdeacon G. C. Mackenzie, D.C.L., Rector of Grace Church, Brantford, Ontario, and Helen (Boomer) Mackenzie. After his education, at the public school, Kincardine, Ontario; the Collegiate Institute, Brantford, Ontario; and Trinity College School, Port Hope, Ontario, he entered the service of the Canadian Bank of Commerce at Brantford in 1884, where he remained until 1887. He then went to the Bank of British North America at Brantford, St. John and Montreal, serving there from 1887-1892. He became secretary to the general manager in 1893, and accountant at London, Ontario, in 1894, assistant inspector in 1895, chief inspector in 1903, manager of the Victoria branch in 1905, superintendent of central branches at Winnipeg in 1907, superintendent of branches at Montreal in 1909, and has been general manager of the bank since 1912. Like many other of the general managers of our banks, he has therefore given long service in the profession, rising from a junior position step by step to the general managership. Mr. Mackenzie is recognized as a cautious and able banker.

Photo by International Press, Limited.

Mr. H. B. Mackenzie.

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Trade Review and Insurance Chronicle

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INFORMATION AND THE TARIFF

In their representations to the government last week the delegation of manufacturers asserted that various changes and restrictions imposed on industry had brought about considerable alarm among manufacturers, especially since it had been stated that what had already been done was nothing in comparison with what was in prospect. They asked the government to consider these matters "from a national rather than a sectional standpoint." Figures and facts were submitted to show the interest which Canada has in manufacturing industries and that had it not been for these industries Canada would have been practically bankrupt during the war. The delegation urged that unless industries were preserved in economic strength in the meantime they would not be able to take care of their enlisted employees with whom they had contracted obligations, on their return to civil life. This would mean, they urged, a large number of unemployed when peace was declared.

A particular point raised by the delegation was that of opposition to farm tractors being placed on the free list, unless at the same time raw materials used in the manufacture of tractors in Canada were admitted duty free. The manufacturers also asked that in case of any further suggested changes in the tariff, industries affected should first be consulted. That is a reasonable suggestion, and while more than the manufacturers' views are necessary, it is the keynote to the reform needed in our tariff making. Frequently we do not have sufficient data upon which to base our policies. As pointed out in these columns previously, we will never have a tariff, for example, which will be fair to the manufacturer, to the farmer, to the general consumer, to the countries to which we extend preferences, and so on, until we have a complete analysis of our national position in industry, agriculture, finance, marketing, etc., made by experts, for the benefit of our legislators. It will be a large task to obtain that information but in the meantime we are legislating with the help, comparatively speaking, of scraps of information gathered here and there, with little effort to discover the relation of one scrap to the other. As important measures appear to become necessary because of war conditions the necessity for intelligent consideration of national problems, based on adequate facts and figures, will become sharply defined.

RAILROAD RATES

The increase of 15 per cent. in railway rates authorized by the Railway Commission has been approved by the Governor-in-Council, and became operative from March 15th until one year after the end of the war. There was no other decision, consistent with the facts, open to the government. While the cost of all factors of railroad operation has rapidly increased, the companies were not allowed to charge any more for the commodity, transportation, they sell. The result has been clearly reflected in earnings in which the government is now vitally interested.

The Canadian Pacific Railway with the other roads, will charge the increased rates but it has to contribute to the public revenue one-half of its net earnings from railway operation in excess of 7 per cent. on its common stock. This is the present rate of dividend paid from this source. Upon the revenue derived other than from railway operations, such as lands, steamships, hotels, and telegraphs, the company must pay income tax, which under the legislation of last session of Parliament amounts to 25 per cent. on incomes over $100,000. The wording of the provisions of the order-in-council apparently means that the payment to be made by the company to the public revenue shall be up to $7,000,000 annually, and a larger sum if the increase in net earnings from the 15 per cent. higher transportation rates exceeds net earnings in 1917 by more than $7,000,000. Thus, whatever additional revenue the Canadian Pacific Railway derives from the new tariff of rates will accrue to the government. The special taxes imposed are obviously aimed at this company, which is tantamount to an admission that in the case of the other railways, such as the Canadian Northern, the Grand Trunk and the Grand Trunk Pacific, the higher rates will not produce net earnings in excess of charges on capital. The Canadian Pacific is actually to be penalized for its prosperity, built chiefly on efficiency and good management. A Montreal dispatch quotes a high official of the company to the effect that the corporation does not regard the new law as confiscatory. The dispatch concluded: "The Canadian Pacific Railway is not complaining." That has always been the spirit of this well-managed Canadian enterprise which has helped in innumerable ways and continues to do so to perfect the war organization of Canada and the British Empire.

Our railroad problem is not yet solved but the exigencies of war have brought a temporary measure. The outstanding features are the willing diversion of a large part of the company's profits to the conduct of the war, the maintenance of the company's and Canadian credit generally by the allowance of 10 per cent. dividends to the shareholders, and the recognition of the inadvisability of the nationalization of the Canadian Pacific Railway.

POST-BELLUM TRADE AND INDUSTRY

Discussing in a clear and able paper last summer, the industrial situation and outlook, Mr. G. Frank Beer, of Toronto, pointed out that Canadian factories were for the most part like young robins with open mouths into which the Munitions Board dropped orders averaging $1,000,000 a day. How can we prepare for the time when these activities cease? That question remains unanswered. There may be unforeseen factors, favorable and adverse, which will affect the situation after the war, but no good reason exists for postponing intelligent preparation for these post-bellum problems. Mr. Beer recalled that an organization of each separate American industry for export trade is the object of a trade commission now sitting permanently at Washington. "The form which such an organization should take," he said, "to meet Canadian requirements can not be decided upon without a most careful and thorough enquiry, and such an enquiry should be engaged in at once by the federal labor department, the department of trade and commerce, or other government authority in co-operation with a carefully selected committee of industrial leaders and labor representatives." He also referred to the important functions which a competent board of industry might exercise in connection with national production, adding: "Service of equal value should be provided for in connection with the problems of marketing. An effort has been made to show that only by the consideration of production and marketing, as constituting one problem, can the problems of each be adequately dealt with. The experience of the past two years has demonstrated the desirability, and indeed the necessity, of enlisting the services of successful and practical business men to control and administer work of this nature. A nucleus for the board of industry proposed lies within the personnel of the present Imperial Munitions Board. To a board of this character might with safety be assigned the task of co-ordinating and strengthening the work of all government departments now having to do with export trade."

Col. Carnegie, a member and ordnance advisor of the Imperial Munitions Board, apparently having read Mr. Beer's exposition of the subject, has now advanced a detailed scheme to solve two problems, namely, how to secure remunerative trade without unrestricted competition and how to maintain efficient production with competitive co-operation. His discussion of the first problem was printed in *The Monetary Times* last week and of the second, this week. His plan to combine the activities of our manufacturers would undoubtedly be opposed both by our industrial captains and by the public. It would probably discourage initiative and investment of capital, and what is most dangerous, it would tend to create large monopolies. Col. Carnegie's ideas with regard to organization for export trade are far more practical and should receive the consideration of the government and manufacturers. His plan, as a whole, however, looks impracticable, even in these days when we are bound to recognize the necessity of drastic changes in our conduct of affairs. That fact, however, does not remove the necessity for consideration of these important problems, and Col. Carnegie is to be commended for his investigation of them. As Mr. Beer has said, "whether by these or other means, the duty of the government of Canada clearly is to take the initiative, to call to their counsel representatives of the interests involved, and to plan now with definiteness and in detail for the period of readjustment and reconstruction of industry which inevitably must come soon. Preparedness for such a time is not the work of days or weeks, but will be the arduous and concentrated task of many months if it is to prove in any degree adequate. It is not the part of wise statesmanship, nor yet of shrewd business foresight, to trust to haphazard solutions for problems of such importance, or to plead the pressure of other problems as an excuse for inaction. The whole teaching of the war is to this end."

MANUFACTURERS FORM DEPUTATION

About thirty-five of the leading manufacturers of Eastern Canada and as far west as Winnipeg formed a deputation which waited on the government on March 14th. S. R. Parsons, Toronto, president of the Canadian Manufacturers' Association, was the chief spokesman. He was followed by R. Harmer, Hamilton; Stanley McLean, Toronto; T. R. Deacon, Winnipeg; J. N. Shenstone, Toronto; J. H. Sherrard, Montreal, and G. M. Murray, secretary to the Canadian Manufacturers' Association.

In their representations to the government the delegation asserted that various changes and restrictions imposed on industry had brought about considerable alarm among manufacturers, especially since it had been stated that what had already been done was nothing in comparison with what was in prospect.

They ask the government to consider these matters "from a national rather than a sectional standpoint." Figures and facts were submitted to show the interest which Canada has in manufacturing industries, and that had it not been for these industries Canada would have been practically bankrupt during the war. The delegation urged that unless industries were preserved in economic strength in the meantime they would not be able to take care of their enlisted employees, with whom they had contracted obligations, on their return to civil life. This would mean, they urged, a large number of unemployed when peace was declared.

Mr. John W. Ross has been appointed to the board of directors of the Sun Life Assurance Company. Mr. Ross is a member of the firm of P. S. Ross & Sons, chartered accountants, of Montreal, and takes the place of K. Hale, of Philadelphia.

BANK OF MONTREAL

Established 100 Years (1817-1917)

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Undivided Profits $1,664,893
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Harold Kennedy, Esq.
H. W. Beauclerk, Esq.
G. B. Fraser, Esq.
Colonel Henry Cockshutt.
J. H. Ashdown, Esq.

Head Office: MONTREAL

General Manager—Sir Frederick Williams-Taylor.

Branches and Agencies { Throughout Canada and Newfoundland
Also at London, England
And New York, Chicago and Spokane in the United States

A GENERAL BANKING BUSINESS TRANSACTED

THE CANADIAN BANK OF COMMERCE

Established 1867

Head Office .... TORONTO

Paid-up Capital $15,000,000
Reserve Fund $13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., *President*
SIR JOHN AIRD ... ... *General Manager*
H. V. F. JONES ... ... *Assistant General Manager*

Over 375 branches throughout Canada and in the United States, England, Mexico and Newfoundland.

NEW YORK AGENCY—16 Exchange Place
Francis Kemp & Stephenson, Agents.

LONDON, ENGLAND, OFFICE—2 Lombard St., E.C. 3
C. CAMBIE, Manager

MEXICO BRANCH—Avenida San Francisco, No. 50
D. MUIRHEAD, Manager

ST. JOHN'S, NEWFOUNDLAND
H. M. STEWART, Manager

The large number of branches of this Bank in all parts of Canada enables it to place at the disposal of its correspondents unexcelled facilities for every kind of banking business with Canada, and especially for collections.

Savings Bank Department at every Branch
(Yukon Territory excepted).

INCORPORATED
1855

THE BANK OF TORONTO

HEAD OFFICE, TORONTO, CANADA

Capital ....$ 5,000,000
Reserved Funds.. $ 6,555,306

Directors

W. G. GOODERHAM, President. J. HENDERSON, Vice-President
WILLIAM STONE, JOHN MACDONALD, L. ENGLEHART
Lt.-COL. A. E. GOODERHAM, BRIG.-GEN. F. S. MEIGHEN,
WM. I. GEAR, PAUL J. MYLER, A. H. CAMPBELL.
THOS. F. HOW, General Manager.
JOHN R. LAMB, Assistant General Manager.
D. C. GRANT, Chief Inspector.

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

Bankers

LONDON, ENGLAND—LONDON CITY AND MIDLAND BANK, LTD.
NEW YORK—NATIONAL BANK OF COMMERCE
CHICAGO—FIRST NATIONAL BANK.

ESTABLISHED 1875

IMPERIAL BANK OF CANADA

CAPITAL PAID UP $7,000,000
RESERVE FUND - 7,000,000

PELEG HOWLAND, President.
E. HAY, General Manager.

HEAD OFFICE - - TORONTO

GOVERNMENT, MUNICIPAL and other
HIGH-CLASS SECURITIES
BOUGHT and SOLD

Correspondence invited

ADDRESS:

THE MANAGER, BOND DEPARTMENT,
TORONTO

62

HOW THE BANKS COMPARE

Bank of Montreal and Bank of British North America Accounts as Shown in January Statement

The following figures, taken from the January statement of the Canadian banks to the Department of Finance, compare the principal accounts of the Bank of Montreal and the Bank of British North America:—

ASSETS.

	Bank of Montreal.	Bank of British North America.
Current in Canada and elsewhere.	$ 20,668,406	$ 1,271,821
Dominion notes	57,253,492	7,052,850
Note circulation	790,000	245,822
Deposit in central gold reserves.	11,500,000	1,970,000
Notes of other banks	1,704,288	348,285
Cheques on other banks	14,527,525	2,983,144
Deposits due from Canadian banks	....	13,201
Due from banks in United Kingdom	4,836,724	115,947
Due from banks elsewhere......	8,968,508	1,371,015
Dominion government securities.	11,139,862	3,460,000
Canadian municipal securities..	40,128,347	9,006,334
Railway bonds and debenture stocks	12,504,361	125,046
Call loans in Canada	....	2,694,397
Call loans elsewhere	77,623,002	4,827,050
Current loans in Canada	99,789,670	26,958,552
Current loans elsewhere	9,928,328	6,481,658
Loans to provincial government.	1,426,810	63,665
Loans to municipalities	12,794,314	2,078,045
Overdue debts	419,901	551,378
Real estate	44,447	32,310
Mortgages on real estate	65,145	8,003
Value of bank premises	4,000,000	2,409,292
Liabilities of customers	2,505,602	1,113,404
Other assets	3,698	237,229
Total assets	$392,625,438	$75,418,448

LIABILITIES.

	Bank of Montreal.	Bank of British North America.
Capital authorized	$ 25,000,000	$ 4,866,666
Capital subscribed	16,000,000	4,866,666
Capital paid up	16,000,000	4,866,666
Reserve fund	16,000,000	3,017,333
Rate per cent. of last dividend ..	10	8
Notes in circulation	26,447,706	5,312,540
Balance due Dominion government	10,491,836	1,306,996
Balance due provincial government	2,596,863	176,478
Deposits on demand	108,250,245	15,881,913
Deposits after notice	143,559,765	29,743,492
Deposits elsewhere	55,642,764	4,785,506
Deposits due to Canadian banks.	3,892,223	3,191
Due to banks in United Kingdom	....	80,275
Due to banks elsewhere	315,550	801,322
Bills payable	503,573	1,366,843
Letters of credit	2,505,602	1,113,404
Other liabilities	2,748,487	4,837,973
Total liabilities	356,954,618	65,409,933
Loans to directors	513,801	....
Current gold	30,245,308	1,508,401
Dominion notes	56,037,199	7,321,837
Notes in circulation	29,933,541	5,625,276

Mr. H. B. Shaw, general manager of the Union Bank of Canada, who has been in Vancouver for several days, announced recently that Mr. J. G. Geddes, local manager for the bank, would assume the joint management of the London, England, office of the institution. He will remain in Vancouver for several months, acting in an advisory capacity as to the general conduct of the bank's British Columbia business. The successor of Mr. Geddes as manager of the Vancouver branch will be Mr. G. T. Bishop.

BRANCHES OF THE TWO BANKS

No Alteration of Relations Between Absorbed Bank and Its Customers

In the event of the purchase of the Bank of British North America by the Bank of Montreal it is understood that no changes in the management of the bank or its branches throughout the country are contemplated at present, but the Bank of British North America will continue its separate existence as heretofore as branches of the Bank of Montreal, this arrangement to be for an indefinite period. There would, therefore, be no alteration in the present relations existing between the bank and its depositors and customers.

Twenty-Nine Competing Points.

There are 29 towns and cities in which the Bank of Montreal and the Bank of British North America have had competing branches. They are as follows: Toronto, Ont.; Montreal, Que.; Winnipeg, Man.; Vancouver, B.C.; Quebec, Que.; St. John, N.B.; Halifax, N.S.; Fredericton, N.B.; Hamilton, Ont.; London, Ont.; Ottawa, Ont.; Calgary, Alta.; Edmonton, Alta.; Regina, Sask.; Saskatoon, Sask.; North Battleford, Sask.; Yorkton, Sask.; Brandon, Man.; Victoria, B.C.; Prince Rupert, B.C.; Rossland, B.C.; Trail, B.C.; North Vancouver, B.C.; Brantford, Ont.; Fenelon Falls, Ont.; Kingston, Ont.; St, Catharines, Ont.; London, England; and New York, N.Y.

Advantages to Bank.

Several advantages from the standpoint of the Bank of British North America suggest themselves. Important business between the bank and its customers, as matters stand now, naturally has to go to London for consideration by the board of directors, a procedure involving delays and other handicaps which would be removed with the control of the bank's affairs vested in the Bank of Montreal. Both depositors and customers of the bank, too, would benefit to an important extent by the fact that their affairs were being merged in the affairs of a bank of such large resources and commanding strength as the Bank of Montreal.

Situation of Branches.

The following table, compiled by *The Monetary Times*, shows the number of branches which the two banks had at the end of 1917 in the various provinces and abroad:—

	Bank of Montreal.	Bank of British North America.
Ontario	60	21
Quebec	37	7
Nova Scotia	13	1
New Brunswick	10	5
Prince Edward Island	1	..
British Columbia	26	16
Manitoba	7	9
Saskatchewan	10	24
Alberta	9	4
Yukon	..	1
United States of America	3	2
England	2	..
Newfoundland	3	1
Mexico	1	..
West Indies	..	..
British Honduras	..	..
British Guiana	..	..
Costa Rica	..	..
Venezuela	..	..
Totals	182	91

Mr. William Wilfred Tolley, deputy auditor of the city of Toronto, was appointed on March 18th by the Ottawa city council auditor at a salary of $5,000 a year. For the past four years Mr. Tolley has been in the employ of the city of Toronto. Prior to that he was a chartered accountant with a British firm in New York City. He occupied this position for 2¼ years after leaving his home in England. It will be at least a month before he will be able to leave the local department. He is a conscientious and capable officer, and his services will be greatly missed in Toronto.

The Bank of British North America

Incorporated by Royal Charter.

The Court of Directors hereby give notice that a dividend of Forty Shillings per share, less Income Tax, will be paid on the 5th April next to the Proprietors of shares registered in the Dominion of Canada, being at the rate of 8% per annum for the year ended 30th November last.

The dividend will be paid at the legal par of exchange on the 5th day of April next.

No transfers can be made between the 22nd inst. inclusive and the 4th prox. inclusive, as the books must be closed during that period.

JACKSON DODDS,
Secretary.

No. 5 Gracechurch Street,
London, E.C.
March 5th, 1918.

THE MOLSONS BANK

Capital Paid-Up, **$4,000,000** Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

HEAD OFFICE ... ... MONTREAL

BOARD OF DIRECTORS

WM. MOLSON MACPHERSON, President. S. H. EWINO, Vice-President
Geo. B. Drummond Wm. M. Birka F. W. Molson
W. A. Black E. J. Chamberlin
EDWARD C. PRATT, General Manager

BRANCHES

ALBERTA
Calgary
Camrose
Edmonton
Lethbridge
BRITISH COLUMBIA
Revelstoke
Vancouver
" East End
MANITOBA
Winnipeg
" Portage Av.
ONTARIO
Alvinston
Amherstburg
Aylmer
Belleville
Brockville
Brucefield
Chesterville
Clinton | Delhi
Dutton | Drumbo
Exeter | Forest
Formosa
Frankford
Hamilton
" Market
" James & Barton
Hensall
Highgate
Iroquois
Kingsville
Kirkton
Kitchener
Lambton Mills
London
Lucknow
Meaford
Merlin
Morrisburg
Norwich
Ottawa
Owen Sound
Port Arthur
Ridgetown
Simcoe
Smith's Falls
St. Mary's
St. Thomas
" East End
Teeswater
Toronto
" Queen St. W.
" West Toronto
Trenton
Wales | Waterloo
Williamsburg
Woodstock
Zurich
QUEBEC
Arthabaska
Bedford
Chicoutimi
Cowansville
Drummondville
Foster
Fraserville and Riviere du Loup Station
Knowlton
Lachine
Lachute | Matane
Mont Joli
Montreal
" St. James St.
" St. Catherine St.
Montreal—Cont.
" Market & Harbor
" St. Henri
" Maisonneuve
" Cote des Neiges
" St. Lawrence Boulevard
" Cote St. Paul
" Park & Bernard
" Montreal, West
" Tetreaultville
Pierreville
Quebec
" Upper Town
Richmond
Roberval
Sorel
Sutton | St. Cesaire
St. Ours
St. Thérèse de Blainville
Trois Pistoles
Three Rivers
Victoriaville
Ville St. Pierre
Waterloo

AGENTS IN GREAT BRITAIN AND COLONIES—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

FOREIGN AGENTS—France—Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

THE BANK OF NOVA SCOTIA

Capital paid-up - $	**6,500,000**
Reserve Fund -	**12,000,000**
Total Assets over	**130,000,000**

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS

CHARLES ARCHIBALD, President
G. S. CAMPBELL and J. WALTER ALLISON
Vice-Presidents
JOHN Y. PAYZANT
HON N. CURRY
W. W. WHITE, M.D.
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HECTOR McINNES
JAMES MANCHESTER
S. J. MOORE
HON. M. C. GRANT

General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

BRANCHES IN CANADA

30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
10 in Quebec
14 in Western Provinces

IN NEWFOUNDLAND

Bay Roberts
Bell Island
Bonavista
Bonne Bay
Brigus
Burgeo
Burin
Carbonear
Catalina
Channel
Fogo
Grand Bank
Harbor Grace
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd. ; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York ; Merchants National Bank, Boston ; First National Bank, Chicago ; Fourth Street National Bank, Philadelphia ; Citizens National Bank, Baltimore ; Canadian Bank of Commerce, San Francisco ; First and Security National Bank, Minneapolis ; First National Bank, Seattle.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Brazilian Traction, Light and Power Company.—The January statement of the company shows a fairly substantial gain in gross revenue more than offset by a heavy increase in operating costs. The statement (in milreis) follows. Gross earnings, 7,837,000 milreis, increase 571,000 milreis; operating expenses, 4,141,000 milreis, increase, 877,000 milreis; net earnings, 3,699,000 milreis, decrease, 306,000 milreis.

Western Power Company of Canada.—The annual report of the company for the 12 months ended December 31 shows a decided improvement over 1916, net operating revenues showing an increase of 23.35 per cent. Operating revenues and expenses were: Operating revenue, $450,100; operating expenses, $130,559; ordinary operating expenses, $113,246; taxes, $17,312; net operating revenue, $319,601; non-operating revenue, $12,192; gross, $331,793.

Nipissing Mines Company, Limited.—The directors declared a regular 5 per cent. quarterly dividend on March 18, payable April 20 to shareholders of record March 30. The books close March 30, to reopen April 18. The financial statement of operating the company as of March 16 shows cash in bank, including Canadian and United States war bonds, $1,645,564.67; ore and bullion on hand at mine, $1,127,432.82; bullion in transit, $45,563.35.

Civic Investment and Industrial Company.—Although the effect of higher costs is quite evident in the company's expense account, the buoyancy of the company's gross business continues to make its net earning position an exception to the declining tendency of public utility enterprises. Civic's gross for February, $900,358, compared with $775,501 a year ago; expenses were $425,956, against $320,362; charges, $82,738, against $80,021, leaving a net surplus for the month of $391,613, against $375,112 a year ago. The ten months' surplus over all charges amounts to $3,801,712, equivalent to earnings at the rate of slightly better than 7 per cent. on the company's capital stock.

Consumers Gas Company.—The directors of the company, have, on March 18, adopted the suggestion of Mayor Church, Toronto, that the city auditor make a special audit of the books of the company to ascertain whether or not the 10 per cent. increase in the price of gas, which goes into effect on April 5, is justified. According to a statement by Mr. Arthur Hewitt, general manager of the company, the increase is due to the higher cost of coal, oil and labor. The expenditures of the company on these three items have advanced nearly $1,000,000 above the amounts spent in 1915. Mr. Hewitt said the directors welcomed enquiry and publicity, the increase was absolutely unavoidable and was far below the increases already made by other Ontario cities and towns.

Dominion Foundries and Steel Company, Limited.—Although no financial statement was issued after the annual meeting of the company held recently at Toronto, the company reported gross profits of $1,902,304 for 1917, net profits of $942,653, after depreciation, etc., carried forward a net surplus of $632,376. As the company has $3,000,000 common stock, on which it distributes an 8 per cent. dividend, earnings on the common stock were at the rate of about 29 per cent. The balance sheet showed current assets of about $2,400,000, made up principally of $1,188,000 in accounts and bills receivable, $446,596 cash, $629,864 inventories of raw material, and $157,000 investments, the last-named item including the company's initial deposit on a $400,000 Victory Loan subscription. On the liability side, current obligations foot up about $1,100,000, chiefly $589,511 accounts payable, $112,055 accrued wages, and $409,940 business profits tax for 1916-17.

Canadian Cottons, Limited.—A successful year for the company for the fiscal period which ends March 31 is indicated by the decision of the directors to-day to increase the dividend from 4 to 6 per cent. The common stock was placed on a dividend basis in June, 1916, as the result of the improved conditions in the cotton trade which developed soon after the war. The first quarterly distribution of 1½ per cent. and the usual 1½ per cent. on the preferred are payable April 4 to stockholders of record March 26. The increase revived interest in the stock, which sold up to 57 soon after the dividend announcement was made to the stock exchange on March 19. The stock has been quiet for some days past, the last board lot transactions being on March 12 at 49⅛, with a high price for the year to date of 50. Prior to the inauguration of dividends in 1916, the stock sold up from 36 to 52, but later on in the year, when there was an active and strong market, it touched a high level of 70. It afterwards weakened below 50, but has not gone far from that level.

Winnipeg Electric Railway Company.—The annual meeting of the shareholders of the company was held on March 18th in the board room of the company's offices. Sir William Mackenzie presided. The president's report and the annual statement were presented to the meeting and adopted. The board of directors was re-elected as follows: Sir William Mackenzie, Sir Donald Mann, Sir Augustus Nanton, R. J. Mackenzie, D. B. Hanna, G. V. Hastings, Hugh Sutherland, F. Morton Morse and J. D. McArthur. Sir William Mackenzie was re-elected president and Sir Augustus Nanton, vice-president.

The company's net surplus amounted to only $92,579, or slightly more than 1 per cent., on the $9,000,000 capital stock, which paid 12 per cent. dividends a few years ago. Gross earnings from operations showed a slight increase as compared with 1916, the gain amounting to $27,840. Miscellaneous income was also slightly higher. Increased costs, however, absorbed all the gain and something more, the gross corporate income available to meet fixed charges standing $154,764 lower than in 1916, a decrease of about 11 per cent. In the charges the city's share of earnings, etc., showed but slight variations from the previous year. There is deducted from 1917 earnings, however, a sum of $201,050 for depreciation, which has no corresponding item in recent statements. This deduction and the decrease of $154,764 in gross income, already referred to, account almost exactly for the difference between the final surplus of 1917, which was $92,579, and that for 1916, which was $445,251.

The 1917 form of statement makes the net income transferred to surplus $152,579, while the year's sinking fund requirements of $60,000 made a subsequent charge against total surplus. However, as the sinking fund deduction is properly chargeable to the year's income, it has been included in the following table in the list of general deductions:—

	1917.	1916.
Gross earnings	$3,339,009	$3,311,169
Operating expenses	2,143,512	1,939,041
Net operating revenue	$1,195,497	$1,372,128
Miscellaneous income	47,877	26.010
Gross income	$1,243,374	$1,398,138
Less:—		
Interest	649,050	643,991
City's percentage	105,777	110,227
Discount on securities	11,797	22,929
Taxes	103,286	91,569
Miscellaneous non-operating expenses	5,985	17.503
Other deductions	13,846	6,665
Sinking fund	60,000	60,000
Depreciation	201,050	......
Total deductions	$1,150,795	$ 952,887
Net income for year	92,579	445,251
Previous balance after adjustments	1,125,526	682,824
Total surplus	$1,218,106	$1,128,075

THE

Merchants Bank

OF CANADA

ESTABLISHED IN 1864

Capital Paid-up - - - - - $7,000,000
Reserve Fund and Undivided Profits 7,421,292

Head Office, MONTREAL

Board of Directors:

Sir H. MONTAGU ALLAN, President
K. W. BLACKWELL, Vice-President

THOMAS LONG
P. ORR LEWIS
ANDREW A. ALLAN
LT.-COL. C. C. BALLANTYNE
A. J. DAWES
P. HOWARD WILSON

PARQUHAR ROBERTSON
GEO. L. CAINS
ALFRED B. EVANS
E. F. HEBDEN
THOS. AHEARN
LT.-COL. J. R. MOODIE

B. P. HEBDEN, Managing Director
D. C. MACAROW, General Manager
T. B. MERRETT, Supt. of Branches and Chief Inspector

BRANCHES AND AGENCIES

QUEBEC

Montreal, Head Office: St James St.
" 1255 St. Catherine St. E.
" 320 St. Catherine St. W.
" 2215 St. Denis St.
" 1319 St. Lawrence Blvd.
" 1866 St. Lawrence Blvrd.
" 672 Centre St.
" Notre Dame de Grace
Beauharnois
Bury
Chateauguay Bsn.
Grand Mere
Huntingdon
Lachine
" Notre Dame St.
Maisonneuve
Napierville
Ormstown
Quebec
" St. Sauveur
Quyon
Rigaud
Shawville
Sherbrooke
Ste. Agathe des Monts
St. Jerome
St. Johns
St. Jovite
Vaudreuil
Verdun

ONTARIO

Acton | Almonte
Alvinston
Athens
Barry's Bay
Belleville
Bothwell
Brampton
Brantford
Bronte
Chatham
Chatsworth
Chesley
Clarkson
Collingwood
Creemore | Delta
Douglas
Eganville
Elgin | Elora
Finch | Ford
Port William
Galt
Gananoque
Georgetown
Glencoe
Gore Bay
Granton
Guelph
Hamilton
" East End
Hanover
Hespeler
Ingersoll
Kincardine
Kingston
Kitchener
Lancaster
Lansdowne
Leamington
Little Current
London
London East
Lucan | Lyn
Manitowaning
Markdale
Meaford
Mildmay
Mitchell
Napanee
Newbury
New Toronto
Niagara Falls
Oakville
Orillia | Ottawa
Owen Sound
Parkdale
Pembroke | Perth
Petite Cote
Prescott
Preston
Renfrew | Sarnia
Stratford
St. Eugene
St. George
St. Thomas
Tara
Thamesville
Thorold
Tilbury
Toronto
" Wellington St.
" Parl't St.
" Dundas St.
Dupont and Christie Sts.
Wallaceburg
Walkerton
Walkerville
Waterford
Watford
West Lorne
Westport
Wheatley
Williamstown
Windsor | Yarker

MANITOBA

Brandon
Carberry
Gladstone
Hartney
Macgregor
Morris
Napinka
Neepawa
Oak Lake
Portage la Prairie
Russell
Souris
Starbuck
Winnipeg
" Bannerman Av.

SASKATCHEWAN

Antler | Arcola
Carnduff
Frobisher
Gainsborough
Gull Lake
Humboldt
Kisbey
Limerick
Maple Creek
Meacham
Melville
Moose Jaw
Oxbow
Prelate
Prussia
Regina
Saskatoon
Shaunavon
Unity
Whitewood

ALBERTA

Acme
Alliance
Brooks
Calgary
Camrose
Carstairs
Castor | Chauvin
Chipman
Coronation
Czar
Daysland
Delburne
Donalda
Edgerton
Edmonton
" Namayo Av.
Forestburg
Hughenden
Irma | Islay
Killam
Lacombe
Leduc
Lethbridge
Mannville
Medicine Hat
Monarch
Munson
Nobleford
Okotoks | Olds
Ponoka
Red Deer
Rimbey
Sedgewick
Stettler | Strome
Tofield
Trochu
Vegreville
Viking
Wainwright
Wetaskiwin

BRITISH COLUMBIA

Chilliwack
Nanaimo
New Westminster
Oak Bay
Sidney
Vancouver
" Hastings St.
Victoria

NEW BRUNSWICK

St. John

NOVA SCOTIA

Halifax
Sydney

SUB-AGENCIES—*Ontario*—Beachville, Breslau, Calabogie, Coatsworth, Frankville, London South, Mimico, Mount Pleasant, Muirkirk, Newington, Pelee Island. *Manitoba* Austin, Griswold, Lauder, Sidney. *Alberta*—Galahad, Grainger, Millicent, Minburn, Penhold, Rumsey, Heisler, Huxley. *Saskatchewan*—Senlac.

SAVINGS DEPARTMENT AT ALL BRANCHES.

New York Agency—63 and 65 Wall Street

Bankers in Great Britain—The London Joint Stock Bank, Limited
The Royal Bank of Scotland.

Toronto Branch—A. B. PATTERSON, Manager

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler - President
W. D. Matthews - Vice-President
C. A. Bogert - - General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Established 1873 130 Branches
Capital (Authorized by Act of Parliament) $5,000,000.00
Capital Paid-up 3,381,270.00
Reserve Fund and Undivided Profits 4,534,863.63

DIRECTORS

W. F. Cowan, President. W. Francis, K.C., Vice-President.
W. F. Allen, F. W. Cowan, T. B. Greening, H. Langlois, James Hardy, F.C.A., Thos. H. Wood.

Head Office, 15 King St. West TORONTO, Ont.
C. H. EASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE BANK OF OTTAWA

Established 1874

Capital paid up - $4,000,000
Rest - - - $4,750,000

94 Branches in Canada

A Joint Account

is a decided convenience to the soldier.

Either of the joint owners may deposit or withdraw money without further formality.

5

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

HOW LEADING BANKS COMPARE

Bank of Montreal, by Merger, is Placed Well in Front—Figures of Three Leading Banks

Taking the figures of the January bank statement, the proposed amalgamation of the Bank of Montreal and the Bank of British North America would give the Bank of Montreal assets of nearly $470,000,000 and place it well ahead in this respect of the Canadian Bank of Commerce and the Royal Bank.

Merged Banks' Figures.

The principal items of the Bank of Montreal statement will appear as follows if the merger is effected:—

(Three last figures omitted.)

	Montreal.	British N. America.	(Amal.)
Capital authorized	$ 25,000	$ 4,866	$ 29,866
Capital paid up	16,000	4,866	20,866
Reserve fund	16,000	3,017	19,017
Demand deposits	108,250	15,881	124,131
Notice deposits	143,559	29,743	173,302
Current coin	20,668	1,271	21,939
Dominion notes	57,253	7,052	64,305
Canadian government securities	11,139	3,460	14,599
Municipal and foreign securities	40,128	9,006	49,134
Railway and other bonds	12,504	125	12,629
Call loans, Canada	......	2,694	2,694
Call loans, outside	77,623	4,827	82,450
Current loans	99,789	26,958	126,747
Total liabilities	356,954	65,409	422,363
Total assets	392,625	75,418	468,043

Three Leading Banks.

The figures of the amalgamated Bank of Montreal and Bank of British North America, from now on, will compare with those of the other two leading institutions, as follows:—

(Three last figures omitted.)

	Montreal.	Commerce.	Royal.
Capital authorized	$123,123	$123,123	$123,123
Capital paid up	20,866	15,000	14,340
Reserve fund	19,017	13,500	14,715
Demand deposits	124,131	95,324	80,090
Notice deposits	173,302	118,198	119,955
Current coin	21,939	19,045	15,203
Dominion notes	64,305	20,099	19,737
Canadian government securities	14,599	17,037	22,539
Municipal and foreign securities	49,134	25,195	25,684
Railway and other bonds	12,629	6,108	13,995
Call loans, Canada	2,694	14,767	12,135
Call loans, outside	82,450	19,314	8,574
Current loans	126,747	139,767	104,480
Total liabilities	422,363	303,022	317,614
Total assets	468,043	333,531	348,396

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 17-32	1 19-32	
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	4.8255	4.8280	4.85
Cable trans.	4.8375	4.84	4.86

Rate in New York for sterling demand, $4.7530.
Bank of England rate, 5 per cent.

Mr. W. M. Ramsay, manager of the New York agency of the Merchants Bank of Canada, has been elected a director of the Pan-American Debenture Corporation.

NINETEEN CHARTERED BANKS NOW

Thirty Years Ago, There Were 41 and Nine Years Ago, 29—Amalgamations Advantageous to Shareholders

Only three bank mergers have occurred in Canada since the war commenced. One was the absorption of the Quebec Bank by the Royal; the second was the purchase of the Northern Crown Bank by the Royal; and the third was announced yesterday, the merging of the Bank of British North America with the Bank of Montreal. A fourth might have been consummated had the department of finance approved, and that was the proposed amalgamation of the Bank of Hamilton with the Royal. The first banking amalgamtion in Canada since July, 1914, occurred in 1916, when the Royal Bank purchased the Quebec Bank. The other two amalgamations were arranged this month.

Tendency of Banking Business.

It is interesting to recall that the directors of the Quebec Bank informed their shareholders that "with the present condition of business in the west, your directors cannot hold out the hope that if the separate existence of the bank is maintained, the dividends would be continued. On the contrary, your directors feel that it is necessary for them, owing to severe competition, if the proposed amalgamation were not sanctioned by shareholders, to reduce the dividend for some years to come."

It was also pointed out that "the tendency of modern banking business has been towards the amalgamation of banks and the creation of financial institutions having large resources for the purpose of financing modern industries. It has happened that your directors have been obliged to refuse advances to some of the bank's best customers because, in their opinion, the amount asked for, though safe and profitable, bore an undue proportion to the resources of the bank."

Advantageous to Shareholders.

It was added that the experience of banks, both in Europe and in Canada, had shown that amalgamations such as that proposed were highly advantageous to the shareholders.

The bank amalgamation of 1916 reduced the number of chartered banks in Canada to 21, and the two mergers of the present year to 19. How this compares with the position in certain previous years is shown in the following table compiled by *The Monetary Times*:—

July.	No. of chartered banks in Canada.
1869	27
1879	40
1889	41
1899	38
1909	29
1912	26
1914	22
1916	21
*1918	19

---

*March.

AGRICULTURAL CENSUS TO BE TAKEN

Plans for the taking of an agricultural census, which the government contemplates in co-operation with the provincial departments of agriculture, apparently have ultimately in view some measure of direct taxation on the farming community.

To secure this, and as a basis on which to determine any further measure of direct taxation as suggested, the agricultural census is to be made. It will be in the form of questionnaires sent out to each farmer, asking for data as to his revenues and expenditures, the value of his land, stock, buildings, etc., the net return on his investment after allowing a reasonable amount for the labor of himself and family, and all other information tending to show as accurately as possible the financial status and yearly income of each farmer.

Mr. V. A. Lemieux, formerly inspector for the Imperial Life Assurance Company, at Quebec City, has been appointed branch manager for that company at Quebec.

THE STERLING BANK
OF CANADA

We relieve our patrons of much of the detail of their banking business—rendering a full, efficient service.

Head Office
King and Bay Streets, Toronto

64

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

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AUSTRALIA and NEW ZEALAND

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)

AUSTRALIA

PAID UP CAPITAL	$ 19,524,300.00
RESERVE FUND	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

J. RUSSELL FRENCH, General Manager

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AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

ESTABLISHED 1865

Union Bank of Canada

Head Office - WINNIPEG

Paid-up Capital	$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	140,000,000

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Vice-Presidents, R. T. RILEY, Esq.; G. H. THOMSON, Esq.

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Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world.

199

BANK OF HAMILTON
HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

DIRECTORS

SIR JOHN HENDRIE, K.C.M.G., President.
CYRUS A. BIRGE, Vice-President.

C. C. Dalton
Robert Hobson
W. E. Phin
I. Pitblado
W. A. Wood
J. Turnbull

J. P. BELL, General Manager.

BRANCHES

ONTARIO

Ancaster
Atwood
Beamsville
Blyth
Brantford
" East End
Burlington
Chesley
Delhi
Dundalk
Dundas
Dunnville
Fordwich
Ft. William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St.
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
Lucknow
Midland
Milton
Milverton
Mitchell
Moorfield
Neustadt
New Hamburg
Niagara Falls
Niagara Falls, S.
Oakville
Orangeville
Owen Sound
Palmerston
Paris
Port Arthur
Port Elgin
Port Rowan
Princeton
Selkirk
Simcoe
Southampton
Teeswater
Toronto
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MANITOBA

Bradwardine
Brandon
Carberry
Carman
Dunrea
Elm Creek
Foxwarren
Gladstone
Hamiota
Kenton
Killarney
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Treherne
Winkler
Winnipeg
" Norwood
" Princess St.

SASKATCHEWAN

Aberdeen
Abernethy
Battleford
Brownlee
Carievale
Caron
Dundurn
Estevan
Francis
Loreburn
Mawer
Melfort
Meota
Moose Jaw
Mortlach
Redvers | Regina
Rouleau
Saskatoon
Stoney Beach
Tuxford

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Calgary
Cayley
Champion
Granum
Nanton
Oyen
Stavely
Taber
Vulcan

BRITISH COLUMBIA

Armstrong
Kamloops
Port Hammond
Salmon Arm
Vancouver
Vancouver E.
N. Vancouver
S. Vancouver (Cedar Cottage P.O.)

ONTARIO'S COMPENSATION ACT

Awards to Workmen Last Year Totalled $2,913,085—Official Report

The following statement has been issued by the Ontario Workmen's Compensation Board as to the operation of the Workmen's Compensation Act last year:—

The third year of operation of the Ontario Workmen's Compensation Act closed December 31st, 1917. The number of accidents and the amount of compensation show a considerable increase over the prior year.

The total amount of compensation awarded during the year was $2,913,085.81, as against $2,011,468.94 during 1916; the total number of accidents of every kind reported during the year was 36,514, as against 26,092 during 1916.

The increase is partly the result of increased industrial activity and partly of increased rate of wages, which automatically increases the workmen's compensation. The most marked increases in compensation and accidents were in munition manufacturing in schedule 1 and in operation of railways in schedule 2.

The compensation in schedule 1 industries amounted to $2,289,529.44, and the accidents reported numbered 30,701; the compensation in schedule 2 amounted to $623,556.37, and the accidents reported numbered 5,813.

Of the total 36,514 accidents reported during the year 454 were fatal cases.

The average number of notices of accident received each working day during the year was 126, and the average amount of compensation awarded each day was $9,071.

The total average number of cheques for compensation and medical aid now being sent out by the board each day is 318, of which 106 are for medical aid, the latter amounting on an average each day to $1,036.

Increased Pay and Increased Assessments.

The amount of current year's assessments collected up to the end of the year was $2,392,340.42. This will be increased to the extent that the actual pay roll statements received from employers at the end of the year exceed the estimates given by them at the commencement of the year.

The rates of assessment for 1917 have proven generally sufficient, and, though some adjustments may be necessary, little if any general increase will be required in the rates for 1918. The rates on the average are still somewhat less than the rates originally fixed when the act was first being put into operation in 1915.

Under a system of merit rating to be applied pursuant to an amendment made at the last session of the legislature, employers whose accident experience is bad, will be required to pay a higher rate than those whose accident experience is good. The adjustment will be made after the final accident experience of each employer for the year has been ascertained.

The total expenditure of the board for administration expenses, including additional permanent equipment and other additional expenses rendered necessary by the new medical aid provisions of the act, amounted to $133,629.50. Toward this amount the government, in addition to paying the salaries of the board and furnishing office premises, contributed during the year $100,000 in cash. This leaves only the sum of $33,629.50 to be borne by the employers, representing a cost to the employers of less than one and one-sixth per cent. of the amount of compensation awarded during the year. This gives them insurance at a very small fraction above actual cost.

Similar Laws Elsewhere.

Intercourse with workmen and employers shows increased appreciation of the benefits of the present workmen's compensation law over the law previously existing. The workman obtains his compensation promptly and without expense for, generally speaking, every disability of not less than seven days arising from accident in his employment; the employer is immune from litigation and from what might be ruinous liability for damages; a prolific cause of friction between workman and employer is removed; practically everything that the employer now pays goes directly to the injured workman or his dependants or in payment of the expenses of medical aid; and as a result of the general provision for compensation and the mode of continuous or pension payment provided for by the act the community is saved from many cases of indigence which might otherwise exist. Since the adoption of the law in Ontario similar laws have been put into operation in Nova Scotia and British Columbia, and are being considered in other provinces.

With the better knowledge of the new law and of the existence of the amendment under which employers whose industries are not expressly covered, may be brought under its provisions, there has been a large increase in the number of applications by employers for this purpose.

CANADA'S NICKEL OUTPUT

Production and Price Were Higher Last Year—New Refinery at Port Colborne

The production of nickel in Canada last year was, as usual, derived from the ores of the Sudbury, Ontario, district supplemented by the recovery of a small quantity of metallic nickel, nickel oxide, and other nickel salts as by-products in the treatment of ores from the silver-cobalt-nickel ores of the Cobalt, Ontario, district.

The total production last year was 84,470,970 pounds, worth, at 40 cents per pound, $33,778,388, compared with 82,958,564 pounds valued at $29,035,497, or 35 cents per pound, in 1916. These figures are contained in the preliminary report of the mineral production of Canada, prepared by Mr. John McLeish, B.A., Chief of the Division of Mineral Resources and Statistics, Department of Mines, Ottawa. The total production of nickel-copper matte at the smelter of the Canadian Copper Company and the Mond Nickel Company in the Sudbury district was 78,897 tons, containing 83,773,319 pounds of nickel and 42,392,588 pounds of copper, the average percentage of the combined metals in the matte being about 80; the tonnage of ore smelted (part being previously roasted) was 1,453,661 tons, which as usual included a small tonnage from the Alexo mine in the Timiskaming district. The production in 1916 was 80,011 tons of matte derived from 1,521,689 tons of nickel-copper ores smelted, the matte containing 82,596,862 pounds of nickel and 44,859,321 pounds of copper.

New Refinery in Ontario.

The refinery under construction at Port Colborne, Ont., by the International Nickel Company, had not been completed at the close of the year. The British American Nickel Corporation continued the development of its nickel properties particularly at the Murray mine, and work was begun on the first unit of the smelter a mile distant from the Murray mine. It is expected that construction work on the refinery will begin early in 1918.

Nickel was recovered as a by-product in smelters at Deloro, Thorold, and Welland, from the silver-cobalt-nickel ores of the Cobalt district; complete returns have not yet been received, but the total nickel contents of nickel oxide, nickel sulphate, and metallic nickel produced have been estimated at about 697,000 pounds. The products recovered in 1916 included 79,360 pounds of metallic nickel; 323,418 pounds of nickel oxide, and 232,450 pounds of nickel sulphate, having a total reported value of $132,896 and containing 361,701 pounds of nickel metal.

Exports and Imports.

The exports of nickel in ore matte or other form are reported by the Customs Department as 81,272,400 pounds, valued at $8,708,650.

The imports of nickel into the United States during the eleven months ending November, 1917, which included small quantities from other sources as well as from Canada, are recorded as 69,265,880 pounds, containing in ore, matte, or other form valued at $8,869,824, or an average of 12.81 cents per pound. The exports of nickel and nickel oxide, etc., during the same period were 21,430,306 pounds, valued at $8,702,727, or an average of 40.61 cents per pound, of which about 66 per cent. were consigned to Great Britain and 30 per cent. to Italy and France.

The values per pound of these exports to different countries ranged from 38.5 cents to 48.6 cents per pound. The average value per pound of exports in 1916 was 38.775 cents, the range being from 37.13 cents to 45.21 cents. The average export value in 1914 was 34.26 cents.

The price of refined nickel in New York according to quotations published by the Engineering and Mining Journal continued at from 45 to 50 cents per pound for ordinary forms, with 5 cents more per pound asked for electrolytic nickel, until March 7th, from which date the quotation was from 50 to 55 cents.

Northern Crown Bank
HEAD OFFICE .. WINNIPEG
Capital (authorized) $6,000,000 Capital (paid up) $1,431,200
Rest and Undivided Profits $920,202
A general banking business transacted at all branches
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VICE-PRESIDENT Jno. Stovel
W. R. Bawlf Sir D. C. Cameron, K.C.M.G. E. F. Hutchings
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BRANCHES IN WESTERN CANADA
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Calgary
Edmonton
High River
Red Deer

B. COLUMBIA
Ashcroft
Marpole
Quesnel
Steveston
VANCOUVER
Hastings St.
Mt. Pleasant
Victoria

MANITOBA
Arden
Beausejour
Binscarth
Brandon
Crandall
Glenboro
La Riviere
Melita
Miniota
Pierson
Pipestone
Rathwell
St. Boniface
Ste. Rose du Lac
Somerset
Sperling
Steinbach
Stonewall
WINNIPEG
Portage Ave. and Fort St.
Portage and Sherbrooke
Main & Selkirk
William and Sherbrooke

SASKATCHEWAN
Alameda
Allan
Aneroid
Balcarres
Bladworth
Borden
Brock
Cadillac
Dubuc
Dunblane
Dundurn
Duval
Earl Grey
Fiske
Fleming
Foam Lake
Glen Ewen
Govan
Hanley
Harris
Holdfast
Imperial
Kenaston
Kinley
Lancer
Langham
Laura
Liberty
Lloydminster
Lockwood
Macoun
Manor
Marengo
Maymont
Moose Jaw
Nokomis
Plato
Ponteix
Portreeve
Prelate
Qu'Appelle
Quill Lake
Regina
Rockhaven
Rush Lake
Saltcoats
Saskatoon
Scotsguard
Sedley
Sheho
Stornoway Stn.
Swift Current
Venn
Viscount
Waldeck
Wymark

BRANCHES IN EASTERN CANADA
ONTARIO
Bath
Bracebridge
Brockville
Burford
Cheltenham
Comber
Enterprise
Florence
Inglewood
Inwood
Kingston
Mallorytown
Napanee—Odessa
OTTAWA
Sparks St.
Rideau St.
Wellington St.
Port Dover
Scotland
Seeley's Bay
TORONTO
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Woodstock
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HEAD OFFICE, WEYBURN, SASKATCHEWAN
BRANCHES IN SASKATCHEWAN AT
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BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA 3

BRITISH CATTLE AND SUPPLY IN LIQUIDATION

On behalf of the liquidator of the British Cattle Supply Company, E. W. Wright recently filed with the Master-in-Ordinary at Osgoode Hall a list of alleged contributories as shown by the books of the defunct concern. Accounts show that $1,891,159.96 is still unpaid on stock, and that in order to liquidate the liabilities of the company the sum of $595,430.50 must be provided. This sum may be secured by the payment up to 40 per cent. on the stock.

The Toronto General Trusts Company is listed among the alleged contributories for the sum of $391,958 in trust. This is said to be in respect of stock held for the British Dominions Land Corporation and given by the British Cattle Supply Company in Exchange for lands.

The following names make up the list as filed recently at Osgoode Hall. The sums following the names are the share required from each in order to liquidate the liabilities. Where no address is given, the stockholders are of Toronto:—

C. H. Maybee, $5,891.37; T. E. Goode, $21,009.25; Samuel Hisey, $5,611.40; S. and J. Hisey, $1,399.85; R. H. McElroy, $8,411.11; C. R. McKeown, Orangeville, $2,811.71; Hon. Nelson Monteith, Stratford, $4,211.56; H. Talbot, $14,010.51; J. H. Fussell, $4,199.55; T. Fussell, $1,399.85; W. G. Beamish, $2,799.70; Hon. Rufus Pope, Ottawa, $77,355.77; Hon. Peter Talbot, Lacombe, Alta., $2,799.70; E. Maybee, $559.95; Wilson Peterman, $279.97; R. W. Ferguson, $279.97; G. E. Coon, $279.97; T. W. Brennand, $279.97; Miss J. A. MacRae, $2,799.70; T. A. Neely, $2,799.70; R. H. McElroy (in trust), $55,994; Mrs. Emily C. Cairns, $279.97; F. W. D. Smith, $279.97; Russell Kinnear, $279.97; Dr. C. H. Hair, $559.94; John Kitts, $1,399.85; A. J. Bailey, $5,599.40; Mrs. Olive Neeley, $1,399.85; Edgar Neeley, $279.97; Jacob Neeley, $279.97; Mrs. Ellen Neeley, $139.99; Hon. Geo. McHugh, Lindsay, $279.97; A. W. MacRae, $419.96; Miss Elsie Baird, $28; Miss Margaret McDonald, $56; Miss Helen McDonald, $28; Geo. P. McHugh, $1,399.85; B. B. Cooke, $279.97; Miss Mabel C. Cairns, $84; Percy A. Vale, $1,399.85; Mrs. Sadie C. Goode, $2,799.70; Joseph Wilson, Jr., $400.

READJUSTMENT OF INDUSTRY

How to Maintain Efficient Production With Competitive Co-operation

How to maintain efficient production with competitive co-operation was the second problem discussed by Colonel David Carnegie, M.I.C.E., F.R.S., Edin., at the recent annual meeting of the Canadian Mining Institute, Montreal. Colonel Carnegie, who is a member and ordnance advisor of the Imperial Munitions Board, Ottawa, had first considered as to how to secure remunerative trade without unrestricted competition. His remarks on this phase of the readjustment of industry after the war were printed in *The Monetary Times* last week.

The problem of the maintenance of efficient production with competitive co-operation affected two classes of labor, said Colonel Carnegie, the employer and the employed. "The intelligent employee to-day not infrequently becomes the prosperous employer to-morrow." He continued. "Such boards of control as we are now considering (outlined in these columns last week), would encourage this tendency.

"While in considering the first problem the curse of unrestricted competition is revealed and condemned, I wish to emphasize just as strongly the true value of maintaining efficient production with competitive co-operation, and, further, that regulated competition in production is a healthy inspiring incentive, producing the best results without having any of the evils attending that unfair competition which secures trade. Competitive co-operation is indeed the life of industry when applied to efficient production. It inspires the best service in the individual worker while producing contentment.

Incentives to Production.

"If we carefully consider upon whom we depend for the products of industry and examine the incentives already offered to labor to maintain efficient production, we shall find that the great body of workers have not had the inducements placed before them in an attractive way. The feeling among the laboring classes is that any privileges, recognition and any better conditions of labor, wages, or hours of employment, have been wrung out of the employers only after serious conflict and where the forces of their might have prevailed. They, therefore, do not give a wholesome active service with any thrilling sense of delight, in which they regard the products of their hands as essential to national prosperity.

"This condition is not overdrawn, and I am sure that much unrest exists regarding the future relations of capital and labor. Since the war began commissions have been appointed to investigate the far-reaching problems of industry, and recommendations have been made concerning the relationship between capital and labor, the development of industrial research, the employment of the best kind of machinery, the best methods of manufacture, buying and selling products, transportation, facilities, domestic and foreign commercial relationship, together with a host of other subjects of vital importance to the industrial prosperity of the Empire.

"For years past there have been constant conflicts between capital and labor on one or other of the issues I have named. Prior to the war in the United Kingdom strikes were so common and so virulent that they threatened to menace the public safety.

Whitley Report.

"In March, 1917, the Whitley report of the Joint Standing Industrial Councils was presented to the British parliament. In that report recommendations were made for improving the relations between masters and men and for establishing joint standing industrial councils composed of employers and employees, to obtain harmony and better means of production. Ever since the war began committees and commissions have been at work to solve the problems. It is hoped that the work of these bodies will be of service to the reconstruction committee of the cabinet of the Dominion government.

"These investigations instituted by government indicate the need of changed conditions. It is unnecessary for me to go into details regarding the causes of mutual distrust and suspicion between employers and employed. I would rather, if time permitted, exalt the spirit which is changing daily, the relations of employer and employed, and making possible a speedier union of their efforts in the general harmony of their interests. I believe the way to secure that harmony is by recognizing organized labor and letting them share in a larger manner the responsibility of the output, quality and profits of industry. The following proposals for the formation of production boards are suggested with the hope that they may meet the need.

"1. That production boards be formed for each industry in the same number as the district trade boards, and be incorporated by law to deal with specific duties defined in the articles of association.

"2. The boards to be independent in their control and operation of all matters under their jurisdiction, but to work in direct and harmonious association with the industry trade boards.

"3. Each board to consist of elected representatives of the employers and employees of each industry from the same number of manufacturers and within the same geographical boundaries, as determined by the scope of the industry trade board.

Equal Numbers of Employers and Employees.

"4. Equal numbers of employers or their representatives, and employees or their representatives, to be elected by the district employers' association, and employees of the industry, whether the masters or men belong or do not belong to employers' associations or trade unions. The idea being to have full representation of each side belonging to the industry of the district in question. The method of election is a detail of organization.

"5. The chairman and vice-chairman to be nominated by the board as a whole. The chairman to be nominated from the elected representatives of the employers and the vice-chairman to be nominated from the elected representatives of the employees. Approval and election of both to be sanctioned by government and for the period of their election their services to be secured by the government.

Functions of Production Boards.

"1. The acceleration of output by the introduction of the most important processes and plant used in any part of the world in the same industry. The consideration of this phase of the board's work to be placed in the hands of a committee who would investigate all modern improvements, review current scientific journals and reports of investigations relating to the industry. The committee to report periodically to the board, making recommendations for improved production. The board would consider and submit such recommendations to manufacturers associated with the board, and leave it to them to make such improvements as they consider desirable. The board would not accept responsibility for the results.

Industrial and Commercial Training.

"2. To consider the provision of suitable industrial, technical and commercial training for boys, girls, men and women, with the object of improving the output and the quality of the product. A small committee of the board to investigate this subject, always with a view to training for the specific industry represented by the trade board. This section of the board's work would cover a very wide but necessary field of operation. It would embody:—

"(a) The vocational training of the child in preparation of his or her entry into the industry; (b) the education of the actual producers (principally manual); (c) the education of the directors of production (both manual and technical); (d) the education of the distributors of production (principally financial and commercial).

Classification and Valuation of Labor.

"3. To consider the classification, certification and valuation of labor. Another committee of the board could be formed for this definite object, having in view:—

"(a) The classifying of apprenticeship or in drafting boy and girl labor from vocational schools into those sections of industry best suited for their health, aptitude and age.

"(b) The certification of apprenticeship after probationary period in works, or office, to satisfy all concerned that the right employment has been selected for the child.

"(c) The classification of boys and girls after completion of apprenticeship for further training as draughtsmen, foremen, managers, salesmen, accountants, etc., according to the quality of the talent they had developed during their apprenticeship.

"(d) The classification of craftsmen of the same vocation, such as moulders, pattern makers, machinists, gauge makers, etc., into different skilled classes—say, 1st, 2nd and

We Serve Security Holders

Those who find that travel or absorption in other business makes proper attention to investments difficult, can rely with full confidence upon the experience and reliability of this Corporation. Our service includes collecting amounts due, paying obligations and in every way caring for the investments entrusted to us. We keep clients posted on matters of importance in connection with their affairs and render statements regularly.

Write or Call for Particulars.

THE
TORONTO GENERAL TRUSTS CORPORATION
ESTABLISHED 1882
HEAD OFFICE TORONTO
Branches: Ottawa, Winnipeg, Saskatoon, Vancouver

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited
Toronto

HENRY F. GOODERHAM, President
J. M. McWHINNEY, General Manager.

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors

E. F. B. Johnston, K.C., *President*. Hon. W. A. Charlton, W. J. Gage, Noel Marshall, *Vice-Presidents*. W. K. George, W. R. Hobbs, Jas. B. Tudhope, R. Wade, Jacob Kohler, A. McPherson, D. B. Hanna, John J. Gibson, *Managing Director*.

Chartered Trust and Executor Company
Traders Bank Building Toronto

$2.21 WHEAT AND CHEAP LAND

To those farmers and investors desirous of acquiring good land at low prices and on easy terms, convenient to railway and market, we offer certain assets belonging to Trust Estates under our care, and which must be realized on. Some of those parcels are improved, others raw prairie, comprising 160 acres and upwards to blocks of 10,000 acres or more. With the likelihood that wheat will go even higher than it is to-day, we believe the time to buy agricultural land is *now*, as prices of farm products will, we believe, remain high for an indefinite time to come.

Apply for list to

The Standard Trusts Company
Standard Trusts Bldg., 346 Main St. WINNIPEG

Canadian Guaranty Trust Company

HEAD OFFICE: BRANDON

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Acts as Executor, Administrator, Trustee, Liquidator, and in any other fiduciary capacity.

CANADIAN FINANCIERS TRUST COMPANY

Head Office - . - Vancouver, B.C.

TRUSTEE EXECUTOR ASSIGNEE

Agents for investment in all classes of Securities.
Business Agent for the R. C. Archdiocese of Vancouver.
Fiscal Agent for B. C. Municipalities.

Inquiries Invited

General Manager Lieut.-Col. G. H. DORRELL

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
WINNIPEG, Man.

National Trust Company Limited

DIVIDEND NOTICE.

Notice is hereby given that a dividend for the three months ending March 31st, at the rate of

TEN PER CENT. PER ANNUM.

has been declared upon the Capital Stock of the Company, and that same will be payable on and after April 1st.

The Transfer Books will be closed from the 21st to the 31st of March, both days inclusive.

By order of the Board.

W. E. RUNDLE,
Toronto, March 6th, 1918. General Manager

3rd class moulders. The classification would distinguish between the good and very skilled moulders. Such classification is common in the civil, military, naval and professional services, where each receives a diploma, certificate or badge, indicating his ability, class or rank in the services. Labor unions classified their trades but not the ability of one individual as compared with another, although there are widely marked differences between the skill of moulders for instance. This neglect of classification has been one of the greatest causes of friction between the employer and the employed. The complaint has been that the skilled worker has not done more work than the indifferent worker. To initiate this work by one of the committees of the board with proper means for the certification of all labor by examination (manual or oral), by craftsmen in the art, would be a great service. The board to issue certificates indicating to what trade and class they belong, just as 1st, 2nd and 3rd class certificates are issued to the marine and land stationary engineers, sailors, miners and to others in different vocations. Arrangements to be made for the periodic renewal and O.K.'s of certificates. Such certificates to carry the board's district rate of pay. Should the holder of the certificate wish to leave the district over which the board presides, the certificate to be presented to the board to be O.K'd, so that on presentation to a new employer in a different district his value would be known at once.

Valuation of Class of Labor.

"(e) The valuation of labor. The same committee to consider the valuation of each class of labor. That is for graduating the amount of remuneration necessary. For instance, in the difference between 'A,' 'B' and 'C.' Such valuation not to interfere with the present systems of individual, grouped, or other forms of piece work.

"There is no doubt that the proper regulation of pay on a thoroughly systematized basis of classification, certification and valuation by a competent body of men who were trained in the industry, would greatly stimulate whole-hearted acceleration of output instead of wilful retardation of production.

"(f) The consideration of systems of profit sharing and co-partnership, and the hours of labor for the workers.

"(g) To consider the value of materials used in production, their standardization, classification and methods of inspection.

Welfare Conditions for Workers.

"(h) To consider healthy conditions for the workers, and to suggest means for increasing their interests in the local surroundings, by providing amusements, instruction in gardening, music and other kinds of pleasurable employment after working hours.

"(i) The board to have authority to co-opt members, associate members and corresponding members, for any of the committees elected from its members, to investigate any of the many-sided problems.

"(j) A committee of the board to consider all workshop troubles, suggestions for improvements of conditions, accidents, fire arrangements, ambulance, etc.

"The district production board to supply any information within its power that would enable the national trade board to carry on its operations successfully.

"District production boards to send copies of minutes of their meetings to each in the same industry, and to confer as necessity arises with a view to a general increased maintenance of efficiency.

"I need hardly remind you," said Colonel Carnegie, "with what interest the various subjects would be taken up by the workers, both representing the employers and employees. The division of authority, responsibility and the social intercourse would produce a new outlook to labor."

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ending March 15th, 1918:—

Kerr Lake Mine, 39,074; Coniagas Mines, 87,000; Buffalo Mine, 285,736; Dominion Reduction Mine, 176,000; McKinley-Darragh Mine, 172,081. Total, 759,864 pounds, or 379 tons.

The total shipments since January 1st, 1918, now amount to 2,831,286.8 pounds, or 9,410 tons.

RAW SUGAR SUBJECT TO ORDER FOOD BOARD

The Canada Food Board, having authority to direct the distribution of foodstuffs, has ordered that importers of raw sugar consigned to Canada shall obtain a permit from the Canada Food Board, Ottawa, for allocation of the sugar for Canadian trade.

Every importer is, therefore, required to deliver to the collector of customs the said permit from the Canada Food Board, Ottawa (or from J. R. Bruce, sugar division of the board, at 68 William Street, New York), before release of the raw sugar by customs.

CANADIAN RAIL ORDERS IN UNITED STATES

New York dispatches state that the Canadian government railways are in the United States market for 5,000 box cars after placing an order for passenger equipment with the Pullman Company, and ten narrow-gauge engines with the Canadian Locomotive Company.

The Grand Trunk has recently ordered 25 switching engines from the same builders. The Pennsylvania Tank Car Company has taken orders for tank cars from steel companies and from oil refiners. Oil companies continue actively in the market for railroad equipment. Ten companies ask for 600 tank cars, which will require about 9,000 tons of steel.

INVESTMENT COMPANIES TO MEET IN TORONTO

A special report on Canadian municipal finances will be presented by a joint committee of the Dominion Mortgage and Investments Association and the Bond Dealers' Association, at the annual meeting of the former organization in Toronto on Monday. Mr. E. M. Saunders, treasurer of the Canada Life Assurance Company, is chairman of the joint committee, and will present their report. Other business to be taken up at the morning session include the reading of the minutes of the preceding annual meeting; the appointment of nomination committee; reading of correspondence; reports of the secretary-treasurer and auditor; reports of executive committee; notices of motion; resolutions and subject matter of which notice has been filed; unfinished business; general business and election of officers and executive committee. Mr. A. D. Langmuir, general manager of the Toronto General Trusts Corporation, who is president of the Dominion Mortgage & Investment Association, will also deliver his presidential address on Monday morning.

In the afternoon, several addresses will be given, including one by Mr. M. Chevalier, managing director of the Crédit Foncier Franco-Canadien, on "The Demand for and Supply of Funds"; by Mr. S. R. Tarr, editor of "Canadian Finance," on "Institutional Investments in Western Canada," and by Mr. Kingmann Nott Robins, Associated Mortgage Investors, Rochester, N.Y., on "The United States and Canadian Investments." There will also be a discussion on the Ontario Loan and Trust Corporations Act.

The following are the officers of the Dominion Mortgage and Investment Association:—President, A. D. Langmuir, general manager the Toronto General Trusts Corporation; first vice-president, Hume Cronyn, general manager the Huron and Erie Mortgage Corporation; second vice-president, E. M. Saunders, treasurer Canada Life Assurance Company.

Executive Committee:—Life insurance:—Mr. J. K. Macdonald, Confederation Life Assurance Company; Mr. J. F. Weston, Imperial Life Assurance Company; Mr. J. B. McKechnie, Manufacturers' Life Assurance Company.

Trust companies:—Mr. A. E. Holt, the Royal Trust Company; Mr. J. C. Breckenridge, the National Trust Company; Mr. J. M. McWhinney, the Union Trust Company.

Loan companies:—Colonel Edye, Trust and Loan Company of Canada; Mr. G. A. Morrow, Central Canada Loan and Savings Company; Mr. W. E. Long, Crédit Foncier Franco-Canadien.

Provincial associations' representatives:—Mr. John Paton, the Mortgage Loans Association of Manitoba; Mr. W. E. Mason, Land Mortgage Companies' Association of Saskatchewan; Mr. Wm. Toole, the Mortgage Loans Association of Alberta; Mr. G. L. Smellie, Mortgage and Trust Companies Association of British Columbia. The secretary-treasurer of the association is Mr. John Appleton.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance.* Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

MONEY TO LOAN.

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE, President D. M. CAMERON, Treasurer

THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 122

Notice is hereby given that a Dividend of Three per cent. for the quarter ending March 30th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after Monday, April 1st, 1918, to shareholders of record at the close of business on March 15th, 1918.

By Order of the Board.

M. AYLSWORTH,
Secretary

London, Canada, Feb. 26th, 1918.

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

CANADA PERMANENT MORTGAGE CORPORATION

Toronto Street - - - - - Toronto

Established 1855

President—W. G. Gooderham.
First Vice-President—W. D. Matthews.
Second Vice-President—R. S. Hudson.
Joint General Managers—R. S. Hudson, John Massey.
Assistant General Manager—George H. Smith.

Paid-up Capital	$6,000,000.00
Reserve Fund (earned)	5,250,000.00
Unappropriated Profits	197,977.41
Capital and Surplus	$11,447,977.41

Deposits Received **Debentures Issued**

The Ontario Loan and Debenture Co.

DIVIDEND No. 123

Notice is hereby given that a QUARTERLY DIVIDEND of 2¼ PER CENT. for the three months ending 30th March, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd April next, to Shareholders of record of the 15th March.

By order of the Board.

A. M. SMART,
Manager

London, Canada, February 26th, 1918.

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY,
EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
LONDON, ENG. EDINBURGH, SCOT.

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 **51 YONGE ST., TORONTO**

Paid-up Capital, $1,250,000 Rest, $800,000 Total Assets, $4,968,953

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after **1st April, 1918**, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board.

7th March, 1918. WALTER GILLESPIE, Manager.

ASSESSMENT OF NEW C.P.R. TAX

Company Will Probably Be Able to Pay Dividend, Tax and Have Margin

The special tax on the income over 10 per cent. of the Canadian Pacific Railway, announced by the Dominion government last week, will be variously assessed. Half of the excess earnings on railroad account, after the 7 per cent. dividend has been paid, and the normal income tax of 4 per cent., which will be applied to the company's special income account, would give the following results on the basis of the company's earning statement for 1917 just made public:—

50 per cent. on $12,420,915	$6,210,457
4 per cent. on $10,713,299	428,532
Total	$6,638,989

Would Fall Short.

The $6,638,989 tax, however, would fall short of the $7,000,000 which is aimed at as a minimum. Under one of the alternatives designed to secure this minimum the company is allowed 10 per cent. for its common shareholders out of combined railroad and special income earnings and up to $7,000,000 can then be taken as a tax. So as applied to figures such as those for 1917 the tax apparently would be worked out as follows:—

Available for dividend (rail account) ...	$30,620,915
Special income	10,713,299
Total	$41,334,214
10 per cent. dividend	26,000,000
Balance	$15,334,214
Tax	7,000,000
Balance for company	$ 8,334,214

In the 1915-16 fiscal period of the company the application of the first plan of taxation would have yielded a larger tax. Half the surplus over the 7 per cent. on rail account would have amounted to $7,722,079, to which would be added the 4 per cent. income tax on special income, yielding $397,638, or making the total liability to taxation for such a year apparently $8,119,717. As that exceeded the minimum of $7,000,000, the alternative plan as shown in respect to 1917 earnings would not be used.

Where Pinch Would Come.

In both these years, says the Montreal Gazette, in presenting these figures, it is apparent that while the company would have had to pay over large sums, a fair surplus of profits would have remained, $8,334,214 in respect to a year like 1917 and $9,465,396 in respect to 1915-16. Where a pinch would come would be in a year like 1914-15, when the total surplus, railroad and special income left after 10 per cent. had been paid to shareholders was only $3,259,247. In that case the government would take the entire $3,259,247.

But the 1914-15 instance is extreme and as the company is to receive the benefit of higher rates, even if the tax is aimed to take away the benefit later, it is not easy to conceive of a condition of affairs which would not allow the company to pay the dividend and tax and have something to the good. On that reasoning the dividend outlook is entirely reassuring, and the Street took it that investors could afford to rest easy as to their income from Canadian Pacific Railway shares.

EASTERN TRUST COMPANY'S FINANCES

The twenty-fifth annual report of the Eastern Trust Company makes reference to the company's growth in the quarter of a century. The subscribed capital at the end of the first year was $110,000, now $1,000,000; paid-up, then $20,400, now $1,000,000; there was no reserve then, now it is $250,000; the net profits were $979, now $121,129, and the securities then held were $41,860, and now they are $19,499,033. Col. Weston is the company's managing director.

EASIER IN LONDON THAN NEW YORK

Money Market Rate Lower Overseas Than at Any Time in 1916 or 1917

Money is easier in London than in New York, and the market rate in London is now lower than at any time in 1916 or 1917, 4 per cent. being the present Bank of England rate to clearing house banks. The rate on treasury 3 and 6 months bills was reduced from 4¾ per cent. to 4 per cent. on December 27th. Three years ago, when the United States Federal Reserve Board inaugurated the campaign to create a discount market here for foreign trade acceptances, the New York rate on that class of paper was 2 to 2½ per cent., and the London rate was 5 per cent., but the New York rate has advanced to 4 to 4½ per cent. and the London quotation has fallen to 3 15-16 to 4 1-16.

Credit for Business Uses.

This seems to be an extraordinary situation, after England has been 3½ years at war, and has raised and spent about $24,000,000,000 of new money.

Discussing these facts in its February bulletin, the National City Bank of New York concludes that the demand for credit for business uses is lighter there than in the United States, doubtless because of more stringent control over industry. An individual cannot employ money or labor in England for any purpose he chooses and "it is time," says the bank, "to think about the same policy in the United States."

In this connection it is interesting to review the condition of the Bank of England as shown by the first statement in January for three years, and the figures are given below, together with the market rate for three months' bills, and amount of exchequer notes outstanding:—

	1916.	1917.	1918.
Circulation	£ 35,194,245	£ 39,895,160	£ 46,591,020
Public deposits	58,156,684	53,147,093	32,074,902
Other deposits	105,835,576	116,388,305	158,411,326
Government securities	32,840,016	62,187,545	70,833,770
Other securities	114,748,048	91,789,493	106,480,723
Reserve in banking dept.	34,358,315	33,572,304	31,057,820
Coin and bullion	51,102,580	54,957,464	59,198,840
Proportion of reserve to liabilities	21	19¾	16¼
Bank rate of discount	5 per cent.	6 per cent.	5 per cent.
Market rate 4 months' bills	5⅜	5¼	4
Exchequer currency notes in circulation	103,125,099	150,144,177	212,450,951

Small Increase in Loans.

The classifications, "government securities" and "other securities" describe collateral loans. It will be noted that the increase of all loans in three years is only about £54,000,000, or approximately $250,000,000, which is not large in view of the magnitude of financial operations, and the increase of deposits is less, but the financial critics are attacking the treasury management for using too much bank credit. The figures should interest Americans who contend that the banks must finance the war. The only sign which seems to tell of inflation in large degree is the increase of exchequer currency notes, of which about $1,000,000,000 are now outstanding. These notes have not been issued in payment of government expenses, but to the banks in exchange for gold and Bank of England notes, and it is claimed that they have been needed to take the place of gold in circulation and to provide the larger amount of currency required by the higher prices and intense industrial activity.

Coincident with the reduction of the rate of interest on British treasury bills interest rates on bank deposits in London were dropped to 3½ per cent., except to foreign depositors, who will continue to receive 4½ per cent. This is for the purpose of retaining foreign deposits.

Mr. Irving H. Todd, of St. Stephen, N.B., has been appointed to the Senate to succeed the late Senator Gilmour. Mr. Todd is a prominent lumberman and was chairman of the Provincial Unionist Committee.

CANADA

THE DOMINION INCOME WAR TAX

Its Meaning and Application

THE Dominion Income War Tax Act, passed at the last session of Parliament, is now in force, and all those liable to taxation under the provisions of the Act must file the required returns for the year 1917, on or before 31st March, 1918.

The Act provides that there shall be assessed, levied and paid upon the 1917 income of every person residing or ordinarily resident in Canada, a tax upon income exceeding $1500 in the case of unmarried persons and widows, or widowers without dependent children, and upon income exceeding $3000 in the case of all other persons.

Corporations and joint stock companies carrying on business in Canada, no matter how created or organized, shall pay the normal tax upon income over $3000. The fiscal year of corporations and joint stock companies may be adopted if desired.

Your Immediate Obligation.—You are now required by law to fill out in triplicate, one or more of the five special forms enumerated below. Read the particulars about the forms provided, then note the form or forms that fit your case. Don't forget to make three copies. You keep one copy, and in the case of Forms T1 and T2, deliver two to the Inspector of Taxation for your district. In the case of Forms T3, T4 and T5, two copies must be filed with the Commissioner of Taxation at Ottawa.

Penalties.—Default in filing returns renders the person or persons liable on summary conviction to a penalty of one hundred dollars for each day during which the default continues. Any person making a false statement in any return or in any information required by the Minister of Finance shall be liable on summary conviction to a penalty not exceeding ten thousand dollars or to six months' imprisonment, or to both fine and imprisonment.

FORMS TO BE FILLED IN AND FILED

Individuals—Form T1 is for all individuals having the requisite income. Fill in pages 1, 2 and 3, make no marks on page 4.

In giving particulars of dividends received, state amount received from each company, listing Canadian and Foreign Companies separately.

Partnerships as such need not file returns, but the individuals forming the partnerships must.

Corporations and Joint Stock Companies must fill in Form T2, showing total income. Amount paid during the year to Patriotic and Canadian Red Cross Funds, and other approved war funds, should be shown under Exemptions and Deductions. A financial statement should also be attached. In giving particulars of dividends received, state amount received from each Company, listing Canadian and Foreign Companies separately.

Trustees, Executors, Administrators of Estates and Assignees use Form T3, to state particulars of the distribution of income from estates they are handling. A separate form is required for each estate and total incomes must be given as well as distribution thereof.

Employers.—On Form T4 employers shall make a list of the names of employees and amounts paid to each in salaries, bonuses, commission, or other remuneration wherever the combined sum of such remuneration for the calendar year 1917 amounted to $1000 or more. This applies to all classes, regardless of number of such employees.

Corporations Listing Shareholders.—Corporations and Joint Stock Companies shall list on Form T5 Shareholders residing in Canada to whom Dividends were paid during the calendar year 1917, stating the amounts of dividends and bonuses paid to each.

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Department of Finance
Ottawa, Canada

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Acton, Ont.—Messrs. G. A. Stimson and Company, of Toronto, have purchased $25,000 worth of 6 per cent. debentures payable in 20 annual instalments with coupons attached. The proceeds will be used for hydro purposes.

York Township, Ont.—With the consent of the minister of finance the York township council has issued $7,000 6 per cent. debentures to Mr. T. C. McKay at the price of $6,800, to provide funds for the work of enlarging the school building at School Section No. 7, Todmorden.

Galt, Ont.—The city council has fixed the rate of taxation for 1918 at 33 mills on the dollar. The total sum to be raised is $243,000, of which $81,932 is for the purposes of education, an average of $6.50 per capita. The board of works receives $22,900 and the provincial war tax accounts for $7,632, in addition to which the city makes a grant of $400 per month to the Canadian Patriotic Fund.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from March 4th to 8th, 1918:—

School District.—Oak Hill, $900 5-years not ex. 8 per cent. annuity; M. E. Wassill, Otthon.

Rural Telephone Companies.—Strongfield, $2,100 13-years not ex. 8 per cent. annuity; R. Woodward, Strongfield. Rugg, $11,500 15-years not ex. 8 per cent. annuity; C. Stensrud, Estevan.

The following is a list of debentures reported sold from March 4th to 8th, 1918:—

School District.—Hazel Ridge, $1,300; W. L. McKinnon and Company, Regina.

Rural Telephone Companies.—Flaata, $3,000, Springside, $3,800, Tribune West, $4,200, Senlac, $8,000, Tribune, $3,100, Marine, $2,600; W. L. McKinnon and Company, Regina. Downing, $2,300, Eastern, $5,500, Wauchope, $3,000; Bond and Debenture Corporation, Winnipeg. Orononca, $1,500, Weyburn Plains, $2,000; H. O'Hara and Company, Toronto. Green Prairie, $5,900; Kerr, Fleming and Company, Regina. Manitou Lake, $24,700; Thos. P. Taylor, Regina.

Villages.—Eston, $2,800, La Fleche, $3,000, Herschel, $1,500; W. L. McKinnon and Company, Regina.

MUNICIPAL SINKING FUNDS: SHORT-TERM LOANS

Referring, in a recent address, to municipal sinking funds, Mr. R. Baird, inspector of municipalities of British Columbia, who contributed an interesting article to *The Monetary Times Annual*, said:—"I had been of the opinion that municipal councils and the public generally were by this time convinced that the protection of outstanding obligations is of the nature of a trust. I have, however, been surprised to hear expressions of opinion to the effect that municipal councils should be justified under the press of circumstances in taking liberties with their obligations. The sale of debentures involves a contract by the municipality to collect and to administer in a certain way the funds necessary for the protection of the obligation, and it is difficult to believe that any pressure of circumstances will justify a municipal council in stepping aside from a moral obligation. It is not a question of expediency. It is a question of business integrity, and I fail to see any reason why a municipality should be allowed greater liberty in a matter of business integrity than an individual."

Mr. Baird stated that short-term borrowing had been one of the most costly experiments tried by the British Columbia municipalities, having cost the municipalities at least $750,000—"and the air is not entirely cleared yet."

At the meeting of the Wentworth (Ontario) county council, the report of the special committee on overdraft and debentures was presented. This recommended that permission be asked to issue debentures for $150,000 to wipe out the indebtedness.

PRICES OF MUNICIPALS

Whereas the 6 per cent. dollar bonds of such important French industrial centres as Bordeaux, Marseilles and Lyons are quoted in New York at a yield of approximately 12 per cent., the internal loans of these particular cities are at this moment ruling at much higher prices and lower yields, or on about a 5½ per cent. basis. Attention to this fact is directed by the bond distributing house of Messrs. A. B. Leach and Company, New York, which advances the suggestion that a certain portion of this discrepancy in investment yields is due to a lack of knowledge of investment values, and expresses the belief that if it were possible to-day to effect a free international exchange of money and securities this discrepancy would not exist in the same measure. In other words, it is pointed out that war restrictions prevent the French and British investors from taking advantage of the unusually low prices prevailing on this side for their home securities. The statement regarding the French municipal issues applies, though to a lesser degree, to the British and French government securities listed on United States exchanges, and which are obtainable here on a 7½ to 8 per cent. basis, whereas in London and Paris the yield obtainable on similar securities is not more than 5 to 5½ per cent.

STEEL MERGER CONFERENCES

Conferences in regard to the Dominion Steel-Scotia Steel merger were resumed in Montreal last week, according to the Gazette, and in some quarters it is claimed that progress is being made towards a basis of understanding.

Mr. W. D. Ross, who is Scotia's chief financial adviser, was there during the week, and met President Workman, of the steel corporation. Later in the week Mr. N. B. McKelvie, who represents the United States interest on the Scotia board, also went to Montreal and met Mr. Workman.

There is nothing to indicate that the conversations have yet developed any concrete proposal that can be laid before the shareholders, and it is by no means sure that they will. It is held, however, that there are indications of both sides being more friendly to the idea of an amalgamation.

In a statement to *The Monetary Times*, Mr. Frank Crockard, president of the Nova Scotia Steel and Coal Company, asked for a statement regarding the suggested amalgamation following the recent directors' meeting at Montreal, said: "In view of the fact that the meeting was held for the purpose of presenting the annual statement, and the further fact that the question of amalgamation was not up for discussion, any statement at this time would be of little interest."

INCREASE IN CANADIAN TRADE

A total Canadian trade of $2,273,724,883 for the 11 months of the current fiscal year ending with February, is shown in the monthly trade statement for February, issued last week by the Department of Customs. This is a considerable increase over the similar period last year, when Canada's total trade aggregated $2,018,447,397. For the month of February alone, Canada's trade amounted to $143,231,807, as compared with $140,162,700 for February, 1917.

Exports of domestic goods for the eleventh months' period, inclusive of coin and bullion, were to the value of $1,440,459,944 for the eleven months, as against $1,029,046,435 for the corresponding eleven months of the previous fiscal year. Goods entered for consumption were valued at $886,942,750, on which customs duties to the amount of $145,789,221 were collected. For the eleven months period of the previous year imports were valued at $769,443,187, while customs collections aggregated $130,550,845, or approximately fifteen million dollars less.

For February alone, both imports and customs collections show a considerable falling off as compared with the same month in 1917. Goods imported were to the value of $53,108,214 and duties collected $9,449,747. For February, 1917, imports were worth $58,556,938 and $11,409,494 was the amount of customs revenue collected.

Exports of Canadian goods during February, on the other hand, were to the values of $86,361,617, an increase of about eighteen millions over February, 1917.

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ROYAL BANK BUILDING, TORONTO.

ROYAL-NORTHERN CROWN MERGER

Precautions Taken to Prevent Speculators Acting on Price of Stock

Captain William Robinson, president of the Northern Crown Bank, Winnipeg, stated to The Montreal Star last week, after it became known that negotiations had been completed for the acquisition of the Northern Crown by the Royal Bank of Canada, that his chief anxiety throughout the negotiations had been to protect the shareholders from speculators who might have learned that something of the kind was in progress.

It is understood that the announcement of the sale would have gone forward to the shareholders in the more regular method of an official circular later on, had it not been feared that enough had been learned by some outsiders to enable them to take advantage of the ignorance of shareholders by bidding for their shares around the current quotations (87½ has been a recent nominal bid) and get 200 under the terms of the purchase.

Captain Robinson stated that he had been placed in a position to obtain a block of the shares but that both he and his directors had refrained from buying a share from any other holder, preferring to give them the full opportunity of the bargain which it had been possible to make with the Royal Bank in their behalf.

Note Issuing Powers.

Apparently the merger will not result in any shrinkage of the ordinary note issuing powers of the banks. As the Quebec Bank stock was taken over by the Royal Bank at the beginning of last year at a price about half the market value of Royal stock, that amalgamation caused a net decrease of capital stock, and thus reduced the normal issue power. In the case of the Northern Crown the reduced capital of that bank evidently goes into the merger at the same price as Royal stock is selling in the market; so the Northern Crown shareholders will get $1,429,447 of Royal stock; and the former bank's issue powers will be transferred in their entirety to the latter. The Northern Crown in 1916, however, when it reduced its capital 50 per cent., sacrificed half of its ordinary issue power, and this is not regained by means of the present transaction.

As to the Dividends.

The terms of the merger, as noted in *The Monetary Times* last week, mean that the Northern Crown shareholders virtually get par for their old stock (as existing prior to the reduction). On the new (reduced) stock they, in 1917, received dividends of $71,467, or at the rate of 5 per cent. per annum. On the new Royal Bank stock which they receive in exchange they will apparently get 12 per cent. dividends, or approximately $171,533 per year. Although this is $100,000 per year more than they received in 1917, it is practically the same amount as they got in 1913 and 1914. The dividends paid by Northern Crown in 1913 were $165,,563 and in 1914 $170,297.

The purchase of the Northern Crown by the Royal Bank will raise the paid-up capital of the latter institution to an even $14,000,000. When the announcement of the transaction was made last week it was stated that the shareholders of Northern Crown would receive approximately $200 a share, partly in Royal Bank stock and partly in cash. The agreement between the directors of the two banks provides for the issue of 10,883 shares of Royal Bank stock and the payment of $576,970 in cash to shareholders of Northern Crown.

For the purposes of the transaction Royal Bank stock is given a value of $210 a share, approximately its minimum quotation on the Canadian stock exchanges. The consideration in stock would, therefore, have a value of $2,285,430, and, with the cash to be paid, the total consideration would be $2,862,400, or $200 a share on Northern Crown's subscribed issue of 14,312 shares. Northern Crown shareholders will, therefore, receive about three shares of Royal stock for every four of Northern Crown, and a cash payment of about $40 on every share of their old stock.

Purchase Shares at $210.

As the Royal Bank has 129,117 shares outstanding, the issue of the 10,883 shares to the Northern Crown will bring the total up to an even 140,000 shares, out of the bank's authorized issue of 250,000 shares. As the exchange of shares will involve some awkward fractions the Royal has agreed to provide a purchaser at a price of $210 a share for the aggregate of all the fractions which may arise from a pro rata division of the Royal shares among Northern Crown stockholders. It has been further agreed that Northern Crown may pay out its usual half-yearly dividend at the rate of 5 per cent. for the six months ending May 31. As the exchange of shares will go into effect some time in midsummer it would seem probable that the Northern Crown stockholders will participate in the quarterly dividend to be distributed by the Royal on September 1, making their income continuous through the period of the completion of the transaction.

QUEENSLAND INSURANCE COMPANY IN CANADA

The Queensland Insurance Company of Sydney, N.S.W., has decided to write fire and marine business throughout Canada. This decision was communicated to *The Monetary Times* last week by Mr. Cuthbert Hawkes, the company's assistant manager and inspector of branches, who is now on his way back to head office after a visit to Canada. The Montreal Agencies, Limited, Montreal, have been appointed as general agents of the company for the Dominion. This agency has excellent connections throughout Canada. Mr. O. W. Pease, manager of the Montreal Agencies, Limited, is a well-known insurance man. Associated with him in the underwriting department will be Mr. James D. Cherry, who has been connected with the fire insurance business for 24 years. Mr. Cherry gained valuable experience during the seven years he served as inspector for the Springfield Fire & Marine, previous to which he was with the Royal for four years in the same capacity.

Messrs. C. Gardner Johnson & Company, Vancouver, has for some time past acted as the company's agents in Vancouver for marine business.

SECURITY LIFE INSURANCE COMPANY OF CANADA

During the past year the Security Life Insurance Company of Canada received 430 applications for life insurance, amounting, in all, to $543,740. Of this number, 402 were accepted for $474,240, and policies issued. The reinsurance and transfer of the with profit policies on the books of the company was completed during the year, and the insurances reported in force at December 31st are upon the "All Guaranteed" Plans. The amount in force at December 31st and the gain from year to year in this class of business is as follows: 1914, $794,500; 1915, $917,900; 1916, $1,155,100; 1917, $1,381,050.

While the net premium receipts increased in 1917, the actual expenses for all purposes were $8,325 less than in 1916 and $15,906 less than in 1915. A commendable feature. The total receipts from all sources during the year were (after deducting $7,834 paid for reinsurance) $58,251, and the total outgo $44,254.

As directed by the shareholders a year ago, special legislation was secured permitting by by-law the increase of the number of the company's directors from nine to fifteen. The by-law was ratified at the recent annual meeting. The company now has a strong directorate, headed by Brig.-Gen. Sir Henry M. Pellatt, C.V.O., as president, and including such well-known business men as Mr. Mark Workman, president of the Dominion Steel Corporation. The other directors and officers are: First vice-president and general manager, J. O. McCarthy, ex-controller city of Toronto; three other vice-presidents, Victor Morin, LL.D., notary public, Montreal; W. W. Hiltz, builder, Toronto, alderman city of Toronto; and W. O. McTaggart, Toronto, ex-chairman Board of Education; medical referee, Capt. R. J. Wilson, M.D.; secretary and actuary, John P. P. Oliver, A.A.S. Directors—Col. J. B. Miller, president and general manager Polson Iron Works, Limited, Toronto; T. J. Dillon, president and general manager Canada Forge Company, Welland, Ont.; H. C. Scholfield, president Page-Hersey Iron, Tube and Lead Company, Limited, Toronto; H. Waddington, managing director Standard Reliance Mortgage Corporation, Toronto; B. F. Ackerman, Peterboro', wholesale harness manufacturer; W. H. Elliott, B.A., Ph.B., Toronto, inspector public schools; J. P. Laporte, M.D., Joliette, Que.; J. F. Brown, president Brown's Copper and Brass Rolling Mills, Toronto; and John W. Russell, M.D., physician, Toronto.

The company is now well organized to commence an active campaign for the writing of new business. The agency organization is steadily improving. The new business in January, 1918, was double that of the same month last year.

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STEEL SHIPBUILDING PLANT IN NOVA SCOTIA

Provincial Government Says Matter is for Dominion Government—Rolling of Plates

The shipbuilding commission appointed in May, 1917, by the Nova Scotia government to investigate the possibilities for the shipbuilding industry in that province has made its report. The conclusion arrived at is that the encouragement of the steel shipbuilding industry and the measures to be taken for its development and growth is a matter primarily and essentially for the Dominion government. The report reads in part:—

"Reports received by the commission from the different shipbuilding districts indicated that the resources of the province, in suitable yards and labour, were pretty fully employed. Subsequent visits by the commission to several districts in various parts of Nova Scotia confirmed this information, and also afforded a first hand opportunity for observing the superior skill of the workmen, and for inspecting well designed vessels of different sizes and in all stages of completion. It is estimated that the vessels completed in Nova Scotia in 1917 reached 20,000 registered tons, at a cost of $2,500,000. This quite considerable production was carried out on the resources of the builders themselves, save where, in rare cases, banking accommodation was temporarily required; but, in no instance was it represented to the commission that any financial assistance was either desired or required from the province.

"On the date of this report, according to our best information, ship construction in Nova Scotia, exclusive of fishing schooners, amounted to 30,000 tons.

Steel Shipbuilding Outlook.

"The inquiries and efforts of the commission have been chiefly taken up with steel shipbuilding, and at the outset its members were in general agreement that the policy it should recommend was the establishment of one, large, well-equipped yard in preference to several small ones. The best advice obtainable was also in the same direction, and was, moreover, in full agreement with the commission's own views that every effort should be made to encourage the participation of established shipbuilding firms of undoubted standing in the province. This, in due time, led to negotiations with William Beardmore and Company, Limited, of Dalmuir, Scotland, which is one of the largest and most reputable firms on the Clyde. That company contemplated associating with it in the Nova Scotia enterprise, two other British shipbuilding firms, and one of the largest Canadian corporations. These negotiations were carried on until the end of August, when, on behalf of the syndicate T. S. N. Dickson, representing William Beardmore and Company, Limited, stated to the commission that the associated companies had arrived at an agreement, if the subsidies to be offered by the province and municipalities were satisfactory, to establish a steel shipbuilding plant in Halifax harbor at an initial cost of $4,000,000.

Negotiated With Big Concern.

"The time had thus arrived for the commission to decide on its financial policy, and, after full consideration of the measure of assistance which it could recommend for this proposal, or for any other bona fide proposition which might thereafter be made to it for building steel ships in any part of Nova Scotia, the commission, after consultation with the government, finally embodied its policy in the following telegram which was dispatched to Mr. Dickson on 3rd August, 1917:—

" 'On the understanding that the principals you represent will make an initial investment of $4,000,000 in a steel shipbuilding plant in this province, the Nova Scotia Shipbuilding Commission will recommend to the provincial government that a subsidy, at the rate of 10 per cent. of that investment, or $400,000, shall be offered to the Steel Shipbuilding Company which will be organized by your principals, the said subsidy to be paid to the company on completion of each vessel, at the rate of $5 per ton gross register until the total subsidy shall have been exhausted. It will, therefore, follow that if the initial investment falls short of $4,000,000, the subsidy which this commission will recommend that the provincial government shall then offer will continue to be at the rate of 10 per cent. on that actual investment. The object of this offer on the part of the commission is to promptly assist the prevailing acute situation in shipping, and it is understood that we will receive a reply from your principals within thirty days and that bona fide operations in the construction of the shipbuilding plant will commence promptly, with a view of producing tonnage within twelve months from this date.'

"The chairman of the commission, who was in England on private business, visited the works of William Beardmore and Company, Limited, in the end of August, when he learned that circumstances of pressing importance, then arising from war exigencies, rendered it impossible, for the time being at least, for that firm's British associates to complete the agreement to establish in Nova Scotia. This failure at the last moment was a great disappointment to the commission, as it was also to Sir William Beardmore, who throughout evinced a deep personal interest in the project. His company, however, stands ready to consider any fresh proposals which may hereafter be made to it, provided the restrictions imposed by the British government on operations or investments outside of the United Kingdom, on the part of British subjects, will not render this impossible.

Proposals from Many Points.

"During all this time numerous inquiries came to the commission from parties in Canada and the United States, but, as a general thing when traced back, these proposals were not of a character of which the commission would approve. Even in Nova Scotia itself we did not discover that there was any capital awaiting investment in this industry; and the outsiders who corresponded with us, or who visited Nova Scotia, with but only a few exceptions, were apparently only willing to embark on the enterprise if the province and municipalities furnished the capital.

Key to Situation.

"The key to the Canadian situation appeared to the commission to lie in providing in Canada itself for the rolling of our own ships' plates, and the very first act of the commission was to make such a representation to the Canadian prime minister, to the Dominion Iron and Steel Company, Limited, and to the several federal members from the province of Nova Scotia."

The report then gives the correspondence in this connection.

"Doubtless there were many and weighty reasons why no action was taken at the time, and for the commission's representations being unavailing, but in the light of events meanwhile, we cannot but think it would have been sound policy then to prepare to roll plates in Canada. The admiralty controller has advised: 'It would be of great service if arrangements could be made whereby ships' plates could be rolled in Canada,' and the British minister of shipping has expressed himself as wanting to arrange for the building and purchase of further ships in Canada in addition to those now under construction. We think we are warranted in saying that the industry in Canada, prior to the war, was very much neglected, but due credit must be given to the Imperial Munitions Board for its efforts in the past three years.

Dominion Programme Inadequate.

"The Dominion government, on its own account, has undertaken a fresh programme of building steel ships in the various existing yards. This, it is reported, will involve an expenditure of $40,000,000, but we are of opinion that this programme is inadequate, inasmuch as no provision is made for starting the industry on the Atlantic coast. It is there we submit that at all times, particularly while the war lasts, and during the period of demobilization, that the maritime interests of Canada will mainly centre, and we would therefore respectfully urge the claims of Nova Scotia in this regard upon the attention of the government at Ottawa.

Nova Scotia's Claims.

"Many obvious difficulties will surround a permanent steel shipbuilding industry, but these will be less on the Atlantic than in any other part of Canada. Nova Scotia is rich in raw materials, can easily be equipped to furnish fabricated parts and offers a choice of more than one excellent location for a shipyard. The workmen of the province, who have shown such well tested skill in building wooden ships, can, we are confident, also build ships of steel. This, if proof were needed, has been demonstrated at New Glasgow, where, under the direction of Colonel Thomas Cantley, the Nova Scotia Steel and Coal Company, Limited, has completed and placed in commission one fine vessel, will soon be ready to launch a second and larger one, and a third of the same class is well under way.

"We would observe in conclusion, that, while in our judgment, under present industrial and financial conditions, nothing less than co-operation on the part of the Dominion government will be adequate to establish a steel shipbuilding industry on a permanent basis in Nova Scotia, yet, the commission's firm conviction is that the action of the government of this province in setting on foot this enquiry cannot but result in much good."

BRITISH COLUMBIA TIMBER

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SEVEN YEARS SENTENCE FOR ARSON

Ontario Fire Marshal's Investigation into Bowmanville Fire—Statement of Prisoner

The Ontario fire marshal, Mr E. P. Heaton, has furnished *The Monetary Times* with the following interesting particulars of a case of arson in that province:—

On Wednesday, February 13th, Deputy Fire Marshal George F. Lewis commenced an investigation into the cause, origin and circumstances of a fire which occurred in the premises of William Tordiff, Bowmanville, on the morning of Tuesday, February 5th, 1918.

Twenty-six witnesses, including Mr. and Mrs. Tordiff, appeared on subpoena and were examined by Mr. Lewis in the courthouse. As a result, information was laid against Tordiff and Chief Constable Jarvis placed him under arrest that evening on the charge of arson.

Tordiff is a man about 55 years of age and owns 12 dwellings in Bowmanville, a ten-roomed home on a half acre lot in Enniskillen and a farm in Darlington. In September, 1915, the dwelling barn, etc., at the farm were burnt. Tordiff collected the insurance at the time, amounting to $1,725. He did not replace the buildings.

On the night of November 28th, 1917, an unoccupied dwelling owned by Tordiff in the "Flats" in the town ot Bowmanville was burnt under mysterious circumstances. Numerous footprints were found in the snow and the marks of where a horse and rig had been tied to a fence some distance away were also noticeable, but it was impossible to trace the destination of the horse and rig. Tordiff collected the insurance money amounting to $950.

About seven years ago Tordiff bought the four southerly houses in a block of six known as "Rice's Terrace," on Brown Street, Bowmanville, for $2,500. These four houses have been vacant since last fall. Tordiff had been living with his family at their home in the village of Enniskillen up to January 16th, when he moved into the southerly house in the terrace on the corner of Brown and Queen Streets, where he occupied one room, although there was no coal stove or furnace heat in the house. He brought with him a small quantity of furniture, including bed and bedding, a coal oil cooking stove, a 5-gallon coal oil can, two chairs, etc.

On January 18th, he wrote the mayor offering to sell the property to the town. According to the evidence he made a statement that if he could not rent the houses they could burn, etc. On February 4th, Tordiff's letter was presented to the council, received and filed without action or recommendation. Early the following morning the fire occurred.

Smell of Coal Oil.

Entering the back room from a hallway, it was noticed by the investigators that a separate and distinct fire was set in this room and did not communicate or connect up with the more serious fire which completely destroyed the centre pair of houses in the block, separated from the two end pair by fire walls. It would appear that "plants" had been made and fires started in various parts of the houses destroyed. The smell of coal oil was distinctly noticed by the people in the house north of Tordiff's when the fire was discovered, and also by the firemen. One of the first to see the fire also stated that the flames on the ground floor where the fire was burning fiercest resembled those produced by wood saturated with coal oil.

Statement by Tordiff.

After spending the night in confinement Tordiff sent for the chief of police stating that he wanted to confess having set the fires, and after being duly cautioned by Chief Jarvis, he made the following signed statement:—

"Bowmanville, February 15th, 1918.—I, William Tordiff, of the Village of Enniskillen, County of Durham, hereby confess and admit that I burned the houses owned by me on Brown Street in the Town of Bowmanville. I also admit that I burned the house owned by me in the 'Hollow' in the said Town of Bowmanville on the 28th day of November, 1917. I did all this because I was pushed for money to pay taxes and other debts. When I burned the house known as the house in the 'Hollow,' I drove from Enniskillen in the night time by a back road and returned the same way after burning the house. (Sgd.) Wm. Tordiff. Witness: (Sgd.) Richard Jarvis, Chief Constable."

There was $2,800 insurance on the Brown Street buildings and only $900 blanket mortgage on all the property owned by Tordiff in the town of Bowmanville. Wm. Tordiff appeared before Magistrate Horsey in Bowmanville on February 15th, and pleaded guilty to the charge of arson and elected to be tried by the magistrate. He, however, was remanded for sentence until February 23rd, when he again was remanded for sentence until March 2nd.

Sentenced to Seven Years.

On Saturday, March 2nd, Tordiff was sentenced at Bowmanville by Police Magistrate W. M. Horsey to seven years in the provincial penitentiary at hard labor. Before being sentenced, Tordiff utterly repudiated his signed statement and flatly denied his guilt.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railroads for the first two weeks in March:—

Canadian Pacific Railway.

March 7	$2,617,000	$2,422,000	+ $175,000
March 14	2,496,000	2,670,000	— 174,000

Grand Trunk Railway.

March 7	$1,122,582	$1,063,190	+ $ 59,392
March 14	1,135,553	1,068,837	+ 66,716

Canadian Northern Railway.

March 7	$ 666,400	$ 669,100	— $ 2,700
March 14	733,000	738,200	— 5,200

Results of operations of the Canadian Pacific Railway Company for the year ended December 31st last were:—

Gross earnings from railway and lake and coastal steamers, $152,389,334.

Working expenses, $105,843,316.

Net earnings from railway and lake and coastal steamers, $46,546,018. Deduct fixed charges, $10,229,143.

Surplus, $36,316,873.

Deduct contribution to pension fund, $500,000.

Deduct net earnings of coastal steamers, commercial telegraph and news department, transferred to special income account, $1,968,683.

Net revenue from earnings of railway and lake steamers available for dividends, $33,848,192.

After payment of all dividends declared for year, the surplus from earnings of railway and lake steamers is $12,420,915.

Specal income for year, after making allowances for contingent reserves, $10,713,299.

Both the gross and the net earnings of the Canadian Northern Railway System showed a decline in the month of January. The gross earnings were $2,715,300, a decrease of $117,300. The operating expenses, which were increased by $939,800, aggregated $3,290,300, thus indicating a deficit of $575,000. The earnings for the month of January compare as follows:—

	1918.	1917.	Decrease.
Total gross earnings..	$ 2,715,300	$ 2,832,600	$ 117,300
Operating expenses ..	3,290,300	2,350,500	*939,800
Net earnings	....	482,100	....
Deficit	575,000	....	1,057,100
Aggregate gross earnings from July 1st..	24,572,100	24,464,100	*108,000
Aggregate net earnings from July 1st..	2,760,100	6,778,200	4,018,100

*Increase.

The New York office of Wood, Gundy and Company, bond brokers, Toronto, has been closed temporarily. In advising their United States' clients of this, the company says: "Having regard to the heavy financing which the government of the United States has to face, and their consequent wish that the United States market be left as free as possible for this war financing, we have decided to temporarily discontinue the use of our New York office. Not only do we feel that it would scarcely be in keeping with the wishes of your government for us to press the sale of Canadian investments as we have heretofore done, but the numerous enlistments which are taking place from our Canadian staffs make it difficult to adequately maintain some of our offices. It is our purpose, just as soon as conditions permit, to reopen our New York office."

DIVIDENDS AND NOTICES

THE MONTREAL CITY AND DISTRICT SAVINGS BANK

Notice is hereby given that a Dividend of two dollars and thirty cents per share on the Capital Stock of this Institution (65% paid up) has been declared and will be payable at its Head Office, in this city, on and after Tuesday, the second day of April next, to Shareholders of record on the 15th day of March next, at three o'clock p.m.

By order of the Board.
A. P. LESPERANCE,
Manager.

Montreal, February 25th, 1918.

NIPISSING MINES COMPANY, LIMITED

165 Broadway, New York.

March 18th, 1918.

The Board of Directors has to-day declared a regular Quarterly Dividend of **Five per Cent.**, payable April 20th, 1918, to shareholders of record as of March 30th, 1918. The transfer books will close March 30th 1918, and reopen April 18th, 1918.

P. C. PFEIFFER, Treasurer.

PROVINCIAL PAPER MILLS CO., LIMITED

Head Office, Toronto.

Notice is hereby given that dividends of One and Three Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable April 1st, 1918, to shareholders of record at the close of business, March 15th, 1918.

By Order of the Board.
S. F. DUNCAN,
Secretary-Treasurer.

Dated Toronto, March 7th, 1918.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A Dividend of One and One-Quarter per Cent. of the Ordinary Shares of the Company has been declared, payable on April 15th, 1918, to shareholders of record of March 30th, 1918.

By Order of the Directors.
THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, March 16th, 1918.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A Dividend of Two per Cent on the Preferred Shares of the Company for the quarter ending March 30th, 1918, has been declared, payable April 15th, 1918, to shareholders of record of March 30th, 1918.

By Order of the Directors.
THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, March 16th, 1918.

THE OGILVIE FLOUR MILLS CO., LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of three per cent. has been declared on the Common Stock of **The Ogilvie Flour Mills Company, Limited,** payable Tuesday, the second day of April, 1918, to Shareholders of record at the close of business Monday, the twenty-fifth day of March, 1918.

By Order of the Board.
G. A. MORRIS,
Secretary.

Montreal, March 15th, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarter per cent. (1¾%) on the Common Stock of the **Dominion Textile Company, Limited,** has been declared for the quarter ending 31st March, 1918, payable April 1st to shareholders of record March 15th, 1918.

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 4th March, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st MARCH, 1918, payable APRIL 15th, to shareholders of record March 31st, 1918.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, March 4th, 1918.

THE CANADIAN CROCKER-WHEELER COMPANY, LIMITED

DIVIDEND NOTICE

The Directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending March 31st, 1918, to Shareholders of record March 20th, 1918. Also a dividend of One and Three-quarters per cent. (1¾%) on the common stock of the Company for the three months ending March 31st, 1918, to shareholders of record March 20th, 1918.

The stock books will be closed from the 20th to the 31st of March, both days inclusive.

Checks will be mailed to shareholders on March 30th, 1918.

By order of the Board.
L. R. GRIMSHAW,
Secretary-Treasurer.

St. Catharines, March 8th, 1918.

THE RIORDON PULP & PAPER COMPANY, LIMITED

PREFERRED STOCK DIVIDEND No. 23.

Notice is hereby given that a dividend of 1¾ per cent. (being at the rate of 7 per cent. per annum), on the Preferred Stock of this Company, has been declared payable, March 30th, 1918, to shareholders of record at the close of business, March 27th, 1918.

By Order of the Board.
F. B. WHITTET, Secretary-Treasurer.

Montreal, March 18th, 1918.

Central Canada Loan & Savings Co.

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO AND ONE HALF PER CENT. (2½%) for the three months ending March 31st, 1918, at the rate of TEN PER CENT. per annum, has been declared upon the Capital Stock of this Institution, and the same will be payable at the Offices of the Company, Toronto, on and after Monday, the 1st of April, 1918. The Transfer Books will be closed from the 18th to the 30th of March, both days inclusive.

By order of the board,
E. R. WOOD,
President.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Alvin Siding, N.S.—March 15—Lumber camp of A. A. Sutherland was damaged.

Belleville, Ont.—March 15—The steamer "Aberdeen," undergoing repairs, was destroyed. It was used for shipping coal and carrying apples in the fall, and was owned by A. W. Hepburn, of Picton.

Collingwood, Ont.—March 14—Home of Mr. A. Dean on Manning Avenue was destroyed. Insurance carried on building, $1,800; on contents, $1,000.

Dartmouth, N.S.—March 12—Residence of Mr. Young, Dahlia Street, was destroyed. Caused by defective flue.

Ferry Point, Alta.—March 12—Home of Mr. and Mrs. William H. Bartshot was damaged.

Georgetown, Ont.—March 11—The woolen mills, owned by H. Corke and Company, were destroyed. The estimated loss is $50,000.

Goderich, Ont.—March 14—Residence of Richard Birks on Bayfield Road was destroyed.

Harriston, Ont.—March 19—The McConnell building was destroyed. The occupants of the building are as follows: Art. Kennedy's barber shop, Elliott's shoe store, Dale's jewellery store, Bailey's block of two stores and Alex. Brown's hardware store. The losers are: R. F. Dale, Independent Order of Oddfellows, Canadian Order of Foresters and band hall, Frank Langdon, Art. Kennedy, George Elliott and Alex. Brown.

Kingston, Ont.—March 14—Wholesale grocery store of Fenwick and Hendry was destroyed. Estimated damage to contents, $75,000; to building, $25,000.

Leaside, Ont.—March 17—Officers' messroom and reading-room of the Royal Flying Corps aviation camp were destroyed. Estimated loss, $8,000.

Mimico, Ont.—March 15—Home of Charles Walters on Burlington Road was damaged. Insurance carried on building, $750.

Montreal, Que.—March 15—Convalescent Soldiers' Home on the corner of Lagauchetiere and Mansfield Streets was damaged. Estimated loss, $3,000.

Moose Jaw, Sask.—March 14—Home of E. Petitclerc, 1029 Second Avenue North-west, was damaged. Caused by explosion of defective furnace. Estimated loss is $450.

Nanaimo, B.C.—March 6—Building and contents of the Pioneer Bottling Works Company on Wallace Street were damaged. Estimated loss, $500.

Newcastle, N.B.—March 11—House on Mitchell Street, owned by the Canadian Gear Works Company and occupied by Walter Delano was destroyed. Estimated loss, $800.

New Liskeard, Ont.—March 14—Home of Mrs. Hamilton was destroyed.

North Saanich, B.C.—March 12—Farm building and implements of Capt. A. D. Macdonald were damaged. Estimated loss, $3,000.

Penhold, Man.—March 12—Residence of W. Grier and hotel, owned by J. Conroy, were damaged. Estimated loss, $6,200.

Ridgetown, Ont.—March 9—Building on M. J. H. Wilson's farm was destroyed.

Sandwich, Ont.—March 14—Barn on the farm owned by William Harding was destroyed. Caused by bolt of lightning. Estimated loss, $1,000.

Terris, Ont.—March 10—Home of Alex. Rankin was destroyed.

Toronto, Ont.—March 14—The warehouse of B. M. and T. Jenkins Antique Furniture Company was destroyed. The building is owned by John Turner and Sons, and the loss is estimated at $4,000. Insurance on stock is carried to the amount of $50,000.

March 19—Breen's drug store at 216 Queen Street East was damaged. Estimated damage to contents, $1,700; to building, $300. Premises of the Kew Printing Company, 58 Colborne Street, were damaged. Estimated loss, $400. The Hotel Krausmann, at the corner of King and Church Streets, was damaged. Estimated damage to building, $3,000; to contents, $1,000.

Treherne, Man.—March 13—Building of the Winnipeg Oil Company was destroyed. The cause reported is incendiarism.

Vancouver, B.C.—March 14—Home of J. Bevins, Fourteenth Avenue West and Trimble Street, was damaged. Estimated loss, $15,000.

Winnipeg, Man.—March 16—The Alhambra Auditorium on Fort Street was damaged. Estimated loss, $5,000. Insurance carried was $30,000.

LARGE RAILWAY EQUIPMENT ORDERS

The Canadian Car and Foundry Company will participate to the extent of about $16,000,000 in new orders for railroad equipment placed by the Dominion government on Monday. The orders amount in all to about $22,500,000, the bulk of the equipment, particularly box and ballast cars, to be for the Canadian Northern Railway. The allotment of this large order made is on the following basis:—

Canadian Car and Foundry Company—5,000 forty-ton steel-frame box cars, 450 forty-ton wood ballast cars and 300 thirty-ton stock cars, making a total of about $16,000,000.

Eastern Car Company, Trenton, N.S.—750 forty-ton steel flat cars and 650 fifty-ton steel coal cars, making a total of $3,750,000.

National Car Company, Hamilton—1,000 forty-ton steel-frame box cars, amounting to about $2,750,000.

Other cars, including refrigerator, tank and passenger cars, are not yet awarded. There is in contemplation also the awarding of 150 locomotives, and will possibly be awarded as follows: One hundred to the Montreal Locomootive Works and fifty to the Canadian Locomotive Company.

SOO RAILWAY ISSUES BONDS

William A. Read and Company and Tilney, Ladd and Company are offering $840,000 of Minneapolis, St. Paul and Sault Ste. Marie Railway Company's first consolidated 5 per cent. gold bonds, due July 1st, 1938, at 96¾, and interest, to yield about 5¼ per cent. These bonds are legal investments for savings banks in New York, Massachusetts and Connecticut. They are secured under the same mortgage as the "Soo" consolidated 4 per cents., which are selling at a price to yield about 5.17 per cent.

This is one of the first, if not the first, railroad bond issue to be put out since the United States took over the control of the railroads. Bankers offering the bonds have consulted with William G. McAdoo, the director-general of railroads, and he has stated that he saw no objection to the sale of the bonds at this time.

The Canadian Pacific Railway owns the majority stock of the company.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

The Security Life Insurance Company of Canada

At the recent Annual General Meeting of the Security Life Insurance Company, much satisfaction was expressed with the Statement of the Company's business for 1917. Substantial gains in Income, Insurance in Force and Assets were reported.

While the Net Premium Income and Interest Income increased in 1917, the actual expenses for all purposes were $8,325 less than in 1916, and $15,906.23 less than in 1915.

Of the Invested Assets of the Company, 94% is held in Dominion of Canada War Loan and Municipal Bonds and Debentures.

The agency organization of the Company is steadily improving. The new business to date for 1918 is very substantially ahead of the same period of 1917.

The Security Life Insurance Company is the only Canadian Company, under Dominion License, confining its business to Non-participating or entirely Guaranteed Policy contracts. These definite policy contracts with Guaranteed Values and Guaranteed Results are in keeping with the preference of the most careful insurers, and leave no room for disappointment to the Policyholder or fault finding with the faithful Agent.

By Special Act of Parliament in 1917, the Company was permitted by By-law to increase the number of Directors from nine to fifteen. The By-law was ratified at the Annual Meeting. As a result, a number of gentlemen, prominent in the financial and business affairs of the country, were added, and the Company now has a strong Board of Directors much interested in building a company along the lines being followed.

Full particulars as to rates and guarantees for "ALL GUARANTEED POLICIES" will be furnished.

OFFICERS AND DIRECTORS:

President:
BRIG.-GEN. SIR HENRY M. PELLATT, C.V.O.

1st Vice-President and Gen. Manager:
J. O. McCARTHY
Ex-Controller City of Toronto

Vice-Presidents:
VICTOR MORIN, LL.D.
Notary Public, Montreal
W. W. HILTZ
Builder, Toronto, Alderman City of Toronto
W. O. McTAGGART
Toronto, Ex-Chairman Board of Education

Medical Referee:
CAPT. R. J. WILSON, M.D.

Secretary and Actuary:
JOHN P. P. OLIVER, A.A.S.

Directors:
MARK WORKMAN
Montreal, President Dominion Steel Corporation
COL. J. B. MILLER
President and General Manager, Polson Iron Works, Ltd., Toronto
T. J. DILLON
President and General Manager, Canada Forge Co'y, Welland, Ont.
H. C. SCHOLFIELD
President Page-Hersey Iron, Tube & Lead Co., Ltd., Toronto
H. WADDINGTON
Managing Director Standard Reliance Mortgage Corporation, Toronto
B. F. ACKERMAN
Peterboro, Wholesale Harness Manufacturer
W. H. ELLIOTT, B.A., Ph.B.
Toronto, Inspector Public Schools
J. P. LAPORTE, M.D.,
Joliette, P.Q.
J. P. BROWN
President Brown's Copper and Brass Rolling Mills, Toronto
JOHN W. RUSSELL, M.D.
Physician, Toronto

CANADA HAS SHIPBUILDING ORDERS OF $64,500,000 IN HAND

Details of the Canadian government's plan for assisting in meeting the need of the Allies for merchant ships were given by Sir Robert Borden in the course of his speech in the Commons on Tuesday. Already much has been done in the Dominion by the Imperial government through the Imperial Munitions Board Orders have been placed by the Imperial Munitions Board for forty-three steel ships, with an aggregate tonnage of 211,300 tons, and forty-six wooden vessels, with a total tonnage of 128,400 tons. The total value of these vessels is $64,500,000. Twelve shipyards are now working on orders from the Imperial Munitions Board, and their capacity is being brought up to approximately 250,000 tons a year.

Berths vacated by the completion of ships ordered by the Munitions Board will be utilized at once by the Dominion government. Four cargo steamers with a total tonnage of 23,500 tons are to be completed and placed in commission this year. Next year, however, fifty steel ships are to be constructed. For the present year, the government has authorized by order-in-council an expenditure of $25,000,000 on shipbuilding. During his speech the prime minister expressed his thanks to the United States government for its action in providing that the Canadian government might obtain in that country 80,000 tons of ship plates and angles to meet shipbuilding requirements for this year. These materials are to be supplied at the same prices at which they are supplied to the United States government. The prime minister also told of the efforts being made by the government to bring about the establishment of a mill for the rolling of steel ship plates and angles in Canada in order to supply requirements in 1919 and in succeeding years.

In a communication to Hon. George P. Graham, as a member of the Brockville, Ont., board of trade council, Hon. C. C. Ballantyne states that the government does not intend establishing any shipyards. The present programme of construction contemplates awarding contracts to yards that are at the present time engaged in construction of steel ships for the Imperial Munitions Board. No assistance of any kind is being given towards establishment of new yards, nor does the programme include the construction of any wooden vessels. As the vessels are completed and the berths become vacant, contracts will be placed by the government for a certain type of ship of either three, five or approximately eight thousand tons.

AMERICAN INSURANCE COMPANY

The American Insurance Company, of Newark, N.J., was chartered in 1846, and its latest annual statement indicates that a strong financial position has been built up during its long and honorable career of seventy-two years. The company is represented in Canada by its general agents for this country, the Insurance General Agency Company, Limited, Winnipeg, of which Mr. C. S. Riley is manager and Mr. W. J. Snaddon is assistant manager. The company's balance sheet, just issued, shows the following figures:—

Capital stock, $2,000,000; liabilities, $6,966,335; special reserve fund, $300,000 and net surplus, $2,836,003.

Assets.—Railway and other bonds and stocks (excluding excess of special deposits), $7,382,452 bonds and mortgages, $1,825,731; real estate, $497,900; cash in banks and office, $941,761; interest and rents due and accrued, $95,958; and premiums and reinsurance in course of collection, $1,358,534. Total, $12,102,338.

Liabilities.—Unearned premiums, $6,246,164; unadjusted losses, $489,507; and other liabilities, $230,663. Total, $6,966,335.

AUTOMOBILE INSURANCE

A valuable paper on automobile insurance was read by Mr. Virgil M. Kime, A.B., F.A.S., actuary, casualty department of the Travelers Insurance Company, Hartford, Conn. Mr. Kime is a prominent actuary, for several years connected with the life insurance business. His presentation of this comparatively new and important subject, both from a statistical and practical standpoint, was both interesting and instructive.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Mar. 20th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations " and interest."

Montreal Stocks	Asked	Bid	Sales
Abitibi com.	....	....	....
Ames-Holden com.	....	....	....
" pref.	....	....	....
Asbestos Corporation	16	....	....
" " pref.	....	....	....
Bell Telephone	....	132	5
British Columbia Fishing & Packing	....	45	185
Brompton	....	....	35
Brazilian	36½	35¾	132
Canada Car com.	25½	24	890
" pref.	..	63	753
Canadian Converters	43	....	25
Canada Cement com.	60⅞	60⅝	721
" pref.	91	90½	152
Canada Cottons	58½	58	246
" pref.	76	....	1
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	....	....	....
Canadian General Electric	102¾	....	35
Canadian Locomotive com.	60	....	247
Canada Steamship Lines com.	40½	39¾	340
" " " pref.	76	....	220
" " " (Voting Trust)	....	39	....
Civic Investment	74⅝	74½	125
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	214
Consumers Gas com.	....	....	....
Dominion Bridge	....	....	....
Dominion Canners pref.	....	....	56
Dominion Iron pref.	91	....	....
Dominion Steel Corporation com.	61	60¾	1965
Dominion Textile	84	83½	368
" pref.	....	....	13
Goodwins Ltd.	11	....	....
Illinois Traction com.	....	....	....
" pref.	80	....	....
Intercolonial Coal com.	....	....	25
Lake of the Woods Milling com.	135	....	15
Laurentide Co.	156	151½	10
Lyall Const. com.	65	64	40
Macdonald	....	15	260
Mackay Cos. com.	....	....	50
" " pref.	....	....	....
Maple Leaf Milling com.	97	....	35
Montreal Tramway	150	....	....
" " deb.	76	....	810
Montreal Telegraph	120	....	....
Montreal Cotton com.	....	....	120
" pref.	....	....	1
Nova Scotia Steel	66	....	1
Ogilvie Flour Mills com.	....	160	60
Ontario Steel com.	26	....	....
" pref.	....	....	....
Penmans	74½	74½	131
" pref.	....	....	34
Price Bros.	....	....	....
Riordan Paper	119	....	45
" pref.	....	....	...
Quebec Railway, Light, Heat & Power	....	....	95
Shawinigan Water & Power	115	112½	511
" " " rights	....	....	....
Spanish River com.	13	....	50
" pref.	....	....	....
Smart Woods	....	....	....
Steel Co. of Canada	57⅝	57½	3967
" " " pref.	....	....	36
St. Lawrence Flour Mills com.	50	49	160
" " " pref.	....	....	....
Toronto Railway com.	60	....	....
Wayagamack	....	...	....
Bank of British North America	...	....	....
Bank of Commerce	185	....	31
Bank of Montreal	210	....	....
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	140	....	....
Banque Nationale	....	....	2
Bank of Nova Scotia	248	....	2
Dominion Bank	....	....	....
Merchants Bank	167	....	2
Molsons Bank	179⅞	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	....
Standard Bank com.	....	....	....
Union Bank	....	145	....
Montreal Bonds			
Asbestos	....	....	....
Bell Telephone	....	....	1000
Canadian Car.	..	....	....
Canada Cement	97	....	....
Canadian Converters	....	....	....
Canada Felt	....	....	....
Cedars Rapids	....	....	....
Dominion Coal	....	....	....
Dominion Cotton	....	..	2000
Dominion Iron and Steel	....	84	....
Dominion Textile A	....	....	....
" " B	....	....	....
" " C	97½	....	....
" " D	....	....	....
Lake of Woods Milling	....	....	....
Laurentide	....	101	....
Lyall Construction Co.	....	....	500
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	76	5000
Nova Scotia Steel	....	....	500
Ogilvie A	....	100	....
" B	....	100	....
" C	....	100	....
Penmans	....	....	....
Price Bros.	....	....	....

Montreal Bonds (Continued	Asked	Bid	Sales
Quebec Railway, Light and Power	60	....	1000
Riordan Paper	....	....	....
Sherwin-Williams	98	....	....
First Dominion War Loan	94	....	1600
Second Dominion War Loan	92¾	..	3200
Third Dominion War Loan	92½	91⅞	6800
Wabasso Cotton	84	....	....
Wayagamack	....	....	1000

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	11½	....	....
" pref.	50	....	....
American Cynamid	40	36	50
" pref.	....	52	...
Barcelona	10	9½	30
British Columbia Fish	47⅛	46½	292
Brazilian	36½	36⅛	1105
B. C. Packers	....	....	....
Canada Bread	17	16	26
" pref.	....	...	1
Canadian Car & Foundry	25	23½	....
" " " pref.	63	62¼	....
Canadian Canners	....	....	80
" pref.	....	....	1
Canadian General Electric	102¼	101½	102
" " " cum div. pref.	....	....	....
Canada Landed & National Investment	....	....	....
Canadian Locomotive	....	....	33
" pref.	....	82¾	....
Canadian Pacific Railway	137½	135¾	40
Canada Permanent	162½	....	....
Canada Steamship	40½	39⅞	160
" " pref.	76	71½	55
" " (Voting Trust	....	....	....
Can. Salt	....	....	....
Cement com.	60¾	60	185
City Dairy	20	....	....
Colonial Loan com.	....	....	25
Coniagas com.	....	....	100
Confederation Life	375	....	....
Consumers Gas	144½	....	...
Dome	860	840	100
Dominion Canners pref.	....	22¼	....
Dominion Iron com.	....	....	....
" " pref.	....	....	....
Dominion Steel Company	60¾	60	625
Dominion Savings	....	....	5
Duluth Sup	41	....	....
F. N. Burt	....	....	....
" pref.	86	84½	9
Hamilton Provident	....	....	....
Huron & Erie com.	....	....	....
Lake of the Woods com.	....	....	....
La Rose com.	48	45	7500
Mackay Companies	77	76	92
" pref.	...	61½	25
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	95	96	15
" " " pref.	....	....	5
Monarch	43	40	....
" pref.	80	....	....
Nat. S. Car	11½	9½	....
" pref.	37	36¼	10
Nipissing	880	850	....
Nova Scotia Steel	63½	....	83
" " " rights	....	....	....
Prov. Paper	....	....	....
" pref.	....	....	....
Penmans com.	74½	73½	....
Petroleum	1363	1325	10
Riordon	121	....	....
" pref.	....	....	....
Rogers com.	....	....	....
" pref.	....	....	....
Russell Motor	60	55	....
" pref.	68¾	....	....
Sawyer-Massey	....	10	...
" pref.	40	....	....
Shredded Wheat	....	....	....
Spanish River	....	....	....
" pref.	50	....	....
Cons. Smelters	24½	....	79
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	57¾	57¼	815
" " " pref.	90½	88½	6
Toronto General Trust	....	....	....
Toronto Paper	72	65	....
Toronto Railway	58	....	....
Trethewey S. Mines com.	17	15½	....
Tucketts	19	....	....
" pref.	....	....	....
Winnipeg Electric	48	....	....
Twin City	55	52	42
Bank of Commerce	185	....	72
Bank of Ottawa	201	....	...
Bank of Hamilton	181	....	16
Bank of Montreal	210	....	....
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	1
Dominion Bank	202	...	....
Imperial Bank	....	185	....
Merchants Bank	....	....	....
Molsons Bank	179⅞	....	....
Royal Bank	208	....	....
Standard Bank	200	....	4
Union Bank	....	145	2
Toronto Bonds			
Canada Bread	....	....	....
Canada Locomotive	....	....	....
Penmans	....	80	....
Riordon	....	...	....
Sao Paulo, 1929	..	....	....
Steel Company of Canada	....	58½	....
First War Loan	93⅞	93⅝	6000
Second War Loan	92½	92¼	11800
Third War Loan	92	91¾	7900

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INCOME TAX COLLECTION

The following letter has been addressed to the finance minister by Mr. H. Williams, mayor, Fort Frances, Ont. :—

"I take the liberty of offering a few suggestions that may simplify the practical working of the above act.

"1. That the ordinary municipal organization for the collection of taxes should be used for the distribution of the forms for information required for individuals under the act. The town clerk who prepares the tax collectors' rolls is officially in possession of the necessary information in regard to those who are liable for this income tax. The postmasters through whom the forms are at present distributed has not this information and would have to make a search through the whole assessment roll to obtain it. He is, as a rule, quite busy with his own duties, and the larger the town the less likely he is to be in touch with the financial standing of ratepayers.

"2. I think a small fee should be paid the clerk for the extra work entailed, as no doubt, in many instances, he will have to explain and fill in the forms as to the ordinary ratepayer, the filling in of any forms is confusing.

"3. A copy of this act 7-8, Geo. V., Chap. 28, should be furnished each person subject to this act, as very few will have available the necessary information referred to in the forms on page 4, nor does it state on these forms to whom they are to be returned.

"4. I think the forms should be returned free of postage.

"I am informed that the United States Federal authorities send instructors to the different towns, and in conjunction with the municipalities hold public meetings and explain the proper methods of making out income returns. This on its face is a good method, but no doubt entails considerable expense. Perhaps equal results at less expense could be obtained by issuing a typical sample form already filled in, as a guide to the person making the return."

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Mar. 20th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power..pref. xd 1¾	79.50	86.50	Can. Mortgage & Invest..	....	83	Great West Permanent..	...	70	National Telephone...5's	52	60
" " ....6's	....	90	Can. Oil.............pref.	80	95	Home Bank.............	60	65	North Ont. L. & P. 6's	75	82
Alberta Pac. Grain..com.	97	....	Can. Westinghouse......	103	118	Imperial Oil............	270	295	Nova Scotia Steel 6% deb.	85	92
Amer. Sales Book...pref.	....	90	Cockshutt Plow.....pref.	66.50	75	Imper. Trust Co. Toronto	....	37.50	Peoples Loan............	81	90
Atlantic Sugar........6's	78	84.50	Consumers Cordage pref.	70	85	Inter. Mill ....pref.	80	86	Robertson Screw........	....	40
" " ...... pref.	20.50	28	Continental Life.........	18	25	Lambton Golf Club.. ...	375	425	Scarboro Golf............	....	75
Belding Paul........com.	10	14	Collingwood Ship......8's	....	92	London Loan & Savings.	100	115	South Can. Power. com.	12	15
" " ....5's	75	80	Dom. F'dry & Steel 8% pf.	85	92	Maritime Coal & Ry.com.	16	21	Sterling Bank. .	80	85
" " ......pref.	72	78	Dom. Fire................	18.50	22	Maritime Coal........5's	67.50	72	Sterling Coal........com.	9.75	11.50
Black Lake..........pref.	2	5	Dom. Linseed Oil........	70	....	Massey Harris...........	112	130	" " ......bonds	69	72.50
" ....6's	20	26	Dom. Iron 5's. 1939.......	73	78.50	Matthew-Blackwell com.	43	50	St. Lawrence Sugar...6's	90	95
Brand-Henderson...com.	45	52	Dom. Power ....5's	80	85	Matthew Laing.......6's	93	97	Toronto Y'k Rad. 5's. 1919	90	96
" " 6's	93.50	....	" " ....pref.	90	96.50	M'Donald...........pref.	75	82	West. Assurance........	6.75	....
Can. Cons. Pelt.....pref.	28	....	Dunlop Tire..... pref.	89	95	Morrow Screw........6's	85.50	92	Wt. Can. Flour. 6's (1931)	90	96
Can. Fairbanks .....pref.	83	88	" .... 6's	96.50	100	Mississauga Golf.........	....	65	" " (1928)	96	...
Can. Marconi............	1.75	2.50	Eastern Car...........6's	89	94	National Brick Bonds....	19.50	25	....	....	....
Canada Machinery..com.	10	14	Ford Motor of Canada...	190	220	National Drug 7%.. pref.	....	90	....	....	....
" " ..pref.	42.50	50	. ...	....	....	....	....	....	....	....	....

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

CANADA'S FEBRUARY TRADE

	Month of February		11 Months ending February	
	1917	1918	1917	1918
	$	$	$	$
Total Imports—				
Dutiable goods	36,490,288	30,705,474	407,136,756	491,682,329
Free goods	31,540,181	21,500,974	335,858,261	383,583,820
Total	68,030,469	52,206,448	742,995,017	875,266,149
Coin and Bullion	525,469	901,766	26,448,170	11,676,611
Grand total	68,555,938	53,108,214	769,443,187	886,942,760
Duty collected	11,409,494	9,449,747	130,550,845	145,789,221
Total Exports—				
The mine	5,074,172	5,960,721	75,636,196	66,988,329
The fisheries	1,655,615	4,336,162	22,515,995	29,236,929
The forest	2,459,024	2,354,446	52,292,824	47,976,884
Animals and their produce	7,652,860	10,918,931	112,985,527	163,190,332
Agricultural products	11,449,080	28,089,659	351,451,449	529,817,956
Manufactures	39,504,694	34,346,308	408,160,190	598,602,853
Miscellaneous	428,938	355,390	5,918,274	4,359,518
Total merchandise	68,224,383	86,361,617	1,028,960,455	1,440,172,801
Coin and bullion	28	....	85,980	287,143
Grand Total exports	68,224,411	86,361,617	1,029,046,435	1,440,459,944
Total Canadian Trade—				
Merchandise entered for consumption	68,030,469	52,206,448	742,995,017	875,266,149
Merchandise, domestic—exported	68,224,383	86,361,617	1,028,960,455	1,440,172,801
Total merchandise, for consumption and domestic exported	136,254,852	138,568,065	1,771,955,472	2,315,438,950
Coin and bullion entered for consumption	525,469	901,766	26,448,170	11,676,611
Coin and bullion exported	127,514	358,485	196,318,121	3,331,307
Merchandise, foreign—exported	3,254,865	3,403,291	23,725,634	42,278,015
Grand total Canadian trade	140,162,700	143,231,607	2,018,447,397	2,372,724,883

CANADIAN PACIFIC RAILWAY MUST PAY HEAVY TAX

The granting by the government of the 15 per cent. increase on all freight and passenger traffic in Canada, effective at once, as a temporary measure of relief to the railways, pending "further study" of the permanent solution of the "huge and complex" railway problem, was officially announced on March 14th.

Coupled with the granting of the increase as ordered by the Railway Commissioners last January, and held up until now pending the appeal of the westerners to the cabinet, there is a special tax imposed on the Canadian Pacific Railway Company, which provides that all the increased net revenue which accrues to the company through the increase in rates, over the revenue of 1917, shall be returned by the company in the form of taxation to the Federal Treasury. The amount of this special tax on the Canadian Pacific Railway shall in no case be less than seven million dollars per year, unless as is very unlikely, the total net revenue of the company from all sources is not sufficient to pay the normal dividend of 10 per cent. Just what the total amount of the taxation will be is, of course, dependent on the uncertain traffic volume from now on, the greatly increased costs of operation, equipment and maintenance, etc., all of which make it difficult to estimate even approximately the net revenues of the company for the next two or three years. But, in any event, the provision that the government shall take, in addition, 50 per cent. of all net earnings on the transportation system over and above the amount required to pay the normal 7 per cent. on common stock alone, makes it pretty certain that the Canadian Pacific Railway will have to draw fairly largely on its income, apart from operating revenue, to keep up the full 10 per cent. dividend.

Moreover, in addition to this, the company is still subject to the provisions of the Income War Tax of 1917 in regard to all earnings from "special income."

The Interstate Commerce Commission tentatively approved on Wednesday the application of Canadian carriers for increased class rates on hauls from eastern points in the United States to the western part of the Dominion. The advance reflects increases granted the carriers by the Canadian Commission.

Canada's War Bonds

Toronto is by far the largest bond market in Canada and trading in the different issues of war bonds centres here.

The Canadian Government makes a practice of listing its war bonds on the Toronto Stock Exchange and recently warned Victory Bond holders that many were selling their bonds to irresponsible dealers at below the market price.

By dealing with a member of the Toronto Stock Exchange the price, either buying or selling, will be the best market price.

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PERSONAL NOTES

MR. G. J. A. LANSKAIL, of the Canada Life's Regina office, was lately elected secretary-treasurer of the Underwriters' Association there.

MR. D. MACKENZIE McCLELLAND, resident partner of Price, Waterhouse and Company, Toronto, left Toronto on Monday, to join the staff of overseas minister of militia in London, England. During his absence the Toronto business of the company will be in charge of G. G. Rowbotham, C.A., formerly manager of the company's Winnipeg office.

MR. W. R. FLEMING, who has recently been on the staff of Brent, Tovell and Company, stockbrokers, Toronto, has been appointed permanent secretary of the Bond Dealers' Association of Canada. Mr. Fleming obtained his knowledge of the bond business in the office of G. A. Stimson and Company. He has had also general business experience and is well qualified for his new position.

MR. W. P. HINTON, vice-president and general manager of the Grand Trunk Pacific Railway, has been appointed general manager of the Grand Trunk Pacific Development Company, at Winnipeg. This company is an integral feature of the Grand Trunk Pacific proper, and has under its purview the sale and development of town sites along the line, the building of hotels, wharves, steamships and so forth. It is unique in the history of modern railways in this respect, that the company operates wholly for the benefit of the Grand Trunk Pacific, and not for the profit of any individual.

MR. FRANK A. ROLPH (Toronto), Mr. Ross H. McMaster (Montreal) and Mr. A. H. Scott (Montreal), have been appointed by an order-in-council members of the Canadian War Mission in Washington. Mr. Rolph is managing director of the lithographing firm of Rolph, Clark, Stone, Limited, Toronto, and is a well-known business man of Toronto. For the past two months he has been associated with Mr. Lloyd Harris in the Canadian War Mission at Washington. Messrs. Rolph, McMaster and Scott are to deal with all United States munition contracts to be awarded to Canada. Mr. Lloyd Harris, already chairman of the War Mission, will be chairman of this special board, and Mr. Rolph vice-chairman. Mr. Scott has been handling transportation matters at Washington for the War Mission.

MR. J. E. ALDRED, president of the Shawinigan Water and Power Company and the Laurentide Power Company, which are co-operating forces in the hydro-electric field, along with the Montreal Light, Heat and Power Company as a distributing factor, has been an outstanding figure in hydro development in Canada, and more particularly the province of Quebec, for a number of years. The enterprises with which he is so prominently associated have made such progress that he was able to make the proud boast at the recent annual meeting that the Shawinigan-Quebec power field has wrested the premier place from the Niagara development and made the group which he heads the biggest and best in Canada. Besides a number of other Canadian connections in an industrial and financial way Mr. Aldred is associated with a number of American public utilities with which his New York banking house has been associated in financing.

PUBLICATIONS RECEIVED

Insurance.—Abstract report of the superintendent of insurance, Ontario, being a tabulated summary of the statements made by insurance companies for 1917. Issued by the Superintendent of Insurance, Parliament Buildings, Toronto.

British Columbia.—The new directory, "The Industries of British Columbia," just off the press, is a valuable work of reference. It shows that the province of British Columbia has made remarkable strides in manufacturing, and that our Pacific Coast country is enjoying a very fair measure of prosperity. The directory is edited by J. H. Hamilton, and is published for the Manufacturers' Association of British Columbia. A supplement will be issued every six months, bringing the list of manufacturers up to date, a very useful feature.

"The Industries of British Columbia." Issued by J. Reginald Davison, industrial commissioner, Vancouver. Price, $1.

CANADA'S FOREIGN TRADE

February Returns Reflect Expansion—Necessity for United States Credits

Commenting upon the trade returns for February, printed on another page of *The Monetary Times*, the Montreal Gazette says:—As anticipated, the foreign trade of Canada expanded in value in February. In the preceding month there had been a decline of nearly $15,000,000 owing principally to transportation difficulties occasioned by adverse climatic conditions, the foreign trade of the United States also appreciably falling off from a like cause, but with the advent of better weather traffic has moved more freely. Imports, however, are still on the down grade, imports into Canada for consumption having been in the last three months:—

	1917.	1918.
December	$67,900,500	$61,634,600
January	72,323,000	60,677,400
February	68,030,400	52,206,400
Totals	$208,253,900	$174,518,400

This is a sharp recession in imports, 15 per cent., following many months of continuous increase, and is attributable not to decline in prices of commodities, but to the difficulty of obtaining goods and transportation.' About one-half of the three months' decrease occurred in February, and was presumably caused by interrupted railway carriage from the United States whence the great part of Canadian imports is derived. This drop is reflected in customs revenue which was reduced last month by $2,000,000 from the like period a year ago.

Export Side of Account.

The export side of the account is more satisfactory, the value of domestic products shipped abroad having mounted up from $68,224,000 in February, 1917, to $86,361,000 last month, or by upwards of 26 per cent. In January there had been a falling off of $3,000,000 in domestic exports. The gain last month was principally in agricultural exports, presumaby wheat and flour, the value of these having been $28,089,000, or $16,640,000 in excess of shipments in the like month a year ago. The export of produce of the fisheries was $2,680,000 more, and of animals and produce $3,266,000 more than last year. On the other hand, the export of manufactures was $5,158,000 less than in February, 1917. This is a smaller decline than was recorded in the two preceding months, the export of manufactures dropping $20,600,000 in December, and $9,400,000 in January from the figures of the preceding year. The inference appears to be that the output of munitions is slowing down from the termination of contracts, and the absence of renewals, a conclusion foreshadowed by a great increase in munition production in Great Britain. The receipt of orders from the United States has probably prevented an even larger decrease in export of manufactures than has occurred.

Ahead of Last Year.

The foreign trade of Canada in the eleven months of the current fiscal year is still well in excess of the preceding year in point of value, the aggregate having been, apart from coin and bullion, $2,315,439,000 as against $1,771,955,000, showing a gain of no less than $543,500, and reaching figures far in excess of any previous record. Of this increase $132,271,000 was in imports, and $411,312,000 in domestic exports, agricultural products contributing $178,366,500, and manufactures $190,400,000, to the total expansion.

Need for Credits.

The balance of trade in favor of Canada in February, 1917, was nil, imports for consumption having equalled in value domestic exports, but last month there was an excess of exports of $33,000,000. The favorable balance in the eleven months is very large, much beyond any precedent, imports having aggregated $875,266,000 as compared with exports of $1,440,172,000, leaving a balance due Canada of nearly $565,000,000, as against $285,965,000 in the corresponding period of the preceding year. As the vast proportion of exports was to Great Britain, and of imports from the United States, the exchange market for New York funds has been seriously disturbed, the premium having risen as high as 1⅝ per cent., and no immediate restoration of normal rates seems probable unless the Canadian government succeeds in establishing a substantial credit in New York. Until this is done Canadian importers of American products must sustain an appreciable loss in making payments for merchandise.

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The Western Life Assurance Company

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NEW BUSINESS RECEIVED.	**INCREASE 146%**
ASSURANCES, NEW AND REVIVED	**INCREASE 147%**
NEW PREMIUMS RECEIVED	**INCREASE 166%**
ADMITTED ASSETS	**INCREASE 81%**

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

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Invested Funds	$ 66,500,000	Investments under Canadian Branch, over	$ 16,000,000
Deposited with Canadian Government and Government Trustees, over	7,000,000	Revenue, over	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

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A Cigar a day Costs no more than an Endowment Policy at Life Rate in the

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n Western Ontario Cities. If you would like to improve your position, and ow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

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Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

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North American Life Assurance Co.

"SOLID AS THE CONTINENT"

HEAD OFFICE - TORONTO, CANADA

"Representing The Mutual Life of Canada"

Efficient representatives of our Company will be found in every important centre in the Dominion and in the Island of Newfoundland. Their motto is "Service" and they will gladly furnish any needed information regarding Life Insurance in general and Mutual Life Insurance in particular. The Company issues policies on every approved plan—including Endowment Policies, Monthly Income Policies, and Policies designed for the protection of Business Enterprises. It has been the aim of the Mutual Life of Canada to introduce into its contracts every modern privilege that is compatible with safety, but the distinguishing feature of the Company is Mutuality. Under this system all profit from whatever source reverts to the Policyholders and so reduces the cost of protection. We furnish—
The largest amount of protection for the least possible outlay.

The Mutual Life Assurance Co. of Canada

Waterloo Ontario
Assets $32,165,432 Assurances $123,510,899

UNLESS
The Great-West Life Assurance Company were providing particularly attractive policies it would not—for eleven successive years, have led all Canadian Companies in the amount of business written in Canada.

UNLESS the funds were invested at an exceptionally favorable rate it would be impossible to pay the unequalled profits that are being paid to Policyholders.

UNLESS strict economy prevailed, the advantage of these high earnings would be lost.

These and many other points of vital interest to those looking for the best in Life Insurance, are referred to in the Twenty-fifth Annual Report of

The Great-West Life Assurance Co.

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HEAD OFFICE : : WINNIPEG
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ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.

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ARTHUR L. BATES, PRESIDENT HENRI B. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

NEW INCORPORATIONS

Two Large Mining Companies Receive Charters, One in Ontario and One in British Columbia

The largest companies incorporated during the past two weeks were: Montreal-Kirkland Gold Mines, Limited (no personal liability), Kirkland Lake, Ontario, $1,000,000; Glen Mountain Mines, Limited (no personal liability), Vancouver, B.C., $1,000,000; International Cordage Company, Limited, Vancouver, B.C., $1,000,000.

The following is a partial list of charters granted during the past two weeks in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital and the persons named are provisional directors:—

Merritt, B.C.—Armstrong's Departmental Store, Limited, $100,000.

Vegreville, Alta.—The Ukrainian Farmers' Company, Limited, $50,000.

Fanny Bay, Vancouver Island, B.C.—McDonnell and Burke, Limited, $30,000.

Midland, Ont.—Craig-Stell, Limited, $10,000; J. S. Wilton, J. Dougherty, G. S. Dudley.

Hanna, Alta.—Fletcher Lumber Company, Limited, $50,000. Hanna Farms, Limited, $20,000.

Winnipeg, Man.—Tax Investment Corporation, Limited, $25,000; E. J. McMurray, J. F. Davidson, W. McMurray.

Oshawa, Ont.—The Dillon Manufacturing Company, Limited, $75,000; R. B. Dillon, G. R. Dillon, W. G. Henderson.

Blenheim, Ont.—The Shillington Company, Limited, $75,000; T. B. Shillington, J. W. Shillington, A. G. Shillington.

Saint-Jerome, District of Roberval, Que.—Perron and Compagnie, Limitée, $49,000; G. Perron, J. E. Perron, C. Gagnon.

Rydal Bank, District of Algoma, Ont.—The Northern Co-Operative Company, Limited, $50,000; T. Inch, W. W. Somers, J. Keast.

Kirkland Lake, Ont.—Montreal-Kirkland Gold Mines, Limited (no personal liability), $1,000,000; G. V. Cousins, S. Vineberg, R. Stuart.

Victoria, B.C.—Vancouver Island Marine Plumbing and Heating Company, Limited, $10,000. British Colonial Marine Paint Company, Limited, $25,000.

Edmonton, Alta.—Glenbrook Farm, Limited, $20,000. City and Farm Development Company, Limited, $20,000. Independent Fish Company, Limited, $20,000.

Montreal, Que.—Sophia Millenery, Limited, $20,000; Ben Capper, M. Rosen, B. Gilbert. The L'Ephiphanie Farm Company, Limited, $20,000; L. D. Levine, M. B. Levitt, L. Weiner. La Compagnie des Debentures de la Province de Quebec, $49,000; H. S. Ross, L. J. Beique, E. R. Angers. The Screen Club of Canada, Limited, $20,000; R. S. Bell, T. Byerle, E. English. High Wah Club, Limited, $5,000; L. Y. Lim, C. Bock, L. H. Yee. Metcalfe Realty Company, $45,000; G. A. Coughlin, F. G. Bush, G. R. Drennan. Travellers' Club Incorporated, $10,000; L. Fitch, I. Friedman, F. Varney. Louis, Limited, $20,000; M. Rosen, F. Perron, B. Gilbert.

Vancouver, B.C.—The Bendickson Logging Company, Limited, $25,000. Welfare Club, Limited, $10,000. Central Athletic Club, Limited, $10,000. International Cordage Company, Limited, $1,000,000. British Columbia Export Company, Limited, $24,000. Glen Mountain Mines, Limited (non-personal liability), $1,000,000. Port Edward Fisheries, Limited, $40,000. Mackenzie and Matatall, Limited, $10,000. Dempsey Logging Company, Limited, $50,000. Western Dental Manufacturing Company, Limited, $200,000. The Malaspino Fuel Company, Limited, $10,000. Western Toy Manufacturing Company, Limited, $150,000. Sayward Trading and Ranching Company, Limited, $10,000. Crowley Logging Company, Limited, $10,000.

Toronto, Ont.—Aberdeen Realty Company, Limited, $100,000; J. S. Lovell, W. Bain, R. Gowans. Auto Oil Company, Limited (no personal liability), $250,000; B. T. McAvoy, E. Barry, L. Sleeth. Bisco Doll, Limited, $40,000; M. Magi, M. Hands, J. W. Potter. Buckels, Limited, $40,000; E. J. Buckel, H. Buckel, E. W. Buckel. Consolidated Lumber Company, Limited, $500,000; E. E. Earle, J. W. McFadden, C. B. Nasmith. Dominion Knitting Mills, Limited, $36,000; L. Liss, J. Y. Seltzer, M. Liss. Henderson Farmers' Lime, Limited, $40,000; C. P. Henderson, G. E. Ball, G. Armstrong. Nepigon Reserve Iron Company, Limited (no personal liability), $375,000; J. W. Newcombe, F. E. Abbott, J. R. Starr. United Inspection and Testing Laboratories, Limited, $40,000; N. H. Manning, R. J. Marshall, L. J. Rogers.

TWO MORE PROVINCIAL ISSUES

British Columbia and Nova Scotia in the Market With Bonds

Another provincial government bond issue is being offered to Canadian investors, one of $1,000,000 5 per cent. 10-year bonds of British Columbia. The interest and principal are payable in gold in Victoria, Winnipeg, Toronto, Montreal and New York. The bonds have been purchased and the offer is being made jointly by Messrs. W. A. Mackenzie & Company, and Messrs. Brent, Noxon & Company, Toronto. An outstanding feature of the issue is the fact that the province is providing out of general revenue a sinking fund which will retire the issue at maturity. The provincial government has no intention of refunding the issue at maturity, as has been the case with many of the previous issues of similar character. In view of the fact that this is a short-term issue, the present financing on the part of the province may properly be considered as very conservative financing. The bonds are being offered at 89.10, yielding 6½ per cent. to the investor. It is not unlikely that this will be the last provincial government offering sold at these rates during the current year.

Nova Scotia Issue.

Tenders for a new issue of province of Nova Scotia bonds have several alternatives. The circular calling for bids states that offers may be made for either ten or fifteen-year bonds and for either $1,000,000 or $1,500,000 of them. The interest rate is placed at 6 per cent., which is the standard for practically all provincial and city issues to-day. The bonds are exempt from all taxes levied by Nova Scotia, including succession duties. The date on which tenders will be considered is March 25th. Nova Scotia's finances are in good condition.

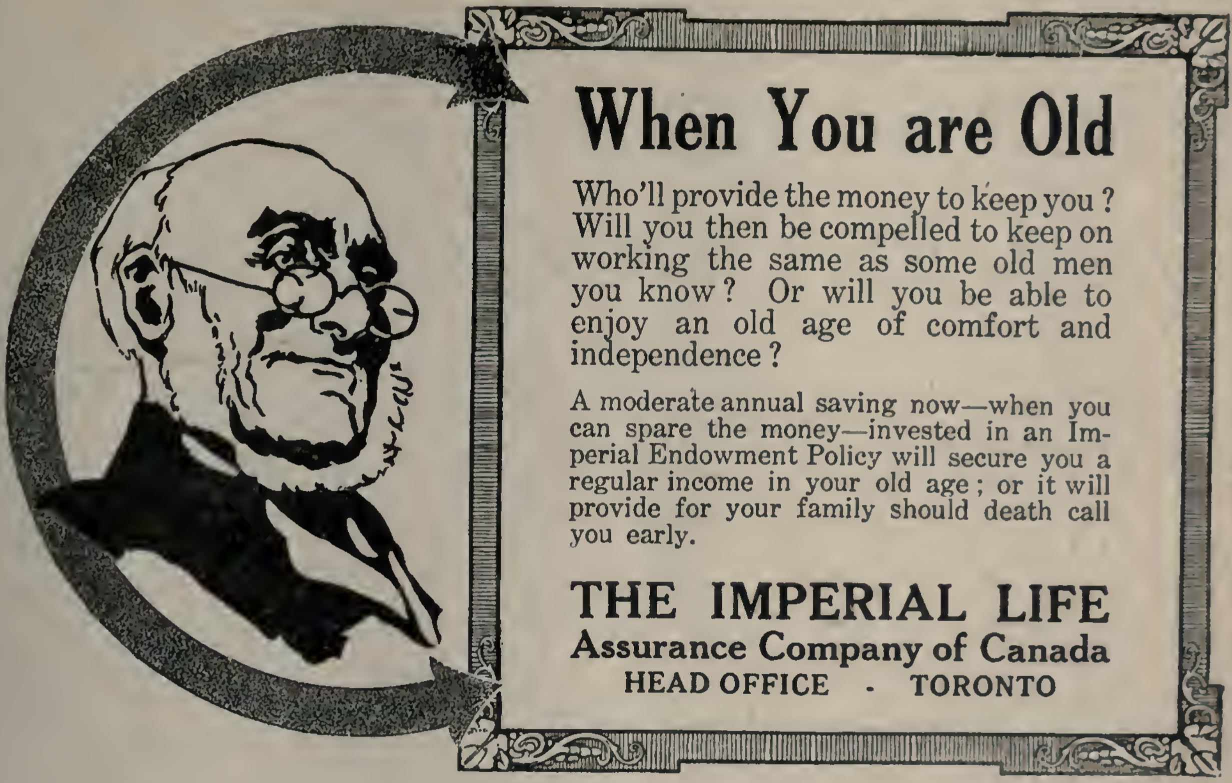
Sales This Year.

With the disposition of these two issues, six of our provinces will have marketed securities this year. The first provincial borrower was Saskatchewan, which sold $630,000 5 per cent. 15-year bonds with little publicity. The six provincial government issues to date are as follow:—

1918	Government	Amount	Securities	Rate %	Term years	Offered to Yield Investors %
Jan.	Saskatchewan	$ 630,000	Gold bonds	5	15	6½
Jan.	Manitoba	1,000,000	Gold bonds	5	2	6¼
Jan.	Manitoba	1 000,000	Gold bonds	6	10	6¼
Feb.	New Brunswick	1,000,000	Coupon gold bonds	6	10	6¼
Feb.	Ontario	3,000,000	Coupon gold bonds	6	10	6
Mar.	Brit. Columbia	1,000,000	Gold bonds	5	10	6½
Mar.	Nova Scotia	1,500,000	Gold bonds	6	10 or 15	—
		$9,130,000				

In all cases, the issues were approved by the Priority Board of the Department of Finance, Ottawa. The Saskatchewan issue was offered privately by a syndicate of bond houses and was taken in a few hours. The Manitoba issue quickly followed. The 2-year bonds were offered at 96.97 and the 10-year bonds at 98.16, both "and interest." The New Brunswick issue was made at 99.08 and accrued interest, while the Ontario bonds were offered at par. The six provincial government issues this year to date total $9,130,000, compared with $6,382,500 for the entire twelve months of 1917.

The directors of the London and Lake Erie Transportation Company, otherwise known as the Traction Company, have offered to sell to the people of London at fifty cents on the dollar. This would mean a consideration of $420,000, payable, according to the company's proposal, in city of London bonds. The rate of interest has not been stipulated.


When You are Old

Who'll provide the money to keep you? Will you then be compelled to keep on working the same as some old men you know? Or will you be able to enjoy an old age of comfort and independence?

A moderate annual saving now—when you can spare the money—invested in an Imperial Endowment Policy will secure you a regular income in your old age; or it will provide for your family should death call you early.

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO

THE MONARCH LIFE
SECURITY AND SERVICE
HEAD OFFICE - WINNIPEG

EQUITABLE ADVANTAGES

The holder of an Equitable agency contract benefits not only by the Im-
pregnable strength and prestige of the Society, but also through being able
to offer a variety of policies that meet with precision the requirements of the
nsuring public. Profitable openings at various points in Canada for men of
character and ability, with or without experience in life insurance.

The Equitable Life Assurance Society of the U.S.
120 Broadway, New York

THE PRUDENTIAL has a large force of Canadian employees at work in every large city in the Dominion selling Gibraltar-like life insurance policies and industriously paying death claims in afflicted homes day after day. The Prudential has throughout the United States and Canada Fifteen Million Policies in Force, equal to nearly twice the population of the Dominion, and indicating the popularity of this big American Company.

AGENTS WANTED.

The Prudential Insurance Co. of America
Incorporated under the laws of the State of New Jersey.
FORREST F. DRYDEN, President. Home Office, NEWARK, N.J.

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about our Special Book Offer

The Travellers Life Assurance Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

ONTARIO FARMERS AND BANKS

To further the Ontario government's effort to increase
oduction of food in the province of Ontario, Hon. T. W.
cGarry, provincial treasurer, on behalf of the government,
s signed an agreement with the Canadian Bankers' Asso-
ation by the terms of which farmers may secure money by
ay of loan to buy seed through all branches of banks com-
ising the association. Loans to the maximum of $200 to any one applicant may be obtained on application to branch managers up to and including July 1st, 1918, the time of repayment being set sufficiently far ahead, to November 1st, 1918, to enable the farmers to garner their crops and dispose of them to advantage. Security in the form of a promissory note will be accepted and interest at the rate of 6 per cent. will be charged. The only persons restricted from participating are those who have already received loans from the settlers' loan commissioner for the purchase of seed.

BANK CLEARINGS

The following are the bank clearings for the weeks ending March 15th, 1917, and March 16th, 1918, respectively, with changes.

	Week ending Mar. 16, '18.	Week ending Mar. 15, '17.	Changes.
Montreal	$ 70,642,097	$ 70,775,566	—$ 133,469
Toronto	57,020,370	50,840,452	+ 6,179,918
Winnipeg	40,875,200	37,496,810	+ 3,378,390
Vancouver	8,757,291	6,400,824	+ 2,356,467
Ottawa	5,172,389	4,447,102	+ 725,287
Calgary	6,222,921	5,703,857	+ 519,064
Hamilton	4,668,062	3,874,270	+ 793,792
Quebec	3,616,018	3,882,731	— 266,713
Edmonton	2,864,764	2,413,831	+ 450,933
Halifax	3,451,886	2,776,371	+ 675,515
London	2,096,478	2,090,890	+ 5,588
Regina	2,747,936	2,402,520	+ 345,416
St. John	2,142,425	2,057,324	+ 85,101
Victoria	1,807,195	1,404,825	+ 402,370
Saskatoon	1,503,041	1,458,211	+ 44,830
Moose Jaw	1,030,053	967,209	+ 62,844
Brandon	581,536	456,843	+ 124,693
Brantford	808,609	699,323	+ 109,286
Fort William	603,351	371,868	+ 231,483
Lethbridge	698,786	657,073	+ 41,713
Medicine Hat	403,926	572,867	— 168,941
New Westminster .	374,590	215,330	+ 159,260
Peterboro	626,491	553,136	+ 73,355
Sherbrooke	678,157	618,930	+ 59,227
Kitchener	588,031	642,103	— 54,072
Total	$219,981,603	$203,780,266	+ $16,201,337

The Toronto bank clearings for the current week are $53,963,625, compared with $52,931,625 for the same week in 1917, and $43,127,277 in 1916.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members, Toronto Stock Exchange, 103 Bay Street Toronto:—

	Mar. 20th, 1918.		
	Div. Rate	Price about	Yield about
Preferred:			
Canada Cement	7	91	7.69
Canada Steamships	7	76	9.21
Canadian Locomotive	7	83	8.43
Mackay Companies	4	62	6.45
Maple Leaf Milling	7	91	7.69
Penmans	6	82	7.31
Steel of Canada	7	90	7.77
Common:			
Bell Telephone	8	131	6.10
B. C. Fishing and Packing	4	47	8.51
Canada Cement	6	61	9.83
Canadian Locomotive	6	57	10.52
Canadian General Electric	8	103	7.76
Consumers' Gas	10	145	6.89
Canadian Pacific Railway	10	137	7.35
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	60	13.33
Dominion Steel Corporation	5	61	8.19
Mackay Companies	6	77	7.77
Maple Leaf Milling	10	98	10.20
Penmans	4	74	8.10
Toronto Railway	4	58	6.89
Twin City	4	53	7.54
Steel Co. of Canada	6	58	10.34
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	96	6.25
Canada Steamships	6	80	7.50
Canadian Locomotive	6	88	6.81
Penmans	5	87	5.74
Steel of Canada	6	89	6.74
*First War Loan	5	94	5.31
*Second War Loan	5	92½	5.40
*Third War Loan	5	92	5.43
*Victory Loan	5½	98⅞	5.55
....	....	....	....

*Yield on stock basis.

Mr. William McMaster, the well-known Montreal capitalist and financier, has been elected vice-president of the Asbestos Corporation of Canada, in succession to Mr. H. E. Mitchell, of Philadelphia, who remains on the board of directors.

CONDUCT OF TRUST COMPANIES

Some suggestions as to the investments of trust companies were made at the annual meeting of the London and Western Trusts Company, Limited, last month by Sir George Gibbons, president of the company. He first quoted the definition of a trust company under the act as follows:—"Trust company shall mean a company constituted or operated for the purpose of acting as trustee, agent, executor, administrator, receiver, liquidator, assignee, guardian of a minor's estate, or committee of a lunatic's estate." Section 17 of the Loan and Trust Corporations Act provides:—

"A trust company incorporated under the law of Ontario shall not borrow money by taking deposits or by issuing debentures or debenture stock, and letters patent, incorporating any such company, shall expressly prohibit it from so doing." Sir George continued:—

"The purpose of a trust company is thus clearly stated, and it also was the manifest intention of the legislature that its trusts should not include the investment of borrowed moneys. A practice has grown up, however, by which such companies take moneys and issue what are known as guaranteed receipts, in which they agree to repay the principal at fixed dates, together with interest at fixed rates. The profit which the company makes on each transaction is just the profit it would make if it were borrowing the money upon debenture at the rate of interest mentioned in the guaranteed receipt. It incurs a liability for every dollar advanced to it in this way as fully as if it were advanced upon debenture. The distinction, and, therefore, justification, for a trust company (which cannot issue debentures) issuing guaranteed receipts is that the latter are secured by the earmarking of certain investments to protect their payment. This distinction, while probably justified, is not desirable in a company whose sole operation should be confined to the purpose of acting as trustee, executor, administrator, etc.

"Some trust companies have what they call trust deposit accounts, on which cheques are issued in the ordinary way as if on savings bank accounts. This is contrary to the spirit if not the letter of the act. Our company has never taken deposits, but it has still a few outstanding guaranteed receipts, amounting in all to about $135,000, which should be retired as they mature, and no others issued. While it was desirable to limit the borrowing powers of trust companies, and while these limitations should not be evaded, it was still more important that their lending powers should be restricted to investments of undoubted stability and security.

"Sub-section 2, Section 18, provides as follows: 'A trust company may invest any money held by it, other than trust money, in any of the securities authorized in the case of a loan corporation or loaning land corporation by Section 27.' Loan societies are permitted, under Section 27 of the act, to lend money on:—

(a) "Mortgages upon real estate and upon life insurance policies.

(b) "Debentures, bonds, paid-up stock and other securities, except bills of exchange and promissory notes, of or guaranteed by any government, or of any municipal corporation or school corporation, or of any chartered bank or incorporated company, if such bank or company is incorporated by Canada, or by any province of Canada, or by any former province now forming part of Canada.

"It will be noticed that power is given to loan societies to lend their own moneys and the moneys of their depositors and debenture holders upon the debentures, bonds and paid-up stock of any incorporated company operating either under Dominion or provincial charter, and trust companies are permitted also to invest their capital and surplus in a like manner. This provision leaves the door wide open, with the inevitable result that we have failures, such as the Dominion Permanent in Toronto.

"Why should the board of directors—trustees of other people's moneys—have a right to lend upon the security of stock or debentures of a railway in British Columbia? It is doubtful whether general legislation would be passed to protect the public. Those who want a 'free hand' are strong in influence both at Toronto and Ottawa. After all the experience (which has been plentiful), this wild class of investment is still authorized by statute."

Mr. William Mulock has been elected a director of the Canadian Salt Company, Windsor, Ont.

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JAS. J. SALMOND
President and General Manager

FRED. W. FIELD
Editor

A. E. JENNINGS
Assistant General Manager

Should Canada Have State Merchant Marine?

Basis of Support for Dominion Government's Project of a State-Owned Merchant Fleet—Our Trade after the War and the Relation of Ocean Transportation—Opportunities for Canadian Manufacturers and Agricultural Producers—Which Will be Our Best Markets?

By GEORGE W. AUSTEN

THE widespread support in Canada for the Dominion government's project of a State-owned merchant fleet is based on several convictions, chief of which are: (1) That the acute scarcity of tonnage after the war will put Canadian overseas export trade at much disadvantage unless we command a considerable marine ourselves; (2) fear that the immense new United States merchant fleet, backed by the new trade and financial position of the United States, may divert overseas trade, that ought to be ours, to United States channels and sources; (3) need of effective control of rates out of Canadian ports, to ensure no discrimination against us.

These are sound enough reasons. Certainly, when peace comes, there will be a wild scramble on the seas for foodstuffs and raw materials for industry, by those nations starving and crippled for lack of them, and also by the industrial nations to get first to the rich markets created by the shortages induced by war conditions. The shortage of tonnage in the outer seas, the curtailing of manufacture of peace commodities in Europe, financial disabilities, and "peak" prices, are combining to deprive the consuming peoples of Africa, Asia, Australasia and South America of accustomed supplies. They will be heavy buyers of manufactures when better trading conditions are restored. The question Canada has to consider is how its special trade interests will be affected, and how we may best profit out of the merry maze. A State-owned merchant fleet is likely to be one of our best insurances against being left in the lurch. We may be sure that, no matter what part Canada has played in the war, when it is over and trade considerations are uppermost, it will be a case of each nation for itself commercially.

No doubt the governments of Britain and the dominions will take prompt steps to join the Empire together economically, promoting special trade between its parts, but such arrangements will take time, perhaps several years. In the meantime, the rush will be on for new connections. Moreover, the British marine will, for a time at least, be a much smaller part of the world's tonnage than before the war. Then it had 55 per cent. of the carrying trade of the world. It carried about 70 per cent. of the United States overseas exports. Besides being forced by economic conditions to use its remaining merchant fleet to best advantage for itself, Britain will have many other calls for tonnage from around the world. In time, it is likely to reacquire its paramount shipping position, by out-competing with new possessors of large marines, but in the meantime, we should be protecting our own special interests by being somewhat independently well fixed for tonnage under our own control.

There are, however, some illusions respecting the uses and opportunities of a Canadian State merchant fleet. It is important that a true perspective be obtained regarding the part of a State merchant fleet in developing our overseas trade. The government has, on account of domestic political conditions, been able to do little yet in planning to develop new markets abroad. It is possible that the State marine might be so employed that it would be worthless for the real purpose in view. It will not do to drive away other ocean carriers. They ought to be attracted as usual, if possible, and the State ships put upon the task of creating new business for this country.

If the war goes on, until the United States mobilizes sufficient power in Europe to smash Germany into humility, we shall probably have the Canadian State fleet pretty well in commission before the end. What then? The first task will be bringing back the troops. All Canadian vessels suitable for the purpose will doubtless be so employed, along with British and American vessels in their respective spheres. But our construction programme is to be largely of cargo vessels. These will be in commercial service alone. It is a popular idea that these vessels will help us keep our war-market for manufactures. In the year before the war, our exports of manufactures amounted to $43,000,000; last year they were $475,000,000. But the increase is almost exclusively in munitions and other war supplies. It is largely financed by Canada. The stopping of this is certain, and our overseas trade in manufactures must, therefore, be almost entirely reconstructed. It is not practical for Canadian manufacturers to calculate on selling fabricated products to industrial Europe, except, perhaps, in a few exceptional lines. The burden of debt upon Europe will lead it to buy nothing abroad that it can furnish for itself. The United States may sell steel and other basic commodities of which it has an enormous production, but Europe has always had cheaper labor, cheaper money, and far more extensive industrial facilities than non-European nations have had. The general principle of not sending coals to Newcastle remains good.

It is true, of course, that Britain calculates upon having to build 300,000 houses. These will require billions of brick, millions of doors, fittings, etc. In France and Belgium, replacements are estimated at $6,000,000,000. But the need of furnishing employment for the millions of demobilized soldiers, and reconstructing industry, will turn orders for such things into home channels. In Russia, of course—if financial stability is restored in that swirling mass of chaos—there will be immense markets for manufactures. Siberia will be good, so far as this continent is concerned. Germany may get most of the Russian market, or it may not, according as the war ends. Outside of agricultural machinery, Canada perhaps will not have much show in Muscovy. On the whole, Canadian manufacturers have far more to fear from European industrial competition than to hope for in the continuance of markets in manufactures to the Allies there.

Foreign Markets Will Be Needed.

But Canadian business men will look for, and will need foreign markets. It is true that the development of the home market, by the growth of our agricultural output is of main concern to them. The war has developed Canada industrially in most unexpected directions. What are the logical markets? The West Indies, South America, South Africa, Australia, New Zealand, China and Japan, Siberia, India, etc. Britain has had a dominating part in the manufactures market in most of these, and is likely to retain it, because of superior shipping and credit accommodation. The United States has obtained, during the war, some of the British trade and much of the German, but it also is finding the need of ships for war purposes forcing it to curtail the exploiting of such markets. Its plans for export finance give plenty of assurance, however, that it is going to make a big fight to increase its hold upon these markets.

Canadian exporters have already had considerable trade connection with parts of the Empire such as South Africa, the British West Indies, Australia and New Zealand, India, etc. In the year ending March 31st, 1917, our exports to other parts of the Empire totalled $789,000,000, out of a grand aggregate of $1,179,000,000. Of this, $756,000,000 went to Britain alone. Since late last year, the destination of Canadian exports is not published. The abnormal traffic conditions caused by the intensified submarine warfare make 1917 and 1918 ocean traffic unreliable as a fair basis for calculating peace-time changes. The figures for 1915-1916 are much better for that purpose. The following table of exports in that period, to British possessions, through our own and United States ports, shows how relatively small is our trade with the more distant British countries:—

Country.	Total.	Through United States ports
United Kingdom	$463,081,000	$160,343,000
Australia	7,773,000	3,005,000
British Africa	5,714,000	1,043,000
British West Indies	4,134,000	1,076,000
British Guiana	1,211,000	152,000
Straits Settlements	281,000	160,000
India	916,000	879,000
New Zealand	3,361,000	726,000
	$486,471,000	$167,384,000
Non-British countries, excluding United States	$ 68,084,000	$ 27,720,000

It will be noticed from this that about 40 per cent. of our exports went out via United States ports. Most of this was, of course, agricultural products, particularly grain. The grain route down the Great Lakes virtually ends at Buffalo, and New York thereby becomes the "spout" for it. This is a serious matter which Eastern Canada ought to correct. Below is another table that tells the kind of ocean service given our exports. It is for the same year, 1915-1916—for reasons connected with the comparative freedom of tonnage then—and excludes all United States coasting trade, all government services, trade with Newfoundland, St. Pierre, etc. The compilation is the number, nationality and destination of the ocean carriers taking Canadian exports:—

To	British.	Canadian.	Foreign.
Britain	708	198	538
Australia	59	..	7
British Oceania	3	..	2
South Africa	26	..	6
West Indies	11	33	22
British Guiana	27	1	..
Other British possessions.	9	..	1
Argentina	1	..	17
Brazil	5	1	5
China	26	..	5
Cuba	10	9	18
France	187	16	53
Italy	22	..	6
Japan	2	..	53
Porto Rico	..	21	..
Russia	12	3	50
Other countries	28	6	11
	1,136	288	819

	British.	Canadian.	Foreign.
Tons register	3,712,565	88,788	1,100,106

It is apparent that a very negligible fraction of our exports is carried overseas in Canadian bottoms. We depend on others for ocean service.

Cargo Liners on New Routes.

The ocean-going tonnage of Canadian registry is given as 290,000 tons gross for the Atlantic and 128,000 tons for the Pacific. This consists almost exclusively of liners, such as the Canadian Pacific, Allan and other high-class vessels. The total tonnage of the Canadian marine is listed at 929,000 tons, but less than half really counts for ocean service. "Tramps," or the pick-up freighters, are as numerous in Canadian registry as German warships are in mid-Atlantic.

Before the war, there were 23,500 tramp steamers on the high seas. They formed from 90 to 95 per cent. of ocean tonnage. British "tramps" served Canada well. But, after all, the builder of new trade connections is the cargo-liner—the freight vessel that plies on schedule between certain ports. The Canadian State vessels will be cargo-liners, and will, presumably, be used as such. The export of manufactures is principally a package business requiring such miscellaneous accommodation.

Ocean traffic is a peculiar business. Before the war there were no government-operated ships, and there was no government control of rates. There were forty regular trans-Atlantic lines that were parties to twenty pooling or combine agreements, fixing rates, profits, etc. Except for the tramps, the whole Atlantic trade was sewn up by conferences. Some of the pooling agreements provided for certain schedules of sailings for lines party to them, these to be divided upon an agreed basis, according to the value and size of the ship. In the Australian-United States trade, three lines took the traffic, and divided net earnings on a 42½, 35, and 22½ per cent. basis. There was competition, of course, by the tramps, which charged such rates as the traffic would bear, but on the whole the rates were regulated by agreement, with scant regard for outsiders.

In the House of Commons in 1913 Hon. Arthur Meighen exposed some of the workings of the North Atlantic Freight Conference. He charged that in the first years of its existence, about 1903 or 1904, it had wiped out non-conference competition, and then had started in to hoist rates. He quoted average rates on flour and grain to Liverpool and London as an example of its handiwork:—

	Liverpool		London	
	Flour.	Grain.	Flour.	Grain.
1907	8.37	6.08	10.15	7.7
1908	7.8	5.46	8.34	6.93
1909	7.20	5.63	8.08	5.35
1910	8	5.06	8.33	5.48
1911	9.08	6.99	9.08	6.94
1912	16	12.75	16.82	14.95

Mr. Meighen's case attracted much attention. He showed a most extraordinary sudden rise in rates, eastward and westward, and proved the need of some method of government regulation.

Changes Forced by the War.

Now, the war and government control of Allied shipping have pretty well broken up old pooling and conference arrangements. The British government has announced that it will keep control of British shipping for perhaps two years after the war—during the readjustment period—and the United States will have an immense fleet of State-owned freight vessels. We shall enter a new era in ocean transportation. In any case, shipping men say we shall have high rates for about three years, until tonnage supply, and extraordinary demand for tonnage have been adjusted. Neutral shipping interests have been making a golden haul out of present conditions. One estimate puts the enrichment of Northern European neutral lines at $500,000,000. The British ships have been mostly on blue-book rates, under charter to the British government. But even these, comparatively low as they are, are high enough to allow for a big reaction, and still leave rates far above the pre-war level. What the United States government may do, in respect of rates on its ten or twelve million tons of State freighters, is hard to say, but probably there will be no cutting of rates below a level on which privately owned vessels can be operated with a reasonable return.

The high cost of vessels built now has to be considered. Before the war, freight vessels were worth from $40 to $50 a ton. The United States government contracts for steel ships have been placed at an average of $160 a ton. The Canadian freighters may cost $200 a ton, even if the steel plates are bought at $65 or $70 a ton, the price paid by the United States Emergency Fleet Corporation. A big British transaction in ships occurred recently at $80 a ton. These high initial costs will compel fairly high rates, or the writing off of part of the cost. The enriched neutral lines may be able to do business to better advantage than the high-cost government ships, if the latter are operated on a business basis.

However, it seems certain that for a long time rates will be high enough to allow Canadian State freighters to engage in special route traffic with fair financial showings. Even if there were deficits, the building-up of trade would repay the loss. To build regular traffic between countries, there must be regular service, even if occasionally there be loss. Private lines often agree to start such a new service, to split business and divide losses until such time as a profitable trade can be built up. The Canadian freighters ought, for instance, to promote special trade with Australia and New Zealand, with Yokohama and Hong Kong, with Singapore and Bombay, with Jamaica and the West Indies, with South Africa and India. We shall, of course, have shipping accommodation via New York, Boston, Frisco and Seattle, if we wish it, but we want our own carrying trade. Mr. Hughes, the Australian Prime Minister, lit a beacon light of progress in this direction when he bought, in 1916, fifteen vessels for $10,000,000. Within eighteen months, their earnings had paid for the whole original cost.

Helping the Big Home Market.

A very considerable part of our exports to the other parts of the Empire, outside of Britain, consists of foodstuffs or manufactured food products. Now, the Canadian manufacturer is glad, and should be glad, to see the market for Canadian agricultural products expanding. It means a better home market to him—and it is the home market he has been almost entirely depending on. The manufacturer must, in his own interest, be concerned that good ocean freight service be provided for grain, dairy products, meats and fruits. If markets for these are continuously good and profitable, Canada will have a large land settlement, adding to the profitable home market. In the ten years following the war, our population should reach at least the 12,000,000 mark. There is no doubt of the demand for foodstuffs long after the cannon are silent. We can depend on pretty fair rates and sufficient tonnage to Britain, because the British government will be concerned in providing them. The chief handicap lies in the large stores of Australian, Argentine and Indian grain, cut off from Europe by the shipping shortage. Australia has an export surplus of 150,000,000 bushels. But the world scarcity will absorb this without much of a setback, though present abnormal prices cannot continue after the war.

Our State merchant fleet can be used to promote our trade in agricultural products, as well as in manufactures. Indeed, one is complementary to the other. If the Hudson Bay route is practicable, ships can be put on that, leaving the St. Lawrence largely for the regular private lines. The government ownership of large railway systems in Canada is going to help the State merchant fleet idea—for ocean service is a natural extension of transcontinental railway operating. There is sure to be exceptional development in the Pacific after the war, and the Canadian Northern and Grand Trunk Pacific are natural feeders to Burrard Inlet. In fact, there is going to be a splendid opportunity for using a State marine for the general commercial welfare of Canadians, without coming into collision with the regular private services upon which the world will continue so much to depend. If, by means of the special development work of the State fleet, we can build up two or three hundred million dollars of new export trade, the incurring of a deficit of two or three millions, in operating the ships in the first year or two, will not count for much.

We need to understand the tremendous preparations being made in the United States, Britain, and other great manufacturing countries, to push out for world trade. If we would avoid becoming a backyard to American ports, we shall shove forward vigorously also. Small haggling has seen its day. The issues are too great for pettifogging. The handicaps are many, but the opportunities are just as inviting.

NOVA SCOTIA SELLS BONDS

Halifax Relief Committee Buys $750,000 and $250,000 is Publicly Offered

Halifax, N.S., March 26th.

(Staff Correspondence.)

The following tenders were received on Monday, March 25th, for the bonds of the province of Nova Scotia:—

(1) Wood, Gundy and Company, Mackintosh and Company, Eastern Securities Company and Dominion Securities Corporation jointly tendered 97.33 for $750,000, with 60-day option on another similar amount at same price.

(2) A. E. Ames and Company tendered 97.299 for $150,000, with 30-day option on balance of $1,500,000 at 97.499.

First Refused to Sell.

The premier of Nova Scotia refused to sell the bonds at these prices yesterday, taking time for consideration to-day.

In the meantime, the syndicate noted above in paragraph (1) withdrew their offer and the premier then sold $750,000 to a local syndicate, composed of the Maritime Trust Company and others, at 98, with option on another $250,000 at the same price.

The premier really needed, it is understood, $1,051,000 for his estimates and has therefore obtained that amount within $51,000.

Halifax Relief Commission Buys.

Halifax, March 26th. (Later.)

(Staff Correspondence.)

The purchasers of the Nova Scotia bonds (referred to above) were actually, it is understood, the Halifax Relief Commission, who took $750,000 at 98, the balance of $250,000 being offered to the public at par by the Standard Bond Corporation, which is associated with the Maritime Trust Corporation. The province netted 98 for the $1,000,000, and has also placed an additional $250,000 at the same price with the Workmen's Compensation Board of Nova Scotia.

Offering to Public.

The offering of the sinking gold bonds of Nova Scotia to the public is a very attractive one. The bonds are dated April 1st, 1918, and the issue is for ten years. The rate of interest is 6 per cent., and the bonds are being offered at par and accrued interest by the Standard Bond Corporation, Maritime Trust Building, Halifax. There is little doubt that this issue will be quickly absorbed.

WILL SELL PRINCE EDWARD ISLAND TELEPHONE CO

(Staff Correspondence.)

New Glasgow, N.S., March 26th, 1918.

The shareholders of the Maritime Telegraph and Telephone Company have authorized the directors to sell the Prince Edward Island Telephone Company. The vote in favor of this action was 89,000 shares; 33,000 voted against the proposal. The directors state that no deal will be made at this time, the offer previously made having been withdrawn.

GOES TO GRAIN GROWERS' GUIDE

Mr. Norman Lambert assumed the editorship of the Grain Growers' Guide, Winnipeg, this week. He has acted as western Canada correspondent for the Toronto Globe for many years and has an intimate knowledge of the western country, a valuable asset to an easterner. He is reported as saying that his mission will be to interpret the east to the west, and the west to the east. The opportunity is an excellent one. Mr. Lambert has the experience, the breadth of mind and the character which will enable him to use it to good advantage, helping to harmonize the interests and ideals of the two broad sections of the Dominion.

REDUCTION IN LIFE INSURANCE DIVIDENDS

Possibility is Discussed by Dominion Insurance Superintendent Finlayson

That there may be a general reduction in rate of dividends paid by the life insurance companies, and that the move, if taken, would be justified as maintaining the solid position of the institution, is a question upon which the superintendent of insurance, Mr. G. D. Finlayson, spoke at a recent meeting of the Ottawa Association of Life Underwriters.

From an agent's standpoint, it is one thing for the companies to reduce their rate of dividends, but quite another thing to "sell" it to the insuring public. Mr. Finlayson's desire to help the underwriters has led him to accede to their request for a statement. It is quite true that the people who buy life insurance want stability. The following letter will be most valuable, showing as it does so clearly the reasons for the reduction and safeguarding the agents from having to engage in argumentation, making the policyholder at the same time feel perfectly satisfied. It is addressed by the Department of Insurance, Ottawa, to Mr. J. H. Castle Graham, general secretary and treasurer of the Life Underwriters' Association of Canada:—

Reducing and Safeguarding.

"With reference to the possibility of reduced dividends during the current year and for the duration of the war, to which I referred briefly at the meeting of the association, it appears to me that if the war mortality which has been experienced during the last two years continues for another two years, or even for another year, it would be unreasonable to expect a continuance of the present rate of dividends.

First Three Years of War.

"The life insurance companies in Canada paid during the first three years of the war approximately $7,000,000 in war claims, the amount of such claims incurred in 1916 being over $5,000,000. In 1917 the war claims incurred exceeded the 1916 claims, and, while the 1918 figures are, of course, unknown, it would, I think, be unwise to anticipate a reduction in the amount of war claims as compared with the figures of last year.

"At the same time, the volume of new business being transacted is increasing, and this means an increasing strain on the companies' surplus. There is also a tendency towards a reduction in the rate of interest earned on the companies' funds, while at the same time expenses continue high. With this combination of factors, a reduction in the rate of dividends would appear to be inevitable unless the margin of surplus over dividend declarations is to be very materially reduced.

"Such action as indicated above if taken by the companies during the present year should cause no surprise. It has, indeed, been a matter of surprise to those unfamiliar with the exceedingly sound position occupied by the life insurance companies in Canada that the strain of war has continued so long without reducing the dividends declared to policyholders. A reduction in the rate of dividends will not indicate an impairment in the stability of the insurance companies, but rather a determination on the part of life insurance executives to maintain the life insurance business on the solid basis on which it has been gradually built up."

OFFICERS OF LENDING COMPANIES MEET

A dinner on Monday evening concluded the annual meeting of the Dominion Mortgage and Investments Association. After the toast of "The King," Mr. A. E. Holt, of the Royal Trust Company, proposed the health of the Canadian Forces, Major Hume Cronyn, of the Huron and Erie Mortgage Corporation, responding. Responding to the toast of "Our Kindred Organizations," Mr. C. P. Smith spoke for the insurance companies, Mr. C. A. Bogert, general manager of the Dominion Bank, for the Toronto Board of Trade, of which he is president, Mr. J. M. Mackie, of C. Meredith and Company, Montreal, for the Bond Dealers' Association of Canada, and Mr. Thom, of Regina, for the Saskatchewan Mortgage Loan Association.

Mr. John Appleton, the secretary of the association, has proved an exceptionally courteous and capable officer.

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FAILURES IN CANADA

In Canada, as in the United States, business failures last year were on a descending scale, the only difference being that the descent was more rapid and the decline from the high level of 1914 was much more abrupt than in the United States. There were only 1,110 failures in the Dominion in 1917, a decrease of 37.3 per cent., this following a drop in 1916 from 1915 of 32.5 per cent., and the latter in turn decreasing 9 per cent. from 1914. From the high point of 1914 to the low of 1917, the decrease was 61 per cent., and the year just closed, in fact, saw the smallest total recorded in over a decade. Liabilities in 1917, which were $13,661,301, marked a drop of 13 per cent. from 1916, were less than half those of 1915, and the smallest, in fact, since 1912. Personal causes were responsible for 73.5 per cent. of the 1917 failures, as against 69.2 per cent. in 1916, 64.7 per cent. in 1915 and 73.4 per cent. in 1914, which percentages, it might be noted, are considerably lower than in the United States. Lack of capital, always first as a cause of Canadian failure, except in 1915, when war influences ruled, claimed 37.5 per cent. in 1917, against 38.9 per cent. in 1916 and 30.3 per cent. in 1915. Specific conditions, a non-personal cause, come next with 25.4 per cent. in 1917, 30.1 per cent. in 1916 and 35.9 per cent. in 1915, the latter a record percentage due to this cause. Incompetence, the third most fruitful cause, claimed 16.3 per cent. in 1917, 13.4 per cent. in 1916 and 17.9 per cent. in 1915. Neglect and speculation claimed more victims than in 1916, but fraud less, inexperience taking fourth position from fraud, which held this place in 1916. As regards liabilities, it is found that lack of capital claimed 47.7 per cent. in 1917, against 39 per cent. in 1916 and 31.3 per cent. in 1915. Specific conditions with 15.5 per cent. of all damage loss was the second most hurtful cause. Speculation with 12.9 per cent. was third, and incompetence with 9.4 per cent. was fourth.

SEED GRAIN AND FODDER LIENS

The Monetary Times has frequently referred to the necessity of parliament giving legislative effect to the intention of the federal and provincial governments at the time the seed grain legislation was enacted so that relief liens shall not have any priority to existing encumbrances. This matter has been brought to the attention of the authorities at Ottawa on several occasions by the lending companies but their efforts and claims have not met with the success they deserve. Under Privy Council Order No. 460, dated February 20th last, the minister of the interior in case of loss when lands are sold may wholly discharge the relief liens and in the case of seed grain and fodder, partial discharge covering the amount of the advances which were applied on the lands in question.

The Privy Council order of February 23rd issued shortly after a visit to Ottawa of a deputation of the Dominion Mortgage and Investments Association. The minister forwarded a copy of it with his acknowledgment of a memorandum addressed to him by the executive of the association on February 27th. He then intimated that he would take an early opportunity of looking further into their representations.

Continuous efforts have been made to hasten the settlement of difficulties arising from these liens by (*a*) urging more vigorous collections, and (*b*) taking up individual cases with the department. As to the former, the Dominion Mortgage and Investments Association have secured monthly statements as to actual amounts collected. These are disappointingly low, in view of the prosperous conditions existing on the prairies, especially in those districts where advances for seed grain were most liberal.

In dealing with a large number of specific cases a measure of success was obtained and the experience of the association indicated departmental willingness (*a*) to apportion, when the Crown had remaining security on other patented, and in some cases, on unpatented lands; (*b*) to discharge liens improperly registered; (*c*) to discharge liens registered against city property when the Crown had additional security on other lands; (*d*) to discharge liens registered against land without consent of owner; (*e*) to discharge liens against land abandoned by owners prior to distribution of the seed grain.

The above indicate the character of the decisions of the department, obtaining which occupied much time, fully bearing out the general complaints of companies comprising the membership of the association that great inconvenience and loss results from delay where cases are taken up with the department. A satisfactory arrangement was made with the department in respect to the purchase of lands by lienors subsequent to the date of the liens registered against them.

These are important matters and an unbiased examination of the claims of the lending companies indicates that they deserve the greatest sympathy and consideration on the part of the government authorities.

ONTARIO'S MINERAL PRODUCTION

The statistics in the preliminary statement of the mineral production of Ontario for 1917, cover the output of metallic and non-metallic mines, quarries and other excavations, and also the primary products of works and plants treating materials of provincial origin. The figures are subject to revision, and are issued as soon after the completion of the year as possible, for the information of the mining community and the public generally. Mr. T. W. Gibson, deputy minister of mines, Ontario, and his staff are to be commended for the rapid and careful collection and prompt publication of their statistics. Such action materially enhances the value of the figures. The total production last year, having a value of $71,060,942, shows an increase of $5,757,120 compared with that of 1916, and marks a new high point in the record of Ontario's mining industry. As Mr. Gibson says, "an expression of satisfaction may be permitted in this successful effort to bring the minerals of the province to bear with added weight in the great struggle of Britain and her Allies for justice and freedom."

Details of the production were printed in *The Monetary Times* last week. Some interesting particulars are given in the preliminary statement regarding nickel and copper. The output of nickel-copper matte in 1917 was 78,897 tons as compared with 80,010 tons in 1916. The nickel content, 41,887 tons, was greater, but the copper content, 21,997 tons, less than in that year, which may be explained by the fact that the bulk of the Canadian Copper Company's production was from the Creighton mine, the ore of which is well known to contain much more nickel than copper. During the year, 1,453,661 tons of ore were smelted at the Copper Cliff and Coniston smelters.

The Royal Ontario Nickel Commission in its report on the nickel industry, issued early last year, estimated the known reserves of nickel ore as 70 million tons, but it is believed that the results of diamond drilling since the issue of the report have added nearly 100 per cent. to the quantity. Explorations at the Levack, Frood Extension, Murray and Falconbridge deposits has much extended the limits of the ore bodies. The refinery of the International Nickel Company of Canada at Port Colborne is well on the way to completion. It will have a capacity of about 10,000 tons of nickel per annum, and a relative quantity of copper.

Although the nickel-copper mines of Sudbury are the chief source of copper in Ontario, there are other deposits of non-nickeliferous copper ore from which shipments of ore and concentrates were made in 1917 to the extent of 4,173 tons, containing 431,402 pounds of copper, valued at $89,380. In addition, 110,476 pounds were recovered from silver ore and gold slag treated in United States refineries. On the Hudson Copper Company's property in Galbraith township a handsome showing of copper glance has been uncovered. The average price of copper in 1917 was 27.18 cents as compared with 27.20 cents in 1916. Since September 21st the price has been, as fixed by the United States government, 23½ cents per pound f.o.b. New York. Ontario's mineral production, large as it is, will increase rapidly as the undeveloped resources are harnessed with capital and labor.

OLD TIES AND NEW

After eleven years as editor of *The Monetary Times*, the writer leaves this week to take up duties for His Majesty's government as British Trade Commissioner in Ontario. In this, the last issue under the present editorial régime, it is a pleasure to express appreciation of the cordial assistance of both readers of and advertisers in the paper. They have materially helped to maintain the standing and reputation of *The Monetary Times*, founded over fifty years ago, assisting also in making the reading and editorial columns of interest and service.

It has been a pleasing task to edit a paper in the direction of which the best interests and welfare of Canada and the Empire have been the first consideration. When plain speaking was desirable or necessary in these columns, in regard to financial or business matters, no restrictions were imposed by the proprietors of the journal. This has been the policy of the paper for half a century and it continues to dominate. The severance of connections with this journal, its directors, staff, and readers at home and abroad is in many ways a matter of regret. This, however, is modified to some extent, by the knowledge that the writer carries with him the friendship and goodwill of so many men of business, trade, and finance, ties which will be retained in the new sphere of labor. To my successor goes every good wish.

My future work is linked with the movement, which has been given a notable impetus by the war, for closer commercial relations between the various parts of the British Empire. As was stated in a recent issue of the official Board of Trade Journal of the United Kingdom, "war, instead of exercising a disruptive influence on the British Empire, as predicted and hoped by the enemy, has led to a keener realization of the strength of the ties, both moral and material, which bind the various portions of the Empire together. Out of this realization has sprung a growing consciousness of the need for a closer co-operation in all things that matter between the States of which the Empire is composed. It is appropriate that at such a time comprehensive action should be taken with the direct object of fostering and developing an inter-Imperial trade." As a comment on the Trade Commissioner Service, attention may be called to the following resolution passed unanimously on the motion of General Smuts at the Imperial War Conference in April last: "The Imperial War Conference welcomes the proposed increase of the Board of Trade service of Trade Commissioners and its extension throughout the British Empire in accordance with the recommendations of the Dominions Royal Commission, and recommends that the governments concerned should co-operate so as to make that service as useful as possible to the Empire as a whole especially for the promotion of inter-Imperial trade."

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Lt.-COL. A. E. GOODERHAM, BRIG.-GEN. F. S. MEIGHEN,
WM. I. GEAR, PAUL J. MYLER, A. H. CAMPBELL.
THOS. F. HOW, General Manager. JOHN R. LAMB, Assistant General Manager.
D. C. GRANT, Chief Inspector.

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

Bankers

LONDON, ENGLAND—LONDON CITY AND MIDLAND BANK, LTD.
NEW YORK—NATIONAL BANK OF COMMERCE
CHICAGO—FIRST NATIONAL BANK.

ESTABLISHED 1875

IMPERIAL BANK
OF CANADA

CAPITAL PAID UP $7,000,000
RESERVE FUND - 7,000,000

PELEG HOWLAND, President. E. HAY, General Manager.

HEAD OFFICE - - TORONTO

GOVERNMENT, MUNICIPAL and other HIGH-CLASS SECURITIES BOUGHT and SOLD

Correspondence Invited

ADDRESS:

THE MANAGER, BOND DEPARTMENT,
TORONTO

62

APPOINTED ASSISTANT GENERAL MANAGER

Mr. George H. Smith has been appointed assistant general manager of the Canada Permanent Mortgage Corporation. Mr. Smith entered the service of the Canada Permanent Loan and Savings Company in February, 1882. He was appointed secretary in 1888 and in 1900, when that company and other companies were amalgamated, he was made secretary of the new corporation. Five years ago he also assumed the duties of superintendent of branches, in the discharge of which duties he has been a frequent visitor of the various sections of the Dominion throughout which the corporation has extensive business interests. It was fitting, therefore, that with his long and efficient service with the corporation he should be promoted to be assistant general manager of the Canada Permanent Mortgage Corporation, which was done a few weeks ago. Mr. Smith is properly regarded as one of the leading authorities in the mortgage loan field and has the confidence, not only of his colleagues, the company's directors and clientele, but also of the financial and business community at large. He has an exceptionally pleasing personality. His tact and courtesy are unfailing and his many friends wish him every success in his new and important duties for which he is so well fitted.

G. H. SMITH.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	17-32	1 9-16	....
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	$4.82.60	$4.82.80	$4.85
Cable transfers	$4.83.80	$4.84	$4.86

Sterling demand in New York, $4.75 5-16.
Bank of England rate, 5 per cent.

There is an increase of 35 per cent. in the hog production of Alberta, Hon. Duncan Marshall declared at a meeting of Alberta stock breeders.

The estimated net income of the International Mercantile Marine Company for 1917 was $11,500,000, as compared with $20,169,615 in 1916, according to an announcement made by P. A. S. Franklin, president of the company. The incomes for both years include dividends from British and American subsidiary companies, it was explained.

Mineral Production of Ontario, 1917.

(Figures compiled by the Ontario Bureau of Mines).

Product.		Quantity 1916	Quantity 1917	Value 1916	Value 1917
METALLIC:				$	$
Gold	ounces	497,833	420,869	10,339,259	8,698,831
Silver	"	20,007.367	19,479,807	12,703,591	16,193,293
Copper	lbs.	157,138	542,878	33,102	119,407
Copper, in matte (a)	tons	22,430	21,197	8,332,153	7,842,890
Nickel, in matte (b)	"	41,299	41,887	20,649,279	20,943,500
Iron ore, exported	"	121,495	136,343	342,700	483,690
Pig iron (c)	"	118,165	49,485	1,646,010	1,016,699
Cobalt (metallic)	lbs.	328,563	396,395	288,614	589,290
Cobalt oxide	"	691,681	418,703	473,713	533,489
Nickel oxide	"	100,013	23,748	18,438	6,533
Nickel (metallic)	"	42,411	225,480	17,847	91,923
Other Nickel and Cobalt compounds	"	350,831	393,036	60,956	42,026
Molybdenite, concentrates	"	24,562	80,614	26 393	108,501
Lead	"	796,833	1,772,512	70,863	172,601
Metallic total		....	....	55,002,918	58,845,788
NON-METALLIC:					
Arsenic, white, grey and other forms	lbs.	4,320,890	5,183,145	200,103	608,483
Asbestos	"	500	20,000	100	2,150
Brick, fancy and pressed	M	31,742	35,203	318,942	462,357
Brick, common	"	60,441	74,129	509,559	769,340
Tile, drain	"	15,931	13,421	275,471	468,886
" hollow blocks	"	4,451	3,931	176,953	301,528
Cement, Portland	bbl.	2,143,949	2,063,231	2,242,433	2,934,271
Corundum	tons	67	188	8,763	31,213
Feldspar	"	12,965	6,167	42,159	27,629
Fluorspar	"	1,283	4,213	10,146	64,673
Graphite; refined	"	3,466	3,173	249,586	210,018
Gypsum, crushed, ground and calcined	"	36,668	48,656	116,206	128,828
Iron pyrites	"	175,593	257,369	471,807	1,066,575
Lime	bush.	1,453,254	1,179,062	265,356	269,461
Mica	tons	266	386	55,407	79,516
Natural gas	M. cu. ft.	17,953,396	20,025,727	2,404,499	3,182,154
Petroleum, crude	Imp. gal.	6,890,681	7,104,700	387,846	475,000
Pottery		....	....	87,025	94,501
Quartz	tons	133,684	174,155	223,514	382,993
Salt	"	128,935	138,528	700,515	1,095,866
Sand and gravel	cu. yds.	1,265,973	1,142,481	470,963	427,303
Sewer pipe		....	....	216,749	205,810
Stone, building, trap, granite, etc.		....	....	755,313	749,160
Talc, crude and ground	tons	11,810	16,076	111,489	179,554
Total, non-metallic		....	....	10,300,904	14,218,269
Add metallic		....	....	55,002,918	56,845,788
Grand Total		....	....	65.303,822	71,060,942

(a) Copper in the matte valued at 18½ cents per pound.
(b) Nickel in the matte valued at 25 cents per pound.
(c) Production from Ontario iron ore only.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. MORROW & JELLETT, Members. Toronto Stock Exchange, 103 Bay Street Toronto:—

Mar. 26th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canada Cement	7	91	7.69
Canada Steamships	7	76	9.21
Canadian Locomotive	7	83	8.43
Mackay Companies	4	63	6.34
Maple Leaf Milling	7	95	7.36
Penmans	6	82	7.31
Steel of Canada	7	91	7.69
Common:			
Bell Telephone	8	133	6.01
B. C. Fishing and Packing	4	47	8.57
Canada Cement	6	61	9.83
Canadian Locomotive	6	59	10.17
Canadian General Electric	8	103	7.76
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	60	13.33
Maple Leaf Milling	10	96	10.39
Canadian Pacific Railway	10	139	7.19
Penmans	6	75	8.00
Dominion Steel Corporation	5	60	8.33
Steel Co. of Canada	6	57	10.52
Mackay Companies	6	77	7.77
Toronto Railway	4	58	6.89
Twin City	4	53	7.54
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	97	6.18
Canada Steamships	6	80	7.50
Canadian Locomotive	6	88	6.81
Penmans	5	86	5.81
*First War Loan, 1925	5	93½	6.10
*Second War Loan, 1931	5	92½	5.80
*Third War Loan, 1937	5	92	5.70
Victory Loan, 1937	5½	98⅞	5.58
....	....	....	....
....	....	....	....

*Yield on stock basis.

The Bank of British North America

Incorporated by Royal Charter.

The Court of Directors hereby give notice that a dividend of Forty Shillings per share, less Income Tax, will be paid on the 5th April next to the Proprietors of shares registered in the Dominion of Canada, being at the rate of 8% per annum for the year ended 30th November last.

The dividend will be paid at the legal par of exchange on the 5th day of April next.

No transfers can be made between the 22nd inst. inclusive and the 4th prox. inclusive, as the books must be closed during that period.

JACKSON DODDS,
Secretary.

No. 5 Gracechurch Street,
London, E.C.
March 5th, 1918.

THE MOLSONS BANK

Capital Paid-Up, $4,000,000 Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

HEAD OFFICE ... ... MONTREAL

BOARD OF DIRECTORS

Wm. Molson Macpherson, President. S. H. Ewing, Vice-President
Geo. E. Drummond Wm. M. Birks F. W. Molson
W. A. Black E. J. Chamberlin
Edward C. Pratt, General Manager

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Camrose
Edmonton
Lethbridge
BRITISH COLUMBIA
Revelstoke
Vancouver
" East End
MANITOBA
Winnipeg
" Portage Av.
ONTARIO
Alvinston
Amherstburg
Aylmer
Belleville
Brockville
Brucefield
Chesterville
Clinton | Delhi
Dutton | Drumbo
Exeter | Forest
Formosa
Frankford
Hamilton
" Market
" James & Barton
Hensall
Highgate
Iroquois
Kingsville
Kirkton
Kitchener
Lambton Mills
London
Lucknow
Meaford
Merlin
Morrisburg
Norwich
Ottawa
Owen Sound
Port Arthur
Ridgetown
Simcoe
Smith's Falls
St. Mary's
St. Thomas
" East End
Teeswater
Toronto
" Queen St. W.
" West Toronto
Trenton
Wales | Waterloo
Williamsburg
Woodstock
Zurich
QUEBEC
Arthabaska
Bedford
Chicoutimi
Cowansville
Drummondville
Foster
Fraserville and Riviere du Loup Station
Knowlton
Lachine
Lachute | Matane
Mont Joli
Montreal
" St. James St.
" St. Catherine St.
Montreal—Cont.
" Market & Harbor
" St. Henri
" Maisonneuve
" Cote des Neiges
" St. Lawrence Boulevard
" Cote St. Paul
" Park & Bernard
" Montreal, West
" Tetreaultville
Pierreville
Quebec
" Upper Town
Richmond
Roberval
Sorel
Sutton | St. Cesaire
St. Ours
St. Thérèse de Blainville
Trois Pistoles
Three Rivers
Victoriaville
Ville St. Pierre
Waterloo

Agents in Great Britain and Colonies—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

Foreign Agents — France — Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

THE BANK OF NOVA SCOTIA

Capital paid-up - $	**6,500,000**
Reserve Fund -	**12,000,000**
Total Assets over	**130,000,000**

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS

CHARLES ARCHIBALD, President
G. S. CAMPBELL and J. WALTER ALLISON
Vice-Presidents
JOHN Y. PAYZANT
HON N. CURRY
W. W. WHITE, M.D.
W. D. ROSS
HECTOR McINNES
JAMES MANCHESTER
S. J. MOORE
HON. M. C. GRANT

General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

BRANCHES IN CANADA

30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
10 in Quebec
14 in Western Provinces

IN NEWFOUNDLAND

Bay Roberts
Bell Island
Bonavista
Bonne Bay
Brigus
Burgeo
Burin
Carbonear
Catalina
Channel
Fogo
Grand Bank
Harbor Grace
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

CANADA AND UNITED STATES

Factors Which Control Movement of Exchange Between the Two Countries

Every importer and exporter in Canada, no matter what commodity he deals in, is interested in the rates of exchange with foreign countries, and, while for this reason the subject is one of considerable interest to a large part of the business community, at the same time the conditions governing the fluctuations in exchange, and especially in exchange between Canada and the United States, are often not clearly comprehended. To many people not fully conversant with this subject it is difficult to understand why the money of two countries bordering on each other, and having the same monetary unit of equal weight and fineness, should not always be quoted at par. A man who will accept $475 for a £100 cheque on London, representing a discount of over 2 per cent. on the par of exchange between Canada and Great Britain, will demur at receiving $99 for a $100 cheque on New York when United States exchange in Canada happens to be at a discount of 1 per cent.

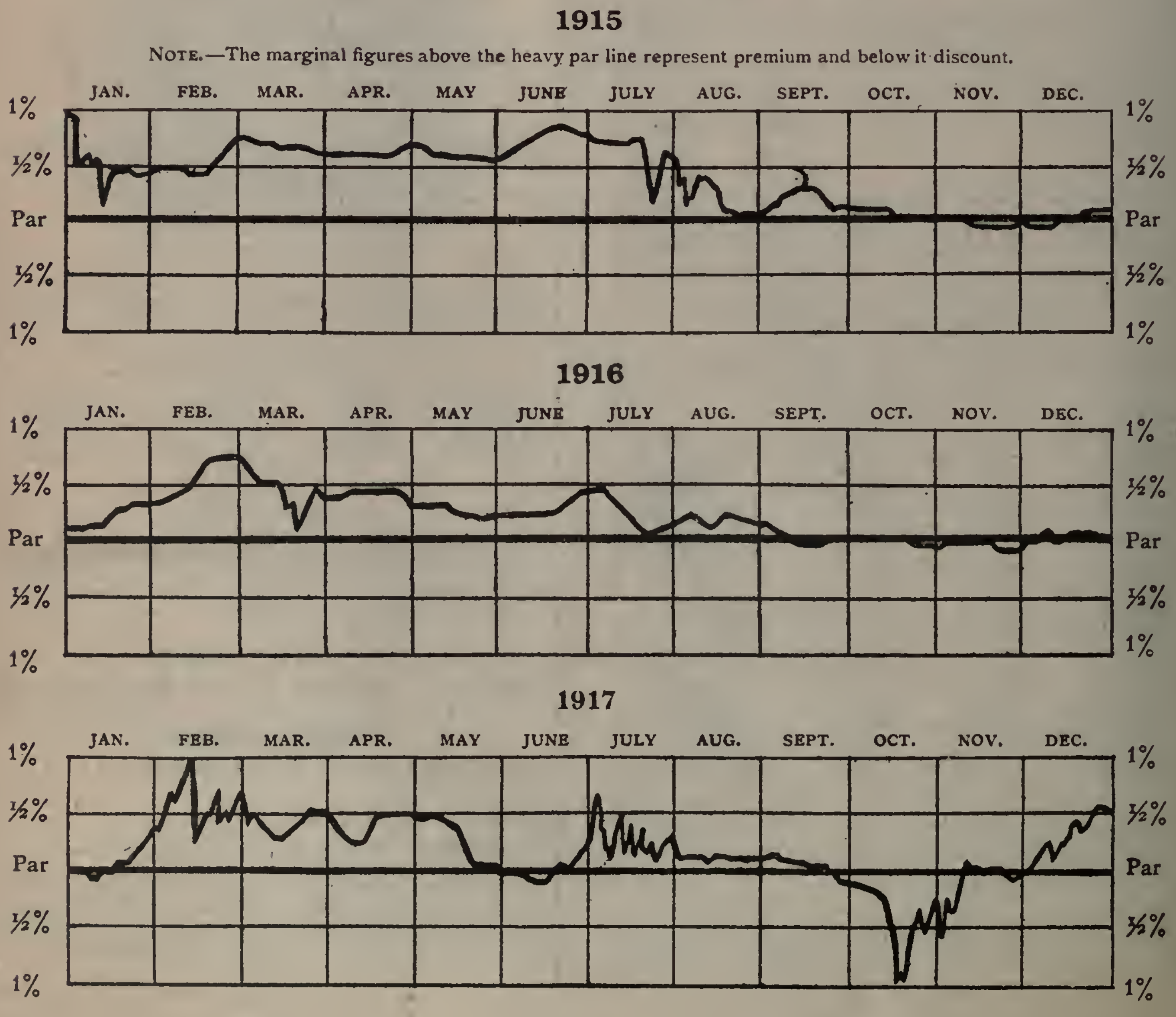
There are indications that in some quarters the distinct impression exists that the premium charged for United States funds remitted in settlement of Canadian collections, when exchange is against Canada, merely constitutes an extra profit which goes to the Canadian banks, and that the exchange market for United States funds in Canada is manipulated by the banks in the latter country in such a way as artificially to maintain a situation by which they are supposed to benefit heavily. In order to dispel this quite erroneous idea it will be the aim of this article to set out the factors which control the movement of the exchanges between Canada and the United States.

Economic Principles.

Like any other exchange, it is governed by economic principles, and the value of the United States dollar in Canada rises and falls with the volume offered and the amount required. This demand and supply in the broader sense is regulated by such concrete items as the volume of imports and exports, the payment of the amount due for interest on loans, and other factors which affect what is known as the trade balance.

In addition to these broader influences, which cause the seasonal movements of United States exchange, there is a narrower factor, namely, the daily demand for and supply of United States funds in the Toronto and Montreal markets, which accounts for the violent fluctuations in such months as February and July, 1917. In normal times gold can be shipped from New York to Montreal, and vice versa, at a cost of about 70 cents per $1,000, and the "gold points" (viz., the points at which gold will be shipped) for United States exchange, are, therefore, approximately 5/64 per cent. pre-

COURSE OF UNITED STATES EXCHANGE IN CANADA



1915

NOTE.—The marginal figures above the heavy par line represent premium and below it discount.

1916

1917

THE

Merchants Bank

OF CANADA

ESTABLISHED IN 1864

Capital Paid-up - - - - $7,000,000
Reserve Fund and Undivided Profits 7,421,292

Head Office, MONTREAL

Board of Directors:

SIR H. MONTAGU ALLAN, President
K. W. BLACKWELL, Vice-President

THOMAS LONG
F. ORR LEWIS
ANDREW A. ALLAN
LT.-COL. C. C. BALLANTYNE
A. J. DAWES
F. HOWARD WILSON
FARQUHAR ROBERTSON
GEO. L. CAINS
ALFRED B. EVANS
E. F. HEBDEN
THOS. AHEARN
LT.-COL. J. R. MOODIE

E. F. HEBDEN, Managing Director
D. C. MACAROW, General Manager
T. E. MERRETT, Supt. of Branches and Chief Inspector

BRANCHES AND AGENCIES

QUEBEC

Montreal, Head Office: St James St.
" 1255 St. Catherine St. E.
" 320 St. Catherine St. W.
" 2215 St. Denis St.
" 1319 St. Lawrence Blvrd.
" 1666 St. Lawrence Blvrd.
" 672 Centre St.
" Notre Dame de Grace
Beauharnois
Bury
Chateauguay Bsn.
Grand Mere
Huntingdon
Lachine
" Notre Dame St.
Maisonneuve
Napierville
Ormstown
Quebec
" St. Sauveur
Quyon
Rigaud
Shawville
Sherbrooke
Ste. Agathe des Monts
St. Jerome
St. Johns
St. Jovite
Vaudreuil
Verdun

ONTARIO

Acton | Almonte
Alvinston
Athens
Barry's Bay
Belleville
Bothwell
Brampton
Brantford
Bronte
Chatham
Chatsworth
Chesley
Clarkson
Collingwood
Creemore | Delta
Douglas
Eganville
Elgin | Elora
Finch | Ford
Fort William
Galt
Gananoque
Georgetown
Glencoe
Gore Bay
Granton
Guelph
Hamilton
" East End
Hanover
Hespeler
Ingersoll
Kincardine
Kingston
Kitchener
Lancaster
Lansdowne
Leamington
Little Current
London
London East
Lucan | Lyn
Manitowaning
Markdale
Meaford
Mildmay
Mitchell
Napanee
Newbury
New Toronto
Niagara Falls
Oakville
Orillia | Ottawa
Owen Sound
Parkdale
Pembroke | Perth
Petite Cote
Prescott
Preston
Renfrew | Sarnia
Stratford
St. Eugene
St. George
St. Thomas
Tara
Thamesville
Thorold
Tilbury
Toronto
" Wellington St.
" Parl't St.
" Dundas St.
Dupont and Christie Sts.
Wallaceburg
Walkerton
Walkerville
Waterford
Watford
West Lorne
Westport
Wheatley
Williamstown
Windsor | Yarker

MANITOBA

Brandon
Carberry
Gladstone
Hartney
Macgregor
Morris
Napinka
Neepawa
Oak Lake
Portage la Prairie
Russell
Souris
Starbuck
Winnipeg
" Bannerman Av.

SASKATCHEWAN

Antler | Arcola
Carnduff
Frobisher
Gainsborough
Gull Lake
Humboldt
Kisbey
Limerick
Maple Creek
Meacham
Melville
Moose Jaw
Oxbow
Prelate
Prussia
Regina
Saskatoon
Shaunavon
Unity
Whitewood

ALBERTA

Acme
Alliance
Brooks
Calgary
Camrose
Carstairs
Castor | Chauvin
Chipman
Coronation
Czar
Daysland
Delburne
Donalda
Edgerton
Edmonton
" Namayo Av.
Forestburg
Hughenden
Irma | Islay
Killam
Lacombe
Leduc
Lethbridge
Mannville
Medicine Hat
Monarch
Munson
Nobleford
Okotoks | Olds
Ponoka
Red Deer
Rimbey
Sedgewick
Stettler | Strome
Tofield
Trochu
Vegreville
Viking
Wainwright
Wetaskiwin

BRITISH COLUMBIA

Chilliwack
Nanaimo
New Westminster
Oak Bay
Sidney
Vancouver
" Hastings St.
Victoria

NEW BRUNSWICK

St. John

NOVA SCOTIA

Halifax
Sydney

SUB-AGENCIES—*Ontario*—Beachville, Breslau, Calabogie, Coatsworth, Frankville, London South, Mimico, Mount Pleasant, Muirkirk, Newington, Pelee Island. *Manitoba* Austin, Griswold, Lauder, Sidney. *Alberta*—Galahad, Grainger, Millicent, Minburn, Penhold, Rumsey, Heisler, Huxley. *Saskatchewan*—Senlac.

SAVINGS DEPARTMENT AT ALL BRANCHES.

NEW YORK AGENCY—63 and 65 Wall Street

BANKERS IN GREAT BRITAIN—The London Joint Stock Bank, Limited
The Royal Bank of Scotland.

TORONTO BRANCH—A. B. PATTERSON, Manager

The Dominion Bank

HEAD OFFICE .. TORONTO

SIR EDMUND B. OSLER - President
W. D. MATTHEWS - Vice-President
C. A. BOGERT - - General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Standard Bank of Canada

Quarterly Dividend Notice No. 110

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 30th of April, 1918, and that the same will be payable at the Head Office in this City and at its Branches on and after Wednesday, the 1st day of May, to Shareholders of record of the 20th of April, 1918.

By order of the Board,

C. H. EASSON,
General Manager

Toronto, March 23rd, 1918.

THE BANK OF OTTAWA

Established 1874

94 Branches in Canada

Capital paid up - $4,000,000
Rest - - - $4,750,000

A BANK WELL EQUIPPED TO SERVE THE PUBLIC

Drafts, Money Orders and Letters of Credit issued

Interest added half-yearly to Savings Balances

Toronto Branches: Cor. King East & Victoria Sts., Cor. Broadview Ave. & Gerrard St. Cor. Queen St. & Pape Ave.

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

mium and 5/64 per cent. discount; but, owing to the abnormal conditions resulting from the war, gold cannot now be shipped freely between the two countries, and the actual fluctuations in the exchange between the two countries are much wider than the margin of 5/32 per cent. between the "gold points."

Effects of Wheat Crop.

When the wheat crop begins to go forward in September the premium on United States funds in Canada is gradually reduced, and when the movement is at its height in October and November it is converted into a discount. United States funds in Canada have during the last three years usually been quoted at a premium, and the discount to which they fall in the autumn months is not as a rule a heavy one. The extremely low quotations for the month of October, 1917, were due to unusual circumstances. The Canadian banks at all times carry a part of their surplus funds in New York by way of call loans on stock exchange collateral. The amounts so loaned, of which the New York money market has the benefit, are usually largest during the summer months, and are withdrawn in part in the autumn to the extent of the sums required for the moving of the great field crops of the Canadian West. In September, 1917, the United States treasury placed an embargo on the export of gold, and thereafter a Canadian bank could not withdraw its balances from New York except by selling them to another bank. When, therefore, in October the usual need arose in Canada for money to move the crops, the offerings of New York exchange in the Toronto and Montreal markets far exceeded the demand, and, owing to the embargo placed on gold by the treasury, bankers were unwilling to increase their balances in New York by the purchase of United States funds, even at an appreciable discount, as they could not be certain of beng able to withdraw them as required except at a still heavier discount. As a result, the rate fell as low as 15/16 per cent. discount. Representations were made by the Canadian bankers to Washington which resulted in the treasury agreeing to a partial lifting of the embargo. Permission was given to ship $25,000,000 in gold from the United States to Canada, and the announcement of this arrangement was so reassuring that the rate for United States funds rapidly improved, even before the actual shipment of any part of the gold. The movement thus set in continued steadily throughout December and January. They receded somewhat in February, but at the time of writing a new high level of 1¾ per cent. has been reached.

The Premium.

The premium which prevails usually in the early part of the year is seasonal, but the appreciation in the rate for United States funds has been accentuated during the past two months by the operation of several abnormal factors, such as the disorganization of transportation and the consequent check on exports from Canada, the enormous increase in imports from the United States, due to heavy purchases of coal, iron, steel and other raw materials, and the effect of the credits which Canada is granting Great Britain to assist in procuring supplies for the prosecution of the war. Canada's favorable trade balance for the year 1917 amounted to over $588,000,000, which, in the ordinary course of events, should have resulted in the exchanges being favorable, but her purchases from the United States were some $400,000,000 in excess of her sales to the latter country, and Canada, having given credit for a large proportion of her sales to Great Britain, is experiencing difficulty in settling her debt to the United States. This can be accomplished by adopting one, or, better still, all of the following plans:—

1. By increasing her exports to the United States.
2. By curtailing her imports of non-essentials.
3. By Great Britain arranging a credit in the United States for such portion of her purchases in Canada as are essential for the maintenance of Canadian industries and the successful prosecution of the war.
4. By the United States giving Canada the privilege of renewing certain of her obligations which mature during the coming year.

Natural Wealth.

Canada abounds in natural wealth. She has tremendous assets in her crops, in her lumber and in her products of the mine and fisheries, the value of which has been increasing from year to year, and the exportable surplus of these products, as well as of her manufactures, constitutes the chief medium of payment for her imports. She has always been a good customer of the United States, and at the present time her imports from that country are larger than ever before. Owing to the stress of financing the war it is becoming difficult for Canada to pay cash for all her necessary imports from the United States, and, in order to foster this important trade, it is suggested that the United States may find it expedient to finance for the time being a part of her sales to Canada by giving credit either to Great Britain or to Canada.

As long as Canada's trade balance with the United States remains substantially in favor of the latter, United States funds will continue to be quoted here on the average at a premium, and the rise and fall of the rate of exchange for United States funds may in a measure be looked upon as a barometer, indicating from time to time Canada's financial condition.—Monthly Letter of the Canadian Bank of Commerce.

FEBRUARY BANK STATEMENT

The following statement shows the principal items of the February bank statement and the changes which occurred during the month:—

	Feb., 1918.		Changes during Feb., 1918.
Reserve fund	$ 114,163,198	+	$ 1,975
Note circulation	176,369,296	+	4,694,832
Demand deposits	569,266,642	+	9,489,405
Notice deposits	908,822,988	+	8,508,732
Total deposits in Canada	1,479,089,630	+	18,998,137
Deposits outside Canada	183,222,302	+	13,641,196
Current coin	80,003,942	—	2,439,734
Dominion notes	173,701,726	—	11,248,232
Deposits central gold reserve..	74,770,000	—	1,000,000
Call loans in Canada.........	76,722,163	+	482,962
Call loans outside	160,239,494	+	27,552,428
Current loans in Canada	859,363,147	+	3,857,641
Current loans outside	108,678,140	—	7,542,203
Total liabilities	1,995,234,839	+	2,055,759
Total assets	2,242,555,598	+	4,688,382

The statement in detail with the usual comparisons will be printed in *The Monetary Times* next week.

BANK CLEARINGS

The following are the bank clearings for the weeks ending March 22nd 1917, and March 23rd, 1918, respectively, with changes.

	Week ending Mar. 23, '18.	Week ending Mar. 22, '17.		Changes.
Montreal	$ 74,385,579	$ 76,007,257	—	$ 1,621,678
Toronto	53,963,625	52,931,625	+	1,032,000
Winnipeg	45,660,549	39,503,095	+	6,157,454
Vancouver	9,164,451	7,046,050	+	2,118,401
Ottawa	5,877,460	4,937,935	+	939,525
Calgary	6,523,604	5,389,065	+	1,134,539
Hamilton	4,605,004	4,409,414	+	195,590
Quebec	3,564,415	3,835,031	—	270,616
Edmonton	3,127,758	2,597,559	+	530,199
Halifax	3,880,013	2,427,174	+	1,452,839
London	2,045,248	2,041,401	+	3,847
Regina	3,089,616	2,767,291	+	322,325
St. John	2,157,396	1,774,053	+	383,343
Victoria	1,740,840	1,272,276	+	468,564
Saskatoon	1,535,670	1,776,324	—	240,654
Moose Jaw	1,208,286	949,591	+	258,695
Brandon	619,946	507,636	+	112,310
Brantford	852,285	809,676	+	42,609
Fort William	559,156	431,576	+	127,580
Lethbridge	730,510	672,926	+	57,584
Medicine Hat	497,061	533,979	—	36,918
New Westminster .	342,995	272,700	+	70,295
Peterboro	667,133	512,079	+	155.054
Sherbrooke	809,144	731,300	+	77,844
Kitchener	561,201	513,338	+	47,863
Total	$228,168,945	$214.650,351	+	$13,518.594

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Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	3,500,000

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RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

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Head Office - WINNIPEG

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Reserve - - - - -	3,400,000
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INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

The annual report of the Canadian Pacific Railway, which has been issued to the shareholders in anticipation of the annual meeting, presents a number of interesting features, not least of which is evidence of the support to Dominion and Imperial government war financing, made possible by the company's financial strength.

At the end of 1916 the company reported "government and other securities," valued at $11,266,784, to which would be added "temporarily invested in war loans," $5,979,274, a total of $17,246,058. So far as comparisons may be made—for there are some changes in the form of statement—the corresponding item in 1917 is "Imperial and Dominion government securities," $33,366,508, with an additional item of $2,031,721, "provincial and municipal securities," for which there was no corresponding item in last year's balance sheet. Roughly, there would appear to be an increase of about $18,000,000 in the company's investments of this description.

In addition to the foregoing, under the arrangement referred to by Lord Shaughnessy at the last annual meeting, the company issued $40,000,000 new debenture stock and loaned it to the Imperial government. As the issue was not for the company's purposes, and plays no part in the company's own financial affairs, it is merely a bookkeeping entry in the balance sheet, the total debenture issue being $40,000,000 higher, while on the assets side the $40,000,000 is entered among the company's available resources. The company receives ½ of 1 per cent. annually for the use of the issue by the Imperial government, but this revenue, it is stated, has not been included in the year's accounts, but has been written off against the face value of the security. In a realignment of some items of the balance sheet, the company groups as "investments and available resources" a number of accounts footing up to a total of no less than $279,650,538.

Adding in $63,229,149 "working assets," the total of what might be called the company's liquid and semi-liquid assets, would be in excess of $342,000,000. In the list there is, of course, $40,000,000 debenture stock, which has an offset on the liability side of the balance sheet, and there is also $57,147,628, representing the amount held in trust against the company's $52,000,000 note certificates. If these two were deducted there would remain liquid and semi-liquid assets totalling about $245,000,000 against less than $20,000,000 current and accrued liabilities on the other side of the balance sheet.

The amount of cash in hand in the statement of working assets amounts to $31,424,893 against $57,076,018 a year ago, the decrease being readily explainable in such increased items as government securities. The amount held, however, remains large, and, as the company has little in the way of capital expenditure in view this year, its cash position will continue extremely strong.

With regard to property investment, one of the interesting features of the account is a note accompanying the entry of "ocean and coastal steamships." These are taken in the balance sheet at $26,810,547, representing vessels to a gross tonnage of 368,566 tons. A footnote gives the present estimated value of these vessels as no less than $65,000,000, or about two and a half times the value at which they are entered as assets.

The total assets of the company for the first time cross the billion dollar mark, appearing as $1,038,074,983, and with allowance for the offsetting item of $40,000,000 debenture stock, loaned to the Imperial government, total assets in property, investments and working balances just approximate the billion dollar mark.

Dominion Coal Company.—The views of the Hon. Mr. Armstrong, minister of mines of Nova Scotia, regarding the future prospects of the company in the St. Lawrence market are not shared by Mr. Mark Workman, president of the company. Mr. Armstrong is quoted as stating that: "This market for our coal, had been built up at great cost and its loss may not be restored after the war. It was secured, developed and maintained in the face of much opposition. The imports from the United States are assuming large proportions and I see no possibility of a decrease until the price is made prohibitive." Mr. Workman in discussing the outlook for their coal business in the future said that the company would have little difficulty in starting where they left off in the St. Lawrence market just as soon as tonnage was available to bring the coal here. He said that it was true that the business had disappeared for the present, but the quality of the Dominion coal made it popular here, and always brought a better price here than American coal.

Mr. Workman went even further by expressing the belief that the business of the Cape Breton mines in relation to the St. Lawrence trade would grow to greater proportions than ever after the war. He based this assertion on the claim that their coal is so much better for steam purposes that manufacturers are willing to pay more for it than American coal. American coal coming to Canada now, or at any rate much of it, is of an inferior quality and the Dominion coal output will be welcomed when tonnage is available to transport it. He looked to the company's coal business to be a big feature after the war.

Grand Trunk Railway Company.—The Grand Trunk Railway Company has issued a statement in London deeply regretting the inability to pay dividends on guaranteed or preference stocks, owing to the exceedingly unfavorable results of the company's operations in the past year, arising out of circumstances entirely beyond the control of the management. Notwithstanding the company carried by far the largest traffic in its history, the enormous increase in wages, fuel and all materials, due to war conditions, caused an immense increase in working expenses. Every effort was continuously made throughout the year to obtain an increase in rates to meet, in some measure, these serious conditions.

Although these efforts were unsuccessful the board is hopeful that, looking to the precedent established by Great Britain at the commencement of war for the protection of British railway interests, and the proposed legislation now under consideration by Congress in regard to American railways, the Canadian government will, in the near future, take such action as will enable the company to meet the present unparalleled war conditions.

Last October, when the directors met to discuss dividends for the first half of the year, it was announced that it was deemed "inadvisable to declare any interim dividend on the 4 per cent. guaranteed stock or the preference stocks." With the exception of 1914, for which year 3½ per cent. was paid to the holders of the guaranteed stock, the 4 per cent. rate had been maintained for every year since 1898. For 1898 the company paid 2 per cent. The full 4 per cent. was paid in respect to both 1915 and 1916. The present is believed to be the first instance of no payment being made to holders of its share capital.

International Nickel Company.—Within the next few months the company will have ready for operation the new refinery now building in Canada. It will add materially to the company's productive capacity, having the necessary equipment to produce about 20,000,000 pounds of nickel annually. Preliminary estimates placed the probable cost of this unit of the company's plant at approximately $5,000,000, but this amount will have been exceeded to some extent owing to the higher prices which had to be paid for labor and material. The entire cost will have been met from the company's treasury. The Canadian Copper Company, the operating subsidiary in Canada, which owns and runs the mines of the International Company, has been mining about 1,000,000 tons of ore per annum to supply the Perth Amboy refinery in New Jersey with ample raw material. To keep this plant in full running order and to meet the excess demands of the new refinery, it will be necessary to increase mining activities.

At the outbreak of the war the International had a surplus stock of close to 15,000,000 pounds of nickel on hand. Such an amount was always maintained. To-day the company ships its produce hot from the vats and has no sur-

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Manual of Canadian Banking

By H. M. P. ECKARDT

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plus. In anticipation of the inauguration of operations at the Canadian plant, the shipments of matte in that direction have already been started. The demand for nickel continues at an unprecedented rate, and the International's shipments have been averaging about 6,000,000 pounds monthly, or over 70,000,000 pounds a year. Should conditions warrant and the two refineries can run full tilt, an output of at least 100,000,000 pounds of nickel per annum will be available. It is understood that the company's earnings for the past fiscal year will approximate $12,000,000, of which about one-half will have to be paid out in taxes both in the United States and Canada. Dual taxation becomes necessary because the operating concern—Canadian Copper Company—has a Canadian charter, while the International Nickel Company was formed in New Jersey. Of the company's property but little over 10 per cent. is in the United States, yet to this country will be paid over 60 per cent. of the taxes.

F. N. Burt Company.—The company, the Canadian subsidiary of which is the Dominion Paper Box Company, tells the shareholders in the annual report just issued that both the Canadian and American factories in volume of business and profits had the best year in history. As much of the larger part of the business is in the United States, the percentage of the earnings from the other side of the line was proportionately large. The company experienced a dull period in the early part of 1916, but since then the plants, it is understood, have been operating close to capacity. Last years profits were $369,999, which compare with $329,000 in 1916, $222,000 in 1915, $212,000 in 1914, and $217,000 in 1913. The profits exceeded those of the previous year by $40,083, and those of 1915 by $147,732. As compared with the previous year's writing-off the amounts transferred to reserve are considerably larger. Out of the year's profits $25,000 was written off patent account, and $26,000 transferred to a reserve for various government taxes. No such allowance as the latter was made in the previous year's accounts. The amount provided for plant and realty reserve was $94,000, as against $75,000 last year, leaving the amount in this account at $225,000. The report states that the book values of the properties are considerably less than the appraised values. Comparisons with the previous year's accounts are rendered slightly difficult by the altered form of the balance sheet, but the profit and loss account compares as follows:—

	1917.	1916.
Balance forward	$232,517	$161,266
Profits	369,999	329,515
Totals	$602,516	$490,781
Dividend on preferred	138,264	138,264
Dividend on common	45,000	45,000
To realty and plant reserve	94,710	75,000
To tax reserve	26,000	......
Written off patents	25,678	......
Totals	$329,653	$258,264
	602,516	490,781
	329,653	258,264
Balance forward	$272,863	$232,517

American Sales Book Company.—The statement of the company for the year ending December 31, like that of other companies of the same group, reveals very conservative treatment of assets, together with somewhat unusual increases in earnings. The company in the previous year surmounted a good deal of competition which had hitherto interfered with its profits and an increase in earnings of $70,516 to $412,461 in 1916 was probably partially the result of this. Last year's earnings compare with $341,945 in 1916 and $180,816 in 1915. Good business in the latter part of 1916 permitted the resumption of dividends on the preferred stock, and these quarterly disbursements at the rate of 7 per cent. began on February 1, 1917, and have been continued since. With the balance of $342,115 brought forward from 1916 and $412,461 of profits last year the directors had $754,576 for distribution. After paying bond interest of $38,430 and transferring $75,000 to the reserve for depreciations, and after payment of 7 per cent. dividends on the preference stock, totalling $215,131, there was left of the year's profits $83,899. This amount has been used as follows: Reserved for the various government taxes to be assessed against these profits, $25,000; in reduction of patents account, $50,000; added to the profit and loss surplus, $8,899. The common stock issue of $614,660 as yet carries no dividends. The profit and loss account compares as follows:—

	1917.	1916.
From previous year	$342,115	$102,753
Profits	412,461	341,945
Bond interest	38,430	31,183
Preferred dividend	215,131	......
Depreciation	75,000	71,400
Reserve for taxes	25,000	......
Patents account	50,000	......
Carried forward	351,015	342,115

The following is a comparison of the balance sheets for the past two years:—

Assets:—

	1917.	1916.
Realty, etc.	$4,289,058	$4,263,820
Stock	658,015	522,325
Receivable	438,719	418,262
Investments	50,000	......
Cash	40,688	27,577
Liabilities:—		
Preferred stock	$3,073,300	$3,073,300
Common stock	614,660	614,660
Bonds	645,382	611,169
Payable	392,123	290,742
Taxes reserve	25,000	......
Depreciation reserve	375,000	300,000
Profit and loss	351,015	342,115

The annual meeting will be held on March 26.

QUEENSLAND INSURANCE COMPANY

The Queensland Insurance Company, Limited, with headquarters at Sydney, N.S.W., which, as stated in *The Monetary Times* last week, will shortly write fire and marine business throughout Canada, has branches throughout Australasia and an office in London, England. In addition there are agencies in India, Ceylon, Burmah, French Indo-China, Dutch East Indies, Straits Settlements and Federated Malay States, China, Mauritius, Samoa and Fiji. The company has also marine claim settling agencies in Africa, Japan, the Philippine Islands and the United States.

Mr. C. Hawkes, the company's assistant manager and branch inspector, has just completed a business trip in Canada, and is now on his way back home across the Pacific Ocean. He has arranged for the Montreal Agencies, Limited, to act as the company's general managers for Canada. Messrs. C. Gardner, Johnson and Company, Vancouver, has acted for some years as the company's agent in Vancouver, for marine business.

In presenting the report of the year's business last fall, Colonel Sir James Burns, chairman of the directors, stated that the company had had a fairly good year, notwithstanding the many disabilities created in all business concerns, through the long continuance of the war.

"Scarcity of tonnage," he said, "has curtailed marine business, whilst the action of the Queensland, New Zealand and other state governments, in competing for insurance risks, and, at the same time, largely increasing taxation upon local insurance institutions, cannot but have a detrimental effect. By expansion of business, however, away from Australasian influences, the company has been able to strengthen its position, while continuing to pay the usual dividend."

The net premium income for the year, after providing for unearned premiums, amounted to £252,665, and the returns from rent and interest were £25,624. After deducting losses, charges, etc., the amount at credit of revenue account was £57,578, to which was added the balance from the previous year of £140, making a total of £57,718, which the directors recommended should be appropriated as follows: To payment of the usual dividend of 10 per cent. on the capital of the company, together with a bonus of 2½ per cent., £31,250. It was further recommended to place £25,000 to reserve, making £75,000 in that account, and to carry forward £1.468 to next year. The company's total assets are now £637,121 in comparison with £554,752 in the previous year.

The directors of the company are Colonel Sir James Burns (chairman), Messrs. A. Forsyth, A. R. Troup, W. T. Macpherson and Hon. T. Waddell, M.L.C. The general manager is Mr. A. McVernon.

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Toronto

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J. M. McWHINNEY, General Manager.

Will Making

THE average human being is very much averse to making a Will; and yet it is absolutely necessary that it be done, if we would dispose of our Estate as we would wish, instead of leaving it to the disposition of the Law.

The making of a Will TODAY will not accelerate death a single instant, but rather tend to make us satisfied with an act timely and properly done.

The Corporate Executor is the only ideal Executor. Consult with us as to the making of your Will. Will Forms Free.

The Standard Trusts Company
Standard Trusts Bldg., 346 Main St. WINNIPEG

Our Valuators' Position

Moneys received from clients on our Guaranteed Trust Investment plan are placed in first mortgages on improved realty.

The security for these mortgages in each case is inspected by the Company's valuator.

"The valuator does not receive any commission upon the loans made, but is paid a regular salary; he has therefore no interest in approving the security proposed unless in his judgment it is satisfactory. His sole aim and duty is to give expert, conservative, unbiassed advice for the guidance of the Management and the Board of Directors."

—From the Company's Booklet, "Guaranteed Trust Investments"

In addition to the precautions taken in the selection of security is the fact that the Company guarantees directly the payment of income at 5 per cent. per annum and the return of principal as agreed. Write for booklet.

National Trust Company Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000

18-22 King Street East, Toronto

BANK CLERKS AND MILITARY SERVICE

Official Report of Remarks of Central Appeal Judge—Military Need Inexorable

The following is a copy of the official report of the bank officers' case under the Military Service Act, decided by the Central Appeal Judge on March 5th. The Central Appeal Judge said:—

A number of claims for exemption of bank employees were filed by the various banks, and were sent in the usual way to local tribunals. These claims were made on the ground that, "it was expedient in the national interest that the man should, instead of being employed in military service, be engaged in other work in which he is habitualy engaged."

In the great majority, if not in all of these cases, the claim was based, not on the special qualifications of the individual as such, but rather on the view that the individual was one of a group engaged in an occupation of national importance whose membership could not safely be reduced below a certain point, and for whose members efficient substitutes could not readily be found.

Widely Divergent Views.

Widely divergent views on this question were taken by the numerous local tribunals who were called upon to consider it, with the result that it appeared probable that nearly all of these cases would ultimately be brought before the Central Appeal Judge at the instance, either of the bank involved, or of the public representative.

In order to avoid the confusion and delay likely to result from dealing with these cases individually as they might be brought forward from time to time, an arrangement was made with the approval of the Central Appeal Judge, between the Military Service Council and the Bankers' Association for the banks, for the purpose of enabling the Central Appeal Judge to deal with the whole situation immediately and in a comprehensive manner.

In pursuance of this arrangement each bank was called upon to furnish the Central Appeal Judge full particulars as to the members of its staff in Class I. and as to its staff generally with other evidence deemed material, and to submit for consideration its views as to how members of Class I. should, in the national interest, be dealt with, and an investigation extending over a number of weeks was thereupon had.

Are to be Called.

After a careful examination of the facts thus disclosed and after hearing the views of the representatives of the various banks, the conclusion reached is that, with the exception of those who may secure exemption on grounds personal to themselves and subject to the result of any special applications which may be entertained by the Central Appeal Judge in regard to a small number of individuals holding positions of exceptional responsibility and requiring exceptional qualifications, all members of Class I. in Canada who are now in medical category "A," or not yet examined (approximately 2,390) are to be called.

As returned by the banks on January 25th, 1918, the total number of male employees of all the banks was 11,072 and the total number of female employees was 6,775. Of the former, 4,721 were in Class I. and 2,390 were in medical category "A," or not yet examined. Of these 370 had claimed exemption on personal grounds.

From the beginning of the war down to January 15th, 1918, bank employees to the number of 7,742 have enlisted for military service.

Number to be Furnished.

In determining the number of men to be furnished immediately by the banks, the Central Appeal Judge has reviewed carefully the position of each bank and has taken into account several considerations, amongst others the number of male employees in the bank, the proportion of these to the total staff of the bank, the extent to which the staff has been depleted in the past by voluntary enlistment and the special situation of each bank in regard to the distribution of its staff amongst its branches.

The total number to be furnished by March 15th by all the banks is 834, distributed as follows: The Bank of British North America, 25; the Canadian Bank of Commerce, 112; the Dominion Bank of Canada, 28; the Bank of Hamilton, 34; La Banque d'Hochelaga, 60; the Home Bank of Canada, 1; the Imperial Bank of Canada, 34; the Merchants Bank of Canada, 60; the Molsons Bank, 24; the Bank of Montreal, 52; the Northern Crown Bank, 8; the Bank of Nova Scotia, 46; La Banque Nationale, 39; the Bank of Ottawa, 13; the Provincial Bank of Canada, 40; the Royal Bank of Canada, 120; the Standard Bank of Canada, 35; the Sterling Bank of Canada, 7; the Bank of Toronto, 37; the Union Bank of Canada, 57; Weyburn Security Bank, 2.

First and Second Classes.

As to the residue of the 2,390 men above mentioned they fall into two classes, the first comprising all those claiming exemption on personal grounds and in respect of whom exemption is not claimed by the banks. The second comprising the residue of those in respect of whom the banks now claim exemption.

As to the first class, they are or will be in each case, dealt with as directed in the judgment disposing of the individual claims for exemption.

As to the second, they will, subject to the exceptional cases above mentioned, be called within six months from March 15th, in three drafts approximately equal, on May 15th, July 15th and September 15th, respectively.

The particulars as to the manner of selecting the men to be furnished by March 15th, also as to the selecting of men comprised in the subsequent drafts are set forth in a series of judgments which deal with the banks individually.

Military Need Inexorable.

The immediate withdrawal of men from their staffs for the military forces of the nation which some of the banks are thus called upon to meet is larger than their officials who appeared before the Central Appeal Judge conceded to be reasonably feasible. As a result of the full investigation of the general situation above referred to and of a thorough canvass of the special circumstances of each bank, it is considered that the contribution each is called upon to make is not unreasonable and that it will neither in the whole prejudice the economic interests of the country nor seriously affect the strength of any individual bank.

It is undeniable that for the officials who remain this draft will necessarily mean largely increased inconvenience as well as exceptional effort.

The military need, however, is inexorable. The bank officials who will have to meet the strain resulting from this new demand have, on the whole, already given proof of their patriotism and the country will look with confidence to them for the ability and resolution that may be required to cope with the situation resulting from the military necessities of the nation.

PUBLICATIONS RECEIVED

Germany.—A new book entitled "Germany at Bay," by Major Haldane Macfall, with an introduction by Field-Marshal Viscount French, is now ready. It gives a clear and logical exposition of the origin of the Great War and the causes which led up to it. The book contains maps, diagrams and portraits, adding to the interest of the volume.

Field Marshal French states that, unlike many other books on the same subject, it is written by a soldier, a deep student of the war, and every man and woman should study it before they give a thought to a peace into which the guile of the German may delude us all to our undoing. This is a book which everyone should read.

"Germany at Bay." Published by Cassell and Company, Limited, of Toronto. Price, $1.75.

Agriculture.—Monthly bulletin of Agricultural Statistics, February, 1918. Issued by the Census and Statistics Office, Ottawa.

Advertising.—By E. H. Kastor (H. W. Kastor and Sons' Advertising Company, Chicago). Published by La Salle Extension University, Chicago. First edition. 317 pages, 5½ x 8 inches, limp black leather.

This work is intended primarily for the busy man who wants to know more about the various phases of advertising. It does not go very deeply into any technical points, nor does it exhaust the psychology of advertising so well, perhaps, as some other works, but it is not intended to do so. It is a rapid survey of a big subject,, designed to give the man who knows little or nothing about advertising matters a working knowledge of a few of the points with which he will be brought into contact most frequently.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance*. Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

MONEY TO LOAN.

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE President D. M. CAMERON, Treasurer

THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 122

Notice is hereby given that a Dividend of Three per cent. for the quarter ending March 30th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after Monday, April 1st, 1918, to shareholders of record at the close of business on March 15th, 1918.

By Order of the Board.

M. AYLSWORTH,
Secretary

London, Canada, Feb. 26th, 1918.

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

CANADA PERMANENT MORTGAGE CORPORATION

Toronto Street - - - - - Toronto

Established 1855

President W. G. Gooderham.
First Vice-President—W. D. Matthews.
Second Vice-President—R. S. Hudson.
Joint General Managers—R. S. Hudson, John Massey.
Assistant General Manager—George H. Smith.

Paid-up Capital	$6,000,000.00
Reserve Fund (earned)	5,250,000.00
Unappropriated Profits	197,977.41
Capital and Surplus	$11,447,977.41

Deposits Received **Debentures Issued**

The Ontario Loan and Debenture Co.

DIVIDEND No. 123

Notice is hereby given that a QUARTERLY DIVIDEND of 2¼ PER CENT. for the three months ending 30th March, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd April next, to Shareholders of record of the 15th March.

By order of the Board.

A. M. SMART,
Manager

London, Canada, February 26th, 1918.

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY, EDMONTON, SASKATOON, VANCOUVER, VICTORIA, LONDON, Eng. EDINBURGH, Scot.

London & Canadian Loan & Agency Co., Ltd.

Established 1873 **51 YONGE ST., TORONTO**

Paid-up Capital, $1,250,000 Rest, $800,000 Total Assets, $4,968,953

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, Jnr., Secretary. V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after **1st April, 1918**, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board.

7th March, 1918. WALTER GILLESPIE, Manager.

Lack of Food—threatens the Battle Line

ONTARIO

"The food wanted by mankind does not exist.
The word 'shortage' is not strong enough.
The whole world is up against a nasty thing, familiar to the people of India, called 'famine.'"

—Lord Rhondda,
Britain's Food Controller.

One year ago, only the enemy was on rations.

To-day, Great Britain, France and Italy are on rations.

To-day, Germany controls the wheat lands of Roumania, Russia, Poland and Ukrania.

To-day, the shadows of hunger, famine, disease and death hang over the Allies.

Upon the 1918 crop from Canada and the United States depends the fate of the democratic peoples of the world.

If that crop is sufficient the Allies can be fed.

If that crop is not sufficient the Allies may have to accept a German peace.

That Battle-Line in France and Flanders Must Not Want

Do you realize what a German peace would mean to Canada?

Germany covets our natural resources—our agricultural and mineral wealth, our forests, our fisheries, everything that is Canada's.

Germany won't be satisfied with European territory, with teeming masses, wrangling factions and depleted natural resources. She wants colonies—big, thinly-populated countries in temperate zones for her sons and daughters to go to and propagate their kind.

The Kaiser would sacrifice millions of Germans to-morrow if he thought that by so doing he could set foot on Canada's shores as Conqueror.

And what's more, the Germans would offer themselves for the sacrifice, so great is their subjection to the military ideal.

The only thing that balks German ambition is that battle line from the North Sea to Switzerland—and the British Navy.

The Only Thing That Sustains Our Men on Land and Sea—is Food

What are we, each one of us, prepared to do to insure that Food supply?

Germany, by her submarine campaign, has seen that great Armada, the British Mercantile Marine, shrink in volume.

Germany has seen South America, Australia, New Zealand, India and far away outposts of the Empire practically cut off from supplying food to the Motherland because of the lack of ships.

Forty million Allied men and women having been put on war-work, food production has dangerously decreased in Europe.

These forty million consume more food than when they were in ordinary occupations, and there are fewer men for farming. Hence an increased demand and decreased supplies.

The harvest of France was one-third less in 1917 than in 1916, and this year must be smaller still, owing to lack of fertilizers, which cannot be supplied through shortage of shipping.

The world's decrease in live stock, as compared to 1913, is approximately 115,000,000 head.

The heart of this problem is labour.

Without more farm labour more food cannot be produced.

If you really want to serve your Country in a big, practical way, register now for farm labour, or urge and assist your male employees to do so.

Herbert Hoover Says:

"Our European Allies are dependent upon us for greater quantities of food than we have ever before exported. They are the first line of our defence. Our money, our ships, our life blood, and not least of all, OUR FOOD supply, must be of a common stock.

"In pre-war times, Britain, France, Italy and Belgium yearly imported more than 750,000,000 bushels of grain, plus vast quantities of meats and fats.

"The submarine destruction of shipping has made it necessary to abandon the hope of bringing food from South America, Australasia and India.

"Food must, therefore, be shipped from Canada and the United States—the nearest and safest route.

"Canadian and United States supplies are normally 350,000,000 bushels short of the Allied needs. By greater production and conservation Canada and the United States must combine to increase the export of grain by 150,000,000 bushels.

"The remaining shortage of 200,000,000 bushels must be overcome by greater reduction in consumption in the allied countries. And this is being done by Britain, France and Italy rationing their people.

"From two and a half years of contact with the German Army I have come out of the horror with the complete conviction that autocracy is a political faith and a system that directly endangers and jeopardizes the future of our race—that threatens our very independence. It has, however, been able to command complete inspiration of devotion and self-sacrifice in its people to the interest of their nation. The German farmer, in the name of the Fatherland, supports a nation two-thirds as large as the United States and threatens to subject the world from an area one-half the size of Ontario.

"My vision of War is not of an academic problem to be solved by discussion. To me it is a vision of brave, dying men and suffering women and children, for service on whose behalf the greater exertion of the Allies' farmers comes in a direct necessity and a direct plea. The Canadian and the United States citizen who sees war as I see it, needs no inducement and no inspiration but the thought that every spade full of earth turned and every animal reared is lessening human suffering and guaranteeing the liberty of the world."

Lloyd George's Warning

"I fear the disciplined people behind the German Army, the rationed family and the determination of wife and sister and daughter and mother to stand and starve—so that their fighting men may be fed—I fear it more than the Imperial German Army itself."

Britain is now on Food Rations.

France is now on Food Rations.

Italy is on the verge of starvation. Only continuous support from us can enable us to hold out.

Only with a disciplined people behind can we hope to win. The rationed British Nation, blood of our blood, bone of our bone, are proudly paying the price and sharing with France and Italy their limited stock of food. For in this there is mighty pride, a conscious measuring of their glory with the best traditions of ancient Sparta, and of Imperial Rome, for Britons know that upon them rests the burden of saving humanity. The story of their service shall ring and echo forever along the hill tops of history.

To Send More Food to Our Allies is Not Charity

It is war. The Allies have a right to demand it. They have a right to resent the offer of only what is "left over." Those who are fighting the common battle for civilization and for our protection have a higher claim than had Lazarus, to only the "crumbs that fall from the rich man's table."

The Canadian people must recognize that our Allies have the first claim on our food supplies.

As the shipping situation makes the Allies dependent upon the North American continent for food, it is vitally necessary that Canada should increase her production of food in order to take a larger part in providing for the Allies' requirements. This is especially urgent as the maintenance of a large United States Army in the European field will cause a very heavy drain on that country's resources.

There must be no peace without victory.

For nearly four years Germany has been struggling against the powers of law and order. She has failed so far to make good her escape with her booty by superior strength and skill. And now she is attempting by intrigue, suggestion, device and propaganda to divert the attention of her antagonists from the struggle itself, and thus to gain her ends by relaxing the strength and skill of her antagonists.

What she can gain from these tactics is plain to all the world in the sorrowful experience of Russia.

Germany's most dangerous weapon is not her Zeppelin—that is obsolete. Not her submarine—that can be overcome. Not her machine-like army—that has been repeatedly hurled back by the living armies of freemen. Her most dangerous weapon is her propaganda of peace.

While with her hands she murders and despoils, with her voice she invites to parleys.

When Liberty is in Peril There is Threat of Lasting Disaster in the Very Word "Peace"

Lord Leverhulme, long known in Canada as Sir William Lever, who knows well the German mind, in a recent interview stated:

"You will never be able to dictate terms to Germany till she is beaten. The argument you mention is founded on the dangerous fallacy that because Germany is sick of this war she is sick of war in general. She isn't. I doubt if her Government is even sick of this war. You've read the speech of that old brigand, Hertling. Is there any sign of repentance in that speech? Is it a chastened speech? Is it the speech of a statesman who wants disarmament and a league of nations? No! Germany is back in her mood of 1914. She believes she is winning the war. She believes she has won now. And if we talk of peace to her she HAS won it. Why, it would be better a thousand times that every man in England should be dead than that Germany should issue from this war with the feeling of a conqueror. You hear people use the phrase, 'to the last man, and the last shilling,' and you think it is only a bit of rhetoric, but to my mind it's the most solemn and absolute truth. I mean when I say it that it would in very truth be a million times better for the people of these islands to be dead, every one of them, rather than live on as the serfs of a triumphant Prussia."

How can any lover of liberty remain insensible to this peril? Food means Victory and the world made safe for democracy—Lack of food means disaster and subjugation to Germany.

The Citizens of Ontario Must Lead This Mighty Crusade for Greater Food Production

They did it last year and will do it again.

As the greatest food-producing Province, Ontario must maintain her leadership in America. Great are our opportunities—our responsibility is tremendous.

Upon every man and woman, boy and girl, rests a personal obligation to serve. Every pound of food produced, in whatever form, is a contribution to the Cause of Freedom.

Ontario farmers should sow 500,000 acres of spring wheat.

Every Ontario farmer whose land is at all suitable should put an extra five acres into wheat, even at the expense of another crop.

What YOU Can Do To Help

At all costs production must be maintained.

That's why farmers and farmers' sons are being exempted from military service. Working on a farm is equivalent to service in the Second Line Trenches.

To enable the farm to do the work two factors are essential. The first is Time. Whatever we are to do must be done at once. Nature waits for no man. The second is Labor. Many farmers cannot plant the acres they would because they cannot get the necessary help. Many are afraid to increase their acreage because they fear they would not be able to cultivate and harvest an unusual crop after they had raised it.

The burden is not one to be placed solely upon the farmer. Neither can it be placed upon the townsman. It is a personal obligation upon every man, woman, boy and girl, in every farm, town and city home in the Province of Ontario.

AWAY WITH CRITICISM—CO-OPERATE! Mr. City Man, don't say that the farmer should do so-and-so, and thus allow criticism in this hour of our Nation's peril to cripple your effort.

Mr. Farmer, don't hastily underestimate the value the city man can be to you.

GET TOGETHER IN THE FIGHT FOR LIBERTY

Let us not lament what MIGHT be, but earnestly face what MUST be.

Fifteen thousand boys between the ages of fifteen and nineteen must be organized as "Soldiers of the Soil" to work on Ontario farms this season.

Farmers can get one or more of these boys by applying to their District Representatives or to the Public Employment Bureaux at Toronto, Ottawa, Hamilton or London.

Unmarried men, exempted from military service, are urged to take up farm work. Married men who have had previous experience on a farm are urged to resume farm work for a season. Employers of labor are asked to assist men to take up farm work.

We urge the farmers and the townsmen to get together for greater production in the interests of a free people and democracy.

Let the Organization of Resources Committee, your District Representatives, or the Public Employment Bureaux act as your intermediaries.

When we have done our best, the cry for food cannot be wholly met.

For the rest—our Allies are tightening their belts.

Organization of Resources Committee

Parliament Buildings, Toronto, Ont.

CHAIRMAN: His Honor Sir John S. Hendrie, K.C.M.G., C.V.O., Lieutenant-Governor of Ontario. VICE-CHAIRMEN: Honorable Sir William H. Hearst, K.C.M.G., Prime Minister of Ontario; William Proudfoot, Esq., K.C., Leader of the Opposition. SECRETARY Albert H. Abbott, Esq., Ph.D.

The only thing that balks German ambition is the Battle Line in France and—the British Navy. The only thing that sustains our men on land and sea is Food

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Parry Sound, Ont.—Messrs. C. H. Burgess and Company, of Toronto, have purchased a block of $15,000 6 per cent. bonds payable in 30 annual instalments. These were issued for school purposes.

Three Rivers, Que.—The city has sold to the Provincial Securities, Limited, of Quebec, between $900,000 and $1,000,000 of 6 per cent. five-year bonds at 95 flat, or equal to a price of 92.50 and interest.

Sherbrooke, Que.—The city has received two offers of 95.90 and 97 for its issue of $150,000 6 per cent. five-year bonds, but has declned to sell at present.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from March 11th to 15th, 1918:—

School Districts.—Gold Bank, $120 10-years not ex. 8 per cent. annuitv; B. Sawyer, Stenen. *Battrum, $450 5-years not ex. 8 per cent. instalment; Robt. Allen, Battrum. *Edenview, $2,000 10-years not ex. 8 per cent. annuity; W. Bens, Primate. *Madison, 2,500 10-years not ex. 8 per cent. annuity; W. E. Finlay, Noremac.

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*Being sold by the Local Government Board.

Rural Telehone Companies.—Radford Lodge, $6,200 15-years not ex. 8 per cent. annuity; A. Alvis, Dumterline. Naseby, $11,000 15-years not ex. 8 per cent. annuity. W. Affleck, Naseby.

The following is a list of debentures reported sold from March 11th to 15th, 1918:—

School Districts.—Atkins, $1,800, Pinto Head, $2,000, Bryn Mawr, $2,000, Montro, $2,000; Waterman, Waterbury Manufacturing Company, Regina. Gramlich, $2,000; Kerr, Fleming and Company, Regina.

Rural Telephone Companies.—Haultain, $4,000; George Foley and Sons, Saskatoon. North Webb, $2,100; Nay and James, Regina. Dilke, $600, Brickleigh, $9,000, Greenwood, $9,600; W. L. McKinnon and Company, Regina. Shamrock, $22,800, Baljennie, $9,200, Colonsay, $12,000; Goldman and Company, Regina. Currie, $4,700; Houston, Tallman and Company, Regina. South Marengo, $11,000; J. A. Thompson, Winnipeg. Lynne, $5,600, Bridgeford, $5,800; Kerr, Fleming and Company, Regina. Bangor, $5,500; Bond and Debenture Corporation, Winnipeg.

Villages.—Hawarden, $3,000, Bromhead, $1,000, Lancer, $2,700, Dunblane, $1,500; W. L. McKinnon and Company, Regina.

LIBERTY LOAN THREE BILLIONS

Secretary McAdoo announced on March 25th, that the amount of the third Liberty Loan would be three billion dollars, at 4¼ per cent., and that all over-subscriptions would be accepted.

The new bonds will be non-convertible, but bonds of the first and second Liberty Loans may be converted into the new 4¼ per cent. securities. Authority to issue $4,500,000,000 in bonds in addition to the $3,666,000,000 already authorized and unissued is proposed in new loan legislation prepared for submission to congress, so that the total amount which may be issued is $8,166,000,000.

Congress will be asked for authority to make additional loans to the allies during the coming summer. The decision to make the new bonds unconvertible, the secretary announced, was reached in order to put an end to the expectation of higher interest rates. Mr. McAdoo said expenditures of the United States and the allied governments had been much below estimates, and that, consequently, it was not necessary to make the loan larger than three billion dollars.

The annual meeting of the American Sales Book Company was held on Tuesday, and was attended by the American directors of the company.

VIEW OF HOLLAND INVESTORS

Many of Our Mortgage Debentures Sold in That Country —Points for Share and Debenture Holders

During 1916 and the early part of 1917 an important amount of debentures was sold by the different Canadian mortgage companes in Holland, which proved again that the Dutch public considered that the debentures of mortgage companies operating in Canada had attractive features from an investment standpoint. Commenting upon this matter at the annual meeting of the Dominion Mortgage and Investments Association at Toronto this week, Mr. J. G. Coster, general manager of the Holland-Canada Mortgage Company, said:—

"The great development of national industry during 1917 has, however, made it more difficult to sell debentures in foreign mortgage companies. A strong feeling has risen on behalf of national industry, which, during the present period, is very easy to understand.

Other Demands for Capital.

"After the war is over there will be other demands for capital. There is no doubt in our minds that England, France and Belgium will try to place their securities in countries which did not suffer financially as much as they did, and, as the rate of interest on investments to be made in this way, no doubt, will be attractive (say, 4½ per cent. to 5 per cent.) and the investment itself a safe one, we expect that an important part of the Dutch capital will be invested in this way, with the result that our 5 per cent. debentures will not have the same attractions as they have had before.

"However, though the above-mentioned circumstances may affect our business somewhat, at the same time we feel that there is no reason at all to feel anxious for the near future. Our head office in Holland undoubtedly will find the necessary means to overcome the difficulties, and, although they will, perhaps, not be able to remit as large amounts as they were able to send us before the war, there is no doubt in our minds that considerable business will be done by them.

"About the middle of the month we received a letter from our partner in Holland, stating that the present circumstances were not very favorable for the sale of debentures, but that at the same time he had no doubt that a revival might be expected in due course.

Two Points Hamper Business.

"As far as the investors in Holland can see, there are only two circumstances which might hamper our business considerably. The first one concerns the shareholders, and the second one holders of debentures.

"If the government is actually going to increase the present taxes levied on mortgage companies, which are already considerable, we feel that our shareholders will rather liquidate the business than to hand over the profits in the form of taxes. Our net profits at the present time amount to decidedly less than 1 per cent. of the amount invested, and if, for one reason or another, even this profit is taken away to an increasing extent, we feel that there is no reason to continue our business.

Interested in Legislation.

"The holders of debentures are greatly interested in the present legislation. The Dutch financial papers being very well posted with regard to this, and being fully aware of the fact that a considerable amount of Dutch capital is invested in Canada, make it a point to keep their readers informed about all that concerns financial conditions in this country.

"Before the war, when so much money was being obtained from Europe, Canada was favored by investors largly because of the high character of her legislation, but the steps taken by one or two of the western provinces after that time have been severely criticized, with the result that holders of debentures are feeling less safe than they did before. At the same time, however, it is generally understood that these times cannot be considered normal, and we always express as our opinion that, immediately after the war is over, the legislation in question will be removed. We sincerely trust that the future will show that our view was a right one."

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ROYAL BANK BUILDING, TORONTO.

CANADA'S CAPACITY TO PRODUCE STEEL

Manufacturers May Be Faced With Necessity of Closing Inefficient Plants, Running Others at Full Capacity

In the two previous issues of *The Monetary Times* were printed the views of Colonel Carnegie as to the readjustment of industry after the war. Colonel Carnegie is a member and ordnance advisor of the Imperial Munitions Board, Ottawa. He discussed at the annual meeting of the Canadian Mining Institute, and at other meetings subsequently, two problems—namely, how to secure remunerative trade without unrestricted competition and how to maintain efficient production with competitive co-operation. In making an appeal for immediate action, he admitted that his proposals might be regarded by some as revolutionary, but he claimed to have incorporated in his scheme some of the good features of the German Kartells, which have contributed so largely to the success of German trade, while discarding the private monopoly characteristics in them. Colonel Carnegie continued:—

"Further, those of you who have followed the work of the ministry of munitions in the United Kingdom, and the work of the shell committee, and subsequently the Imperial Munitions Board in Canada, will, I hope, see the possibilities of success in the operation of trade boards, or some other similar organizations having the same objects. The functions of the production boards, which I have outlined, are simply an elaboration of the proposals I made in my paper entitled 'A Plea for the Union of Capital and Labor,' and correspond very closely to those of the joint standing industrial councils proposed by the Whitley commission and formally adopted by the British government.

Industries of Canada.

"If we consider for a moment the principal industries of the Dominion of Canada over which these boards could preside, we will find that there are approximately 16, including: (1) The iron and steel products; (2) the metal and metal products, other than steel; (3) timber and lumber, and their manufactures; (4) chemicals and their allied products; (5) textiles; (6) paper and printing; (7) leather and its finished products; (8) clay, glass and stone products; (9) refractories for furnaces; (10) fuels, oils and paints; (11) vehicles, locomotives and engines; (12) ships; (13) aeroplanes; (14) food products; (15) agricultural products; (16) fertilizers as distinct from chemical production.

"All these industries, with the exception of aeroplanes, brought about $1,100,000,000 worth of export and import trade to the Dominion of Canada in 1914.

"From the fifth census of Canada, 1910, there were 471,126 employees on wages, and 44,077 on salaries, engaged in manufacturing, making just over half a million producers in Canada.

"The value of the products during that year amounted to $1,165,075,639 and during 1916 the total value of the import and export products amounted to $1,424,916,065. It is doubtful if more than 500,000 were employed during 1916, in spite of the increased value of the trade, as the wages were very much higher than in 1914.

"If this is a fair estimate of the labor now employed in manufacturing, and if, when the war ends, one-third of the value of the whole products are cut off, there would be approximately 150,000 thrown idle to mix with the returned soldiers, who would ultimately number about 300,000. These figures are sufficiently startling to call for earnest and urgent action.

Business through Imperial Munitions Board.

"Since the war began over $1,000,000,000 worth of trade has been handled by the shell committee and the Imperial Munitions Board. At one period in the operations of the Imperial Munitions Board it was handling at the rate of over $600,000,000 of business per year.

"I mention this simply to show that if the Imperial Munitions Board could control such a volume of work, distributing orders among hundreds of Canadian manufacturers, orders which involved the recasting of their methods of manufacture, plunging most of them into new forms of industry, calling for rigid inspection and much greater care in manufacture than ever practised in Canada before, is it at all likely that the manufacturers of each industry in Canada would be unable to form themselves into properly constituted boards and obtain government support, to secure what trade their companies could undertake, and distribute to each factory a full share of the work they were able to secure, follow the production of the work and control the delivery of the product?

"The marvellous growth of the munitions business during the past 3½ years in Canada encourages me to believe that Canada's opportunity is great for remodelling her methods of obtaining trade and maintaining efficient production.

"You will no doubt reflect that the finances and markets of the British government have been behind the Imperial Munitions Board, and that, in consequence, such financial backing with demands for munitions have made favorable opportunities for an economic central agency of control for the supply of munitions. These facts cannot be denied; both finance and markets are essential in industry. It is because the finances of Canadian industry were never more favorable for the organization of properly constituted buying and selling trade boards to explore the markets of the world and inspire Canadian enterprise, that I believe no time should be lost in their formation.

"If we review the world's trade, and examine the mineral resources scattered over the world's surface, we shall find that there are sufficient materials to supply the needs of the people. The human resources provided in different parts of the world are plentiful for turning the mineral resources into products for the use and convenience of man. The markets of the world for Canada's natural products will increase in number just as Canada recognizes the value of her own human resources in changing dead minerals into vital uses; without exercising that cruel, unrestricted and degrading competition which modern civilization without applied Christianity has allowed to fix its octopus grip around industry.

Steel Trade and Production Boards.

"In concluding my remarks I should like to urge the necessity for immediate action in the formation of trade and production boards, beginning, for instance, with one or two of the principal industries. If we consider their application to the steel industry we shall find a large field of useful activity.

"Before the war Canada's capacity to produce steel was approximately 1,000,000 tons per year, or about 1/80th of the world's steel producing capacity. To-day, its capacity is approximately 2¼ million tons per year, or nearly 1/40th of the world's present estimated capacity. Canada has reason to be proud of the increase. No other steel producing country has advanced in this respect more than 25 per cent. during the war. Canada's increase has been over 100 per cent. From 60 to 70 per cent. of Canada's steel production is at present used for munitions purposes. When peace is declared, that capacity should be turned to domestic uses.

"Immediately prior to the war the steel industry was in a deplorable condition for want of trade. After the war it may be worse, although the finances of the companies, as a whole, will be better than at any previous time.

Not Ignorant of Demands.

"The steel manufacturers are not ignorant of the demands which are likely to be made in Canada for ships' plates, rails, materials for rolling stock, structural steel, steel for agricultural purposes, automobiles, tractors, general and machinery castings, but I know of no definite attempt which has been made by them collectively to line up matters. The steel manufacturers are conscious that the sudden stoppage of the supplies of munitions steel in all the belligerent industrial countries will set free capacities for other steel production on such a huge scale that the small manufacturers may be crushed out by the greater, particularly if the old systems of unregulated competition and dumping are allowed to continue unchecked.

"These reasons alone should be sufficient to warrant organizing boards for securing trade and maintaining efficient production. It would appear imperative that investigations should be made immediately regarding requirements, and in the preparation of plans for securing trade in volume and character, which will keep all factories fully employed. Every avenue of trade which Canada is capable of following economically should be explored now. It is folly to wait until the war is over to make arrangements to secure orders to fill the gaps which will be made when the manufacture of munitions ceases.

"It is not only necessary to plan for, and actually secure orders before peace comes, but to study the most efficient means of production. This can be done by organizing production boards capable of throwing their whole energy into each line of study which will make the workers, processes and machinery capable of the highest output of the best quality.

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"It is only by exercising the greatest care and devoting earnest attention to the conservation of energy and materials in the employments most natural to Canada, that manufacturers may hope to survive the pressure of low prices from foreign sources after the war.

"Steel manufacturers may be faced with the necessity of closing down some of the less efficient plants and running others at full capacity, or it may be considered wise to keep all factories going, giving employment to all, rather than throwing the workers out of employment, with the necessity of feeding them through charitable organizations from dwindling stores which only can be replenished from the profits of production. If labor is suddenly thrown out of employment, with their sources of food supplies gradually drying up, while many empty chairs in the homes remind them of their sacrifices and losses, it will make a very serious situation in the country for manufacturers and government. This phase of the problem cannot be overlooked; now is the time to consider the necessary steps to prevent such eventualities.

Domestic or Foreign Trade.

"If steel trade and production boards were formed now, and manufacturers prepared plans to meet conditions after the war, they might find it would be impossible to arrange for sufficient domestic or foreign trade to keep more than a moderate percentage of their employees engaged. Under such conditions it might be considered advisable to approach the government with a view to urging it to place additional orders for steel materials required in public works construction, railways, etc., which would help to fill the surplus capacities in the factories.

"Whether the government, however, considered such help advisable or not, would not, in my opinion, lessen the necessity for seriously planning now for trade rather than waiting until peace is declared, when excited conditions might force the manufacturers and government into a policy which maturer judgment would deprecate.

"It seems to me that any policy framed now whereby the workers could be kept fully employed after the war instead of being thrown out of employment, would repay both the manufacturers and government for any serious expenditure of time and thought given to the subject.

"The unemployed will have to be fed, and fed at the expense of the government. It would, therefore, appear wisdom to let them feed themselves by keeping them fully employed and happy. From an economic point of view the government may consider it policy to place orders for materials in the manner suggested, up to the measure of necessity, rather than undertake the responsibility of a large amount of unemployment in the country.

Money for Reconstruction.

"If we consider the daily war expenditure from Canada alone; an expenditure involving the destruction of life and materials, is it unreasonable to suggest that a small fraction of this expenditure be usefully employed in providing stocks of material for useful construction work, which will enable the country's industry to be carried over a period of reorganization which will come immediately after the war. Surely it must appeal to business men that the people's money, which has been so lavishly spent during this war in destruction, might be at least wisely spent in reconstruction, particularly when we are sure that that period of readjustment immediately after the war will involve approximately 150,000 workers at present engaged in munitions, and subsequently approximately 300,000 soldiers who will return to Canada, all of whom must be fed, as the result of their own employment or kept at the government's expense if employment cannot be found for them.

"The British government, through its ministry of reconstruction, has put in motion the forces of industry to grapple with and solve the problems which before the war hindered efficient production and the means of securing remunerative trade. Already the stupendous work organized by Dr. Addison, the minister of reconstruction, has given a new outlook to British industry.

"I believe that manufacturers and industrial workers of Canada who have shown to the Empire a genius and enterprise in the manufacture of munitions which have been the admiration of all, will not fail to recognize the urgent necessity of organizing the industrial forces of the Dominion to secure remunerative trade without unrestricted competition, and maintain efficient production with competitive co-operation."

SUCCESSFUL SEARCH FOR SUBSTITUTE

Southern Pine Oil and Ore Flotation Process—Work of Forest Products Laboratories

German efficiency has been the theme of many articles in the last three years. All that is said about German efficiency may or may not be true, but one thing is certain, that Canadians ought at the earliest moment to make themselves masters of their own house, so that never again will they be dependent for chemicals, dyes and other necessities upon people who may declare war upon them. Canada is a great forest country. If we are going to get the most out of our forests and not be mere hewers of wood for other nations, then we must know about the growth and reproduction of trees, the best methods of harvesting our timber crop, and the best methods of utilizing each particular kind of tree to the highest advantage. Since the discovery that paper could be made from wood our opinions as to forest values have undergone complete change, and in many ways we are using wood much more efficiently than a few years ago.

It was with the view of conserving Canada's timber resources that the Forestry Branch of the Department of the Interior was established about fifteen years ago to take up fire protection, forest reproduction, tree planting, etc., and a later development of three or four years ago was the establishment of the Forest Products Laboratories as part of the Forestry Branch. This organization found a number of problems awaiting it, such as the strength of timbers, methods of preventing decay, how to secure the best pulp out of certain woods, etc., and since it has been working, many fresh problems have been presented.

Substitute for Pine Oil.

Among these was the problem of finding a substitute for the pine oil of the Southern States, which is an essential factor in the "flotation" process of extracting metals. Pine oil, a comparatively insignificant product of the turpentine business of the Southern States, by the discovery of the fact that it would collect the metal particles from the rock in this process, became at once one of the most important articles of commerce. United States mining men contracted for supplies ahead, the price went bounding up, and it looked as if Canadian mine operators would be shut out of the market altogether by the simple fact that all the supplies would be absorbed by those on the ground. In these circumstances the mining men, through the minister of the interior, got their problem taken up by the Forest Products Laboratories.

From Eastern Red Pine.

The chemists went to work, and in eight months produced a pine oil from the stumps of eastern Canadian red pine and western Canadian yellow pine, but, like the southern pine oil, it was not a cheap product. That discovery in itself would have been a great gain, for it would have assured Canadian mining plants of a supply of the necessary material. But the investigation went further and discovered a substitute in an oil now being made cheaply and in large quantities in Canada, which substitute, it was found by test in the mines branch and in reduction plants at Cobalt, would do the work just as well as the almost unobtainable pine oil. This substitute is hardwood creosote oil, a by-product of the wood distillation industry, the business which furnishes wood alcohol and allied products. This discovery is clear gain, because it makes a cheap material, almost a waste by-product, take the place of a scarce and dear imported article. The large quantity of creosote oil daily manufactured banishes any fear of famine, and both the mining men and the wood distillation men are delighted with the result of this application of science to the problems of their respective industries.

MERCHANTS BANK LENDS MONEY TO STOCK MEN

In the Alberta Provincial Legislature on March 21st, Hon. Duncan Marshall, minister of agriculture, announced that the Merchants Bank of Canada had agreed to loan $1,000,000 to the province at 6 per cent. toward the encouragement of the livestock industry, under the act passed last year known as the "Cow Bill." During the first year of the operation of the act, the minister informed the house, the bank had loaned $500,000 for this purpose, and it had all, with $300,000 in addition, been taken up by the Alberta farmers.

TRADE BALANCES AND CREDITS

Interview in New York Sets Out International Position—Maintenance of Canadian Market

"Americans do not appear to be very well posted as to the way Canada has always managed so promptly to retire her trade indebtedness," says a prominent Canadian to the Wall Street Journal. "For one thing, the fact is overlooked that for a long time past Canadian exports to the United Kingdom have by far exceeded the sum of imports and of all interest payments there. In the fiscal year 1916 Canada sold to Great Britain goods worth $463,000,000 and bought commodities valued at $80,075,000. In the year ended March, 1917, the figures were: Imports, $107,000,000; exports, $742,000,000. For the current year, the trade balance in Canada's favor will be even larger. It will probably run over $800,000,000. To this must be added balance of trade with countries other than the United States, making up another $100,000,000. Ater all allowances for interest payments and maturities and after deducting trade balance of over $400,000,000 in favor of the United States, there will be a net credit to Canada as against the entire world of $400,000,000.

Arrange Relationship.

"With such intimate financial and purchasing co-ordination between the British government and Washington, there should be little trouble in providing, when and if necessary, a credit here in favor of Canada.

"In a sense, Great Britain has maintained the Canadian market. She has for years furnished a large part of the funds which have enabled United States merchants to make their Canadian collections. It is quite likely that prices of farm products will stay at a high level for some years to come. If they do, whatever problems we may now have will easily and speedily resolve themselves in favor of the Canadian export position. In the meantime, it would seem but fair return that the United States should now enter into all necessary mutual arrangements with Great Britain and Canada to sustain trade between the latter two during the temporary period in which Great Britain, buying on credit in the United States, cannot very well pay cash in Canada."

ROYAL BANK'S RETURN

The condensed statement of the Royal Bank of Canada for February suggests that the combined statement of all the banks for the month, due shortly, should show favorable changes. The January bank statement reported a heavy drop in deposits due to payments on the Victory Loan. The Royal's February figures, with a gain of nearly 8 millions in total deposits, suggests recovery, although the lumping of all deposits in the condensed statement leaves it uncertain as to how much of the gain was in the bank's domestic and how much in its foreign business.

Royal added substantially to assets, the total being 8½ millions up for the month, with all this gain and something more appearing in liquid assets

MORTGAGE & INVESTMENTS ASSOCIATION

The following officers of the Dominion Mortgage and Investments Association have been elected for the current year: President, Major Hume Cronyn, Huron and Erie Mortgage Corporation; 1st vice-president, E. M. Saunders, Canada Life Assurance Company; 2nd vice-president, A. E. Holt, Royal Trust Company.

Executive Committee.—Life insurance, Mr. J. K. MacDonald, Confederation Life Assurance Company; Mr. J. F. Weston, Imperial Life Assurance Company; Mr. J. B. McKechnie, Manufacturers Life Insurance Company; Mr. Geo. Wegenast, Mutual Life Assurance Company of Canada.

Trust Companies.—Mr. A. D. Langmuir, Toronto General Trusts Company; Mr. J. C. Breckenridge, National Trust Company; Mr. J. M. McWhinney, Union Trust Company; Mr. S. C. McDonald, Mercantile Trust Company of Canada.

Loan Companies.—Mr. Jos. Campbell, Trust and Loan Company of Canada, Winnipeg; Mr. Alfred Whitman, Mortgage Corporation of Nova Scotia; Mr. W. E. Long, Credit Foncier Franco-Canadien; and Mr. W. G. Morrow, Toronto Loan and Savings Company, Peterboro, Ont. Secretary-treasurer, Mr. John Appleton.

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PROPOSED FEDERAL RESERVE SUBSIDIARY

An article on the suggested subsidiary of the Federal Reserve banks of the United States to handle foreign business, which was reprinted in *The Monetary Times* last week, was credited to a banking journal of the United States, but not correctly. The article was originally published in The Financier, of New York, known as the leading banking publication of America.

BANK OF HAMILTON

The fiscal year of the Bank of Hamilton has been changed to end on February 28. Formerly, the bank year ended on November 29, so that the statement for the last period, which has just appeared, covers an interval of 15 months. Comparisons are thus less interesting, but the figures for the 15 months ended February 28, bear upon the face of them abundant evidence of banking prosperity.

The profits for that period were $508,522, which represents 19.25 on the capital stock of $3,000,000. These earnings reported, however, do not include war taxes on circulation, patriotic contributions and pension fund assessments. Including most of these charges, the bank in the 1916 year earned 13.12 per cent., and in 1915 12.62 per cent., and in 1914 14.70 per cent. On the basis of 12 months the bank in the last period earned at the rate of 15.96 per cent. before charges mentioned above.

In the past 15 months the bank has manifested undoubted evidence of its strength. Its deposits increased to $53,359,000, from $50,563,000 at the end of the year 1916, and $41,688,000 at the end of 1915. The quick assets, which include $6,024,000 of Dominion notes, $901,000 of current coin, and $2,500,000 in the central gold reserves, amounted to $29,616,000. The total assets at the end of last month were $66,541,000.

PIG IRON AND STEEL

Some Interesting Figures of Production and Exports Last Year

The production of pig iron in blast furnaces during 1917 was supplemented by a small production of high grade low phosphorus pig iron in electric furnaces made from shell turnings and other steel scrap, according to preliminary returns of Mr. John McLeish, B.A., Chief of Division of Mineral Resources and Statistics, Ottawa. The total production from both sources (not including the output of spiegeleisen, or other ferro-alloys) was approximately 1,171,789 short tons (1,046,240 gross), final returns not yet having been received from all manufacturers of electric pig iron. Of the total, 1,156,789 tons were produced in blast furnaces and the balance in electric furnaces. In 1916 the production all made in blast furnaces was 1,169,257 short tons (1,043,979 long tons).

The small increase in pig iron production in 1917 was therefore due entirely to the electric furnace production, there having been an actual falling off in the blast furnace output.

The production in Nova Scotia in 1917 was 472,147 tons as against 470,055 tons in 1916. InOntario the production by blast furnaces in 1917 was 691,632 tons as against 699,202 tons in 1916.

Production by Grades.

By grades the 1917 production included: Basic, 14,092 tons; Bessemer, 961,656 tons; foundry and malleable, etc., 181,041 tons; electric furnace pig (subject to revision), 15,000 tons. The 1916 production included: Basic, 953,627 tons; Bessemer, 31,388 tons; foundry and malleable, etc., 184,242 tons.

The blast furnace plants operated were the same as in the previous year—viz., the Dominion Iron and Steel Company at Sydney, N.S., the Nova Scotia Steel and Coal Company, at North Sydney; the Standard Iron Company at Deseronto, Ont., the Steel Company of Canada, at Hamilton, Ont., the Canadian Furnace Company, at Port Colborne, Ont., and the Algoma Steel Corporation at Sault Ste. Marie, Ont.

Pig iron was made in electric furnaces by: The Canada Cement Company, Ltd., Montreal; Frazer, Brace and Company, Ltd., Shawinigan Falls, Que.; British Forgings, Limited, Toronto, Ont.; Electro Foundries, Limited, Orillia, Ont.; and Turnbull Electro Metals, Limited, St. Catharines, Ont.

The total production in electric furnaces of pig iron ferro-alloys and steel ingots and castings was in 1917 about 99,000 short tons.

The production of ferro-alloys in Canada in 1917, chiefly ferro-silicon but including also spiegeleisen, ferro-molybdenum and ferro-phosphorus, all with the exception of the spiegeleisen being made in electric furnaces, reached a total of 40,329 tons valued at $3,471,934, as against a total in 1916 of 28,628 tons valued at $1,777,615.

Exports of Pig Iron.

The exports during 1917 of pig iron were 12,081 tons, valued at $423,814 or an average of $35.08 per ton and of ferro-alloys 33,212 tons, valued at $2,616,924, or an average of $78.79 per ton.

The imports during 1917 included 82,758 tons of pig iron, valued at $2,744,055, or an average of $33.16 per ton; 632 tons of charcoal pig iron, valued at $19,447, or an average of $30.77 per ton; and 12,828 tons of ferro-alloys, valued at $2,029,990, or an average of $158.25 per ton, making a total import of pig iron and ferro-alloys of 96,218 tons, valued at $4,793,492. The United States trade records show exports to Canada during the 11 months ended November, 1917, of pig iron and ferro-alloys amounting to 130,087 gross tons (145,697 short tons), valued at $5,170,005, a figure considerably higher than the Canadian record.

Production of Steel.

The estimated production of steel ingots and direct steel castings in 1917, final returns for all operations not yet having been received, was 1,736,514 short tons (1,550,459 gross tons) of which 1,690,170 tons were ingots and 46,344 tons direct steel castings.

The total production in 1916 was 1,428,249 tons, compared with which the 1917 production shows an increase of 308,265 tons, or 21.6 per cent.

The total production of electric steel in 1917 was probably not less than 50,000 tons, as against 19,639 tons in 1916 and 5,625 tons in 1915.

The exports of steel ingots, or billets, ingots and blooms, during the nine months ended December (such exports not being separately classified previous to April, 1917) were 41,558 tons, valued at $1,831,917. The recorded imports of iron and steel ingots and billets during the year was 20,429 tons, valued at $1,378,576. This item is also much lower than the United States trade record which shows exports to Canada during 11 months ended December, of 143,209 gross tons (160,394 short tons), of billets, ingots and blooms of steel, valued at $11,418,033.

MERGERS ARE STRENGTHENING BANK SYSTEM

Commenting upon the absorption of the Bank of British North America by the Bank of Montreal, the Montreal Gazette says:—

"It may not be more than a coincidence but the fact that in a short space of time Ottawa has given its consent to two banking absorptions can hardly fail to suggest that the finance department is viewing the banking system from the large demands to be placed upon it, through the rest of the war, and in the adjustment period to follow. With the country being thrown more and more on its own resources, banking strength has assumed increasing importance, and in both the transactions approved by Ottawa it is clear enough that the banking system as a whole will be the stronger.

"The Royal Bank can assist the territory served by the Northern Crown to more rapid development than could be looked for from the efforts of Northern Crown by itself. Similarly in the case of the Bank of British North America, the transfer of control from London to Montreal would, in the natural course of events, promote more rapid expansion from within the Bank of North America system. There are points of difference in the two transactions. The Northern Crown had been through a trying period, which made co-operation with the larger institution desirable on special grounds. The Bank of British North America, on the other hand, has had a uniform record of success under highly efficient management, but a success perhaps less pronounced than it might have been if the directors and proprietors had been Canadians, here on the ground themselves to stimulate its growth, rather than watching it from across the seas.

"In both instances it is amply clear that the absorptions will tend to the advantage of the Canadian banking system as a whole, and to the public served by the institutions concerned."

UNITED STATES LOANS TO ALLIES

The grand total of United States loans to Allies is $4,960,600,000 to date, including $11,200,000 which was extended to Belgium. England has received the largest amount, $2,520,000,000, France is second with $1,440,000,000, while Russia received $325,000,000.

The national debt of the United States now stands in the neighborhood of $9,500,000,000, which means that every man, woman and child in the United States has lent his government approximately $95. At the beginning of the war the United States national debt stood at only $1,000,000,000, or $10 per capita. The following table shows in detail the monthly advances made to the allies (last six ciphers omitted):—

Date.	England.	France.	Italy.	Russia.	Belgium.	Serbia.
April ...	$ 200	...	...	...	...	..
May	200	$ 100	$100	$100	$ 45	..
June ...	160	110	...	...	...	$3
July ...	*395	320	60	75	...	..
August .	50	...	40	100	8	..
September	235	160	55	...	...	..
October .	185	130	230	50	5	..
November	435	310	...	...	7	..
December	158	155	...	...	11	1
January .	275	...	...	...	12	2
February	...	155	50	..	3	..
March ..	200	...	...	...	11	..
	$2,520	$1,440	$550	$325	$104	$6

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*Private bank loan of $100,000,000 to Canada given official sanction.

The grand total of all loans to the allies is $4,960,600,000, including $15,000,000 loan to Cuba, but not including the $100,000,000 private loan to Canada

DIVIDENDS AND NOTICES

THE STEEL COMPANY OF CANADA, LIMITED

ORDINARY DIVIDEND No. 5

Notice is hereby given that a dividend of one and one-half per cent. on the issued and fully-paid Ordinary shares of the Company has been declared for the quarter ending March 31st, 1918.

PREFERENCE DIVIDEND No. 27

Notice is also given that a dividend of one and three-quarters per cent. on the issued and fully-paid Preference shares of the Company has been declared for the quarter ending March 31st, 1918.

The above dividends are payable May 1st, 1918, to shareholders of record at the close of business, April 10th, 1918.

By order of the Board.
H. H. CHAMP,
Treasurer.

Hamilton, Ontario, March 15th, 1918.

PROVINCIAL PAPER MILLS CO., LIMITED

Head Office, Toronto.

Notice is hereby given that dividends of One and Three Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable April 1st, 1918, to shareholders of record at the close of business, March 15th, 1918.

By Order of the Board.
S. F. DUNCAN,
Secretary-Treasurer.

Dated Toronto, March 7th, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarter per cent. (1¾%) on the Common Stock of the **Dominion Textile Company, Limited**, has been declared for the quarter ending 31st March, 1918, payable April 1st to shareholders of record March 15th, 1918.

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 4th March, 1918.

THE CANADIAN CROCKER-WHEELER COMPANY, LIMITED

DIVIDEND NOTICE

The Directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending March 31st, 1918, to Shareholders of record March 20th, 1918. Also a dividend of One and Three-quarters per cent. (1¾%) on the common stock of the Company for the three months ending March 31st, 1918, to shareholders of record March 20th, 1918.

The stock books will be closed from the 20th to the 31st of March, both days inclusive.

Checks will be mailed to shareholders on March 30th, 1918.

By order of the Board.
L. R. GRIMSHAW,
Secretary-Treasurer.

St. Catharines, March 8th, 1918.

WOODS MANUFACTURING CO., LIMITED

(Formerly Smart-Woods, Limited)

DIVIDEND NOTICE

A Dividend of One and Three-quarters per cent. (1¾%) on the **Preferred Stock** of **Smart-Woods, Limited**, has been declared for the Quarter ending March 31st, 1918, payable April 1st, 1918, to shareholders of record March 28th, 1918.

By order of the Board.
JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, February 15th, 1918.

CANADA CEMENT COMPANY, LIMITED

ORDINARY SHAREHOLDERS

DIVIDEND No. 8

Notice is hereby given that a dividend of 1½% for the three months ending March 31st, 1918, being at the rate of 6% per annum on the paid-up Ordinary Stock of this Company has been declared, and that the same will be paid on the 16th day of April, next, to Ordinary Shareholders of record at the close of business, March 31st, 1918.

H. L. DOBLE,
Secretary.

Montreal, March 20th, 1918.

Central Canada Loan & Savings Co.

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO AND ONE-HALF PER CENT. (2½%) for the three months ending March 31st, 1918, at the rate of TEN PER CENT. per annum, has been declared upon the Capital Stock of this Institution, and the same will be payable at the Offices of the Company, Toronto, on and after Monday, the 1st of April, 1918. The Transfer Books will be closed from the 18th to the 30th of March, both days inclusive.

By order of the board,
E. R. WOOD,
President.

DEBENTURES FOR SALE

CITY OF SASKATOON, SASKATCHEWAN

DEBENTURE INTEREST DUE APRIL 1st, 1918

Holders of City of Saskatoon Debentures, payable at the Union Bank of Canada in Toronto and Montreal, are requested to present their interest coupons, due April 1st, 1918, for payment at the Bank of Montreal in either of the above-mentioned cities.

J. C. OLIVER,
City Treasurer.

Saskatoon, February 20th, 1918.

CITY OF SASKATOON

TENDERS FOR DEBENTURES

Sealed tenders, endorsed "Tender for Debentures," will be received by the undersigned up to 3 p.m on Monday, the 15th day of April, 1918, for $100,263.00 Thirty-year Five Per Cent. Debentures (Sinking Fund), dated the 1st day of January, 1914.

Full particulars may be had on application to the City Commissioner.

C. J. YORATH,
City Commissioner.

Saskatoon, Sask., March 29th, 1918.

CANADIAN GENERAL ELECTRIC COMPANY

LIMITED

DIRECTORS

LT.-COL. THE HON. FREDERIC NICHOLLS, President and General Manager.
W. D. MATTHEWS, Vice-President and Chairman of the Board.
A. E. DYMENT, Vice-President.
GEORGE W. BEARDMORE.
COL. THE HON. SIR J. S. HENDRIE, C.V.O.
H. C. COX.
SIR RODOLPHE FORGET.
SIR WILLIAM MACKENZIE.
SIR HERBERT HOLT.
F. GORDON OSLER.
W. G. ROSS.

ANNUAL REPORT OF THE DIRECTORS

Submitted to the Shareholders at the Annual General Meeting of the Company in Toronto, on Monday, March 25th, 1918.

Your Directors submit herewith the Balance Sheet of the Company as upon the 31st day of December, 1917, also Statement of Profit and Loss for the year, and Certificate of Messrs. Price, Waterhouse & Company, Auditors.

It will be noticed that the Gross Profit earned is somewhat less than during the preceding year, and this is accounted for by higher cost of labor and the lesser price received from munitions contracts. From the Gross Profit of $2,051,609.21 the sum of $524,317.97 has been reserved for depreciation of buildings, machinery and patterns, and the sum of $393,694.33 has been reserved for the amortization of munitions plants and equipment, leaving a Net Profit of $1,133,596.91. Deducting the sum of $780,000.00 for Dividends paid, a Surplus for the year of $353,596.91 has been brought forward. This surplus added to last year's balance at the credit of Profit and Loss account made a total at the credit of that account of $966,293.00, from which the sum of $500,000.00 has been transferred to Reserve, bringing the amount to the credit of Reserve account to $4,000,000.00 and leaving a balance of $466,293.00 at the credit of Profit and Loss.

Mortgage obligations on properties purchased have been reduced to the nominal sum of $24,000.00 and our Investments have increased from $165,277.24 to $703,172.01. Our Cash Surplus has been invested mostly in Victory War Loan Bonds and on March 1st, 1918, our holding of Victory War Loan Bonds amounted to $1,378,500.00. Our Reserve for Depreciation of buildings, plant and equipment now amounts to $3,810,313.88 and our Surplus to $4,466,293.00.

While contracts for munitions have fallen off very materially, our sales of standard machinery and supplies continue to improve, and in addition our Davenport Works have received contracts for a number of marine engines and boilers for ships that are being built in various parts of the country. Our Structural Steel Works at Bridgeburg, which were purchased from the Canadian Shipbuilding Company some years ago, have been re-converted into a modern shipbuilding plant, and the Company is at present engaged on a contract for building four steel cargo ships complete, of 3,500 tons each.

Following the usual policy of the Company our Inventory has been taken at or below cost, and sufficient allowance has been made in respect to any goods considered to be either obsolete or not readily saleable.

The detachment of twenty-five electrical and mechanical engineers contributed by the Company for service during the continuance of the war has been, and will be, continuously maintained, and in addition thereto generous contributions have been made to the Canadian Patriotic Fund, Red Cross Society, and other deserving war-time Funds, and the Company has been allotted the sum of $2,297,500.00 of Canada's Victory War Loan.

Your Directors desire to express their great regret at the death of the late Mr. W. R. Brock, Honorary President and Chairman of the Board, and of the late Sir William Mortimer Clark, LL.D., K.C. Mr. Brock was an original member of the Syndicate of ten who, thirty years ago, organized the first electrical undertaking in Canada from which our present Company grew, and during this term rendered valuable service to the Company. Mr. W. D. Matthews and myself are the only remaining members of the original Board of Directors, each of the other members, however, having continuously served as a Director of the Company until the time of his death. The late Sir Mortimer Clark had been a Director of the Company for over seven years, and had always taken the greatest interest in the affairs of the Company. Mr. W. D Matthews was elected Chairman of the Board to fill the vacancy created by the death of Mr. Brock. Mr. W. G. Ross of Montreal and Mr. George W. Beardmore of Toronto have been elected Directors since the last Annual Meeting.

FREDERIC NICHOLLS,
President.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET, 31st DECEMBER, 1917

ASSETS.

CAPITAL ASSETS—		
Land, Buildings, etc., at Toronto, Peterboro, Bridgeburg, Stratford, Montreal, Branch Offices, and Power Plant at Nassau		$ 6,455,162.17
Machinery and Tools		4,324,171.62
Patterns and Drawings		757,855.99
Patents, Contracts and Goodwill		1.00
Total Capital Assets		$11,537,190.78
CURRENT ASSETS—		
Inventory of Raw Material, Supplies, Work in Progress and Finished Materials, including expenditures on Contracts (less collections on account)	$4,395,469.23	
Accounts Receivable (less reserve for doubtful debts)	2,990,275.99	
Investments	703,172.01	
Cash on hand and in Banks	407,062.96	
Prepaid Insurance Premiums, etc.	61,966.72	
Total Current Assets		8,557,946.91
		$20,095,137.69

FREDERIC NICHOLLS, President.
W. D. MATTHEWS, Vice-President.

LIABILITIES.

CAPITAL STOCK—		
Common—Authorized	$10,000,000.00	
Issued		$ 8,000,000.00
Preferred—Authorized and Issued		2,000,000.00
		$10,000,000.00
MORTGAGE OBLIGATIONS ON PROPERTIES PURCHASED		24,000.00
WAR TAX AND CONTINGENT LIABILITIES		436,378.53
CURRENT ACCOUNTS PAYABLE		1,198,152.28
DIVIDEND ON COMMON STOCK, paid 1st January, 1918.		160,000.00
RESERVE FOR DEPRECIATION		3,810,313.88
SURPLUS, per Account Annexed—Reserve	$4,000,000.00	
Profit and Loss Balance	466,293.00	
		4,466,293.00
		$20,095,137.69

With our certificate of this date appended hereto.
PRICE, WATERHOUSE & COMPANY, Auditors.

CONSOLIDATED SURPLUS ACCOUNT

Profit for the year ended 31st December, 1917, before providing for Depreciation		$2,051,609.21
Less—		
Reserved for Depreciation of Permanent Plants	$524,317.97	
Reserved for amortization of Munitions Plants and Equipment	393,694.33	
		918,012.30
Net Profit for the Year		$1,133,596.91
Less—Dividends Paid		780,000.00
Surplus for the Year		$ 353,596.91
Add—		
Undivided Profits as at 31st December, 1916		612,696.09
		$ 966,293.00
Deduct—		
Amount transferred to Reserve		500,000.00
Balance at Credit of Profit and Loss Account		$ 466,293.00
Reserve, after including the above amount of $500,000.00		4,000,000.00
Surplus per Balance Sheet		$4,466,293.00

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ending March 23rd, 1918:—

O'Brien Mine, 64,460; Buffalo Mine, 88,000; La Rose Mine, 65,968; Aladdin Cobalt, 65,500; Beaver Mine, 65,730; Coniagas Mines, 154,000; Dominion Reduction Company, 128,000; McKinley-Darragh-Savage Mines, 172,114; total, 803,772 pounds, or 401 tons.

The total shipments since January 1st, 1918, now amount to 3,635,058.8 pounds, or 18,175 tons.

BANK BRANCHES OPENED AND CLOSED

The following is a list of bank branches opened and closed during the month of March:—

Branches Opened—2.

Banes, Cuba	Royal Bank of Canada
*Dafoe, Sask.	Imperial Bank of Canada

Branches Closed—2.

*East Broughton, Que.	Banque d'Hochelaga
Quebec, Que., Upper Town	Bank of Nova Scotia

*Sub-branches.

CANADA TO MAKE STEEL SHIP PLATES

Canada is arranging to manufacture her own supply of plates for steel shipbuilding. The government has just completed arrangements with the Dominion Iron and Steel Company, of Sydney, to begin immediate construction of a steel plate rolling plant with an output of 150,000 tons per year, or sufficient for the national shipbuilding requirements for some years to come. The cost of a new plant will be from three to five million dollars. It is expected to be in operation by the autumn of next year. The government is giving no direct financial aid to the company, but is guaranteeing sufficient government orders to insure a return on the investment.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended Mar. 26th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations " and interest."

Montreal Stocks	Asked	Bid	Sales
Abitibi .... com.	....	....	....
Ames-Holden .... com.	....	....	....
" .... pref.	....	....	....
Asbestos Corporation	....	....	....
" " .... pref.	....	....	....
Bell Telephone	....	130	2
British Columbia Fishing & Packing	55	48½	10
Brompton	45½	45	67
Brazilian	36	35¾	300
Canada Car .... com.	25	21½	780
" .... pref.	61¾	61½	600
Canadian Converters	13	....	....
Canada Cement .... com.	60½	60¼	245
" .... pref.	91	....	182
Canada Cottons	58	57½	321
" .... pref.	..	....	7
Canadian Con. Rubber .... pref.	....	....	25
Canadian Pacific Railway	....	....	....
Canadian General Electric	....	....	....
Canadian Locomotive .... com.	58	....	71
Canada Steamship Lines .... com.	39½	....	300
" " " .... pref.	76	....	75
" " " .... (Voting Trust)	....	....	....
Civic Investment	74½	73¾	413
Civic Power .... com.	....	....	....
Cons. Mining and Smelting	25	....	21
Consumers Gas .... com.	....	....	....
Dominion Bridge	....	....	....
Dominion Canners .... pref.	....	....	....
Dominion Iron .... pref.	91	....	38
Dominion Steel Corporation .... com.	59⅛	59	1927
Dominion Textile	84	83	398
" .... pref.	101	100	....
Goodwins Ltd.	11	....	....
Illinois Traction .... com.	....	....	....
" .... pref.	80	....	....
Intercolonial Coal .... com.	....	....	....
Lake of the Woods Milling .... com.	131	....	10
Laurentide Co.	....	....	25
Lyall Const. .... com.	68	65	128
Macdonald	15⅛	15	155
Mackay Cos. .... com.	....	....	...
" " .... pref.	....	....	....
Maple Leaf Milling .... com.	98	....	2
Montreal Tramway	150	....	....
" " .... deb.	....	....	4100
Montreal Telegraph	120	....	40
Montreal Cotton .... com.	....	50	79
" .... pref.	....	....	....
Nova Scotia Steel	66	....	1
Ogilvie Flour Mills .... com.	....	151	....
Ontario Steel .... com.	26	....	25
" .... pref.	....	....	....
Penmans	74½	....	52
" .... pref.	....	....	20
Price Bros.	....	....	....
Riordan Paper	118	....	85
" .... pref.	....	93	5
Quebec Railway, Light, Heat & Power	15	....	75
Shawinigan Water & Power	112½	110	156
" " " .... rights	....	....	....
Spanish River .... com.	13¾	....	165
" .... pref.	....	....	....
Smart Woods	....	....	....
Steel Co. of Canada	56⅞	56¾	2513
" " " .... pref.	....	....	21
St. Lawrence Flour Mills .... com.	50	48	20
" " " .... pref.	....	....	....
Toronto Railway .... com.	....	....	....
Wayagamack	....	...	....
Bank of British North America	...	....	....
Bank of Commerce	185	....	20
Bank of Montreal	210	....	....
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	140	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	....	....	....
Dominion Bank	....	....	....
Merchants Bank	187	....	10
Molsons Bank	179⅞	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	....
Standard Bank .... com.	....	....	....
Union Bank	....	145	2

Montreal Bonds

Montreal Bonds	Asked	Bid	Sales
Asbestos	....	....	....
Bell Telephone	....	....	....
Canadian Car	....	....	....
Canada Cement	96	96½	1000
Canadian Converters	....	....	....
Canada Felt	....	....	....
Cedars Rapids	....	....	7600
Dominion Coal	....	....	....
Dominion Cotton	....	...	....
Dominion Iron and Steel	....	83½	7000
Dominion Textile .... A	....	....	....
" " .... B	....	....	....
" " C	...	....	....
" " .... D	....	....	....
Lake of Woods Milling	....	....	....
Laurentide	....	....	....
Lyall Construction Co.	....	....	3000
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	....	....
Nova Scotia Steel	....	....	....
Ogilvie .... A	....	....	....
" .... B	....	....	....
" C	....	....	....
Penmans	....	....	....
Price Bros.	....	....	....
Montreal Bonds (Continued			
Quebec Railway, Light and Power	60	....	1000
Riordan Paper	....	....	....
Steel of Canada	....	89½	1400
First Dominion War Loan	....	93½	29000
Second Dominion War Loan	....	92	1300
Third Dominion War Loan	92	91¾	11200
Wabasso Cotton	....	....	....
Wayagamack	....	....	...

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	14½	....	....
" .... pref.	50	....	...
American Cynamid	35	33	....
" .... pref.	....	52	...
Barcelona	10	9½	35
British Columbia Fish	....	47½	70
Brazilian	36	35¼	495
B. C. Packers	....	....	....
Canada Bread	17	16	....
" .... pref.	....	....	....
Canadian Car & Foundry	25	23	10
" " " .... pref.	63	61½	125
Canadian Canners	....	....	150
" .... pref.	....	....	10
Canadian General Electric	102½	101½	75
" " " .... cum div. pref.	....	...	....
Canada Landed & National Investment	....	....	....
Canadian Locomotive	....	....	....
" .... pref.	....	82¾	....
Canadian Pacific Railway	140	138	....
Canada Permanent	....	....	...
Canada Steamship	39½	39⅜	125
" " .... pref.	75¾	75	12
" " .... (Voting Trust	....	....	....
Can. Salt	...	....	....
Cement .... com.	60½	60	125
City Dairy	....	30	20
" .... pref.	....	....	1
Crown Reserve Mines	....	....	65
Confederation Life	375	....	....
Consumers Gas	141½	....	304
Dome	830	800	175
Dominion Canners .... pref.	68	64	....
Dominion Iron .... com.	....	....	....
" " .... pref.	....	....	....
Dominion Steel Company	59½	59	475
Dominion Savings	....	....	....
Duluth Sup.	11	....	3
F. N. Burt	....	....	....
" .... pref.	....	....	10
Hamilton Provident	....	....	....
Huron & Erie .... com.	....	....	....
Lake of the Woods .... com.	....	....	....
La Rose .... com.	62	59	5910
Mackay Companies	76½	75	12
" .... pref.	....	62	1
MacKinley Darragh .... com.	....	....	....
Maple Leaf Milling	96	95	123
" " " .... pref.	....	....	14
Monarch	43	40	10
" .... pref.	80	....	....
Nat. S. Car	11	8	10
" .... pref.	36	32	....
Nipissing	850	825	110
Nova Scotia Steel	63½	....	25
" " " .... rights	....	....	....
Prov. Paper	....	....	...
" .... pref.	....	....	....
Penmans .... com.	75	73½	....
Petroleum	1385	1340	....
Riordon	121	....	....
" .... pref.	....	....	....
Rogers .... com.	....	....	...
" .... pref.	....	....	...
Russell Motor	60	55	10
" .... pref.	68½	....	....
Sawyer-Massey	....	10	....
" .... pref.	10	....	....
Shredded Wheat	....	....	....
Spanish River	....	....	50
" .... pref.	50	....	....
Cons. Smelters	24⅜	....	80
Standard Chemical	....	....	....
" " .... pref.	57	....	...
Steel Company of Canada	56¾	56¼	345
" " " .... pref.	90	89	17
Toronto General Trust	....	....	....
Toronto Paper	72	65	....
Toronto Railway	58	....	....
Trethewey S. Mines .... com.	17	15½	....
Tucketts	19	....	....
" .... pref.	....	....	...
Winnipeg Electric	....	....	....
Twin City	52½	52	19
Bank of Commerce	185	....	....
Bank of Ottawa	201	....	...
Bank of Hamilton	181	....	....
Bank of Montreal	210	....	....
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	....
Dominion Bank	202	....	1
Imperial Bank	....	185	11
Merchants Bank	....	....	....
Molsons Bank	179⅞	....	....
Royal Bank	208	....	....
Standard Bank	200	...	...
Union Bank	....	145½	....

Toronto Bonds

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	....
Canada Locomotive	....	....	...
Penmans	...	80	....
Riordon	....	.	...
Sao Paulo, 1929	.	....	....
Steel Company of Canada	....	89½	1000
First War Loan	93⅝	93½	26200
Second War Loan	93	92½	2200
Third War Loan	92	91¾	4100

BERT. R. MASECAR
Chartered Accountant
Auditor Accountant Liquidator Trustee
SASKATOON, Sask.

D. A. Pender, Slasor & Co.
CHARTERED ACCOUNTANTS
805 CONFEDERATION LIFE BUILDING
WINNIPEG

RONALD, GRIGGS & CO.
AND
RONALD, MERRETT, GRIGGS & CO.
Chartered Accountants Auditors Trustees Liquidators
Winnipeg Saskatoon Moose Jaw London, Eng.

F. C. S. TURNER WILLIAM GRAY JAMES GRANT
F. C. S. TURNER & CO.
Chartered Accountants
Successors to
LAING & TURNER
Trust & Loan Building, WINNIPEG
McCallum Hill Building, REGINA

R. WILLIAMSON, C.A. J. D. WALLACE, C.A. A. J. WALKER, C.A.
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88 Adelaide Street East, TORONTO
604 McGill Building, MONTREAL
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CHARTERED ACCOUNTANTS, TRUSTEES, RECEIVERS, LIQUIDATORS
Merchants Bank Building, 15 Wellington Street West, TORONTO
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ONTARIO AND MANITOBA
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EDWARDS, MORGAN & CO., Chartered Accountants
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614 Herald Building, First Street West .... CALGARY, Alta.
705 London Building, Pender St. W. .... VANCOUVER, B.C.
705 Electric Railway Chambers, Notre Dame Avenue WINNIPEG, Man.
201 Royal Trust Building, St. James Street .... MONTREAL, Que.
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WINNIPEG Manitoba MEDICINE HAT, Alberta.
HENDERSON, REID AND PATERSON
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ACADIA BLOCK, LETHBRIDGE, Alberta.
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WE OFFER
Province of Nova Scotia
6 Per Cent. — Ten Year Bonds
due April 1st, 1928. Interest payable half yearly. Suitable as a trustee's investment in Province of Ontario. We solicit correspondence; telegrams at our expense. Delivery made at your bank.
W. F. Mahon & Co.
Halifax, Canada

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railroads for the first three weeks in March:—

Canadian Pacific Railway.

	1918.	1917.	Inc. or dec.
March 7	$2,617,000	$2,422,000	+ $175,000
March 14	2,496,000	2,670,000	— 174,000
March 21	2,846,000	2,648,000	+ 198,000

Grand Trunk Railway.

March 7	$1,122,582	$1,063,190	+ $ 59,392
March 14	1,135,553	1,068,837	+ 66,716
March 21	1,204,467	1,054,639	+ 149,828

Canadian Northern Railway.

March 7	$ 666,400	$ 669,100	— $ 2,700
March 14	733,000	738,200	— 5,200
March 21	788,200	719,100	+ 69,100

ONTARIO'S JANUARY FIRE LOSS

Analysis of Causes of Fire—Classification of Properties Destroyed or Damaged

The following is an analysis of the causes of fire in Ontario during January, 1918, prepared by the office of the provincial fire marshal, Mr. E. P. Heaton:—

Cause.	No. of fires.	Amount of loss. $	Insurance loss. $	Loss not covered by insurance. $
Chimneys, flues, cupolas, and stacks, overheated or defective	36	52,069	35,393	16,676
Conflagration	4	462,232	385,459	76,773
Electricity	32	91,413	86,959	4,454
Explosions	34	6,188	5,488	700
Exposure	52	56,194	50,155	6,039
Fireworks, fire-crackers, balloons, etc.	..	......	......	.....
Friction	6	4,940	3,925	1,015
Gas—natural and artificial	14	4,332	3,283	1,049
Hot ashes and coals	21	2,187	2,182	5
Hot grease, oil, tar, wax, asphalt, ignition of	5	14,229	12,629	1,600
Hot or molten metal	3	2,506	2,506	.....
Incendiarism	2	1,015	765	250
Lightning—buildings rodded	..	.....	......	.....
Lightning—buildings not rodded	..	.....	......	.....
Matches	94	10,336	9,866	470
Miscellaneous—cause known but not classified	7	101	101	.....
Open fires	16	2,397	2,347	50
Open lights	70	37,768	28,555	9,213
Petroleum and its products	35	6,750	6,503	247
Rubbish and litter	2	2,305	2,305	.....
Smoking (cigars, cigarettes, pipes, etc.)	20	45,683	45,683	.....
Sparks, arising from combustion (excluding No. 23)	18	2,531	2,476	55
Sparks on roofs, from whatever source (excluding No. 22)	19	16,561	11,061	5,500
Spontaneous combustion	6	46,710	46,450	260
Steam and hot water pipes	9	2,820	2,720	100
Stoves, furnaces, boilers and their pipes	174	218,768	159,360	59,408
Unknown	65	124,016	80,235	43,781
Unclassified (temporarily)	146	172,233	160,223	12,010
Total	890	1,386,284	1,146,629	239,655

Destroyed or Damaged.

The following is the classification of properties destroyed or damaged by fire during January:—

Class of property.	No. of fires.	Amount of loss. $	Insurance loss. $	Loss not covered by insurance. $
Apartment houses, rooming houses, flats	6	205	155	50
Barns (farm only)	11	15,895	13,993	1,902
Buildings in course of construction	1	2,000	2,000	.....
Churches	6	3,599	3,549	50
Club houses	1	5,000	3,900	1,100
Coal, coal and wood yards, trestles	..	......	......	.....
Cordwood, logs, lumber, bark in woods	..	......	......	.....
Dwellings	589	167,059	125,091	41,968
Elevators and grain warehouses	..	......	......	.....
Exhibition buildings, rinks, amusement parks, racetracks	..	......	......	.....
Garages	9	12,020	11,970	50
Automobiles, motor cars, motor trucks	5	557	545	12
Halls, lodge rooms, assembly halls, fire halls	6	23,507	14,392	9,115
Hotels and boarding houses.	14	22,809	21,134	1,675
Hotels and boarding houses (summer only)	1	34,500	25,500	9,000
Lumber in mill yards and wholesale and retail yards.	..	......	......	.....
Mercantile stores	140	681,479	558,995	122,484
Office and bank buildings	7	10,753	7,657	3,096
Manufacturing and special hazards	44	301,252	258,969	42,283
Prisons, reformatories, gaols, asylums	..	......	......	.....
Railway risks—steam and electric	8	2,892	2,792	100
Schools, colleges, hospitals, libraries	13	40,631	39,381	1,250
Steamers, tugs, vessels, dredges, yachts	1	250	......	250
Stables, sheds, outhouses (not farm risks)	19	11,989	7,734	4,255
Theatres, moving picture houses	3	9,842	9,842	.....
Miscellaneous—such as bridges, threshing outfits, stone crushers, icehouses, evaporators, mining risks.	6	40,045	39,030	1,015
Total	890	1,386,284	1,146,629	239,655

Canada's war appropriation to be voted this session will be for an amount not exceeding $500,000,000. Sir Robert Borden has given notice of a resolution asking parliament to authorize this expenditure.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended Mar. 26th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......com.	37.50	44	Canada Machinery..pref.	45	51	Ford Motor of Canada...	190	220	National Life...........	30	....
" " ....pref.	79.50	85.50	Can. Mortgage & Invest..	....	83	Goodyear Tire..........	175	200	National Telephone...5's	50	60
Alberta Pac. Grain..pref.	85	92	Can. Paper........pref.	....	92	Harris Abattoir.......6's	94	100	North Ont. L. & P.... 6's	76	82.50
" " com.	95	....	Can. Westinghouse......	100	115	Home Bank..............	60	65	Nova Scotia Steel 6% deb.	85	92
Amer. Sales Book....6's	92	....	Carter Crume.......pref.	...	65	Imperial Oil............	260	287	Ont. Pulp Bonds.........	75	82
Atlantic Sugar......com.	5	10	Cockshutt Plow.....pref.	67	75	Imper. Trust Co. Toronto	....	37.50	Robertson Screw.........	....	40
" " ......pref.	20	28	Consumers Cordage pref.	75	85	Lambton Golf Club......	400	435	Rosedale Golf...........	315	350
Belding Paul.......com.	10	14	Continental Life.........	17	25	London Loan & Savings.	95	115	Sterling Bank....	....	85
" " ......pref.	71	77	Collingwood Ship...com.	....	30	Maple Leaf Con. Mk. pref.	50	....	Sterling Coal........com.	9.75	11.50
Buffalo Lock & Roch..5's	....	55	Dom. F'dry & Steel 8% pf.	86	91	Maritime Coal........5's	67.50	72	" " ......bonds	70	73.50
Black Lake...........6's	20	26	Dom. Fire..............	19.50	23	Matthew-Blackwell com.	42	50	Toronto Paper........6's	85	90
Brand-Henderson...com.	45	50	Dominion Glass.... com.	30	....	Matthew Laing.......6's	93	97.50	Toronto Y'k Rad. 5's. 1919	90	96
" " 6's	93.50	....	Dom. Iron 5's. 1939.......	72	77.50	Mutual Steamships ...6's	94	....	West. Assurance........	6.75	..
Can. Cereal & Flour.. 6's	....	.90	Dom. Power.........5's	81	86.50	M'Donald...........pref.	75	82.50	Wt. Can. Flour. 6's (1931)	90.50	96
Can. Cons. Felt.....pref.	28	....	" " ....pref.	90.50	96.50	Morrow Screw........6's	85.50	92	" " (1928)	96	....
Can. Marconi...........	1.50	2.50	Dunlop Tire..... .... 6's	95	100	Mississauga Golf.........	....	65	West Can. Flour....com.	100	115
Canada Machinery....6's	70	76.50	Eastern Car..........6's	89.50	94	National Drug 7%...pref.	....	90	....	....	....
" " ..com.	10	14	....	....	....	....	...	....	....	....	....

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

VICTORY!

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Toronto Stock Exchange

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LIABILITY ASSURANCE CORPORATION
OF LONDON, ENG. LIMITED
ISSUES

Personal Accident	Sickness
Employers' Liability	Automobile
Workmen's Compensation	Fidelity Guarantee
and Fire Insurance Policies	

C. W. I. WOODLAND
General Manager for Canada and Newfoundland

Lewis Building, MONTREAL
JOHN JENKINS, Fire Manager
Temple Bldg., TORONTO

The Imperial Guarantee and Accident Insurance Company of Canada
Head Office, 46 King St. W., TORONTO, Ont.
IMPERIAL PROTECTION
Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.
A STRONG CANADIAN COMPANY

Paid up Capital - - -	$200,000.00.
Authorized Capital - - -	$1,000,000.00.
Subscribed Capital - -	$1,000,000.00.
Government Deposits - -	$111,000.

LONDON GUARANTEE AND ACCIDENT COY.
Limited
ESTABLISHED 1869
Head Office for Canada:
TORONTO

Employer's Liability	Personal Accident	Sickness
Elevator	Fidelity Guarantee	Court Bonds
Contract	Internal Revenue	Teams and Automobile

AND FIRE INSURANCE

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance	Sickness Insurance	Plate Glass Insurance
Burglary Insurance	Automobile Insurance	Guarantee Bonds

The Oldest and Strongest Canadian Accident Insurance Company
Toronto Montreal Winnipeg Calgary Vancouver

P. R. REED, President.
T. B. REDDING, Vice-President.
B. M. WHITLEY, Secretary-Manager

Canada Security Assurance Company
HAIL DEPARTMENT
CALGARY - ALBERTA

*TOTAL TRADE OF CANADA BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	36,937,713	28,391,640	50,147.830	86,807,809
May	45,076,939	34,390,808	69,697,812	107,596,379
June	45,750,793	35,324,739	66,399,538	97,515,067
July	42,964,467	36,557,691	63,622,687	90,181,595
August	44,390,603	40,806,865	72,331,114	91,931,009
September	36,567,572	38,028,156	68,766,262	75,893,365
October	35,113,730	39.515,144	71,196,252	78,113,962
November	31,552,190	45,217,559	72,579,445	72,708,439
December	30,392,913	45,690,721	67,900,534	....
January	30,300,157	50,170,465	72,323,074	....
February	35,912,910	51,654,968	68,030,469	....
March	40,411,384	62,034,605	102,335,886	....
Totals, Fiscal Years	455,371,371	507,783,361	845,330,903	....

EXPORTS OF CANADIAN MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	17,753,071	28,691,889	55,092,035	65,145,449
May	30,005,635	42,080,486	94,653,138	149,057,236
June	28,000,200	42,805,846	95,635,862	116,285,841
July	41,807,648	45,590,038	104,964,270	177,366.148
August	31.510,732	41,094,154	96,091,028	146,387,586
September	31,796,613	46,129,735	90,285,181	112,621,462
October	45,883,422	80,038,582	85,312 175	155,093,744
November	42,872,109	92.931,918	109,558,950	187,315,515
December	37,193,609	92,171,402	130,037,174	....
January	28,595,598	83.731,184	99.106.259	....
February	28,881,277	57,931,168	68.224,383	....
March	45,118,922	88,414,238	122,415,313	....
Totals, Fiscal Years	409.418,836	741,610,638	1,151,375,768	....

EXPORTS OF FOREIGN MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	662,190	2,584,685	809,061	1,795,814
May	2,885,528	1,440,434	1,175,211	3,233,110
June	2,611,309	4,552,656	2,490,104	3.725,324
July	8,507,322	2.916,682	1,590,422	2,850,372
August	12,549,622	7,904,330	2,230,133	6,175.759
September	6,747,481	7,586,147	1,986,218	2,855,585
October	5,652,809	4,063,483	2,003,559	4,790,753
November	3,370,152	1,504,177	2,243,423	7,442,978
December	1,654,488	1,423,201	2,496,831	....
January	1,371,732	1,715,862	3,445,807	....
February	1,240,624	831,865	3,254,865	....
March	2,770,416	1,165,910	4,109,698	....
Totals, Fiscal Years	52,023,673	37,689,432	27,835,332	....

TRADE OF CANADA WITH UNITED KINGDOM BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM UNITED KINGDOM.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	6,718,774	4,829,105	6,953,307	6,754,791
May	8,864,524	5,297,150	10,015,047	8,028,763
June	9,243,234	5,693,544	9,170,364	8,489,191
July	9,064,290	6,307,797	9,463.316	6,902,611
August	9,517,335	6,315,275	9,699,705	8,008,713
September	7,132,304	5,902,915	8,818,520	6,368,729
October	7,350,472	5,688,293	8,506,096	7,120,227
November	5,873,654	7,338,718	8.462,892	6,482,535
December	5,644,400	6,243,327	8,112,981	....
January	6,692,555	7,327,255	9,455,133	....
February	7,013.754	6,978,123	8,139,966	....
March	6,967,682	9,449,230	10,273,854	....
Totals, Fiscal Years	90,083,178	77,370,682	107,071,181	....

TRADE OF CANADA WITH UNITED KINGDOM BY MONTHS—*Continued.*

EXPORTS OF CANADIAN MERCHANDISE TO UNITED KINGDOM

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	7,000,680	18,192,655	35,847,117	....
May	12,154,115	24,643,519	62,310,274	....
June	8,636,470	21,783,968	61,850.279	....
July	18,026,788	22,739,381	71,317,030	....
August	12,543,233	17,925,332	59,153,587	....
September	12.752,854	22,189,301	55,804,371	....
October	24,745,143	45,765,452	47.171,629	....
November	22,150,800	59,584,272	70,141,525	....
December	17,971,518	66,405,670	93,348,306	....
January	12,686,992	59,236,993	65,987,895	....
February	14,301,759	34,445,583	42,590,593	....
March	23 698,202	58,940,273	76,624,931	....
Totals, Fiscal Years	186,668,554	451,852,399	742,147,537	....

EXPORTS OF FOREIGN MERCHANDISE TO UNITED KINGDOM.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	43,676	42,153	280,260	....
May	962,478	186.497	313.643	....
June	671,925	2,060,035	1,135,051	....
July	3,159,958	1,121,625	611,253	....
August	8,358,515	2,125,681	1,425,947	....
September	5,323,124	3,908,253	810,545	....
October	3.128,638	592,942	961,527	....
November	1,708.608	145,768	1,330,290	....
December	698,363	353,252	1,595,448	....
January	158,424	416,103	1,498,945	....
February	159,908	69,803	2,005,942	....
March	715,547	206,730	1,954.671	....
Totals, Fiscal Years	25,089,164	11,228,842	13,923,522	....

TRADE OF CANADA WITH UNITED STATES BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM UNITED STATES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	25,088,785	20,059,097	38,283,790	74,611,244
May	28,421,096	24,683,167	52,543,423	91,332,166
June	29,571,954	25,412,590	50,754,009	82,035,864
July	26,894,617	25,989,742	48,370,692	76,163,533
August	26,663,285	28,255,575	56,433,525	75,034,983
September	25,297,147	26,986,214	53,345,945	61,040,349
October	23,346,870	28,381,750	56,081,016	62,556,763
November	21,387,196	32,419,421	58,496.757	59,372,683
December	20.037,155	34,449,039	53,917.608	....
January	18,506,108	37,337,914	57,847.927	....
February	23,505,889	38.945,968	53,517,508	....
March	27,912.404	47,577,390	84,627,451	....
Totals, Fiscal Years	296,632.506	370,497,867	664,219,653	....

EXPORTS OF CANADIAN MERCHANDISE TO UNITED STATES

Months.	1914-15	1915-16	1916-17	1917-1918
	$	$	$	$
April	8,056,633	7,951,610	12,791,903	....
May	14,156,947	12,256.886	22,871,262	....
June	14,934,723	13,914,300	21,729,722	....
July	18,746,186	16,589,893	23,458,183	....
August	15,922,271	16,290,685	23,987,082	....
September	16,242,895	18,410.017	22,814,216	....
October	17,138,777	24,140,559	26.336,639	....
November	16,468,038	22,540,375	29,008,668	....
December	15,341,608	18,448,862	27,363,888	....
January	11,225,623	15,200,296	22,026,268	....
February	10,601,127	15,315,328	16,826,311	....
March	14,485,388	20,047,677	31,402,188	....
Totals, Fiscal Years	173,320,216	201.106,488	280,616,330	....

(*Continued on Page 42*)

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*Figures of the Department of Trade and Commerce.

CONFEDERATION LIFE
ASSOCIATION
Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.
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The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED	INCREASE 166%
ADMITTED ASSETS	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que,

Invested Funds	$ 66,500,000
Deposited with Canadian Government and Government Trustees, over	7,000,000
Investments under Canadian Branch, over	$ 16,000,000
Revenue, over	7,900,000
Bonus declared	40,850,000
Claims paid	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

The largest commissions are not payable by

The London Life Insurance Co.

London ... ... Canada

The largest earnings are, however, possible on account of its liberal policy contracts.

POLICIES "GOOD AS GOLD." 7

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE - TORONTO, CANADA

"Representing The Mutual Life of Canada"

Efficient representatives of our Company will be found in every important centre in the Dominion and in the Island of Newfoundland. Their motto is "Service" and they will gladly furnish any needed information regarding Life Insurance in general and Mutual Life Insurance in particular. The Company issues policies on every approved plan—including Endowment Policies, Monthly Income Policies, and Policies designed for the protection of Business Enterprises. It has been the aim of the Mutual Life of Canada to introduce into its contracts every modern privilege that is compatible with safety, but the distinguishing feature of the Company is Mutuality. Under this system all profit from whatever source reverts to the Policyholders and so reduces the cost of protection. We furnish—
The largest amount of protection for the least possible outlay.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
Assets $32,165,432 Assurances $123,510,899

UNLESS

The Great-West Life Assurance Company were providing particularly attractive policies it would not—for eleven successive years, have led all Canadian Companies in the amount of business written in Canada.

UNLESS the funds were invested at an exceptionally favorable rate it would be impossible to pay the unequalled profits that are being paid to Policyholders.

UNLESS strict economy prevailed, the advantage of these high earnings would be lost.

These and many other points of vital interest to those looking for the best in Life Insurance, are referred to in the Twenty-fifth Annual Report of

The Great-West Life Assurance Co.
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ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

TRADE OF CANADA WITH UNITED STATES BY MONTHS—*Continued from Page 40.*

EXPORTS OF FOREIGN MERCHANDISE TO UNITED STATES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	554,106	2,523,936	498,847	....
May	704,925	804,121	694,465	....
June	896,101	565,292	685,866	....
July	799 669	1,388,725	706,075	....
August	1,560,373	4,562,614	739,633	....
September	1,832,072	1,181,862	1,118,379	....
October	1,052,813	1,022,692	977,307	....
November	695,917	723,051	848,179	....
December	688,024	842,645	825,913	....
January	1,191,921	510,587	848,628	....
February	1,071,741	702,879	895,969	....
March	1,974,978	734,376	1,123,182	....
Totals, Fiscal Years	13,022,640	15,562,774	9,962,443	....

TRADE OF CANADA WITH OTHER COUNTRIES BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	5,130,154	3,503,438	4,910,733	5,441,774
May	7,791,319	4,410,491	7,139,342	8,235,450
June	6,935,605	4,218,605	6,475,165	6,990,042
July	7,005,560	4,260,152	5,788,679	7,115,451
August	8,209,983	6,236,065	6,197,884	8,887,313
September	4,138,121	5,139,027	6,601,797	8,484,287
October	4,416,388	5,445,101	6,609,138	8,436,972
November	4,291,140	5,459,420	5,619,796	6,853,221
December	4,711,358	4,998,355	5,869,945	....
January	5,101,494	5,505,296	5,020,014	....
February	5,393,267	5,730,877	6,372,995	....
March	5,531,298	5,007,985	7,434,581	....
Totals, Fiscal Years	68,655,687	59,914,812	74,040,069	....

EXPORTS OF CANADIAN MERCHANDISE TO OTHER COUNTRIES.

Months	1914-15	1915-16	1916 17	1917-18
	$	$	$	$
April	2,695,758	2,547,624	6,453,015	....
May	3,694 573	5 180,081	9,471,602	....
June	4,429,007	7,107 578	12,055,861	....
July	5,034'874	6,260,764	10,189,057	....
August	3,045,228	6,878,137	12,950,359	....
September	2,800 864	5,530 417	11,666,594	....
October	3,999,502	10,132,571	11,803,907	....
November	4,253,271	10,807,269	10,408,757	....
December	3,880,483	7,316,870	9,324,980	....
January	4 682,983	9,293,895	11,092,096	....
February	3,978,391	8,170,257	8 807,479	....
March	6,935,332	9,426,288	14,388,194	....
Totals, Fiscal Years	49,430,066	88,651,751	128,811,901	....

EXPORTS OF FOREIGN MERCHANDISE TO OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	64,408	18,596	29,954	....
May	1,218,125	449,816	167,103	....
June	1,043,283	1,927,329	669,187	....
July	4,547,695	406,332	273,094	....
August	2,630,731	1,218,035	64 553	....
September	1,592,285	2,496,032	57,294	....
October	1,471 358	2,447,849	64,725	....
November	965,627	635,358	64,954	....
December	268,101	227,304	75,470	....
January	21,387	789,172	1,098,234	....
February	8,975	59,189	352,954	....
March	79,891	224 804	1,031,845	....
Totals, Fiscal Years	13,911,869	10,897,816	3,949,367	....

CANADIAN GENERAL ELECTRIC COMPANY

A very satisfactory financial statement was presented at the annual meeting of the Canadian General Electric Company on Monday. The following statement shows the profit and loss account, with the last three figures omitted:—

	1917.	1916.	1915.
Gross profits	$2,051	$2,225	$1,219
Depreciation	524	408	416
Amortization	393	631	...
Net profit	$1,133	$1,185	$ 803
Dividends	780	779	698
Balance	$ 353	$ 405	$ 66
Previous balance	612	707	940
Total profit and loss	$ 966	$1,112	$1,007
To reserve	500	500	300
Balance	$ 466	$ 612	$ 707
Reserve	4,000	3,500	3,000
Surplus	$4,466	$4,112	$3,707

The gross profits were smaller, owing to the higher cost of labor and the reduction in profits received from munition contracts. Despite somewhat lessened actual profits, the company wrote off heavily for depreciation of plant, and also for the amortization of equipment for munitions. The net profit was $1,133,569. Dividends during the year required $780,000, and a surplus of $353,579 has been brought forward.

The surplus added to last year's balance at the credit of profit and loss account made a total at the credit of that account of $966,293, from which the sum of $500,000 was transferred to reserve, bringing the amount to the credit of reserve account to $4,000,000, and leaving a balance of $466,293 at the credit of profit and loss.

The following statement shows the balance sheet, with the last three figures omitted:—

Assets.

	1917.	1916.	1915.
Real estate	$6,455	$6,372	$6,252
Machinery	4,324	4,168	3,598
Patterns	757	733	713
Inventories	4,395	4,079	3,880
Accounts receivable	2,990	3,487	2,595
Bills receivable	....	....	418
Investments	703	165	150
Cash	407	549	477
Deferred charges	61	58	61

Liabilities.

	1917.	1916.	1915.
Common stock	$8,000	$8,000	$8,000
Preferred stock	2,000	2,000	2,000
Mortgage obligations	24	413	467
Bonded indebtedness on purchased properties	....	....	500
Current accounts payable	1,198	1,467	778
War tax, etc.	436	....	....
Dividend on common stock	160	220	130
Reserve for depreciation	3,810	2,920	1,912
Reserve	4,000	....	3,000
Profit and loss balance	466	612	707

Mortgage obligations on properties purchased have been reduced to the nominal sum of $24,000, and investments were increased from $165,277 to $703,172. The cash surplus was invested mostly in Victory war loan bonds, and on March 1, 1918, holding of Victory war loan bonds amounted to $1,378,500. The reserve for depreciation of buildings, plant and equipment now amounts to $3,810,313.88, and the surplus to $4,466,293.

The company has the benefit of the experience and foresight of Lieut.-Colonel the Hon. Frederic Nicholls, president and general manager, in the conduct of its affairs. Mr. J. J. Ashworth is the capable assistant general manager and secretary.

FISHING AND PACKING CO. INCREASES DIVIDEND

The common stock dividend of the British Columbia Fishing & Packing Company, Vancouver, was placed on a 5 per cent. per annum basis this week, as against 4 per cent. last year.

6½ to 8½
—%—

You can obtain this interest return with assurance that your money is safely invested in sound mortgage securities of established value.

Particulars an request.

SAFE INVESTMENTS

ROYAL SECURITIES CORPORATION LIMITED
164 St. James Street
MONTREAL

War Conditions — Liberal
Premiums — Recently Reduced
Agency Contracts — Profitable

AGENTS WANTED

Gresham Life Assurance Society
LIMITED
Head Office for Canada ∴ MONTREAL
Established 1848. Funds Exceed $50,000,000

Province of Nova Scotia
Ten Year—6 Per Cent.
Sinking Fund Gold Bonds
Dated April 1st, 1918
Price—Par and Accrued Interest

Standard Bond Corporation
Maritime Trust Building, HALIFAX

The Travellers Life Assurance Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

CROWN LIFE
GAINING SURPLUS EVEN IN WAR TIME
In spite of enlistments and high war mortality, the Crown Life is forging ahead. The Policyholders' Reserve was increased over 13% and the Policyholders' Surplus was increased over 17% during 1917.

Crown Life Insurance Co., Toronto
Agents wanted in unrepresented districts 58

Ask the Subscription Department
about our Special Book Offer

BURLINGTON SELLS BONDS

Messrs. A. E. Ames and Company, of Toronto, have purchased a block of $101,158.73 6 per cent. 25 and 30-year bonds. The proceeds will be used for local improvement purposes.

WAR LOANS & GOVERNMENT'S PRIORITY ORDER

The action of the Dominion government in forbidding provincial and municipal governments to enter the money market in Canada for loans without the approval of the minister of finance was the main theme of debate in the Commons at Ottawa on Monday. The question was raised by Hon. Rodolphe Lemieux, who characterized the order-in-council by which the Federal government sought to control the financial market as illegal and unconstitutional, and an invasion of provincial rights. The motives which actuated the government to pass the order were explained by Hon. C. J. Doherty, minister of justice, and Hon. A. K. MacLean, acting minister of finance. The latter in a lucid and tactful speech explained that the Canadian government was compelled to raise large sums of money which could not be secured by the imposition of taxes. It would, he announced, be obliged to float another war loan toward the close of the present year. For these reasons it was desirable that the financial market should not be glutted by unnecessary flotations of bonds. Mr. MacLean assured the House that the power to authorize or prohibit issues of debentures would be used with discretion. Already, he pointed out, two provinces had been assisted to raise funds, and none had been refused authority to enter the money market. At the same time, the acting minister of finance was convinced that the order-in-council had led some parties to refrain from placing upon the market securities for objects which might not at the present time be regarded as of prime importance.

NEW ISSUE.

$1,000,000

Province of British Columbia

(Dominion of Canada)

5% Sinking Fund Gold Bonds

Dated 1st April, 1918 Due 1st April, 1928

Interest Payable 1st October and 1st April

Principal and interest payable in gold at the Canadian Bank of Commerce, Victoria, Winnipeg, Toronto, Montreal or New York.

Denomination: $100, $500, $1,000

Price: 89.10 and Accrued Interest

Yielding 6½%

Special circular on request.

Orders may be telegraphed or telephoned at our expense.

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Canada Life Building

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TORONTO

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Edmonton, Alta.—March 16—Grain elevator owned by the Western Canada Flour and Milling Company was slightly damaged. The Carpenter Block and millinery store of Mrs. C. Charlebois were damaged. Estimated loss, $7,000. The Penitentiary on Government Avenue was damaged. Estimated loss, $8,000.

March 17—Storehouse on the premises of the Inglewood Lumber Company, 127th Street, was damaged. Estimated loss, $500.

Hamilton, Ont.—March 25—Store house and 1.200 bales of cotton owned by the Hamilton Cotton Company were damaged. Estimated loss, $100,000.

Lamont, Alta.—March 20—The Windsor Hotel and contents were destroyed. Estimated loss, $10,000.

Lethbridge, Alta.—March 20—The Acadia Block was destroyed. Estimated loss, $100,000.

Moncton, N.B.—March 21—Cellar in the Albion Block was damaged.

Magrath, Alta.—March 18—Home of R. W. Bradshaw was damaged.

N. Toronto, Ont.—March 26—Four houses and a shack, situated in a block on Silverthorn Avenue, north of the city limits, were damaged to the extent of $3,000. The contents of Seymour's grocery store were damaged, the loss being $800.

North Sydney, N.S.—March 18—Home of Neil A. Macmillan on Archibald Avenue was destroyed. Estimated loss, $3,000.

Welland, Ont.—March 19—The Cutler Lumber and Planing Mills on North Main and Mill Streets were damaged. Estimated loss, $10,000. The Hilden Furnishing Company, who occupied one floor of the building, had their stock damaged to the extent of $600.

STEEL COMPANY OF CANADA

The company in the year ended December 31st last experienced net profits of $6,040,318.83, after deducting charges for repairs, maintenance and improvements and providing for war tax. This was $1,018,927 in excess of the previous year. Out of the sum mentioned $515,203.40 was consumed in paying interest on bonds, while $1,144,741 went in dividends, $454,741 for the preferred and $690,000 for the common. The company set aside $177,531.07 reserve for bond sinking fund, $806,000 reserve for depreciation and $40,000 reserve for fire insurance. For special depreciation for furnace A $400,000 was appropriated. There was transferred to betterment and replacement reserve $1,406,486.38 and $1,550,356.83 was carried to the credit of the profit and loss account.

Mr. Robert Hobson, the president of the company, reports that satisfactory progress is being made with the by-product coke oven plant which is being installed at Hamilton, and through the medium of which, when completed in November next, it is hoped to ensure an ample supply of coke of uniform quality for the company's blast furnaces.

"During the year," says Mr. Hobson, "together with other steel companies of the highest standing, we secured two valuable ore properties, one on the Mesaba Range and the other on the Gogebic Range. The proportion of the ore which we are entitled to receive from these two properties will be sufficient to meet over half of our total ore requirements each year for a considerable number of years. The ore taken out each year is paid for on a royalty basis, so that, beyond paying for our share of stripping and equipping the mines, no large expenditure of capital was necessary. During the season of 1918 we will receive our quota of ore from the mine on the Gogebic Range, and shipments from the Mesaba Range mine are expected to commence late in the season of 1919.

"Since the date of our last report we have installed a mill for the making of steel sheets, for which there is a large demand in Canada. This mill is now in operation.

"All our plants were fully occupied throughout the year, but the output was interfered with from time to time by transportation difficulties and the severity of the weather conditions during the past winter.

"In conclusion, we should like to particularly draw your attention to the fact that the Steel Company of Canada is a valuable asset to the Dominion of Canada. We have done our share in providing large quantities of steel for munition, agricultural, railway and shipbuilding purposes and in meeting the demands for other commercial and domestic needs. We have also contributed in the last three years, in the shape of war taxes, a very large sum of money, the war taxes for 1917 exceeding the total amount of dividends distributed to the preferred and ordinary shareholders during that year.

"In addition, we have paid in the last three years over three millions of dollars of duties on the various articles and raw materials which we have to import."

The February statement of Southern Canada Power Company, Limited. gives gross of $39,326, an increase of $6,368, and net of $18,235, an increase of $3.382. For the month of the current fiscal year gross earnings at $191.860 are $41.518 higher than in the previous year, and net at $88,103 are $11,284 higher

Mr. A. F. Brigham has been appointed general manager of the Hollinger Consolidated Gold Mines, Limited. He has just arrived from South Africa to take up his appointment. Since the election of Mr. P. A. Robbins to the directorate of the company at the beginning of 1917 the position of general manager has not been filled. Mr. Brigham is a graduate of Lehigh University, and after filling various positions upon the engineering staff of the Lehigh and Wilkesbarre Coal Company he went to South Africa in 1901 to join the staff of the De Beers Consolidated Diamond Mines. Mr. Robbins was at that time consulting engineer of the De Beers Company, and for several years he and Mr. Brigham were colleagues and close friends. Mr. Brigham served as chief surveyor, manager of Dutoitspan Mine and manager of Wesselten Mine. these companies being two of the important holdings of the De Beers Company. Nine years ago Mr. Brigham was appointed assistant general manager of Jagersfontein Diamond Mines in the Orange River Colony, and four years later he succeeded to the position of general manager of that company.

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of Canada

Established 1867 Old as Confederation

JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

February Bank Statement is a Healthy One

Recovery in Savings Deposits is Notable—Bulk of Victory Loan is Paid Up—Total Deposits Exceed $1,468,000,000—Call Loans Abroad Show a Sharp Increase—Substantial Gain in Loans to Municipalities.

	February, 1917.	January, 1918.	February, 1918.	Year's inc. or dec.	Month's inc. or dec.
Deposits on demand	**$430,331,801**	**$559,777,237**	**$569,266,642**	**+32.3**	**+ 1.7**
Deposits after notice	**880,456,637**	**900,314,256**	**908,822,988**	**+ 3.1**	**+ .11**
Current loans in Canada	**813,302,717**	**855,506,506**	**859,363,147**	**+ 5.8**	**+ .46**
Current loans elsewhere	**86,944,450**	**116,220,343**	**109,678,140**	**+26.7**	**— 6.0**
Loans to municipalities	**26,121,324**	**40,015,466**	**43,535,628**	**+65.4**	**+ 7.5**
Call loans in Canada	**78,786,535**	**76,239,201**	**76,722,163**	**— 2.6**	**+ .006**
Call loans elsewhere	**162,344,556**	**132,687,066**	**160,239,494**	**— 1.2**	**+21.2**
Circulation	**138,257,295**	**193,567,911**	**181,695,542**	**+31.2**	**— 6.2**

The above are the changes in the principal accounts of the February bank statement. One of the most gratifying features is the recovery in savings deposits. There was also a gain in demand deposits. Loans to municipalities were again substantially increased and call loans abroad. Circulation showed a decline but was still over 31 per cent. ahead of a year ago.

The following table gives record of deposits for the past thirteen months:—

	Deposits payable on demand.	Deposits payable after notice.
1917—February	$430,331,801	$880,456,637
March	448,151,528	888,765,698
April	471,312,285	874,948,724
May	443,839,847	892,562,657
June	449,689,670	900,510,552
July	450,849,356	929,442,340
August	443,317,275	806,774,687
September	451,749,532	965,393,541
October	495,058,449	985,790,850
November	538,869,362	1,008,657,874
December	569,441,871	995,978,013
1918—January	559,777,237	900,314,256
February	569,266,642	908,822,988

Following a decline of $12,500,000 in savings deposits in December and another of $95,500,000 in January, the February statement shows a gain of $8,500,000 for that month. Between the end of November and the end of January there was a decline of $108,000,000 in savings deposits, now reduced to about $100,000,000 by the February statement. The figures confirm deductions from the January statement that a large proportion of the Victory Loan subscribers paid in full on the January instalment date. The net gain in savings deposits until the final instalment is paid in May may not be large, but that March, April and May withdrawals for the loan are likely to be less than the new deposits is reasonably certain, judging by the February figures.

Deposits classed as "demand" are $30,000,000 higher than at the end of November last. Current loans, whose movements frequently coincide with those of demand deposits, have declined in the interval. The unusually high figures for demand deposits seem to indicate that funds are being carried in that account which would ordinarily go to savings account.

Taking total Canadian deposits, savings and demand, the net change from November, when the Victory Loan was issued, is only $70,000,000, a small change when compared with the fact that the greater part of the $400,000,000 issue is paid up.

The following table shows a record of deposits for the past six years:—

Feb.	On demand.	After notice.	Total.
1913	$349,661,830	$630,467,518	$ 980,129,348
1914	337,516,595	640,927,130	978,443,725
1915	331,415,179	671,088,613	1,002,503,792
1916	389,825,667	827,242,609	1,118,068,276
1917	430,331,801	880,456,637	1,310,788,438
1918	569,266,642	908,822,988	1,478,089,630

Deposits stood at the end of February at the high total of $1,478,000,000. Demand deposits were 32 per cent. greater than a year ago and after notice deposits 3 per cent. greater. This is a very satisfactory record in view of the Victory Loan financing.

The trend of the Canadian loans account for the past thirteen months is shown in the following table:—

Loans.	Current in Canada.	Call in Canada.
1917—February	$813,302,717	$78,686,535
March	843,054,466	76,478,708
April	880,523,897	82,737,417
May	844,890,589	78,514,798
June	839,355,782	76,085,220
July	829,560,700	71,376,788
August	836,429,670	71,204,351
September	855,306,953	72,421,187
October	883,986,860	71,653,719
November	868,973,714	72,178,345
December	858,533,298	71,779,020
1918—January	855,506,506	76,239,201
February	859,363,147	76,722,163

Current loans in Canada increased in February about $4,000,000 and were nearly 6 per cent. higher than a year

Chartered Banks' Statement to the

NAME OF BANK	Capital Authorized	CAPITAL STOCK		Amount of rest or reserve fund	Rate per cent. of last dividend declared	Notes in circulation	Bal. due to Dom. Gov. after deducting advances for credits, pay-lists, etc.	Balances due to Provincial Governments	Deposits by the public, payable on demand in Canada	Deposits by the public, payable after notice or on a fixed day in Canada	Deposits elsewhere than in Canada
		Capital Subscribed	Capital Paid Up								
	$	$	$	$		$	$	$	$	$	$
1 Bank of Montreal	25,000,000	16,000,000	18,000,000	16,000,000	10	27,291,301	7,411,319	1,725,123	110,735,849	147,010,348	64,923,716
2 Bank of Nova Scotia	10,000,000	6,500,000	6,500,008	12,000,000	14	11,562,639	849,604	64,272	25,128,400	52,980,528	18,064,228
3 Bank of British North America	4,866,666	4,866,666	4,866,666	3,017,333	8	5,649,512	520,287	98,959	15,107,703	30,334,290	4,723,635
4 Bank of Toronto	10,000,000	5,000,000	5,000,000	6,000,000	11	5,392,935	295,442	177,322	25,922,440	35,348,401	....
5 The Molsons Bank	5,000,000	4,000,000	4,000,000	4,800,000	11	5,652,388	7,280,008	192,817	10,765,907	31,606,388	....
6 Banque Nationale	5,000,000	2,000,000	2,000,000	2,000,000	9	3,803,830	3,813,524	197,042	5,094,414	20,806,603	1,538,112
7 Merchants Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	10	12,075,833	2,352,312	4,066,459	36,054,424	58,266,332	733,035
8 Banque Provinciale du Canada	2,000,000	1,000,000	1,000,000	750,000	7	1,114,263	1,926,847	241,106	3,110,675	11,672,143	....
9 Union Bank of Canada	8,000,000	5,000,000	5,000,000	3,400,000	9	10,026,662	1,337,920	4,626,548	43,040,370	53,638,196	3,988,542
10 Canadian Bank of Commerce	25,000,000	15,000,000	15,000,000	13,500,000	10	22,939,054	14,686,097	2,673,131	96,493,150	115,736,920	21,336,953
11 Royal Bank of Canada	25,000,000	12,911,700	12,911,700	14,000,000	12	25,490,642	9,315,668	853,632	73,339,205	110,767,910	67,166,555
12 Dominion Bank	10,000,000	6,000,000	6,000,000	7,000,000	12	7,966,487	917,315	9,563	29,340,552	47,782,916	727,526
13 Bank of Hamilton	5,000,000	3,000,000	3,000,000	3,300,000	12	5,127,111	3,720,548	123,343	17,318,281	32,197,806	....
14 Standard Bank of Canada	5,000,000	3,475,700	3,455,975	4,455,975	13	5,788,663	1,538 695	711,089	17,472,183	33,669,060	....
15 Banque d'Hochelaga	10,000,000	4,000,000	4,000,000	3,700,000	9	5,435,787	716,146	102,691	8,747,858	24,525,364	....
16 Bank of Ottawa	5,000,000	4,000,000	4,000,000	4,750,000	12	5,435,450	2,462,567	370,634	12,694,291	31,282,673	....
17 Imperial Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	12	9,482,654	6,612,163	2,485,949	20,596,153	43,416,913	....
18 Home Bank of Canada	5,000,000	2,000,000	1,947,363	300,000	5	1,803,690	2,918,203	833,633	3,537,177	8,379,524	....
19 Northern Crown Bank	6,000,000	1,431,200	1,429,606	715,600	5	2,830,190	167,854	1,109,876	8,814,410	11,118,434	....
20 Sterling Bank of Canada	3,000,000	1,266,600	1,215,817	300,000	6	1,149,970	470,330	78,003	4,457,619	7,030,437	....
21 Weyburn Security Bank	1,000,000	643,200	385,920	175,000	5	350,035	106,766	12,943	1,495,581	1,251,802	....
Total	189,866,666	112,095,066	111,713,047	114,163,908	....	176,369,296	69,419,615	20,754,135	569,266,642	908,822,988	183,222,302

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin			Dominion Notes			Deposit with Minister of Finance for security of note circulation	Deposit in central gold reserves	Notes of other banks	Cheques on other banks	Loans to other bks. in Canada, secured, including bills rediscounted	Dep'sits made with and bal. due from other banks in Canada	Due from banks and banking corres-pond'ts in the United King.	Due from bks. and banking corres-pond'nts elsewhere than in Canada and U.K
	In Canada	Elsewhere	Total	In Canada	Elsewhere	Total								
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
1 Bank of Montreal	17,010,745	3,549,735	20,560,481	54,304,750	18,223	54,322,973	790,000	12,000,000	1,776,489	11,939,883	......	....	3,506,959	5,777,714
2 Bank of Nova Scotia	7,835,467	1,877,758	9,713,225	6,650,612	3,603	6,654,215	321,015	6,500,000	2,138,983	4,318,540	....	....	2,125,971	2,533,520
3 Bank of Brit. North America	821,843	226,352	1,048,195	5,516,658	170	5,516,828	245,822	2,220,000	323,810	2,414,928	....	22,829	129,224	1,152,906
4 Bank of Toronto	964,028	....	964,028	8,481,623	....	8,481,623	262,273	1,000,000	501,300	2,583 753	......	....	....	1,958,826
5 The Molsons Bank	564,896	....	564,896	3,431,682	....	3,431,682	217,000	1,500,000	334,814	1,936,427	......	24,374	132,386	1,745,787
6 Banque Nationale	280,442	1,049	281,492	1,627,032	....	1,627,032	100,000	1,600,000	352,810	1,055,050	....	....	7,199	744,114
7 Merchants Bank of Canada	3,906,428	1,003,397	4,909,825	5,854,634	....	5,854,634	355,000	5,500,000	715,564	4,044,377	....	3,782	45,621	1,168,076
8 Banque Provinciale du Canada	116,322	....	116,322	266,099	....	266,099	64,334	....	302,496	953,565	....	1,590,459	20,857	53,692
9 Union Bank of Canada	982,784	12,371	995,155	11,087,913	....	11,087,913	260,000	5,500,000	489,374	2,517,468	......	53,348	2,419,064	1,571,658
10 Canadian Bank of Commerce	9,433,670	9,538,327	18,971,998	13,679,956	16,546	13,696,503	831,173	9,000,000	2,046,055	8,918,749	....	2 841	455,389	6 893,145
11 Royal Bank of Canada	3,853,916	9,320,718	13,174 635	20,980,719	2,560	20,983,279	645,585	18,000,000	6,321,927	12,771,865	....	229,781	572,136	10,977,921
12 Dominion Bank	1,953,128	102	1,953,231	10,500,333	....	10,500,333	304,500	4,300,000	857,880	4,011,828	....	9,181	151,522	2,169,723
13 Bank of Hamilton	901,257	....	901,257	6,024,951	....	6,024,951	157,000	2,500,000	389,297	1,846,132	....	338,559	497,427	562,175
14 Standard Bank of Canada	1,436,049	....	1,436,049	5,070,608	....	5,070,608	175,000	2,500,000	305,494	2,248,032	....	....	151,358	853,876
15 Banque d'Hochelaga	400,387	....	400,387	2,019,046	....	2,019,046	200,000	1,700,000	564,173	1,373,995	....	592,854	16,917	711,138
16 Bank of Ottawa	1,038,033	....	1,038,033	2,766,178	....	2,766,178	210,000	1,550,000	340,865	1,772,636	....	1,141,336	318,935	1,532,586
17 Imperial Bank of Canada	2,582,443	....	2,582,443	12,005,056	....	12,005,056	372,449	3,000,000	833,219	3,399,998	....	590,792	442,412	4,625,205
18 Home Bank of Canada	129,228	....	129,228	1 055,215	....	1,055,215	105,000	....	137,685	446,538	....	111,574	35,302	182,173
19 Northern Crown Bank	181,819	....	181,819	922,960	....	922,960	75,500	1,400,000	180,758	1,157,751	....	161,646	44,367	291,640
20 Sterling Bank of Canada	63,209	....	63,209	1,245,299	....	1,245,299	62,994	....	147,105	484,903	....	5,000	36,201	276,082
21 Weyburn Security Bank	18,034	....	18,034	168,699	....	168,699	17,705	....	25,410	8,871	....	959,197	....	164,685
Total	54,474,128	25,529,809	80,003,942	173,660,023	41,102	173,701,126	5,772,350	74,770,000	19,082,508	70,205,289	....	5,837,553	11,109,247	45,946,642

Of the deposit in Central Gold Reserves $18,210,000 is in gold coin: the balance is in Dominion Notes.

ago. Call loans were slightly higher than in January and about $2,000,000 less than a year ago.

The following table shows the course of principal loan accounts during recent years:—

Feb.	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
1913 ..	$882,112,726	$ 37,673,798	$71,286,799	$ 95,229,407
1914 ..	811,711,219	56,052,837	71,374,602	141,143,442
1915 ..	771,635,208	43,661,379	67,591,769	89,890,982
1916 ..	760,873,181	56,099,719	81,949,125	139,138,651
1917 ..	813,302,717	86,944,450	78,786,535	162,344,556
1918 ..	859,363,147	109,678,140	76,722,163	160,239,494

Current loans in Canada were higher in February than in any of the past five. In February, 1913, however, they stood at $882,000,000 as compared with $859,000,000 in February last. Current loans elsewhere, according to the latest returns, are higher than any similar period during the past six years. Call loans in Canada do not fluctuate considerably.

The following table shows the call loans abroad in February as compared with previous returns:—

	1915.	1916.	1917.	1918.
January .	$ 85,796,641	$134,248,552	$155,747,476	$132,687,066
February	89,890,982	139,138,651	162,344,556	160,239,494
March ..	101,938,685	141,889,989	161,616,735	....
April ...	121,522,971	147,146,443	159,156,054	....
May	136,098,835	163,400,659	168,692,675	....
June ...	124,604,875	182,757,015	159,309,133	....
July	117,821,174	177,121,733	151,875,676	....

Dominion Government---Feb., 1918

LIABILITIES

Loans from other banks in Canada secured, including bills re-discounted	Deposits made by and balances due to otherhanks in Canada	Due to banks and banking correspondents in the United Kingdom	Due to banks and banking correspondents elsewhere than in Canada or the U.K.	Bills payable	Acceptances under letters of credit	Liabilities not included under foregoing heads	Balances due to the Imperial Government	Total Liabilities	Aggregate amount of loans to directors, and firms of which they are partners	Average amount of current gold and subsidiary coin held during the month	Average amount of Dominion Notes held during the month	Greatest amount of notes in circulation at any time during the month	
$	$	$	$	$	$	$	$	$	$	$	$	$	
....	3,357,165	....	474,424	831,694	2,097,880	2,305,101	....	368,163,925	506,755	30,053,758	57,126,193	27,746,668	1
....	380,531	158,787	1,087,830	....	616,261	4,263	....	110,917,347	630,085	9,648,651	6,864,943	11,907,097	2
....	138	68,836	888,029	1,045,481	2,258,393	4,635,941	....	65,327,202	....	1,311,224	7,501,327	5,745,977	3
....	364,189	127,353	554,831	....	515,824	139,084	....	68,837,825	231,974	962,075	8,319,210	8,232,600	4
....	143,360	57,013	179,909	....	1,135,975	83,282	....	57,097,050	437,427	555,925	4,257,074	8,081,508	5
....	937	....	3,135	....	38,572	....	....	35,296,172	598,366	273,471	1,684,271	3,824,805	6
....	719,395	17,278	1,141,584	....	744,783	4,810	....	116,176,049	716,761	5,854,694	10,480,309	12,430,333	7
....	706	....	....	....	....	235,373	....	18,301,115	....	108,547	234,588	1,162,553	8
....	283,782	187,398	414,795	95,580	2,117,342	120,632	....	119,877,972	692,507	1,513,394	12,236,197	10,026,862	9
....	100,523	1,526,935	8,722,698	236,164	3,706,820	378,336	....	288,536,786	953,322	21,932,000	21,521,000	23,469,696	10
....	326,471	204,235	6,515,285	450,227	6,170,649	394,399	....	300,994,882	432,890	13,468,536	20,889,170	26,024,562	11
....	710,083	65	1,254,392	198,120	232,050	340,699	....	89,479,772	506,432	1,946,000	11,150,000	8,342,657	12
....	44,154	988	1,131,407	....	194,917	....	....	59,918,559	437,199	884,393	3,377,160	5,389,586	13
....	1,108,655	290,468	848,802	....	130,240	....	....	61,358,457	190,736	1,468,525	7,540,325	5,918,693	14
....	....	36,509	400,436	....	58,822	....	....	40,023,815	146,940	386,015	1,891,559	3,822,877	15
....	12,843	7,132	253,977	....	21,441	97,408	....	52,638,420	369,970	1,028,134	2,618,576	5,623,080	16
....	64,166	1,109	622,438	....	81,600	....	....	83,363,149	263,671	2,579,891	11,336,605	9,694,367	17
....	1,497	71,250	603,772	....	....	....	....	18,148,748	211,182	129,140	900,010	1,902,350	18
....	4,208	....	10,355	....	717	82,607	....	24,138,853	407,353	183,752	1,228,551	2,830,190	19
....	198,834	....	....	....	2,227	7,769	....	13,395,192	369,099	61,854	901,079	1,151,990	20
....	....	....	....	....	....	27,019	....	3,244,149	21,689	18,710	168,959	367,095	21
....	7,821,835	2,753,356	24,966,099	2,857,266	20,124,513	8,856,723	....	1,995,234,839	8,124,358	94,366,989	192,207,106	181,695,542	

ASSETS

Domin'n Government and Provincial Government securities	Can. municipal securities, and Brit., foreign and colonial public securit's other than Can.	Railway and other bonds, debentures and stocks	Call and short loans in Canada on st'cks debentures and bonds (not exceeding 30 days)	Call and short loans elsewhere than in Canada (not exceeding 30 days)	Other current loans and discounts in Canada	Other current loans and disco'nts elsewhere than in Canada	Loans to the Government of Canada	Loans to Provincial Governments	Loans to cities, towns, municipalities and school districts	Overdue debts	Real estate other than bank premises	Mortgages on real estate sold by the bank	Bank premises at not more than cost, less amounts (if any) written off	Liabilities of customers under letters of credit as per contra	Other assets not included under the foregoing heads	Total Assets	
$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
11,139,862	41,926,496	12,656,876	....	95,349,731	100,199,378	9,640,359	....	1,065,704	15,308,172	414,978	55,248	57,344	4,000,000	2,097,880	3,987	404,590,522	1
5,741,817	14,087,116	3,710,886	4,190,096	11,857,067	44,935,270	6,114,918	....	69,698	1,510,885	201,591	89,600	2,687	2,996,517	816,261	67,102	130,496,968	2
2,750,000	9 442,334	125,031	2,743,850	2,615,988	28,252,858	9,518,987	....	5,668	2,232,593	448,099	32,029	7,485	2,410,975	2,258,393	282,373	76,199,005	3
4,781,504	9,386 310	845,507	4,293,337	1,000,000	39,183,050	....	....	....	1,472,275	230,293	....	....	3,510,884	515,824	....	80,970,794	4
3,588,123	8,488,218	1,041,147	4,304,606	....	33,788,595	....	....	....	1,503,911	53,490	96,337	4,787	2,307,735	1,135,975	250,728	66,451,027	5
4,347,000	1,426,485	1,049,685	2,290,997	....	22,189,666	250,000	....	....	561,573	39,069	393,584	211,699	1,197,736	38,572	61,685	39,825,456	6
6,502,507	13,483,992	3,981,497	4,746,255	3,555,760	87,784,602	298,596	....	675,350	1,288,828	261,205	314,291	256,965	4,917,568	744,783	89,430	131,496,518	7
875,843	3 158,608	1,298,634	3,107,680	....	7,378,119	....	....	....	305,629	91,296	153,173	19,675	331 968	....	206,646	20,095,105	8
5,421,344	23,782,575	2,933,212	6,501,905	4,267,666	50,826,138	4,286,466	....	520,987	1,549,923	325,887	375,078	96,017	1,128,731	2,117,342	56,290	129,063,539	9
14,856,292	26,237,720	6,120,993	14,626,112	21,055,249	138,521,130	19,470,169	....	3,201,680	3,427,037	220,060	1,134,834	208,408	5,117,353	3,706,820	99,166	318 918,886	10
12,165,469	24,136,290	14,190,817	11,205,099	16 302,889	95,741,914	59,406,999	....	421,678	2,954,186	488,107	1,092,107	....	8,509,722	6,170,649	126,925	329,569 990	11
5,414,812	11,859,016	3,348,527	5,193,658	2,835,144	44,281,510	85,237	....	....	296,698	154,376	23,493	23,541	5,327,349	232,050	....	103 333,616	12
3,295,775	7,541,280	674 841	3,487,456	1,400,000	31,321,340	575,196	....	249,577	1,563,280	175,512	407,628	50,920	2,145,455	194,917	241,689	66,541,680	13
3,483,591	7,415,399	894,017	2,332,059	....	40,442,622	....	....	....	302,137	244,694	18,836	1,185	1,327,819	130,240	52,092	69,585,114	14
2,764,447	6,173,189	251,618	1,867,408	....	23,809,209	....	....	....	2,192,981	308,235	548,721	125,784	2,127,609	58,822	407,087	48,213,632	15
7,572,050	13,355,922	595,346	1,944,962	....	23,854,353	....	....	....	1,555,942	320,821	209,393	43,273	1,814,423	21,441	103,661	62,063,166	16
5,371,705	12,558,106	893,269	2,457,729	....	40,099,692	....	....	519,851	4,822,189	382,160	408,330	511,672	3,030,135	81,600	71,668	99,056,689	17
2,900,608	1,369,385	790,815	966,673	....	10,988,387	31,213	....	....	272,226	58,645	75,240	72,817	872,370	....	30,430	20 631,330	18
8,210,371	2,829,104	1,424,743	272,575	....	8,448,359	....	....	....	143,045	148,384	79,389	83,355	354,756	717	93,673	26,504,922	19
2,307,406	3,120,896	614,232	189,706	....	6,076,720	....	....	....	45,286	14,182	....	....	304,059	2,227	146,360	15,141,873	20
335,000	478,039	16,900	....	....	1,240,435	....	....	....	28,832	62,325	16,810	7,486	163,968	....	53,343	3,765,746	21
113725526	242256480	57,459,593	76,722,163	160,239 494	859,363,147	109 678140	....	6,730,193	43,535,628	4,641,439	5,524,121	1,784,900	51,897,132	20,124,513	2,444,305	2,242,555,598	

T. C. BOVILLE, *Deputy Minister of Finance.*

	1915.	1916.	1917.	1918.
August ..	$120,607,677	$171,380,353	$176,610,625	....
September	135,108,412	173,877,586	166,480,004	....
October .	120,681,624	189,346,216	151,018,747	....
November	135,530,562	183,250,389	139,832,552	....
December	137,157,869	173,878,134	134,483,482	....

There was an increase of $27,500,000 in call loans abroad in February. This is an indication that the banks have begun to rebuild the external reserve drawn on to finance the crop movement of last autumn.

Prices on ore, coke, steel and steel products, recommended previously by the price-fixing committee of the war industrial board, subject to revision on April 1st, were ordered by President Wilson to be continued in effect until July 1st.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended March 29th, 1918:—

Buffalo Mine, 110,000; Coniagas Mine, 88,000; O'Brien Mine, 64,900; McKinley-Darragh-Savage Mine, 236,289; La Rose Mines, 181,657; total, 630,846.

The total shipments since January 1st, 1918, now amount to 4,265,904.8 pounds, or 2,132.5 tons.

World's available supply of wheat decreased 7,781,000 bushels in February, compared with 15,126,000 bushels in January, and 20,397,000 bushels last year. The reduction in North America was offset to some extent by an estimated increase in the amount in store and afloat for the United Kingdom.

TORONTO'S FINANCIAL POSITION

Draft Estimates of the City's Expenditure and Debt—Will Take Up $2,740,864 Maturing Debentures

The following extracts are taken from a report prepared by Finance Commissioner Bradshaw, and submitted by the Board of Control to the city council, April 4th.

The gross funded debt of Toronto on December 31st, 1917, amounted to $100,323,433. After, however, deducting the sinking fund accumulated for its redemption—$24,427,757—it left the net funded debt at $75,895,676, or $1,227,102 more than it was at the close of 1916.

While the debt is large, there must not be overlooked the value in service or use of public buildings, parks, schools, fire halls, highways, drainage and sanitation facilities, national exhibition buildings, waterworks and hydro-electric systems, civic car lines, etc. These permanent assets are valued and carried in the city's balance sheet at $100,042,539.

Unnegotiated Debentures.

While it has been stated that the existing gross funded debt is $100,323,433, it is borne in mind that this amount does not include the $6,893,103 of unnegotiated debentures. When these have been sold the figures will have reached the amount of $107,216,536.

The last public offering of the city's debentures was made in November, 1916, when $2,594,000 were sold at such a price that the money only cost the city 5.09 per cent. Since that time, there has been no favorable opportunity to effect sales. The several provincial governments and municipalities which have recently obtained loans, have to pay rates of interest varying from 6 1-10 per cent. to 7½ per cent. Rather than sacrifice the city's debentures by selling them on such terms, and obligating the taxpayers in heavy interest charges for many years in the future, it has been deemed desirable to carry them and await a more favorable time for negotiation.

Debentures Maturing.

This year the city will be called upon to take up and redeem $2,740,864 of maturing debentures. Due provision has been made to retire these.

During the period 1918-1929, the aggregate of the city's debentures falling due amounts to practically 45 millions, and it must be reassuring to know that if the same principles which are now in operation are continued, moneys will be automatically available for the orderly and prompt retirement of these debts, as well as for the balance of the city's debt.

The amounts to be retired yearly between now and 1929 are as follows:—

1918	$2,740,683.65	1924	$3,348,634.79
1919	3,154,938.25	1925	6,206,021.94
1920	3,619,652.67	1926	5,979,028.95
1921	4,213,930.03	1927	858,807.51
1922	2,293,395.93	1928	998,586.27
1923	2,252,197.68	1929	9,292,036.75
Total			$44,957,914.42

Debt Charges.

The total debt charges for the year 1918 amount to $8,898,976, of which $4,577,107 is for interest, and $4,321,869 for repayment of principal. The following are wholly provided for, and therefore are not a charge upon the civic revenue:—

Toronto hydro-electric system—debt charges	$ 513,022.43
Ratepayers' share of local improvement debt charges which are paid by those whose properties are specially benefited by the local improvements	1,905.999.09
Total	$2,419,021.52

Deducting these two amounts, there is left $6,479.954, to be provided out of current revenue. This requires 26.94 per cent. of the whole. The corresponding debt charges for 1917, and which were a charge upon the revenue of that year, amounted to $6,704,766. The reduction this year is due to the elimination of debt charges on debentures which have matured, and to adjustments made in debt charges on unnegotiated securities.

The burden entailed by these charges cannot be lightly regarded. They are responsible for a substantial portion of the tax rate. As the years proceed, and if there is a steadfast resolve not to incur fresh debts, gradual relief will be obtained through the retirement of maturing debts.

Estimated Expenditures.

The total expenditures to be provided by taxation and other revenue, amount to $24,046,653.09, compared with actual expenditure of $18,627,740.95 in 1917, an increase of $5,418,912.14, or 29 per cent. War expenditure is accountable for a substantial portion of this increase.

It has been customary to divide expenditures into two broad groups, those which are controllable by council, and those which are uncontrollable. It is not always possible to determine with exactness the division which each expenditure or group of expenditures should be placed in, but the following statement substantially exhibits the correct classification. It will be noticed that war expenditure is classified by itself. It also gives a comparison of the actual expenditures of 1917, with those estimated for 1918.

The following is a comparison of estimated expenditure, 1918, with actual expenditure, 1917:—

Department or Service	1918		1917		Increase	Decrease
	Estimated Expenditure	Per cent. of whole	Actual Expenditure	Per cent. of whole		
Controllable						
Court of Revision	4,800 00	03	4,800 00	03	....	....
City Relief Office	8,928 00	04	7,330 00	04	1,598 00	....
Special Grants	9,480 00	04	47,988 00	26	....	38,508 00
Auditor's Department	16,200 00	06	16,704 00	.09	....	504 00
Cattle Market	18,224 00	07	16,349 00	09	1,875 00	....
City Council	36,582 00	15	33,766 00	18	2,816 00	....
Law Department	43,512 00	17	39,995 00	21	3,517 00	....
Architect's Department	62,710 00	26	61,448 00	33	1,262 00	....
Social Service Commission	91,598 00	40	84,376 00	45	7,222 00	....
City Clerk's Department	94,469 00	39	90,313 00	49	4,156 00	....
Miscellaneous	112,298 00	46	45,714 00	25	66,584 00	....
City Abattoir	115,992 00	47	108,196 00	58	7,796 00	....
Assessment Department	120.270 00	50	119,601 00	64	669 00	....
War Bonuses	238,515 00	99	....		238,515 00	....
Park's Department	383,303 00	1 60	404,431 00	2 18	....	21,128 00
Treasurer's Department	443,173 00	1 84	430,015 00	2.31	13,158 00	....
Property Department	771,806 00	3 21	804,661 00	4.32	....	32,855 00
Street Cleaning Department	877,000 00	3.60	888,917 00	4 77	....	11,917 00
Fire Department	1,340,627 00	5.57	1,328.511 00	7.13	12,116 00	....
Works Department	1,882,401 00	7 81	1,523,347 00	8 18	359,054 00	....
Total Controllable	**$6,671,888 00**	27 66	**$6,056,462 00**	32.53	**$720,338 00**	**$104,912 00**
Uncontrollable						
Grants, Statutory and Fixed	14,800 00	06	9,725 00	05	5,075 00	....
Commission on Claims	15,000 00	05	11,056 00	06	3,944 00	....
Industrial Schools	19,954 00	07	23,065 00	12	....	3,111 00
War Bonuses	64,679 00	23	....		64,679 00	....
Public Library	149,524 00	63	146,086 00	79	3,438 00	....
Separate Schools	217,936 00	90	179,617 00	96	38,319 00	....
Public Health	424,135 00	1 82	395,943 00	2 13	28,192 00	....
Special Works	495,980 00	2.06	....		495,980 00	....
Provincial War Tax	605,728 00	2.60	589,168 00	3 16	16,560 00	....
Public Hospitals	739,523 00	3 19	502,154 00	2.69	237,369 00	....
Administration of Justice	1,151,499 00	4 78	1,087,313 00	5.84	64.186 00	....
*Board of Education	3,226,103 00	13.42	2,919,302 00	15 67	306,801 00	....
Debt Charges	6,479,954 00	26 94	6,704,766 00	36	....	224,812 00
Totl Uncontrollable	**$13,604,815 00**	56 74	**$13,568,195 00**	67.47	**$1,264,543 00**	**$227,923 00**
*War Expenditure	$3.769,952 00	15.60	....	...	$3,769,952 00	....
Grand Total	**$24,046.655 00**	100	**$18,624,657 00**	100.	**$5,754.833 00**	**$332,833 00**

From the foregoing it will be observed that controllable expenditure amounts to $6,671,888, or 27.06 per cent. of the whole, uncontrollable expenditure amounts to $13,604,815, or 56.74 per cent. of the whole, and war expenditure (exclusive of debt charges on war debt) amounts to $3,769,952, or 15.60 per cent. of the whole.

The increase in the "controllable" expenditure for 1918, compared with the actual expenditure in 1917, is $615.426, or 11 per cent. The increase in the "uncontrollable" expenditure for 1918, compared with the actual expenditure in 1917, is $1,036,620, or 8.2 per cent.

The main increases in expenditure are board of education, $306,801; public hospitals, $237,369; provincial war tax, $16,560; war expenditure, $3.769,952; works department, $359,054; miscellaneous, $66,584. The principal decreases are debt charges, $224,812; special grants, $38,508; property department, $32,855; parks department, $21,128; and street cleaning department, $11,917.

Mr. Henry J. Fuller, vice-president of Fairbanks, Morse and Company, and president of the Canadian Fairbanks-Morse Company, Limited, has been elected a director of the Liberty National Bank of New York City.

Monetary Times

Trade Review and Insurance Chronicle
of Canada

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FINANCING THE SMALL FARMER

Attention for some weeks past has been centered upon the problem of greater production in Canada. The war has reached the stage wherein victory appears to rest as much upon economic power as upon actual fighting, since our armies in the field have proved their ability to hold the enemy. There are those who scoff at the so-called outworn theory of economic reserves determining the fate of Europe and the whole world; but it is sufficiently evident that reserves of men, money and materials will decide the issues upon which hangs the fate of the Allies and the value and future development of western civilization.

Canada has done magnificently in an economic way since the outbreak of hostilities in August, 1914. At the outset, reeling under the shock of war, the economic activities of the nation were thrown into confusion; but with astonishing rapidity, all facts in the situation considered, the industrial strength of the country gathered headway and put the economic life of Canada on a firm foundation. The Dominion has never before in its history experienced such feverish activity in manufacturing, agriculture, trade and commerce. Notwithstanding the wastes of war, much has been accomplished, substantial progress made, and our economic life rehabilitated. It remains to preserve the fruits of this enterprise in the days of readjustment that are sure to come.

In no particular, and in no direction, is this so important as in agriculture. It must never be forgotten that basically the prosperity and well-being of the Dominion depend upon agriculture, and the success with which our farmers meet in the production of the staple crops. It is doubly essential, then, that the importance of the work being undertaken under the direction of the Hon. Charles Dunning and those associated with him in the campaign for greater agricultural output, shall not be overlooked. Last year it is estimated that the agricultural products of Canada amounted, in sum total, to the astonishing figure of $1,000,000,000—a truly remarkable achievement in view of the difficulties under which the agricultural community has labored with respect to labor supply and the material means of equipment for carrying on its work.

After the conclusion of hostilities it will be almost as essential as it is at the present time to increase the country's agricultural output. It will be mainly through the exportable surplus of foodstuffs and animal products that our favorable balance of trade will be maintained. The great cash crop of the prairie provinces, wheat, will thereupon take on a new significance. It will be recalled that only a decade ago certain eastern investigators placed a low limit upon the amount of wheat that could be economically produced in the West, and upon the limits of the European consuming market as well. The question was raised as to where the market could be found in the world for the wheat output that westerners confidently predicted would materialize in the immediate future. We were told there were definite limits to the United Kingdom's consumption of our wheat; that although there was a growing market in Germany and Holland and the Scandinavian countries, the output of Hungary, the Ukraine and Siberia would gradually occupy the whole field, because of lower labor costs, proximity to the market, and other reasons. We now know that there will be actual world hunger after the signing of peace and for several years thereafter; that it will be necessary to apportion supplies of foodstuffs among the European nations; and that co-operation must, perforce, be the order of the day, if western civilization is not to go down in irretrievable ruin. This will be Canada's opportunity. Not only has it been established that wheat can be successfully grown far north of Prince Albert, in Saskatchewan, and well to the north of Edmonton in the Peace River District, but that the available acreage in that vast, fertile belt in the southern sections of the prairie provinces has been hardly scratched. Canada's soldiers have made the name "Canadian" honored throughout the whole world, and have added to it imperishable glory. It is high time that the pessimists ceased their lugubrious plaints of what is to occur to this nation, in the way of economic collapse, after the war.

Optimism, nevertheless, gives no excuse for lack of thorough preparation to develop our economic and agricultural resources here and now. Public-spirited citizens, men of wealth in the State of New York, have within the last year given us a lesson of what may be accomplished, by thorough organization, in protecting and developing the interests of the farmer. The facts in this interesting story are presented in the February 28th issue of "Printer's Ink." An agricultural society was formed to conduct a great drive for greater production, and to assist farmers in the State to purchase the necessary equipment, both of machinery and seeds and livestock, to achieve better results. During 1917 a publicity campaign was carried through to impress upon farmers the vital importance of increasing their crop acreage as well as their holdings of sheep and swine. Mr. H. H. Charles had charge of the publicity end of the campaign, and covered the State with a shower of bulletins on "A Million Bushels of Wheat," "Save the Barnyard Manure—$28,000,000 Annually Wasted in New York State Alone," "Raise the Heifers," and so forth. The results achieved, and the interest aroused, were astonishing.

It was realized full well that many tenants and hundreds of small farmers were powerless to increase their output of foodstuffs and animals without the help of credit facilities. A number of wealthy men combined to furnish the capital, raising up to date a sum of $250,000. This fund was made available to the farming community through the co-operation of 255 banks, which acted as general agents. The most vital factor in the success of the whole scheme was the acceptance of character, and proved capacity for hard work on the part of applicants for a loan, in lieu of the usual collateral. Applications were received through local committees—500 in number—composed of two local representatives of farmers' organizations, and the local banker. The prospective borrower made out his application in duplicate, stating in detail the exact object for which he desired the loan. On receiving the approval of the local committee, the borrower thereupon presented his note with attached application blank at the local bank, which advanced the face of the note, and protected itself by drawing upon the fund for an equal amount. No endorsement whatever was demanded for the note.

During 1917, more than 4,000 such loans were negotiated; and it is conservatively estimated that an increased acreage of about 40,000 acres was secured. It is interesting to learn that when the bulk of the loans matured on December 1st, 1917, 80 per cent. of them were paid promptly, 15 per cent. renewed, and 5 per cent. carried over until the crops were marketed. For the present year, 1918, attention is centered to a greater degree on an increased production of swine and sheep—$100 being lent to any one applicant for the purchase of swine, and $300 for sheep. The loans are made payable six months from date, with the privilege of one renewal for a like period; and the interest rate is 6 per cent. per annum. On making application, the farmer must give a complete account of his economic status; the kind of farming carried on; the amount of insurance carried; the number of head of stock of various kinds owned; the number of head to be purchased, and so forth. It is confidently expected that even greater results from this patriotic effort to increase production will be secured this year.

In Canada, aside from the chartered banks, little or nothing has been attempted in this direction. True, the prairie provinces have in the last year or two enacted legislation providing for cheaper money for the agricultural community, but no great progress has as yet been made, owing to the condition of the money markets. Mr. Vere-Brown, manager of the Canadian Bank of Commerce, Winnipeg, has done exceptional work in aiding boys' and girls' clubs in Manitoba in the greater production of livestock. Under certain conditions, simple and easy in nature, the boy or girl can obtain funds for the purchase of young livestock to be marketed within a definite period. This kind of work should be pushed by the banks, and public-spirited citizens, everywhere among the agricultural community in the whole of Canada.

VICTORY BONDS

On June 1st the first half-yearly instalment of interest on about $500,000,000 Victory Bonds of Canada will become due. The amount will be approximately $13,750,000, being $2.75 interest on every one hundred dollars of bonds. Holders of coupon bonds obtain their interest money from any bank in the country simply by presenting their coupons. Holders of registered bonds are sent cheques for their interest by the department of finance, Ottawa.

Thereafter every six months over 820,000 Canadian citizens will receive interest money on their Victory Loan bonds from the Dominion government. This will create a closer and more direct association of these citizens with their government, and the effect of this association will be of great value to these citizens and of great value to the nation in making them more personally interested in their government and more active and alert in the exercise of their duties and rights as citizens. Every Victory bondholder will be an active champion of wise and economic legislation and administration.

The Victory Loan is not only a great financial transaction, it is a great national force, a great national bond between the bondholders and their country, a great influence for better government and better citizenship. There are still a few Victory bonds available for those who did not purchase last fall and for those who desire to increase their holdings.

THE ECONOMIC FUTURE OF JAPAN

The Allies, as despatches from Washington and London indicate, do not appear over enthusiastic upon the proposed occupation of Vladivostok and its adjacent territory by the Japanese army. In fact, ultra-radical journals, such as the London "Nation" and the New York "New Republic," are quite frank in declaring that Japan is utterly selfish and indulging in schemes of national aggrandizement in the projected expedition to Russian Asia.

The "New Republic" goes farther, and charges Japan with imperialistic designs the full realization of which would demand the occupation of Vladivostok, the Ussuri region as a hinterland, and the northern half of the Island of Saghalien. The Ussuri region is bounded on the north by the Amur River, on the south by Korea and on the west by Manchuria. It was to tap this district and find easy access to Vladivostok that Russia was compelled to build a railway through Manchuria; thus coming into contact with Japan, which had marked out not only Korea but Manchuria as well, ultimately, as possessions of her own.

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THE MANAGER, BOND DEPARTMENT,
TORONTO

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As the "New Republic" observes, the Ussuri region contains 25,000,000 acres of fertile land, while the Russian half of Saghalien contains 5,000,000. The country tributary to Vladivostok grows no rice, but raises almost all the other crops produced in the temperate zone. It was settled by Cossacks in the early seventies of the last century, and has a population of some 200,000 souls. Both Ussuri and Saghalien—the Russian half—are immensely rich in mineral resources; the island producing coal of the Cardiff type, within easy access of the sea. It is said that no better coal can be found elsewhere on the Pacific Ocean. The Australian grade is of good quality but lies far inland, while the Vancouver and Alaskan deposits are inferior. Of the coal produced in Japan, 40 per cent. is volatile. Besides, Japan has little or no iron ore, while Saghalien and the Ussuri region are very rich in lead, zinc, low-grade oils and natural gas, as well as iron ores. The possession of these two districts would give Japan the key to industrial supremacy on the Pacific.

It appears to us that nothing in Japan's actions during the course of the war lends the slightest color to the charges made. Political possession of the districts mentioned does not by any means carry with it economic monopoly. Whether Japan seizes this territory or not, it is perfectly obvious that she will, in the future, make good her claim to its peaceful penetration. The day has gone by when any nation can follow a discredited colonial system, under which unsettled territory or undeveloped races can be regarded as private possessions to be exploited for selfish advantage. If Japan remains faithful to her Allies, the United Kingdom and the United States will take care that she shall have the fullest opportunity for complete economic development in her own special sphere of influence. Whether under the direction of Russia, or the driving power of the alert Japanese, this wonderful treasure-house of natural resources must be opened up and developed for the economic welfare of humanity.

NOVA SCOTIA STEEL & COAL COMPANY, LIMITED

The seventeenth annual meeting of the Nova Scotia Steel and Coal Company, Limited, was held last week at New Glasgow, N.S., with the following shareholders present: Colonel Thomas Cantley, Frank H. Crockard, N. B. McKelvie, J. C. McGregor, J. W. Allison, F. Stanfield, J. H. McGregor, Archibald McColl, Captain Colin Fraser, Donald C. St. Clair, R. E. Chambers, W. D. Ross, J. K. Stewart, P. A. McGregor, John W. Fraser, S. T. McCurdy, George Mackay, John A. Gray and C. L. Rood.

Colonel Thomas Cantley, chairman of the board of directors, referred to Hon. James D. McGregor's death and related the many valuable and loyal services which the late Mr. McGregor had rendered the company, particularly in its earlier and less prosperous days. Colonel Cantley suggested that Hon. R. M. McGregor, a son of the late director and member of the government of the province of Nova Scotia, be elected to succeed his father as a member of the board.

Colonel Cantley also requested the election of D. C. Jackling, vice-president and general manager of the Utah Copper Company, to fill the other vacancy on the board. Mr. Jackling is one of the best known mining engineers in the United States, being connected with a great many successful enterprises and at present interested in the management of a group of copper companies said to be producing one-quarter of the American output of copper.

Colonel Cantley proposed that the number of directors be increased from 15 to 16 and that W. Hinckle Smith be elected to the board. Mr. Smith is engaged in mining and is an influential director of William Cramp & Sons, the well-known shipbuilding firm.

These proposals were favorably received by the shareholders and the following board was elected: President, Frank H. Crockard; chairman, Colonel Thomas Cantley; vice-president, W. D. Ross; J. W. Allison, G. S. Campbell, R. E. Chambers, W. H. Chase, D. C. Jackling, J. C. McGregor, R. M. McGregor, N. B. McKelvie, T. S. Rogers, F. W. Ross, W. Hinckle Smith, F. Stanfield and L. C. Webster.

The annual report was presented by the president, Frank H. Crockard, and met with the approval of the shareholders. The financial position of the company was reviewed in *The Monetary Times* for March 8th, 1918.

The character of the products was very substantially changed during the last half of the year 1917. The ordinary commercial products constituted nearly 50 per cent. of the market value, compared with 15 per cent. during the preceding year. This was due to cancellation of contracts covering shell forgings. The company was compelled to adjust itself as quickly as possible to this radically altered condition, and in so doing, found it expedient to intensify the plate mill production. Owing to the large reserves on hand and due to unsatisfactory market and shipping conditions prevailing in 1917, it was found necessary to mine only about one-third of the furnace requirements during the year. In 1915, there were mined 136,731 tons of ore; in 1916, 224,787 tons; and in 1917, 60,375 tons.

President Crockard quoted from a report received from mining engineer Edwin C. Eckel, in which Mr. Eckel refers to the Nova Scotia Steel and Coal Company's ore properties as representing perhaps the most important single iron ore holding in the world, in which, Mr. Eckel says, the coal properties are second only to the ore holdings in tonnage and value. "At the present rate of use," says Mr. Eckel, "the ore and coal would each last for over a thousand years, and at any probable future rate of use they will probably last for several hundred years. Putting the matter on a competitive basis, the Nova Scotia Steel and Coal Company will in all probability be mining iron ore at Wabana for a hundred years after the Lake Superior ore beds have been exhausted, and it may be shipping coal from Sydney mines at a time when Wales and Westphalia alike have become unworkable."

Presenting the report, Mr. Crockard said: "The results obtained at the blast furnace, open hearth furnace and rolling mill have amply demonstrated that the material possessed by the company can be satisfactorily converted into steel products of a superior grade. The manufacture of steel in Cape Breton has virtually just emerged from the pioneer period and compared with other important iron and steel centres, it may be truly said to be in its infancy.

"As in all pioneer work, there were many problems which had to be satisfactorily solved and to-day it may be stated that as a result of these efforts there are no fundamentally serious metallurgical features which will interfere with quantity production. The development of wider markets will come with further diversification of the finished products, which necessarily must be produced by plants possessing all of the economic features characterizing modern mills. In forwarding such plans it would seem desirable to await the re-establishment of normal conditions."

WEEKLY FIRE RECORD

Owing to pressure on our space this week it has been found necessary to defer publication of the Weekly Fire Record until next week.

As a result of the decision of Herman H. Pitts, of Ottawa, not to withhold the 18,300 Toronto Railway proxies in his possession it has been made possible for the directors to pass the by-law increasing the number of directors from seven to nine.

Mr. A. R. Tomlinson, who, since the organization of the Manitoba Farm Loans Association, has been secretary and office superintendent, has resigned, and will take a position in the treasury department of the provincial government. The first ten months' operation of the Manitoba Farm Loans Association show a very satisfactory condition. Loans to over $1,000,000 have been paid out, and there are on hand loans which have been passed by the board amounting to three-quarters of a million.

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NEW BRUNSWICK'S FUEL POSSIBILITIES

Extensive Peat Bogs — Natural Gas, Crude Oil and Hardwood Areas Add to Resources

BY R. E. ARMSTRONG.

The war has awakened the world from many of its fool dreams. Canada has shared in this rude awakening. It has jarred her complacency not a little to learn that there is a limit to the supply of United States anthracite coal that she can obtain and that, if she would keep from heatless days hereafter, she must depend to a greater extent upon her own fuel resources. The Dominion is not without an abundance of such resources, but, like the man power of the country, they require to be enlisted and mobilized and made available for use; and this will take time.

For example, New Brunswick has quite large deposits of bituminous coal and there is a considerable portion of the carboniferous region of the province that is yet unexplored. This coal field has not been developed to the extent it might because householders preferred to use the American anthracite, but with that source of supply shut off they would be compelled to give consideration to the native article. New Brunswick, it is estimated, has about 151,000,000 metric tons of coal in her known fields. In 1916, the coal output of New Brunswick was placed at 137,058 tons, valued at $367,041. With the preparations for increased production that are being made in the Minto and Salmon River coal fields it is likely that the output will be more than doubled this year. The Minto coal has been largely used by the Canadian Pacific Railway Company on their locomotives, and it has also been utilized for steam furnaces,

Hardwood and Natural Gas.

Hardwood offers another source of fuel supply. There are extensive stands of hardwood throughout this province that can be drawn upon. Of late years these hardwood areas have been little used for fuel, their owners finding it more remunerative to cut pulp wood for the United States market and to heat their homes with United States hard coal. If the fuel controller had got busy in time he might have secured quite a large cutting of hardwood fuel this winter by insisting that pulp wood cutters should get out an equal quantity of hardwood with the raw pulp material.

Natural gas and crude oil open up great fuel possibilities. There has been an extensive development in this respect in Albert and Westmoreland counties, but there are many parts of these counties that have not been prospected and that are believed to possess oil shales. In 1916, New Brunswick produced 610,118 thousand cubic feet of gas, valued at $79,628. Its production of crude oil in the same year was 1,345 barrels. Moncton and the territory adjoining are extensive users of this natural gas and oil. Their use could doubtless be extended.

Peat Prospective Fuel.

Peat is another prospective fuel that New Brunswick possesses. Not much study has been given to its possibilities hitherto, about the only development that has taken place being the manufacture of the moss for bedding, upholstering and packing purposes. Even in these respects the development, so far as this province is concerned, did not get beyond the experimental stage.

The late Prof. L. W. Bailey, to whom New Brunswick is indebted for a great deal of information bearing upon its natural resources of mine and forest, in a report published in 1899, says that peat bogs are of common occurrence in New Brunswick and in several places cover large areas. The regions in which they are especially noticeable are the southern portion of Charlotte County, the adjoining portions of St. John County and the district bordering the Gulf of St. Lawrence. They have been made a subject of survey and study by Mr. R. Chalmers and Prof. W. F. Ganong.

A resource map in the Bailey report fixes the location of peat at Musquash, Lepreaux, Pennfield. Richibucto, Tabusintac, Tracadie, Kingston (Kent County), Loggieville, Escuminac, Miscou Island and other North Shore points.

Professor Ganong remarks that there are some 24 peat bogs of fair size scattered from Beaver Harbor to Spruce Lake. The area of the Spruce Lake bog, says the Bailey report, is from 350 to 400 acres, while the depth is sometimes more than 24 feet. The peat moss from these bogs is said to be germicidal and may be used in hospitals. It is also adaptable for packing and bedding materials. The true peat at Spruce Lake forms a layer on the bottom two or three feet thick. The area of the Lepreaux bog is from 300 to 350 acres; of the Seely Cove bog, 250 acres.

Notes Concerning Bogs.

From Mr. Chalmers' report the following notes are taken concerning other bogs in New Brunswick:—

A large peat bog occurs on Miscou Island, covering fully half the entire island. A peat bog, about three miles long and a mile and a half wide, was seen on the east side of Shippegan Island. In the bank the peat is ten feet thick. The neck of land between St. Simon Inlet and Pokemouche Harbor is formed of peat. South of Tracadie River, near Point Barreau, a peat bog borders a lake. An extensive bog occurs on the west side of the mouth of the Tabusintac River, length about three miles, width two miles. On the east side of Point Cheval a bog was seen. A large and interesting peat bog was observed at Point Escuminac, covering an area of six or seven square miles. An extensive peat bog lies on the north side of Kouchibouguac Harbor. Another occurs on the coast about a mile south of the mouth of Kouchibouguacis River, facing the sea. A third occupies part of the peninsula between the estuary of Aldouane and the coast of Northumberland Strait. This bog is large. Two large bogs occur along the Kent Northern Railway, from one to five miles above Kingston.

Mr. Chalmers adds that should peat ever be required for fuel or for any other purpose, there is an almost inexhaustible supply.

Large Amount of Fuel.

It is quite apparent from the above that if the anthracite coal fields of the United States should be closed against New Brunswick she could find a way of supplying herself with a fair measure of heat from within herself, though the home fuel might not be so comfortable or so easily manipulated as the foreign article. The situation, however, emphasizes the necessity for a careful and comprehensive study of our natural resources at the hands of competent investigators. This should be proceeded with at once.

PROPOSED BANKRUPTCY ACT

A special meeting of the Canadian Credit Men's Association was held in the Board of Trade club rooms on March 28th for the purpose of discussing a bankruptcy measure, which it is anticipated will be introduced at the present session of parliament.

The meeting was addressed by the general manager, Mr. Henry Detchon, and Mr. H. P. Grundy, K.C., of Winnipeg, who drafted the act, and submitted it to the Credit Men's Association.

The question of this act came up when the association was first formed and constantly discussed until in 1915 Sir Thomas White was approached in the matter.

In 1917 the Canadian Bar Association drafted an act which was not satisfactory. Mr. Grundy was then asked to draft an act. In September, 1917, the Credit Men's Association asked parliament to introduce the act at the session then being held, but it was held over to come up at the next session which is now being held, and it is anticipated, will go through.

Mr. Grundy based the act upon the English form, the object being to replace in one act the nine assignment acts in Canada. It is needed very much by the business men of Canada, and when passed will aid better than anything else, to build up the business morals of the country.

The customs revenue collected at the port of Montreal in the month of March, 1918, fell $424,266.27 short of the collections in March, 1917, the figures being $3,079,437.67, as against $3,503,703.94. The receipts during the fiscal year 1917-1918, which ended on March 31st, show an increase of $1,574,570.07 over the year 1916-17, totalling $36,492,578.64 and establishing a new port record.

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The Standard Bank of Canada

Quarterly Dividend Notice No. 110

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 30th of April, 1918, and that the same will be payable at the Head Office in this City and at its Branches on and after Wednesday, the 1st day of May, to Shareholders of record of the 20th of April, 1918.

By order of the Board,

C. H. EASSON,
General Manager

Toronto, March 23rd, 1918.

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The Home Bank of Canada

"THE HOME BANK MONTHLY."

The March issue contains the opening pages of "Breckenridge's History of Banking in Canada."

"Toronto's 84th Birthday" presents historic material in a comprehensive form.

Some twenty-five copies of the December issue, containing a sketch of the career of Sir Frank Smith (1822-1901) are available for distribution.

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MUNICIPAL FINANCING

New Conditions Call for New Methods—Regulation of Expenditures is Necessary

During the recent meeting of the Dominion Mortgage and Investment Association held in Toronto and following the presentation of the report of the investments committee, Mr. E. A. Saunders, treasurer of the Canada Life Assurance Company, made the following observations:—

"With the subject fresh in my mind I picked up on my desk a few days ago a poem entitled 'The Calf Path,' by Sam Walter Foss. This poem, I think, is a very appropriate simile for the few remarks I wish to make on this subject." (Mr. Saunders here recited the well-known poem, seven stanzas only of which are here printed).

The trail was taken up next day,
By a lone dog that passed that way,

But still they followed—do not laugh—
The first migrations of that calf,

And through this winding wood-way stalked
Because he wobbled when he walked.

And thus a century and a half
They trod the footsteps of that calf.

And men two centuries and a half
Trod in the footsteps of that calf.

A hundred thousand men were led
By one calf near three centuries dead.

They followed still his crooked way,
And lost one hundred years a day.

"I think it is quite safe to state that the troubles we encounter in our municipal financing arise almost wholly from faulty administration, which I take the liberty of terming 'Calf Path' administration. Our villages and towns have many of them grown into large cities, but we still follow the same form of government that may have proved fairly satisfactory for the smaller places, but is not adaptable to larger centres. Unconsciously in our municipal financing we have followed the migrations of 'the calf, the dog, and the bellwether sheep,' neglecting to straighten out the path as we followed it to meet the requirements of the increased population. Too much is expected of the mayors and aldermen of our many municipalities throughout this great Dominion. They are selected in a haphazard way without any consideration as to their qualifications for the duties that they are called upon to perform. Their term of office may be very short and there is no doubt that many municipalities have lost the services of capable men through the whims of the ratepayers and often political influence. Another serious mistake that has been made is that our government and municipal officers are many of them not sufficiently remunerated for the responsibilities they are called upon to carry, with the result that it is difficult, in fact almost impossible, to secure competent and trained men for these positions. We know from experience what follows recklessness in expenditures in municipal financing, bringing with it large debts for many of our cities and excessive taxation and threatening defaults in meeting maturing obligations, and we might here truly state, quoting again from the 'Calf Path,' 'They followed still his crooked way and lost one hundred years a day.'

"The question arises, what is the remedy? There is no doubt that some drastic action is necessary in order to cope with the situation. The province of Quebec has already set a good example by bringing in legislation which prohibits municipalities from committing acts which affect them adversely in the money market, and the taking over by the province of the management of the sinking funds of municipalities. By those who have made a study of the issuing of municipal debentures it is generally conceded that it is much safer to float debentures in serial issues so that interest and principal payments are met each year, thus relieving municipalities of the necessity of seeking investments for their sinking funds and also removing the temptation of diverting these funds to purposes for which they were not intended. All the larger municipalities should have a permanent, well-paid and trained official who would have general supervision over all matters financial, and also power to direct and regulate expenditures in connection with all public works and utilities. This official should not be elected by the ratepayers, but should be chosen by a competent board and should hold office until it might become necessary to remove him for incompetency or misdemeanor. If this policy were generally followed throughout the Dominion, it would not, I think, be an extravagant statement to make that the results from such administration would have a tendency to considerably lighten the additional burden of taxation which we shall be called upon to carry in connection with war expenditures.

"It is not, Mr. Chairman, I think, out of place in this connection to refer to the good work which is being done by Toronto's financial commissioner, Thos. A. Bradshaw. It is without fear of contradiction I make the statement that Mr. Bradshaw has during his short term of office shown good results in his administration of the financial affairs of the city of Toronto.

"Dalhousie University of Halifax has recently announced that a chair of government and political science has been endowed by Senator and Mrs. Dennis, in memory of their son, Lieut. Eric Reginald Dennis, who fell fighting for the Empire at Vimy Ridge. This, we understand, is the first chair devoted especially to the science of government to be established in any university in Canada. We think this example that has been set by our Nova Scotian friends might well be copied by other Canadian universities, for we must all admit that our experience has taught us the necessity of paying more attention to the education of the younger generation in the science of government.

"Let us have the courage to straighten out our 'Calf Path' and make the much-needed changes in the administration of the finances of our municipalities."

The third Liberty Loan campaign opens in the United States to-morrow. The loan will be for $3,000,000,000, though over subscriptions will be accepted. The rate of interest will be 4¼ per cent., not 4½ per cent., as had been expected earlier.

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MORTGAGE LOANING SITUATION

Outlook in the Prairie Provinces—Government Lending Will Meet Only Fraction of Demand

Under the nom de plume of "Veritas," a correspondent recently wrote to the Manitoba Free Press: "The day of the loan company has gone; the handwriting is on the wall; loans are not needed; the West is reeking in wealth." Reference is then made to the fact that financial statements of lending companies for 1917 show a shrinkage in actual mortgage investments and an increase in cash balances in hand. Commenting upon this statement, in an address to the annual meeting of the Dominion Mortgage and Investments Association at Toronto this week, Mr. S. R. Tarr, editor of Canadian Finance, Winnipeg, said: "While true enough as a temporary condition, this surely is no reason for assuming that the prairie west (which as yet is cropping scarcely more than one-tenth of its arable lands) will never again require to borrow money on a large scale for agricultural development.

"But 'Veritas' is apparently of the view that any recurrence of borrowing demand can be adequately met by government lending; and at rates below those on which loan companies could continue to do business. 'The dawn of the day of cheap money is upon the West,' he says, 'and the full day will soon be at hand.' The proof? 'In Manitoba, already, applications for some $2,000,000 of loans have been received; and in Saskatchewan applications for $7,000,000.' Proof this may be 'of the favor in which the actions of the two governments have been received by the farming community' (or a fraction of it), but not of the ability of provincial governments to meet even this present demand. As to the future's vastly greater needs, it should be kept in mind that, with the country only one-tenth settled, mortgage investments (urban and farm) in the prairie provinces run to $300,000,000. What likelihood is there that provincial government lending (even supplemented by Dominion loans to soldier settlers) can meet all the development needs of the decade following the war?

Fraction of Demand.

"The provincial treasurer of Manitoba has all along stated that he does not expect government-backed lending to meet more than a fraction of the total demand. What he contends it will do is to keep corporations' loan rates at a reduced level, and without reducing their supply. But 'Veritas' is at least clear-sighted enough to see that government lending at below-cost rates must tend to drive the loan companies out of the field. Whereat, nothing daunted, he shouts the louder that: 'The community at large may be congratulated; the loan company will be the only sufferer.' Manitoba's provincial treasurer and 'Veritas,' equally insistent in their advocacy of below-cost government lending, pretty well nullify each other's arguments.

"It is actually happening to-day that loan companies are buying Manitoba provincial bonds with funds repaid to them by farmers who are displacing former loans by new borrowings from the government. The net effect is this: Instead of lending such funds direct to the farmers, the loan companies are themselves lending them to the government through purchase of bonds; the government then turns round and lends money at 6 per cent. to the farmers, although the recent bonds which such loan companies have purchased, average an interest cost of 7½ per cent. to the province. This is surely a roundabout and expensive way of getting loan company funds to the farmer.

Pre-War Mortgage Investments.

"Pre-war mortgage loans (urban and farm) in the three prairie provinces probably amounted to nearly $300,000,000, quite apart from farmers' debts to implement and supply houses secured by mortgage liens. At the close of 1914, mortgage investments on the books of well on to 400 loan, trust and insurance companies alone, aggregated over $275,000,000—and these figures took no account of a very considerable volume of loans held through private financial offices, legal firms, land companies and so forth. In the five years ending with 1914, it is not too much to say that the volume of such loans in the prairie provinces practically doubled, so rapid was the development which passed its most active stage a year or two before the war. The year 1914 (even before there was any hint of a world war), brought a decided lessening in the rapidity of capital inflow from abroad. World-wide and local investment conditions both contributed to the lessening; ill-advised legislation being no insignificant additional factor. In 1914 the increase in mortgage investment in the Middle West was $15,000,000 or under, compared with about $50,000,000 in 1912.

"With the outbreak of war came practically a complete temporary cessation of mortgage loaning. With recovery of confidence in financial circles after the first shock, it was found that loan companies' maturing debentures were being in part satisfactorily renewed, though at increasing rates. Withdrawals of deposits and life companies' outgoings on policy loans did not assume quite the proportions feared. Despite bad crops in some sections, interest payments on the whole bulked up satisfactorily toward the year-end of 1914. So that, as months went on, there was partial resumption of loaning. There was, however, a decidedly lessened demand for new money; at first because of wartime uncertainty and checked immigration, but lately because also of phenomenal financial returns to farmers, which have contributed to repayments in large volume.

As to Legislative Interference.

"On the other hand, moratorial enactments, soldiers' relief measures (good in intent but faulty in detail), and other legislative disabilities, together with high interest rates obtainable both at home and overseas on government and municipal bonds, worked sharply towards restriction of the supply for mortgage lending.

City and Farm Loan Rates.

"While these seemed a tendency toward increased rates in the months following the beginning of war, this did not very generally materialize with regard to first-class mortgage loans based on one-third to two-fifths of conservative valuation on well cultivated farms; and later there has come a tendency to easier rates, notwithstanding increased cost of money to loan companies. City loans generally—and any country loans outside the strictly gilt-edged class—experienced more change in rate. With cessation of building, what may be termed the 'acceptable demand' for city loans fell off sharply. Some slight—but very slight—resumption has taken place for occasional home or business buildings. For these, after careful inspection, funds are now again available at rates ranging but little higher than before the war. Seven to 8 per cent. for residential loans now rules in Winnipeg, and from as low as 6 per cent. up for such few loans as are being made on first-class revenue-bearing business properties. In other western cities the rates tend to run somewhat higher, and in some smaller urban centres with problematical futures, the rate paid to private lenders (for regular loan companies are chary of such) includes a pretty high margin for risk. A similar condition holds, of course, as regards anything approaching the speculative, in Winnipeg itself.

"The somewhat widespread impression that materially higher farm loan rates ruled for a time was partly due to the fact that renewals were made at 8 per cent. of some formerly 7 per cent. Manitoba farm loans. But the 8 per cent. farm loan rate was already coming into effect to a considerable extent in Manitoba before the war, as a result of the 1914 lessening of outside money's inflow, and of a strong sustained demand for loans farther west. Also, the increasing return obtainable from municipal and school debentures helped to stiffen the mortgage rate in 1914 before there was any thought of war. Undoubtedly, the enforcing of Manitoba's moratorium tended to making the higher 8 per cent. rate more general on farm loans in the province, bringing it practically up to what had come to be considered the normal Saskatchewan interest level. Any advance in Saskatchewan rates was to be accounted for solely by the reluctance of conservatively managed institutions to make investments there after the passing of the Dower Act—since amended of its worst features. In Alberta, rates remained at from 8 per cent. up to 9 per cent. in newer or less favored districts.

"During 1916 and 1917 there was a trend to lower rates, farm loans being made at 7½ and 7 per cent. in Manitoba. Since 1915, too there has been an easing off of rates on city loans to the rates already indicated. At the present, further reduction rather than stiffening of rates would certainly be the tendency but for ill-advised legislative and administrative burdens, which add to investment risks and to costs of doing business. Government entrance into the loaning field on a below-cost basis is also tending to the withdrawal of mortgage repayments from the western field altogether, instead of their reinvestment at lower rates. Government action might more effectively, as was lately pointed out by the secretary of the Dominion Mortgage and Investment Association, have helped the farmers generally—now and in years to come—by removing 'the taxes,' confiscatory priorities, and bur-

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densome charges which the legislatures have imposed upon that class of borrower, through the agencies which cater to his credit requirements. The development of the West is being seriously retarded by legislation which obstructs the full flow of credit to its settlers, and which finds its expression in the relatively high prevailing rates of interest. It is noteworthy that farmers have joined with loan companies (through the Joint Committee of Commerce and Agriculture which again met in Regina this month), in urging improved legislative conditions."

Lending Institutions' Mid-West Mortgage Investments.

Year 1914.	Trust companies.	Loan companies.	Life insurance companies.	Other insurance companies.	Total, 1914.
Manitoba	$14,650,000	$ 62,926,219	$23,856,512	$ 9,205,007	$110,639,738
Saskatchewan	16,600,000	58,902,303	28,807,121	4,200,000	108,509,424
Alberta	6,500,000	29,210,084	20,000,000	1,250.000	56,960,084
All Mid-West	$37,750,000	$151,040,606	$72,663,633	$14,655,007	$276,109,246

Year 1916.	Trust companies.	Loan companies.	Life insurance companies.	Other insurance companies.	Total, 1916.
Manitoba	$15,350,000	$ 63,220,128	$25,529,129	$ 9,282,888	$113,382,145
Saskatchewan	16,000,000	54,018,238	27,036,859	5,835,009	102,890,106
Alberta	8,000,000	26,632,780	19,300,000	3,250,000	57,182,780
All Mid-West	$39,350,000	$143,871,146	$71,865,988	$18,367,897	$273,455,031
Estimates for 1917	....	....	....	....	264,000,000

Real estate held by companies is doubtless included in the above to some extent. On the other hand, mortgage holdings of land companies are not included. For Manitoba alone, they amount to something over $3,000,000. Clients' funds are included in figures of trust company investments.

CANADA AND BRITISH WEST INDIES

Increase in Trade Between the Two Countries—Closer Commercial Relations

Closer commercial relations when the war is over between Canada, the British West Indies and contiguous British territory is a subject that is receiving some attention at the present time among upper Canadian manufacturers and shippers, says the bulletin of the St. John Board of Trade.

It is one that has a deep interest for the maritime provinces, as any development in the direction referred to must inevitably lead to increased shipments through the maritime ports of St. John and Halifax, and must also tend to stimulate the manufacturing industries of these lower provinces.

As a result of the operation of the preferential tariff, there has been a slight increase in the trade between Canada and the British West Indies. In the last fiscal year the imports from the West Indies reached a total of $14,239,595, as against $6,354,991 in 1916. Exports from Canada did not show the same ratio of increase, the figures for 1917 being $5,179,083 and for 1916, $4,134,901. It is quite apparent from the above that the manufacturers and shippers of Canada are not getting all out of the trade that they should get, or that they might obtain under improved transportation conditions.

Further Development Ahead.

The Barbados Advocate, in a recent article on the subject, remarked:—

"It cannot be too strongly pointed out that this one market, that of the British West Indies, is comparatively close at hand, is waiting for further development, and possesses these direct advantages that the merchants there are strongly desirous of having more extensive and closer trade relations with us, and that, already, throughout these colonies there are active branches of two leading Canadian banks, ready to assist with information and banking facilities in developing our trade."

These advantages would be futile if they were not linked with such transportation conditions as more frequent and quick steamship services between near Canadian ports and the British West Indies, fast through freight services with Canadian business centres timed to meet the arrival and departure of the steamships, and through freight rates and charges between the West Indies and Montreal and Toronto via a Canadian port and not exceeding those via New York and Boston. There must also be cold storage facilities; cool, ventilated accommodation, especially for fruits, in both steamships and cars, rapid sailings and prompt handling of cargoes.

These results can be obtained by the utilization of the advantages possessed by the Canadian ports of Halifax and St. John. Both possess peculiar advantages. St. John has western connection by two transcontinental lines, the Canadian Pacific Railway and the Canadian Government Railway, Halifax has the latter line of railway. There is practically little difference in the ocean distance between the two maritime ports and the West India Islands. The advantage in this respect is with Halifax, but there is only a difference of twenty-one miles. Against this short ocean advantage, St. John has the advantage of a very much shorter land haul by both transcontinental lines. By the Canadian Pacific Railway the combined rail and ocean mileage from Montreal to Bermuda via St. John is 1,254 miles, while via Halifax and the Canadian Government Railway it is 1,588 miles. In the shipments north of the molasses crop of 1917 a much larger proportion came via St. John, illustrating the advantage that the shorter rail haul to the interior gives to St. John.

Clearly, the two ports must work together in this as well as in other national enterprises involving the use of lower province ports. Concentration of the business thought of Canada upon the whole question is very much needed at the present time, so that when the war is over no time may be lost in putting plans into effect.

LARGE AUTO IMPORTATIONS

According to the department of customs report for the fiscal year 1917, which has been tabled in the Commons at Ottawa, the total importations of automobiles for the fiscal year included 12,037 cars, valued at nearly $8,000,000, or $1 per head for the population of Canada. There was almost as large a sum spent in the importation of parts, but these were largely for the manufacture of new automobiles in Canada—a Canadian industry. If the importation of entire passenger automobiles were prohibited outright, Canada would lose nearly $3,000,000 in duty. The figures for 1917 follow:—

	Value.	Duty.
Passenger automobiles	$7,981,177	$2,790,256
Freight automobiles	423,824	148,338
Motorcycles, etc.	177,621	62,071
Motor vehicles, parts	7,200,017	2,171,723

Jewelry, which is another form of merchandise, whose importation may fall under the ban, paid $326,984 in duty, this being the levy on $966.605 of dutiable goods. Unset diamonds, which are on the free list, accounted for $1,492,418 of importations, as compared with $795,299 in 1916.

Investment of Life Insurance Money

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LENDERS AND BORROWERS

Mr. A. D. Langmuir Discusses Their Relations—Comments Upon Legislation Affecting Loaning

After outlining the organization and the work of the Dominion Mortgage and Investments Association at the annual meeting of the association held in Toronto, Mr. A. D. Langmuir, president, discussed the relations between lenders and borrowers. In his instructive and fair remarks, he stated that as between the lender in mortgage security and the borrower there ought to be established in those provinces where ordinary has been displaced by special legislation, some rule to be followed by our courts and our legislatures under which the borrower should be given consideration and at the same time required to meet his obligations to the extent he is reasonably able to do so. Mr. Langmuir drew attention to an English practice as illustrated by a case recently decided, and which, in a High Court of Justice, the Judge laid down the following rules:—

(a) If the security is sufficient, and if the covenants and conditions of the mortgage deed, other than the covenant to repay the principal moneys have been performed and observed, the mortgagor ought to be given a reasonable time within which to find the money wherewith to pay the debt.

(b) The reasonable time so given may be extended, if, in cases where the interest received is less than 5 per cent., the mortgagor is willing to pay interest at the rate of 5 per cent., and still further extended if, in addition, he is willing to pay over to the mortgagee on account of principal the difference between the net rents received from the mortgaged property and the interest at 5 per cent.

If Security Is Insufficient.

(c) In a like case, if the mortgagor, is in occupation, and the proper occupation rent is in excess of 5 per cent. interest on the debt, he ought to attorn tenant to the mortgagee at the proper occupation rent, and pay to the mortgagee interest at 5 per cent., and the excess of such rent over the 5 per cent. interest on account of capital.

(d) If the security is insufficient, but interest has been paid up to date and the other covenants and conditions in the mortgage deed have been performed and observed, the mortgagee should not be exposed to further loss, and time should be given to the mortgagor on the terms that interest at 5 per cent. is paid, and that the mortgagee may renew the application, if and when further depreciation in the security takes place.

Arrears of Interest.

(e) If the security is insufficient, and there are arrears of interest, but not to a serious amount, the mortgagor should be required to clear off such arrears in addition to complying with the terms set out in (d).

(f) If, in either of the last two cases, the rents of the mortgaged property, or a proper occupation rent therefor, exceed the interest, the mortgagee should be allowed, if he so desire, to appoint a receiver, but in the event of his so doing, in a case falling under (e), the stipulation requiring the mortgagee to pay off the arrears of interest may have to be modified by giving him a reasonable time within which to clear them off.

(g) In cases where there are substantial arrears of interest (say for 12 months or over), or where the covenants to keep down ground rents and other outgoings, or to keep in repair, or insure, have been broken, the mortgagee should not be restrained from exercising his powers in the absence of very special circumstances, unless the mortgagor is prepared to make good all such breaches forthwith, and to continue under conditions similar to those enumerated under (d), (e) and (f).

Are Eminently Fair.

"These rules," said Mr. Langmuir, "are eminently fair and form a guide for practice which the law and our courts should facilitate. I would urge that every effort be made to amend our special legislation in those provinces which have resorted to it so that the principles underlying the rules I have quoted would be given full effect. Under our moratoria, advantage is taken of the private and institutional lender to an outrageous extent, and which involves unnecessary loss. and unnecessary suffering on the part of embarrassed investors.

"Numbers of borrowers have not had the least possible claim for immunity, nor was there any possible advantage to be obtained in delaying the creditors' action by reason of any lapse of time which might result; in fact, the only possible effect has been to increase the claim of the mortgagor, and still further depreciate his security. Relief through the courts has not been obtainable by reason of the construction placed on the wording of these acts, and consequently, there has been no alternative but to possess our souls in patience and await the time when the legislatures should meet again, and try for relief in that direction. All this has caused delay of a most vexatious character. Your committee have given this matter their most careful attention, and have succeeded in obtaining a measure of relief."

Rural Credits.

Mr. Langmuir then referred to the seed grain legislation, stating that complicated as this matter is, no stone is being left unturned to bring about a proper and reasonable adjustment. Referring to rural credits, Mr. Langmuir said:—

"We have a new competitor in the western field of investment in the form of provincial mortgage loans associations. Under reasonable and proper conditions, no objection could be taken to the provincial governments' action in their endeavor to provide cheap money for the farming community. But what do we find to be the facts governing the administration of these credits? That part of our community, who, as a result of war conditions are perhaps to-day the most prosperous in the country, exempt from conscription, exempt from direct war taxation, enjoying returns from the sale of their produce as great as obtained by any other class of business in the country, is constituted a privileged class.

"We find the commission lending them money raised on the general credit of the province, or in the case of Manitoba from funds taken from sources which are entitled to receive higher rates of interest than is being allowed, and loaned to the farmer at 6 per cent.—this at a time when it is well known that the provinces themselves cannot possibly raise money at a cost approximately as low as that rate. There can be no other results but that other classes of people and interests in the province must bear the loss being made in the form of additional taxes and the impairment of the credit of their province.

Loans to Returning Soldiers.

"There is one form of government loan made on terms not fixed in accordance with the existing price of funds, which terms will result in loss to which no serious objection can be taken. I have reference to the Dominion government's proposed plans for the settlement of returned soldiers on land. Loss accruing through this class of loan will be borne by the public at large and will be borne, I trust, ungrudgingly. The men who offered their lives in defence of our liberty are entitled to special treatment. Their service to the country was exceptional and has no equivalent in terms of money. There is no such justification for loans to civilians at the cost of the state. I fear that when such are made, at a time when there is no demand for them either from farmers or other civilians, political favors are suborned at the expense of public credit."

Ontario Legislation.

Mr. Langmuir also commented upon certain legislation of the Ontario government, saying:—

"At the session of the Ontario legislature, just closed, important enactments which affect our institutions, were passed, at the last moment, without your representatives being given an opportunity to consider them. Let me instance the passing in that 'general omnibus,' the statute law amendments act, of a provision giving power to the city of Toronto to impose additional burdens on the backs of borrowers. When the registry act was amended so as to provide additional fees, no objection was offered, as it was quite obvious that growing expenditures necessitated some change, but the city of Toronto has now power to not only collect from mortgage borrowers these additional charges, but a super-tax of one-tenth of 1 per cent. of sums borrowed. It is becoming more and more evident that charges determined by statute which the borrower has to pay, tend to increase. This additional one upon current borrowers is to maintain a building which houses and protects the title of all property owners. Unless the civic authorities can be persuaded of the injustice of this imposition, upon a limited number of the citizens for money that benefits the entire community, this measure will, no doubt. be enforced."

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THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

CANADA PERMANENT
MORTGAGE CORPORATION

Toronto Street - - - - - Toronto

Established 1855

President—W. G. Gooderham.
First Vice-President—W. D. Matthews.
Second Vice-President—R. S. Hudson.
Joint General Managers—R. S. Hudson, John Massey.
Assistant General Manager—George H. Smith.

Paid-up Capital	$6,000,000.00
Reserve Fund (earned)	5,250,000.00
Unappropriated Profits	197,977.41
Capital and Surplus	$11,447,977.41

Deposits Received Debentures Issued

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 Canada

CAPITAL AND UNDIVIDED PROFITS .. $3,750,000

5½% SHORT TERM (3 TO 5 YEARS) DEBENTURES YIELD INVESTORS 5½%

JOHN McCLARY, President A. M. SMART, Manager

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY, EDMONTON, SASKATOON, VANCOUVER, VICTORIA, LONDON, ENG. EDINBURGH, SCOT.

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 51 YONGE ST., TORONTO

Paid-up Capital, $1,250,000 Rest, $800,000 Total Assets, $4,968,953

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY
Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after **1st April, 1918**, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board.

7th March, 1918. WALTER GILLESPIE, Manager.

NEW INCORPORATIONS

Another Large Gold Mining Company Incorporated With Headquarters in Toronto

The largest company incorporated during the past week was: Aetna Gold Mines, Limited (no personal liability), $1,000,000, Toronto, Ontario.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Vernon, B.C.—Mutual Fruit Company, Limited, $50,000.

Hamilton, Ont.—J. F. Mitchell, Limited, $40,000; J. F. Mitchell, H. D. Petrie, H. G. Ogg.

Ottawa, Ont.—T. C. Larose Company, Limited, $40,000; T. C. Larose, M. Carriere, P. A. Carriere.

Sarnia, Ont.—Carter Decorating Company, Limited, $40,000; W. Carter, R. Simpson, M. L. Maxwell.

Trenton, Ont.—Trenton Cooperage Mills, Limited, $100,000; J. M. Bullen, H. Learoyd Steele, A. P. Trail.

Sherbrooke, Que.—The Peerless Jewelry Company, Limited, $100,000; L. A. David, L. P. Crepeau, S. H. Bush.

St. Catharines, Ont.—St. Catharines Taxicabs, Limited, $40,000; F. J. Murphy, F. F. Summers, M. M. Murphy.

Saint Boniface, Man.—Wood, Weiller and McCarthy, Limited, $50,000; G. A. Wood, H. Weiller, L. F. McCarthy.

Marmora, Ont.—Marmora Cheese & Butter Manufacturing Company, Limited, $2,500; J. Hughes, J. I. Wiley, W. K. Long.

Vancouver, B.C.—The Empress Stock Company, Limited, $10,000. Mountain Lumber Company, Limited, $10,000. Sayward Trading and Ranching Company, Limited, $10,000. Kingsley Navigation Company, Limited, $100,000. Trifolium Oleomargarine, Limited, $100,000. Emigrant Mines, Limited (no personal liability), $250,000. Rainier Hotel, Limited, $10,000. Vancouver Handle Company, Limited, $15,000. The Mutual (Vancouver), Limited, $25,000.

Winnipeg, Man.—Manitoba Transport Company, Limited, $100,000; F. G. Warburton, F. Croydon, K. C. Murray. J. L. Elvin, Limited, $20,000; J. L. Elvin, M. P. Elvin, M. Heron. Manitoba Gay Double Tread Tire Company, Limited, $25,000; P. H. Neville, A. H. Gregory, C. G. Locke. North-West Adjustment and Inspection Company, Limited, $30,000; W. J. Wilcox, A. C. Baillie, A. L. Denison. Leitch-Anderson Grain Company, Limited, $200,000; G. C. Leitch, J. G. McKay, E. F. Haffner. Great West Electric Company, Limited, $300,000; S. T. Smith, W. R. Ingram, J. N. Hutchison.

Montreal, Que.—Robinson's Clothes Shops, Limited, $150,000; M. C. Robinson, L. H. Rosenberg, D. G. Dumaresq. Chontales Mines, Limited, $700,000; J. J. Meagher, H. N. Chauvin, J. E. Coulin. J. W. Jacobs, Limited, $100,000; L. Fitch, A. S. Cohen, J. P. Beaupre. Waltham Watch Company, Limited, $500,000; L. A. David, L. P. Crepeau, S. H. Bush. Pulp and Paper Securities, Limited, $50,000; G. W. MacDougall, L. Macfarlane, W. B. Scott. J. M. Fortier, Limited, $400,000; L. A. David, L. P. Crepeau, S. H. Bush. Hall, Dent, Canada, Limited, $250,000; L. A. David, L. P. Crepeau, S. H. Bush. The Consolidated Equipment Company, Limited, $25,000; H. Ewan, J. H. Dunlop, H. B. Laduke. Dominion Lamp Company, Limited, $100,000; P. H. Klein, J. E. Klein, H. B. Irving. The International Exchange Company, Limited, $45,000; J. E. LeBlanc, M. Alexe, A. E. Carrillo. Interocean Transportation Company, Limited, $1,000,000; W. W. Skinner, G. G. Hyde, R. C. Grant. The Merchants Purchasing Association, Limited, $150,000; H. J. Kavanagh, H. Gerin-Lajoie, P. Lacoste. W. & F. P. Currie & Company, Limited, $150,000; A. H. Elder, F. W. Hackett, D. Burley-Smith.

Toronto, Ont.—Aetna Gold Mines, Limited (no personal liability), $1,000,000; S. S. Mills, E. G. Goodwin, P. Home. The J. Bennett Company, Limited, $40,000; W. H. Male, J. Bennett, J. K. Hall. Hercules Rubber Company, Limited, $150,000; J. A. Campbell, J. L. Ross, J. H. Greenberg; Glen Grove Lands, Limited, $150,000; F. J. Dunbar, A. G. Lawrence, F. Strong. National Jobbing and Tailor's Supply Company, Limited, $40,000; W. H. Ford, L. M. Singer, H. Goldstein. York Farms, Limited, $40,000; G. H. Sedgewick, J. Aitchison, N. Caudwell. F. A. Fish Coal Company, Limited, $100,000; M. L. Gordon, C. McKay, W. B. Sturrup. Coulter's, Limited, $100,000; S. A. Coulter, G. S. Hodgson, J. A. MacInnis. Traders' Financial Company, Limited, $40,000; J. E. Day, J. M. Ferguson, J. P. Walsh. Queen Vinegar, Limited, $90,000; E. W. Wright, D. B. Sinclair, J. E. Lovering. Auto Electric Service Company, Limited, $40,000; I. R. Church, G. J. Beattie, R. P. Caulford. Pioneer Collapsible Tubes, Limited, $50,000; A. T. Bonathan, C. W. Toms, H. D. Crossland. British-Canadian Credit Clearing House, Limited, $100,000; G. A. Willis, W. H. Kimpton, W. A. Sadler. T. Ambrose Woods, Limited, $100,000; T. R. Ferguson, J. C. Thomson, H. Ferguson. John Price, Limited, $200,000; G. P. Price, C. H. Price, S. J. Price.

NOVA SCOTIA STEEL BONDS

The Nova Scotia Steel and Coal Company has succeeded in placing through the provincial government $750,000 of its bonds with the Maritime Trust Company. The price was 98, with an option on $250,000 at the same figure. It is the opinion that the trust company will be able to offer them to the public at 6 per cent. Although several other bond houses had originally submitted offers, all but two had subsequently withdrawn. The province had originally asked for bids for either $1,000,000 or $1,500,000 in either 10 or 15-year maturities.

PUBLISH PAYMENTS TO POLICYHOLDERS WEEKLY

Mr. W. J. Packham, the secretary of the Hamilton Life Underwriters' Association, has recently issued the following circular to members of that association:—

"A motion was passed at our last regular meeting to adopt a scheme to ascertain the amount of death claims and maturities paid to the residents of Hamilton weekly. The object is to create a strong selling argument in favor of life insurance, it being the opinion of the association that the prospect, as a rule, thinks too much of the amount he is asked to pay out each year and not enough of the benefits from insurance accruing to others, and which might come to his own family.

"With this end in view, you are asked to communicate with the general manager of your company, with the purpose of securing his co-operation in the matter. The idea is for the general manager to communicate with some one, possibly the president of the local association, who, in turn, will see that the results are published weekly.

"The local managers who were present at our last meeting were unanimous in their support of the scheme. May we look for your hearty co-operation in the matter."

We do not know whether it is the intention of the various local bodies of the Underwriters' Association to adopt a similar practice, but in our opinion they will be well advised, indeed, in doing so. The method is an ingenious one for drawing the attention of the public to the great merits of life insurance, and it is rather strange that it has not been adopted before this. The individual is too apt to regard his insurance payments as an expense, and not be duly appreciative of the protection his dependents are receiving, as well as of the steadily growing investment reserve values of his policies. When he sees the large payments that are being made weekly to beneficiaries in his community, the relative importance of the company's obligation in the contract of insurance will slowly dawn upon him, and the certainty that he or his will one day be among the recipients in those benefits. True, a study of the Government Blue Book will give him even more amassed proof of the benefits conferred upon the whole community by the life insurance companies, but this huge, statistical volume is not one usually read by the policyholder along with his morning paper. The method followed by the Hamilton Association will give him the facts week by week in a form which he will appreciate and in a form moreover which will make him think.

Seventy-five Ford tractors are to be delivered in the province soon. This is the first shipment of tractors under the arrangements made with the Canada Food Board.

MARCH FIRE LOSSES

Two Large Business Blocks Destroyed Last Month—Many Large Fires Reported

The Monetary Times' estimate of Canada's fire loss during March, 1918, is $1,682,286, compared with the February loss of $2,243,762, and $2,050,650 for March, 1917. The following is the estimate of the March losses:—

Fires exceeding $10,000	$1,400,000
Small fires reported	108,510
Estimate for unreported fires	173,776
Total	$1,682,286

The Monetary Times' record of the past three years and this year to date, shows the following monthly losses:—

	1915.	1916.	1917.	1918.
January	$ 1,249,886	$ 1,649,217	$ 1,918,660	$ 2,688,556
February ...	1,019,556	3,275,600	2,009,953	2,243,762
March	1,632,696	1,406,501	2,050,650	1,682,286
April	1,463,747	1,460,437	1,317,714	....
May	881,855	1,850,205	1,163,110	....
June	1,157,156	494,557	1,184,627	....
July	773,269	3,039,634	1,101,734	....
August	403,693	1,057,109	1,230,183	....
September ..	1,116,109	981,703	1,301,700	....
October	1,290,325	1,077,815	704,605	....
November ...	1,087,980	923,235	959,049	....
December ...	1,595,255	3,271,496	5,144,100	....
Totals ..	$13,671,527	$20,487,509	$20,086,085	$ 6,614,604

The fires reported in March, at which the losses amounted to $10,000 and over, were:—

Kitchener, Ont., March 2, departmental store of Weseloh, Gouldie, Limited, $41,000.

Tillsonburg, Ont., March 6, Huntley Machinery Manufacturing Company's plant, $75,000.

Sydney Mines, N.S., March 7, McRae block, $75,000.

Saskatoon, Sask., March 10, J. H. Ashdown's wholesale hardware store, $600,000.

Georgetown, Ont., March 11, woolen mills of H. Corke and Company, $50,000.

Kingston, Ont., March 14, grocery of Fenwick and Hendry, $100,000.

Toronto, Ont., March 14, warehouse of B. M. Jenkins, antiques, $54,000.

Vancouver, B.C., March 14, residence of J. Bevins, $15,000.

Welland, Ont., March 19, Cutler lumber and planing mills, $10,000.

Lamont, Alta., March 20, Windser Hotel, $10,000.

Lethbridge, Alta., March 20, Acadia block, $100,000.

Hamilton, Ont., March 25, Hamilton Cotton Company's storehouse, $100,000.

St. John, N.B., March 26, W. Thorne's munition plant, $40,000.

Halifax, N.S., March 31, King Edward Hotel, $30,000.

Toronto, Ont., March 31, Jefferson glass plant, $50,000.

Rawden, Que., March 31, Miner lumber mills, $50,000.

Destroyed or Damaged.

Among the structures damaged or destroyed last month were: Salvation barracks, 1; freight car, 1; residences, 24; departmental store, 1; boat house, 1; manufacturing building, 1; plants, 3; business buildings, 6; garages, 3; army building, 1; school, 1; office, 1; office building, 1; stores, 6; business blocks, 3; ferry boats, 2; vacant house, 1; brick block, 1; lumber camp, 1; steamboat, 1; woolen mill, 1; officers' messroom, 1; soldiers' home, 1; farm buildings, 2; barns, 2; warehouse, 1; auditorium, 1; grain elevator, 1; storehouses, 2; hotels, 3; lumber mills, 2; oil house, 1; express car, 1; manufacturing buildings, 2.

Among the causes of fires reported last month were: Defective stove pipe, 1; defective wiring, 1; overheated stove, 1; defective flues, 3; rats nibbling matches, 1; defective furnace 1; struck by bolt of lightning, 1; incendiarism, 1.

Many Fatalities.

The following is a list of fires at which fatalities occurred last month:—

Chatham, Ont., March 8	Burning house	2
Terris, Ont., March 10	Burning house	2
North Toronto, Ont., March 12	Burning house	1
Theodore, Sask., March 12 ...	Burning house	1
Ferry Point, Alta., March 12 ..	Burning house	2
New Liskeard, Ont., March 14	Burning house	1
Alvin Siding, N.S., March 15 ..	Burning lumber camp .	20
Owen Sound, Ont., March 26 ..	Upsetting of oil lamp ..	1
Swift Current, Sask., March 26	Burning house	1
Cooksville, Ont., March 27 ...	Burning house	1
Windsor, Ont., March 28	Burning house	1
Halifax, N.S., March 31	Burning house	1
	Total	34

The following table compiled by *The Monetary Times*, shows deaths caused by fire during March, 1918, as compared with previous returns:—

	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.
January ...	27	27	14	26	3	10	21	28
February .	12	11	21	18	11	23	19	87
March	18	24	22	27	23	23	20	34
April	20	15	11	22	14	6	15	..
May	28	18	33	8	5	14	12	..
June	13	6	18	12	2	6	9	..
July	110	9	9	8	13	268	19	..
August ...	22	16	29	3	14	30	12	..
September	13	6	27	9	27	6	21	..
October ..	17	21	15	9	7	39	23	..
November	20	22	24	14	12	12	21	..
December .	17	28	13	19	11	94	15	..
Totals	317	203	236	175	142	531	207	149

F. N. BURT COMPANY'S REPORT

A very satisfactory report was presented to the shareholders of the F. N. Burt Company, Limited, at the annual meeting last week by Mr. S. J. Moore, the president. Last year's profits were $369,999, which compare with $329,000 in 1916, $222,000 in 1915, $212,000 in 1914, and $217,000 in 1913. The profits exceeded those of the previous year by $40,083, and those of 1915 by $147,732. As compared with the previous year's writing-off the amounts transferred to reserve are considerably larger. Out of the year's profits $25,000 was written off patent account, and $26,000 transferred to a reserve for various government taxes. No such allowance as the latter was made in the previous year's accounts.

The amount provided for plant and realty reserve was $94,000, as against $75,000 last year, leaving the amount in this account at $225,000. The report states that the book values of the properties are considerably less than the appraised values.

At both the Canadian and American factories the volume of business and profits were the largest in the history of the company. The company is well managed and directed, and is making excellent progress.

TORONTO'S WAR EXPENDITURE

In his budget for 1918, Finance Commissioner Bradshaw summarizes the total war expenditures of Toronto since the war began, making the total $11,944,988. All of this except the provincial war tax is voluntary. The details are as follow:—

Patriotic relief and other grants	$ 2,262,232.06
Military hospitals	29,296.67
Ammunition, horses, air-planes	73,788.95
Life insurance, enlisted citizens	4,166,938.83
Wages of enlisted civic employees	1,561,233.44
Fitting up and maintenance of temporary barracks	13,522.19
Recruiting purposes	68,179.68
Protection of city property	439,035.73
Miscellaneous grants	19,168.58
Debt charges on war debenture debt	969,360.24
Provincial war tax, 1915, 1916, 1917, and 1918..	2,342,231.80
Total	$11,944,988.17

MARCH MUNICIPAL BOND SALES

Montreal Issue Responsible for Large Total Last Month—Another Winnipeg Water District Issue

The municipal bond sales in Canada during March totalled $9,191,643, compared with $5,243,279 in February and $229,013 in March a year ago. The March records of municipal bond sales at home for the past nine years are as follows:—

March.	Municipal bond sales in Canada.
1910	$1,169,730
1911	6,271,925
1912	1,926,716
1913	335,492
1914	5,123,176
1915	2,572,357
1916	2,027,741
1917	229,013
1918	9,191,643

In addition to the Greater Winnipeg Water District $2,000,000 issue in February, another block of $1,000,000 bonds was disposed of, bringing the balance of that municipality up to $3,000,000.

Details of March Sales.

The following are the details of March sales:—

Municipality.	Rate %.	Term (years).	Amount.
Saskatchewan.			
Scott	.	..	$ 6,000
Eston Village	.	..	2,800
La Fleche	.	..	4,100
Herschel	.	..	1,500
Prelate	.	..	9,000
Bitter Lake	.	..	5,000
Plato	.	..	2,600
Drake	.	..	1,000
School Districts	.	..	34,600
			$ 66,600
Alberta.			
Lethbridge	6	..	$ 66,000
Manitoba.			
Greater Winnipeg Water District	.	..	$1,000,000
Quebec.			
Three Rivers	6	5	$1,000,000
Montreal	6	5	6,900,000
			$7,900,000
Ontario.			
Smith Falls	6	20	$ 21,120
Raleigh	6	10	29,923
Halton	6	20	40,000
Etobicoke	6	40	36,000
Acton	6	20	25,000
York Township	.	..	7,000
			$ 159,043

The following table summarizes the above details:—

Province.	Municipal bond sales, March, 1918.
Saskatchewan	$ 66,600
Alberta	66,000
Manitoba	1,000,000
Quebec	7,900,000
Ontario	159,043
	$9,191,643

Sales for Three Years.

The following table shows the sales of municipal bonds, in Canada only, during the past three years and this year to date:—

	1915.	1916.	1917.	1918.
January	$ 1,784,947	$ 1,909,441	$ 1,969,256	$ 561,000
February	3,047,011	1,419,909	458,874	5,243,279
March	2,572,357	2,027,741	229,013	9,217,795
April	8,603,094	1,979,852	1,182,974	....
May	3,464,281	2,649,000	1,375,039	....
June	$ 2,395,744	$ 3,043,283	$ 1,642,003	....
July	1,618,422	1,521,525	3,814,489	....
August	1,087,415	852,447	4,637,836	....
September	2,768,484	960,435	440,268	....
October	1,245,874	1,361,665	398,771	....
November	1,645,892	1,246,480	917,191	....
December	1,676,693	669,000	890,000	....
	$31,910,214	$19,640,778	$17,955,714	$15,022,074

The sales of Canadian municipals in the United States market during the past three years, and this year to date, compare as follow:—

	1915.	1916.	1917.	1918.
January	$ 340,000	$ 3,183,215	$2,454,000	$ 10,000
February	6,471,000	899,500	485,725	300,000
March	6,543,947	595,000	120,440	Nil
April	7,100,825	2,158,306	1,563,200	......
May	600,000	7,219,000	Nil	......
June	Nil	3,393,243	80,000	......
July	890,000	3,631,200	1,530,000	......
August	750,000	97,300	Nil	......
September	6,748,342	200,000	Nil	......
October	1,589,000	Nil	Nil	......
November	4,000,000	7,894,000	Nil	......
December	450,000	3,065,000	Nil	......
	$35,483,114	$32,335,764	$6,233,365	$310,000

GREAT WEST PERMANENT LOAN COMPANY

The report of the directors of the Great West Permanent Loan Company, Winnipeg, for the past year shows a contingent reserve fund of $150,000, which is a new feature in the financial statement. In view of disturbed business conditions, which might result in a depreciation of some of the company's securities, the directors considered it would be consistent with good business to exercise more than the usual precaution, and accordingly decided to create a contingent reserve, and for this especial purpose set aside the sum of $150,000. This sum, added to the amount now standing at the credit of the general reserve, i.e., $606,580.13, makes a total of $756,580.13 or 31.36 per cent. of the company's paid-up capital.

The statement indicates that debentures increased in volume during the year, and the renewals were regarded as satisfactory, more especially when the several issues of government war bonds were taken into consideration.

Payments of both interest and principal, considering general conditions, were reported satisfactory. It is felt that with the apparent improvement in practically all lines of business, mortgagors will gradually become in a better position to meet their payments promptly. The company does not expect that any losses will occur in connection with any foreclosed properties.

The company purchased, during the year, $250,000 of Victory war bonds, the instalments being paid as they fall due. The head office building is now fully occupied. The directors have deemed it advisable to maintain large cash reserves, the amount of which at the end of the year was $301,983.87.

The net profits for the year were $206,388 as against $200,254 in 1916. Instead of paying the dividend of 8 and 9 per cent., which has been the custom for a number of years past, the directors decided to reduce the dividend rate to 5 per cent., a suggestion made by *The Monetary Times* a year ago. The company was thus enabled to carry over a larger amount than usual to surplus profits.

The chief item among the assets is that of mortgages on real estate and properties acquired by foreclosure amounting to $5,956,549. This item, we think, should be divided, in the balance sheet, as in previous years, the mortgages on real estate and the properties acquired by foreclosure being shown separately.

The Monetary Times commented very fully last year upon the standing and position of the Great West Permanent Loan Company and its subsidiaries. It is fair to say at this time that the company's financial statement reflects more conservative management, although the management and directorate will probably admit there is still room for improvement in that direction.

SEVENTH ANNUAL STATEMENT

The Weyburn Security Bank

Statement of the Result of the Business of the Bank For the Year Ended December 31, 1917.

The balance at credit of Profit and Loss account on December 30, 1916, was	$ 9,412.45	
Net Profits for the year ended December 31, 1917, after deducting expenses of management, payment of taxes, and making necessary provision for interest due to Depositors, and bad and doubtful debts	74,274.86	
		$ 83,717.31
Appropriated as follows:		
Dividend No. 12 at 5 per cent per annum, payable September 21, 1917	9,633.00	
Dividend No. 13 at 5 per cent. per annum, payable February 21, 1918	9,633.00	
Written off Bonds	20,712.50	
Written off Fixtures	3,336.66	
War Tax on Circulation	3,597.43	
Business Profits Tax	7,582.72	
Transferred to Reserve Fund	25,000.00	
		79,495.31
Balance carried forward at credit of Profit and Loss Account		$ 4,222.00

ALEX. SIMPSON,
President.

H. O. POWELL,
General Manager.

Annual Statement to Shareholders As at the Close of Business on December 31, 1917.

LIABILITIES

TO THE SHAREHOLDERS:		
Capital Stock paid in	$ 385,320.00	
Reserve	175,000.00	
Profit and Loss Account	4,222.00	
Dividends declared and unpaid	9,633.00	
		$ 574,175.00
TO THE PUBLIC:		
Notes of the Bank in Circulation	337,000.00	
Balance due to Dominion Government	77,749.46	
Balance due to Provincial Government	34,030.72	
Deposits not bearing interest	1,656,011.98	
Deposits bearing interest including interest accrued to date of statement	1,329,174.36	3,433,966.52
Liabilities not included under foregoing		963.30
Total		$4,009,104.82

ASSETS

Current Coin held by the Bank	$ 16,561.09	
Dominion Notes held	172,430.00	
Notes of Other Banks	87,116.00	
		$ 276,107.09
Cheques on Other Banks	17,165.78	
Balances due by Other Banks in Canada	1,245,038.98	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	195,269.60	
Dominion Provincial Government Securities, not exceeding market value	561,250.00	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian	444,733.50	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	16,900.00	
		2,480,357.86
Other Current Loans and Discounts In Canada (Less rebate of Interest)	932,739.02	
Loans to Towns and Cities, Municipalities and School Districts	15,421.35	
Mortgages on Real Estate sold by the Bank	7,536.65	
Overdue Debts, estimated loss provided for	47,201.05	
Real Estate other than Bank Premises	16,717.99	
Bank Premises not exceeding cost	164,898.25	
Deposit with the Minister of Finance for the purposes of the Circulation Fund	17,705.00	
Accrued Interest on Investments other than Current loans in Canada	2,874.20	
Other Assets not included in the foregoing	47,546.36	
		1,252,639.87
Total		$4,009,104.82

AUDITOR'S CERTIFICATE

In accordance with the provisions of sub-sections 19 and 20 of Section 56 of The Bank Act, I report as follows:

I have audited the Balance Sheet with the books at the Head Office and the certified returns from the Branches.

I have obtained all the information and explanations that I have required and am of the opinion that the transactions of the Bank which have come under my notice, have been within the powers of the Bank.

I have checked the cash and verified the securities representing the investments of the Bank at the chief office at a date other than and in addition to the verification of December 30, and find that they are in agreement with the entries in regard thereto in the books of the Bank.

In my opinion, the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of my information and the explanations given to me, and as shown by the books of the Bank.

Weyburn,
March 14, 1918.

A. A. BENTON, Auditor,
(of the firm of Marwick, Mitchell, Peat & Co.)
Chartered Accountants.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

The general results of the year's operations of the Standard Chemical, Iron and Lumber Company were slightly better than in 1916, but on account of the manner in which costs have increased it has been deemed advisable to set up reserves against a possible drop in the value of inventories.

The special reserve fund referred to in the last annual report, amounting to $600,000, has been completed. A reserve for federal income tax, amounting to $11,983.05, has also been set up, leaving a surplus of $154,402.70 to be carried forward.

During the year a substantial sum has been spent on replacements and renewals with a view to increasing the operating efficiency of the plants. The benefit from this expenditure should commence to be reflected in the earnings of the current year.

The sales for 1917 amounted to $4,327,056.80, about $800,000 more than in the previous year. The number of cords carbonized was 126,195, being the greatest number carbonized in one year in the history of the company.

Capital additions during the year amounted to $350,455, the greater part of which was expended in acquiring additional timber limits, and in the construction and equipment of eight miles of railway to establish access to large timber holdings which have been owned by the company for a great many years. About $70,000 was spent on plants for the manufacture of sodium acetate, methyl acetate and acetic anhydride. These new plants, besides increasing the earning power of the company, will provide an important outlet for acetate of lime, should the demand for that commodity subside after the war. The funded and mortgage debt of the company has been reduced by the retirement of $204,400 of second mortgage notes.

Now that the physical and quick assets of the company have been placed upon a sound basis, the net earnings will be available to reduce current indebtedness, the increase in which is attributable to the necessity of carrying heavier stocks at increased costs and to our inability to get enough cars to move our products. The prospects are that a considerable reduction in current liabilities will be effected within the next few months, as the transportation situation has already commenced to improve.

International Mercantile Marine Company.—The estimated net income of the company for 1917 was $11,500,000 as compared with $20,160,615 in 1916, according to an announcement made recently by P. A. S. Franklin, president of the company. The net income was from ships directly owned and operated by the company, together with dividends from British and United States subsidiary companies. This quite plainly suggests that there may have also been profits of subsidiaries that were not received by the company in dividends. The official report for 1916, last July, showed net profits of the company from its own shps, and profits of subsidiaries entirely owned, of $26,000,000, of which only $20,000,000 actually came into control of the Mercantile Marine Company in the fiscal period.

F. N. Burt Company.—The ninth annual report was presented to shareholders of the company recently. Profits for the year ended December 31st last amounted to $369,999, which, with the sum of $232,517 at the credit of profit and loss at the end of the previous year, made a total of $602,516 available. Dividends were paid at the rate of 7 per cent. on the preferred and 6 per cent. on the common, totalling $183,264, while nearly $95,000 was transferred to realty and plant reserve account, $26,000 was set aside for taxes, and $25.678 written off patents, leaving a balance to carry forward of $272,863.

It is stated that the volume of business and profits was the largest in the history of the company. Not only has the balance in the profit and loss account been increased by $40,345, but a generous policy of writing off plant and machinery accounts has resulted in the book values being considerably less than the appraised values of the properties. The assets are set forth as amounting to $3,884,685, of which the main items are plant and machinery, $1,042,704; real estate and buildings, $706,549; and patents and goodwill, $894,278.

The board of directors were re-elected for the ensuing year as follows: S. J. Moore, A. E. Ames, F. N. Burt, W. C. Ely, C. H. Duell, James Ryrie, A. Jephcott and William Finlay.

The officers were re-elected as follows: S. J. Moore, president; A. E. Ames and F. N. Burt, vice-presidents; and E. G. Baker, secretary.

International Paper Company.—It is probable that the forthcoming annual statement of the company will disclose a record balance of earnings per share for the common.

Final figures are likely to show common share profits, after excess profits taxes and depreciation, of between $22 and $23 a share. This would compare with common share profits in 1916 of 31.65 per cent. For seven years' period to 1916, however, the company did not even earn the full 6 per cent. dividend for the $22,406,000 preferred.

The company has now reduced its bonded debt to less than $7,500,000, which is approximately a 50 per cent. reduction in less than fourteen months.

It is not likely that 1918 will be anything like as big a year as the past two. The price of newsprint is being held down by government influence, and the cost of production is steadily rising.

Canadian Westinghouse Company.—The annual statement of the company reflects further execution of war orders in the greater part of the year ending December 31st, 1917. After deducting business profits war tax, patriotic contributions, and making provision for doubtful accounts, net operating income amounted to $957,285. Added to this is interest on Dominion war loans bonds of $30,238 and $23,752 from bank interest and miscellaneous income, making a total net income of $1,011,276. This compares with an operating income in 1916 of $1,154,534, and in 1915 of $860,628. After writing off $165,000 for depreciation, a balance of $846,276 was available for dividends.

H. H. Westinghouse, chairman of the board, in presenting the financial statement, said: "The business aspect of the first half of the past year was a continued activity at high pressure in execution of previously placed orders for war supplies. In the latter portion of the year, with the realization that for reasons entirely apart from the record of successful performance made by the manufacturers of Canada, further allotments on a like scale would not be forthcoming in the immediate future, a general curtailment of operations took place, which was the first lull in a continued strain of more than two years."

Canadian Consolidated Rubber Company.—Both sales and net profits for the year ended December 31st last were the largest in the history of the company.

Net profits, after deducting all manufacturing expenses, as well as providing for repairs, depreciation, interest charges and the business profits tax, were $1,208,018, an increase of $302,813, or about 33 per cent.

When the regular preferred stock dividend had been paid the net surplus for the year was $998,034, equal to 35.6 per cent. earned on the common stock, on which no dividend is being paid at the present time. A year ago the net surplus was $617,601, equal to 22 per cent. earned, and in 1915, $342,854, equal to 12.2 per cent. earned.

The main features of the income statement and the balance sheets of the past three years compare as follows:—

	1917.	1916.	1915.
Sales	$16,323,431	$12,094,695	$7,522,147
Profit	1,208,018	905,205	534,978
Preferred dividend	209,984	209,979	192,123
Surplus	998,034	617,601	342,854
Total surplus	4,305,934	3,307,900	2,690,298
Current assets	11,180,120	7,780,761	4,994,417
Current liabilities	2,688,735	3,939,780	1,331,783
Working capital	8,500,385	3,840,981	3,662,634

F. N. Burt Company, Limited

(and its Subsidiary, Dominion Paper Box Company, Limited)

Statement for the Year Ending December 31st, 1917

Profit and Loss Account

The Balance at credit of Profit and Loss Account, December 31, 1916, was	$232,517.87	
Profits for the year were	369,999.02	
		$602,516.89
The Appropriations were as follows:		
Dividends on Preference Stock Nos. 30, 31, 32 and 33, at the rate of 7% per annum	$138,264.00	
Dividends on Common Stock Nos. 29, 30, 31 and 32, at the rate of 6% per annum	45,000.00	
Transferred to Realty and Plant Reserve Account	94,710.47	
Transferred to Reserve for Taxes	26,000.00	
Written off Patents	25,678.66	
		329,653.13
Balance to carry forward to 1918		$272,863.76

Balance Sheet, December 31st, 1917

ASSETS

Real Estate and Buildings	$ 706,549.17		
Plant and Machinery	1,042,704.35		
Investments in Other Companies	10,155,92		
Patents and Goodwill	894,278.38		
		$2,653,687.82	
Merchandise and Prepaid Expense	$ 718,889.26		
Accounts and Bills Receivable	337,032.49		
Securities, including payments on Liberty and Victory Bonds	33,681.89		
Cash	141,393.94		
		1,230,997.58	
			$3,884,685.40

LIABILITIES

Dividends payable January 2nd, 1918—				
Dividend on Preference Stock No. 33	$34,566.00			
Dividend on Common Stock No. 32	11,250.00			
		$ 45,816.00		
Accounts Payable		100,620.64		
Bills Payable		435,000.00		
			$ 581,436.64	
Mortgage assumed under purchase of Property			25,000.00	
Reserve for Taxes		$ 26,000.00		
Dominion Paper Box Co. Reserve		29,185.00		
Realty and Plant Reserve Account		225,000.00		
Profit and Loss Account Balance		272,863.76		
			553,048.76	
Capital Stock Issued:				
Preference Stock		$1,975,200 00		
Common Stock		750,000.00		
			2,725,200.00	
				$3,884,685.40

Auditors' Certificate

We have audited the accounts of F. N. Burt Company, Limited, for the year ending 31st December, 1917, and we certify that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the company's affairs according to the best of our information and the explanations given us and as shown by the books of the company.

We have received all the information and the explanations we have required.

(Signed) CLARKSON, GORDON & DILWORTH,
Chartered Accountants.

At the ninth annual general meeting of shareholders held on March 25, 1918, the President, Mr. S. J. Moore, reviewed the operations of the company of the previous year.

The Board of Directors was re-elected for the ensuing year, as follows:—S. J. Moore, A. E. Ames, F. N. Burt, W. C. Ely, C. H. Duell, James Ryrie, A. Jephcott and William Findlay.

The officers were re-elected, as follows:—S. J. Moore, President; A. E. Ames and F. N. Burt, Vice-Presidents, and E. G. Baker, Secretary.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Courtney, B.C.—A block of $20,000 6 per cent. 20-year debentures has been issued by the municipal department of British Columbia for electric light purposes.

Niagara Falls, Ont.—The city has sold a block of $20,000 5 per cent. 20-year bonds for fire hall purposes, and a block of $6,152.49 5 per cent. 30-year bonds for sewer purposes.

Revelstoke, B.C.—A block of $8,500 5½ per cent. 10-year debentures has been issued by the municipal department of British Columbia for local improvement and sidewalk purposes.

County of Wentworth, Ont.—Messrs. A. E. Ames and Company, of Toronto, have been awarded a block of $150,000 6 per cent. 5-year debentures. The proceeds will be used for patriotic purposes.

Toronto, Ont.—The following is a report of the city's tax revenue for the current year:—

Total required for 1918	$24,046,653
(1) Revenue apart from tax	4,410,526
(2) Surplus of previous years, special credits, etc.	1,527,404
(3) Revenue from taxation	18,108,723
Total	$24,046,653

To secure this revenue from taxation requires a rate of 30.50 mills, made up as follows:—

Provincial war tax on assessment of $605,727,725 at 1 mill	$ 605,727
Civic war expenditure on assessment of $600,778,145 at 7.24 mills	4,349,633
General tax on assessment of $600,778,145 at 15.04 mills	9,035,803
School tax on assessment of $602,508,636 at 7.22 mills	4,350,112
Total	$18,341,277
Less taxes uncollectable, vacancy and other allowances, reductions and probable losses	232,554
Grand total	$18,108,722

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from March 18th to 22nd, 1918:—

School Districts.—Omand, $1,000 5-years not ex. 8 per cent. annuity; N. Sonlier, Finistino. Morris, $2,500 10-years not ex. 8 per cent. annuity; Henry Hegg, Viscount. Petain, $2,200 10-years not ex. 8 per cent. annuity; W. C. Latter, Piapot. Arras, $200 10-years not ex. 8 per cent. annuity; Joss Bonas, Muenster. Melaval, $2,800 10-years not ex. 8 per cent. annuity; R. W. Giles, Melaval. Eagle Creek, $1,600 10-years not ex. 8 per cent. instalment; V. H. Hamilton, Asquith. Flower Valley, $400 5-years not ex. 8 per cent. instalment; J. G. Haas, Shellmouth. Elfros, $3,000 10-years not ex. 8 per cent. annuity; W. Nichol, Elfros. Kalyna, $1,200 10-years not ex. 8 per cent. annuity; Jos. Zayonee, Claytonville. Maxwell, $1,200 10-years not ex. 8 per cent. annuity; W. M. Ennis, Wilke.

Rural Telephone Company.—Zelma, $8,100 15-years not ex. 8 per cent. annuity; E. W. Cline, Zelma.

The following is a list of debentures reported sold from March 18th to 22nd, 1918:—

School Districts.—Haverhill, $400; J. H. Kern, Moose Jaw. Bolney, $1,500; W. L. McKinnon and Company, Regina. Kandahar, $1,000; S. Holiski, Kandahar. Arras, $2,000, Boakview, $600; Canada Landed and National Investment Company, Winnipeg. Grosmont, $1,500; Nay and James, Regina. Grafton, $2,000; Waterman-Waterbury Manufacturing Company.

Rural Telephone Companies.—Titanic, $5,700, Clayton, $1,700, South Melfort, $4,200; W. L. McKinnon and Company, Regina. Richard, $11,000; Nay and James, Regina. Moose Creek, $3,200; J. A. Thompson, Winnipeg.

Villages.—LaFleche, $1,000, Plato. $2,600, Drake, $1,000; W. L. McKinnon and Company, Regina.

GROWTH OF CANADA'S TRADE

Increase in Produce of Munitions, Grains and Meats Since 1913

Canada's exports of war munitions and foods to the United Kingdom have increased tremendously since 1914, but the actual figures transcend anything anyone is likely to estimate. The customs report for the year ending March, 1917, has just been tabled in the Commons, and it shows that Canada's trade—even without taking into account the wonderful increases made in the past twelve months—has in some respects attained proportions that no one would have thought possible. This is not accounted for by the increase in prices. In volume, as well as in value, Canada's exports to Great Britain have increased astonishingly. The figures for a few familiar war munitions are here compared for the fiscal years 1913 and 1917:—

	1913.	1917.
Cartridges	$ 6,768	$238,148,300
Explosives	5,387	30,815,956
Gasoline launches	135	15,145,150
Guns	7,667	2,175,618
Boots	1,440	1,111,026
Ferro-silicon	nil	870,240
Wire and nails	543,451	3,138,109

Large Grain Exports.

As Canada was not a maker of war supplies previous to 1914, the foregoing figures are easily understood. But Canada certainly was an exporter of grain, meats and farm produce, and the following is a comparison, which includes quantities as well as values:—

	1913.	1917.
Oats	$3,592,247	$26,510,014
bushels	7,293,004	52,307,798
Wheat	$74,978,155	$193,697,313
bushels	77,722,465	152,043,222
Flour	$12,442,479	$26,006,600
barrels	2,880,157	4,030,978
Bacon	$5,313,711	$42,875,774
pounds	35,963,906	206,510,025
Beef	$71,896	$2,213,837
pounds	782,970	15,179,195
Butter	$173	$2,220,197
pounds	681	7,121,568
Cheese	$20,497,195	$36,463,272
pounds	153,886,885	179,568,863
Eggs	$9,224	$1,702,636
dozen	51,294	4,343,115
Canned lobster	$883,120	$2,025,560
pounds	2,824,057	3,662,148
Canned salmon	$2,605,344	$4,898,555
pounds	15,999,137	34,772,829

In most of the foregoing exports to the United Kingdom, the increase has been steady since the war began. In eggs, however, the maximum was reached in 1916, when 7,565,884 dozen, worth $2,191,687, were exported.

Mineral Exports to Britain.

Canada's mines have also been working overtime furnishing metal for the outside world. For the United Kingdom alone, the exports of copper in 1917 totalled 144,613 hundredweight, worth $1,080,133, as compared with only 53,855 hundredweight, worth $403,851, in 1913. Nickel worth $1,862,796 (124,001 hundredweight) was sent to the United Kingdom, as compared with 48,267 hundredweight, valued at $718,145, in the year before the war. The bulk of Canada's nickel still goes to the United States, and the figures for the fiscal year 1917 were 702,203 hundredweight, worth $7,062,758.

Some forms of lumber have tended to swell Canada's war exports considerably. In 1917 the Dominion sent 50 per cent. more spruce and other deals to the United Kingdom than in 1913, but the price had so increased that the value of this form of export nearly doubled, being $8,594,803, as compared with $4,683,821.

Only 74 horses, worth $14,400, were exported to the United Kingdom in 1913. By 1916 the number had risen to 21,833, worth $3,899,822. In 1917 the number dropped again to 9,499, worth $1,898,820.

A curious feature of the customs report is that it rceords imports of gold bullion from the United Kingdom in 1917 worth $14,646,131, as compared with only $98,409 worth in 1916.

Exempt from Dominion Tax

It is good business to increase your holdings of Victory Loan Bonds, because the security is of the highest quality, the income return attractive, and you are not required to pay Dominion Income Tax.

Price, 98⅞% and Interest

Wood, Gundy & Company

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You can obtain this interest return with assurance that your money is safely invested in sound mortgage securities of established value.

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ROYAL BANK BUILDING, TORONTO.

CONTRACTING FOR EXCHANGE

High Premium on New York Funds—Rate Has Reached More Than 1½ Per Cent.

BY H. M. P. ECKARDT

(Author of "Manual of Canadian Banking.")

The business community, especially that section of it having remittances to make to the United States, continues to be troubled by the high premium on New York funds. When the deputation of Government officials and bankers visited Washington a month ago, the exchange market for a short time acted as if relief were expected; but after several weeks had passed without any announcement of new credit arrangements in the United States for Canada's benefit, the quotations began to reach new high spots, and, during the second half of March the rate of premium between banks frequently stood above 1½ per cent. One report, which gained currency in the street, was that, as Great Britain did not take action to definitely stabilize the sterling exchange market in New York until the pound sterling had reached a discount of 2 per cent. as compared with the United States dollar, so our government would perhaps wait until the discount on our currency approached in the neighborhood of 2 per cent. In this connection it should be observed that when the premium on New York funds between banks, as published in the daily press, gets up to 1¾ per cent., customers of the banks requiring to purchase drafts on United States points would have to pay exchange at the rate of $2 per $100 in many instances.

Funds at Prevailing Rates.

The bank selling the exchange may have been obliged to buy funds in the exchange market at the prevailing rates as a means of supplying the requirements of its customers; and if the bank bought in this manner $100,000 of New York funds at a cost of 1¾ per cent., or $1,750, and subsequently sold to a customer $10,000 at 2 per cent., its profit on the sale, reckoned proportionately, would be but ¼ per cent., or $25. Also, if the premium fell to 1 or 1¼ per cent. before the remainder of the exchange was disposed of, the bank would, perhaps, be involved in a substantial loss.

The state of affairs recently prevailing in our exchange market has favored the more general use of the contract system. For many years the Canadian bank agents in New York have done an extensive business with United States exporters, importers and others in contracting to buy or sell sterling exchange at some date in the future at a fixed price. For example, an importer gives an order to a British company for goods to be shipped to the United States within a certain time limit, and arranges the date on which payment is to be made.

Adverse Movement of Exchange.

The importer has but a moderate margin of profit, and he cannot afford to have this margin seriously reduced through a contrary or adverse movement of the exchange market between the time of giving his order and the date on which remittance is to be made. Suppose the order is for £10,000 worth of goods and that sterling bills of the length of term he requires are then at 4.81. He makes his calculations on this basis; and then, later, when he requires to buy the exchange, he finds that the quotations have advanced to 4.83. This means that he must pay $48.300 in settlement instead of $48,100 as calculated. In other words his prospective profit is cut down by $200.

Contracting for Exchange.

Against this he may guard through contracting for the exchange at the time of sending his order. He could go to one of the Canadian bank agencies, or to any of the big United States or foreign dealers in exchange; and, his financial position being satisfactory, they would contract to sell him £10,000 exchange on the required date at a certain price. Thus this contract price for exchange constitutes the basis of his calculations; and assuming that the dealers who enter with him into the contract are sound financially, his risk of loss through exchange fluctuations is eliminated.

In the same way a big exporter, who contracts to ship certain goods to Great Britain at fixed prices, to be settled for by means of bills of exchange drawn on London, may wish to safeguard himself against a drop in sterling quotations between the time of making his contract with the Britisher and the date on which he can offer his bills of exchange for sale in the market. In his case the exchange dealer contracts to buy the certain amount of exchange at a fixed date and an agreed upon rate.

The exchange dealer may indulge in a little speculation in connection with these contracts for buying and selling bills on London. Thus, if he contracted to buy £10,000 two months hence, on June 1st, at 4.81 and did not hedge on his contract, a rise to 4.83 by June 1st, or at any time prior to June 1st, would enable him to make a good profit through covering sales at the higher price. But the conservative dealers do no speculate as a rule in this way. When one of our Canadian bank agencies in New York, for instance, contracts to buy £10,000 at a future date, they will probably endeavor to negotiate at once a short sale (or contract to sell) for the same or nearly the same amount, and the profit or difference in prices will likely be small, perhaps not more than is made on a cash transaction. If the bank has two customers, one wishing to contract for a sale and the other for a purchase, the amounts being approximately even, the margin of profit might be a little wider than if the bank on contracting to sell a certain amount covers it by contracting to buy a like amount from another dealer.

Quotations Moved Within Limits.

Prior to the war, quotations for New York funds in the Toronto and Montreal markets, moved within narrow limits on either side of par. The cost of shipping gold to or from New York being around 5-64 of 1 per cent., the quotations between banks rarely moved beyond a discount or premium of that amount. But since the war the fluctuations have been violent, owing to the restrictions placed on the movement of gold between New York and our centres. Canadian merchants importing goods from the States, to be paid for at some time in the near future, would certainly be relieved in many cases, if they were able to contract for the exchange at a fixed price. However, as there is a pronounced scarcity of bills on the United States, one can understand that the bankers would be reluctant to commit themselves extensively in this respect. There would probably be instances wherein a bank in Canada could count confidently on receiving from its customers or clients, fairly large amounts of United States funds; and where this is the case a basis would exist for contracting to sell its customers at a fixed price.

CANADIAN COMPANIES ENJOY LARGE PROFITS

Net profits of 15 prominent companies in the fiscal period ended December 31, 1917, amounted to $13,809,628, as compared with $12,699,985 in 1916. This is an increase of $1,109,643, or 8 per cent. The following comparisons are interesting:—

	Net profits.	
	1917.	1916.
Canada Steamships	$ 3,120,282	$ 2,571,006
Bell Telephone	1,973,070	1,910,450
Shawinigan Water	1,350,864	1,253,736
Dominion Power and Transportation	726,219	710,348
Toronto Railway	1,094,809	1,340,794
Ottawa Electric	409,669	383,327
Montreal Cottons	454,175	446,782
Jute Cottons	542,322	394,805
Canada F. and F.	584,874	369,228
Carriage Factories	10,149	4,154
Canada Cement	2,029,181	1,775,086
Shredded Wheat	1,046,111	1,175,760
Asbestos Corporation	253,789	215,476
City Dairy	70,257	18,018
Belding-Paul	142,757	135,986
Total	$13,809,628	$12,699,985

An increase of $13,731,938 in the customs collections of the Dominion for the fiscal year which ended on Saturday is shown by the monthly report of the Customs Department. During the twelve months ending March, duties collected totalled $159,681,046. For the previous twelve months the amount collected was $145,949,107. For March alone collections totalled $13,558,859, a decrease of $1,650,259 as compared with March, 1917, when duties collected amounted to $15,209,118.

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LIFE INSURANCE AND COST OF LIVING

Should Premium Rates Be Affected?—Opinions Upon the Subject

BY M. P. LANGSTAFF, A.I.A., F.A.S.

In some recent numbers of Canadian Insurance there have appeared some interesting letters on the effect the rise in the cost of living may possibly have on the premiums paid for life insurance. One writer states: "Writers upon the subject of insurance frequently draw the attention of the public these days to the supposed fact that while the cost of nearly all other necessities has risen, life insurance has not advanced in price. The conclusion such writers evidently desire to be drawn is that the insurer to-day is getting his protection at bargain prices, but there is evidently a fallacy here." He then proceeds to expose this "fallacy" by the following reasoning. "Insurance companies are selling an indemnity payable in money. Now, while the cost of commodities rises, the value of money falls. The reason we pay more for things to-day than formerly is that money is worth less. It is cheaper. That is, it takes more money to buy anything of material value.

"Now, if money is cheaper, then the insurance is of less value, because it is payable in money. The question follows: 'If money is cheaper, why should the annual premium required to secure a given amount of it at death increase?' There is actually no economic reason why the annual premium should increase. If the indemnity is worth less, the premium is worth less—the two are in a certain relation approximately fixed. If the insuring company promised to pay the claim in wheat it would be natural to-day to look for a rise in the price of insurance, and then there would be a rise.

"In other words, the argument that insurance is going at a bargain to-day is mere advertising camouflage."

Cheaper Insurance.

In a later number another writer takes issue with him in the very succinct statement: "Your issue of February the 6th contains a clever letter to the effect that since money is at present cheap, insurance should be sold at lower rates. The chief reply to this fallacious contention is that only an infinitesimal portion of the insurance which is sold to-day will be paid in the near future. If his stand were sound, it would afford an argument for placing the reserve calculations upon four or five per cent."

Writer No. 1 then makes an able reply, but ignores the point brought forward by the second writer. He does right, however, in laying stress on the fact that the cost of insurance, that is the cost of protection, has actually advanced for the individual owing to the rise in the cost of living, for that individual needs more protection, more insurance than formerly to protect his family and enable them to purchase the same necessities of life that a less amount of insurance would have purchased years ago.

Now, admitting without question this contention of the rise in the cost of protection, let us come back to our real subject matter—the effect the high cost of living may have upon the premium rates for life insurance. It seems that both writers do not reach the point fully.

Upon what factors are premium rates based? Mortality, interest, loading. While the greater mortality experienced by life companies in the last few years may well affect premium rates, still as it is in no way connected with the high cost of living, we may ignore the mortality factor in this consideration of our subject.

Premium Should not Vary.

From the standpoint of interest. In stating that there is actually no economic reason why the annual premium should vary if money is cheaper because the insurance is payable in that same commodity, money, Writer No. 1 is correct only so long as the relative value of that commodity, money, remains constant between the periods when it is received as a premium and that when it is paid out as a claim. The fact is, indeed, that if money is yearly growing cheaper, that is, interest rates advancing, with the usual concomitant of a rise in prices in the cost of living, the net premium can be actually lowered, for it will be accumulated at a higher rate of interest to amount to the fixed benefit. But, on the other hand, if money becomes dearer, interest rates fall, and if they fall dangerously near the rate upon which the premiums have been calculated, it may actually be necessary to raise those premiums. Here in essence is the point raised by Writer No. 2—that it is necessary to reserve on a stringent basis because we have no surety as to what the trend of future interest rates may be.

Writer No. 1 states: "My letter was written to show that the premiums need not necessarily be increased—because we are dealing with money only, and not with every-day commodities. The premiums and the face-value of the policy will be affected similarly by any change in the value of gold, so that there is no reason for an increase." Is not the writer here confusing rising prices with high prices, or, rather, overlooking again the transition period through which prices may be passing between the time when the premiums are payable and that when the benefit accrues. Ignoring the mortality element for the purposes of our argument we can say that the fixed net premium has been calculated on the basis of an assumed fixed rate of interest to accumulate to a fixed benefit at the end of a certain period. But as prices rise so do interest rates, and consequently the accumulating premiums no longer bear the same relation to the face value of the policy.

When we say, however, that as prices rise so do interest rates, we do not mean that the rise in interest rates is proportional to the rise in prices. As a matter of fact, the rise in interest rates always lags behind the rise in prices, just as any fall in interest rates always lags behind any fall in prices. But the point is that the rise in prices is always accompanied by a rise in interest rates which affects the accumulation of the premiums which goes to provide for the face value of the policy, and that, consequently, there is a very real fallacy in the statement that "rising prices should have no effect on the cost of insurance because both premium and benefit are measured in the same terms of money."

Cost of Living Affects.

Then as to the loading factor which both writers have ignored. The great business of life insurance is not sold over the counter. Companies that have experimented along that line have proved ignominious failures. Experience has proved that it requires a vast body of salesmen to convince the insuring public of the need for insurance, and these salesmen must be paid. Companies must also have clerical assistance; expert accountants, actuaries, skilled investors, auditors, medical examiners, advertisers, etc., men who must be paid anywhere from a living wage to a high salary figure—men whom the cost of living does affect in the most material way—and the expenses of the company must advance approximately in the proportion that the cost of living affects these men. But the loadings on premiums to meet these expenses were calculated years ago on the much lower scale of living expenses which then existed. Is it any wonder then that any margin in these loadings is being rapidly encroached upon or swept away with the possible necessity of raising the loadings—and consequently the premiums, too? In fact, is it not probably true that it is only the higher interest rates due to the advance in prices freeing more margin in the interest factor to offset the reduced or vanishing margin in the loading factor that has enabled companies so far to keep their premiums at the same moderate rates?

We have then two forces working one against the other, one striving for an increase in the rates, the other for a reduction in those rates. And strange to say, both forces are engendered by the same cause, the increasing cost of living.

WESTERN CONDITIONS SATISFACTORY

In discussing western conditions last week with Mr. C. M. Simpson, president of the Empire Loan Company, Winnipeg, who had just returned from a trip to several Saskatchewan cities, he told *The Monetary Times* that things at the different points visited were most satisfactory. Business in Moose Jaw, Regina and Saskatoon was very brisk, and it was difficult to get a house in any of these cities. Mr. Simpson met two travellers whose headquarters should be at Saskatoon, but who were unable to get a house there, and as an alternative had taken up residence in Prince Albert.

Very early spring weather has opened up in the west and Mr. Simpson everywhere saw farmers on their land, preparing it for the seed, and in some instances saw seeders already at work. This is unusually early, good rains having fallen and the ground is in ideal shape to receive the seed. Increased production in the West this year is expected to be very great.

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BANK INTEREST

Reserve and Exact Interest or Discount Not to Exceed Seven Per Cent.

BY M. L. HAYWARD, B.C.L.

Section 91 of the Bank Act of Canada provides that "the bank may stipulate for, take, reserve, and exact any rate of interest or discount, not exceeding seven per centum per annum, and may receive and take in advance, any such rate, but no higher rate of interest shall be recoverable by the bank."

Cases frequently arise, however, where a bank attempts to "stipulate for, take, reserve or exact" a higher rate, and important questions then arise as to the rights of the parties under such circumstances.

In this connection it is also provided by the Interest Act of Canada that where no rate of interest is fixed by the agreement of the parties or by law the rate shall be five per cent.

Exceeding Seven Per Cent.

If a bank stipulates for a rate in excess of seven per cent., the interest, of course, cannot be collected, but the question then arises, what rate of interest, if any, can the bank recover?

Can the bank, in such a case, recover the seven per cent. which they are allowed to receive, or only the five per cent. allowed where no rate of interest is fixed, or, by stipulating for a rate in excess of that allowed by law is the bank prevented from recovering any interest at all?

In the case of McHugh vs. the Union Bank, an Alberta case, which went on appeal to the privy council, the bank contended that it was entitled to interest at seven per cent., while the customer claimed that the bank could only collect the five per cent., and the privy council decided that five per cent. was the correct rate.

Contention Right.

"We are of opinion," said the court, "that the contention on behalf of the customer in this respect is right, and that the interest must be calculated at the rate of five per cent. per annum."

In this case, the customer admitted the bank was entitled to charge interest at the rate of five per cent. and did not contend that the bank would not be entitled to interest at all, and merely argued that the bank could not collect the seven per cent. allowed by the Bank Act. The privy council was not, therefore, called upon to decide whether, under such circumstances, the bank would or would not be entitled to interest at all.

Interest or Not.

In the case of the Standard Bank of Canada vs. the Alberta Engineering Company, the supreme court of Alberta was called upon to decide whether the bank under such circumstances would be entitled to interest at five per cent. or whether they would not be entitled to interest at all, and the decision of the court was that interest at the legal rate of five per cent. could be collected by the bank.

The same point arose in the case of Merchants Bank vs. Bush, recently decided by the supreme court of British Columbia, and in that case Bush entered into an agreement with the bank guaranteeing that a certain company, a customer of the bank, would pay the bank all money due or which might become due by the customer to the bank, and all interest which the bank might charge the customer on advances or discounts, with a provision that Bush's liability should not exceed $3,000.

Exceeded Rate.

In dealing with the customer, the bank charged interest at the rate of eight per cent., contrary to section 91 of the bank act, and then when the bank attempted to collect from Bush the latter set up the defense that when the bank violated section 91, and charged a higher rate of interest than allowed, that released the surety, Bush, from his guarantee.

The Chief Justice of British Columbia, before whom the case was tried, held that the unauthorized interest released the surety, and on appeal, two judges of the British Columbia court of appeal took the same view.

"Inasmuch as an undertaking by the customer to pay eight per cent. was not one authorized by the bank act," said one of these judges, "therefore Bush's guarantee did not extend so as to include such a contract, the customer having undertaken to pay eight per cent. interest to the bank upon an advance at a rate the bank was not by law entitled to impose. In other words the bank, having entered into an unauthorized contract with the company, Bush's guarantee would not extent to or include such an arrangement."

Did Not Render Surety Void.

On the other hand the other two judges of the court held that the unauthorized interest did not render the surety agreement void, but that the bank could only recover interest at the legal rate of five per cent., and that Bush was liable for whatever amount could be legally collected up to the limit of $3,000 named in the guarantee.

"Shortly stated," said Judge Macdonald, "Bush's contract with the bank was to pay, if the customer did not pay, debts incurred by the customer to the bank up to $3,000. The fact that some of the alleged debts consisted of overcharges, which were not collectible, could not invalidate the contract of suretyship. The fact that more was claimed than could be substantiated would not prejudice the surety, because he could only be compelled to make good what the customer really owed up to the sum of $3,000."

The court being equally divided, two to two, the former decision that the surety was released, was upheld, but in view of the difference of opinion in the British Columbia court of appeal, the case, if carried to the supreme court of Canada on appeal, would be followed with considerable interest in banking circles, as it would settle a very important point.

ALCOHOL FROM CELLULOSE

There was delivered before the Niagara Falls Board of Trade on March 26th, an address by Mr. G. H. Tomlinson, B.A., on the subject of the production of alcohol from cellulose, which was of outstanding interest. This is the fifth of a series of similar addresses by local chemists before this board.

LARGE INCREASES IN STAMP BILL

An expenditure of $23,174,601 for postage stamps during the fiscal year ended March 31, 1917, is recorded in the annual report of the post office department, which was tabled in the House at Ottawa on March 27th. This expenditure is more than three times as large as that of a similar period in 1907, and $1,719,424 greater than a year ago. On March 31, 1907, the issue of postage stamps was valued at $7,576,748. The increase in ten years amounts to $15,597,853.

Statistics with regard to the number of dead letters originating in the Dominion are furnished by the report. It is shown that a total of 214,450 letters belonging to this class were returned by the British post office during 1917. The United States post office returned 188,281 letters, and other British colonies and foreign countries 14,131. This makes a total of 416,762 letters returned from outside the Dominion. It is exclusive of registered letters which come into this class.

COAL IMPORTATION VARIES

Fluctuations in Canada's importation of coal used in industries are shown by the report of the minister of customs for the fiscal year 1917. The importations of anthracite, on the other hand, show a fairly steady advance. The figures do not, however, include the undoubtedly abnormal imports since the end of March, 1917. The statistics are as follows:—

Anthracite Coal:

Year.	Tons	Value.
1913	4,237,310	$20,399,279
1914	4,385,709	20,734,126
1915	4,383.407	20.927,539
1916	4,429,143	20,460,571
1917	4,572,440	22,806,156

Bituminous:

1913	11,060,910	20,447,587
1914	13,754,244	26,140,676
1915	9,124,499	16,135,920
1916	9,631,101	10,219,206
1917	12,931,075	19,270,270

DIVIDENDS AND NOTICES

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A Dividend of Two per Cent on the Preferred Shares of the Company for the quarter ending March 30th, 1918, has been declared, payable April 15th, 1918, to shareholders of record of March 30th, 1918.

By Order of the Directors.
THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, March 16th, 1918.

NOVA SCOTIA STEEL AND COAL COMPANY, LIMITED

DIVIDEND NOTICE

A Dividend of One and One-Quarter per Cent. of the Ordinary Shares of the Company has been declared, payable on April 15th, 1918, to shareholders of record of March 30th, 1918.

By Order of the Directors.
THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, March 16th, 1918.

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of **Two and one-half** per cent. for the current quarter, being at the rate of **Ten** per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and at its Branches, on and after the 1st day of May next to Shareholders of record at the close of business on the 15th day of April.

By order of the Board.
D. C MACAROW,
General Manager.

Montreal, 26th March, 1918.

TENDERS WANTED

Sealed Tenders are asked for the investment of the funds of

THE SYNOD OF HURON

for a period of five years.

All tenders to be in the hands of the Secretary-Treasurer of Synod at 12 o'clock noon on 26th April, 1918. The best or any tender not necessarily accepted.

For specifications address
Rev. W. J. DOHERTY, B.A., L.Th., Sec.-Treas.
Synod of Huron, Box 307, London, Ont.

CANADIAN PACIFIC RAILWAY COMPANY

NOTICE TO SHAREHOLDERS

The Thirty-seventh Annual General Meeting of the Shareholders of this Company, for the election of Directors to take the places of the retiring Directors and for the transaction of business generally, will be held on Wednesday, the first day of May next, at the principal office of the Company, at Montreal, at Twelve o'clock noon.

The Common Stock Transfer Books will be closed in Montreal, New York and London at 3 p.m. on Tuesday, the ninth day of April. The Preference Stock Books will be closed in London at the same time.

All books will be re-opened on Thursday, the second day of May.

By order of the Board.
ERNEST ALEXANDER,
Secretary.

Montreal, March 11th, 1918.

DETROIT RIVER TUNNEL CO.

Detroit, Mich., April 2, 1918.

Notice is hereby given that the Annual Meeting of the Stockholders of the Detroit River Tunnel Company, for the election of Directors and the transaction of such other business as may be brought before the meeting, will be held at the Head Office of the company, in the City of Detroit, Michigan, on the First Thursday after the First Wednesday (being the 2nd day of May) of May, 1918, at 10 o'clock a.m., Standard Eastern Time.

DWIGHT W. PARDEE,
Secretary.

MARCUS LOEW'S THEATRES, LIMITED

Notice is hereby given that a dividend of 1¾ per cent. for the quarter ending 31st March, 1918, being at the rate of seven per cent. per annum on the preference and common shares of Marcus Loew's Theatres, Limited, has been declared, payable on 15th April, 1918, to shareholders of record on 31st March, 1918.

By order of the Board
SAMUEL D. FOWLER,
Secretary.

Toronto, 30th March, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st MARCH, 1918, payable APRIL 15th, to shareholders of record March 31st, 1918.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, March 4th, 1918.

A decided lessening of activity in the building trade throughout the Dominion is indicated in reports to the Labor Department for February. Returns from 35 cities for February indicate that employment decreased over 42 per cent., as compared with January, and over 46 per cent. as compared with February, 1917. There was great activity in most other lines of employment, more particularly in the shipbuilding yards.

In our issue of last week, we stated that the Montreal Agencies, Limited, of Montreal, had been appointed General Agents for Canada, for the Queensland Insurance Company of Sidney, Australia. The Queensland Insurance Company intend to write fire and marine business in Canada. It is only proper to state here that the Montreal Agencies, Limited, are being appointed as general agents for Canada for the fire business only.

THE FIFTEENTH ANNUAL REPORT OF THE DIRECTORS OF

The Great-West Permanent Loan Company

HEAD OFFICE, - - - - - - WINNIPEG, MAN.

To the Shareholders:

Your Directors have pleasure in presenting for your consideration their Fifteenth Annual Report of the Company's affairs as well as the Financial Statement for the year ended December 31st, 1917, duly certified by the Auditors of the Company.

The chief item among the Assets is that of Mortgages on Real Estate and Properties acquired by foreclosure amounting to $5,956,549.48. The mortgages are upon an improved Real Estate in Western Canada and yield a profitable rate of interest. Stocks and Bonds owned by the Company amounted to $165,507.60, or practically the same as last year. Included in this amount is the first instalment of $25,000.00 paid on account of the $250,000.00 subscription to the Victory Loan. Since December 31st there has been paid another $75,000.00 on this account.

Head Office Building and Site, stood at $327,504.16, about the same as the previous year. The interest in the Head Office premises held by the Imperial Canadian Trust Company and owing the Company remains the same. The next item of importance is that of cash on hand and on Deposit which was $301,983.87, a small increase over 1916 figures. As usual, the Company maintained large cash reserves throughout the entire year.

No change has taken place with regard to the Subscribed Capital with but a small increase in the paid-up capital, which now stands at $2,412,566.31, leaving about $14,000.00 unpaid. Debentures amounted to $1,537,849.80. It is very gratifying that our Debentures showed a gain over last year, as with the Old Country field closed temporarily so far as increasing our aggregate debenture holdings there and with the several large war issues floated by the Dominion Government in 1917, the year just closed was anything but favorable for making large increases in debenture sales. This was the general experience of all our Mortgage companies during 1917.

It is a matter for congratulation that our maturing sterling as well as Currency Debentures were so well renewed in the past year, in view of the many attractive investments, particularly Government Issues, which have been placed on the market, and to which such wide publicity and extensive advertising have been given. It is only additional evidence that loan company debentures are held in high regard by the investing public. With the valuable organization possessed by the Company, your Directors have reason to believe that with the requisite amount of effort put forth this year, our debenture sales will materially increase and show a substantial gain over the preceding year.

The Company's Profits for the year—after the deduction of all management expenses, and providing for interest and all other charges, were $206,370.77, or slightly under $1,900.00 less than the previous year. From the various reports of our leading Mortgage Corporations, which have come to hand, it has been noted that the profits for 1917 were, for the most part, considerably less than for the preceding twelve months. The high rate paid for borrowed money, large cash reserves maintained, inactivity in the loaning department due to the temporary decreased demands for good loans, were some of the chief reasons for a reduction in earnings last year among our Mortgage Companies.

After careful consideration of the existing conditions which may rightly be termed War Conditions, your Directors deemed it sound business, and in the best interests of the Company to reduce the dividend rate, and, accordingly, instead of paying the usual rate of 8 or 9%, two half-yearly dividends at the rate of 5% per annum, were paid. This enabled the Company to carry over a much larger amount of surplus profits than usual and therefore strengthened the financial position of the Company.

After paying all expenses, providing for interest and other charges, as well as dividends amounting to $120,366.61, and writing off the sum of $31,087.37, representing depreciation in Bank stock held by the Company, there remained to the credit of Profit and Loss Account $70,660.80.

With the view of providing for any possible depreciation in the Company's securities which might occur as a result of disturbed business conditions arising out of the war, your Directors decided to create a Contingent Reserve Fund, and accordingly set aside for this purpose $150,000.00 by carrying $70,660.80 from Profit and Loss Account and transferring from the General Reserve Fund the sum of $79,339.20. This leaves $606,562.82 at the credit of the Reserve Fund, and the combined total of the Reserve and Contingent Reserve amounting to $756,562.82 is equal to 31.36% of the Company's paid-up Capital.

Referring in a general way to conditions which prevailed last year, throughout the Dominion, it may safely be said there was quite a decided improvement, and this was due in a large measure to industrial activity stimulated by huge war orders; employment of both skilled and unskilled labor on a large scale, bountiful crops with record prices, and a ready market for all manufactured and agricultural products. As a marked example of the rapid transformation in the business and financial position of Canada during the last five years, it is only necessary to refer to the figures representing the public borrowings of the Dominion. In the year 1913, which was the record year up to that date, Canada's borrowings amounted to about $374,000,000.00, of which amount Canadian investors absorbed about 12%, United States 13½% and the remaining capital, amounting to 74½%, or $277,000,000.00, was secured from British investors. After the outbreak of the war it soon became evident that Canada's supply of capital from Great Britain would be greatly curtailed and possibly entirely cut off, and it would therefore be necessary for our Country to look to other sources for borrowed capital. Naturally attention was directed to the United States, our next best customer as a purchaser of our securities. It is interesting to record that the United States did respond even more readily than was anticipated, but with the advent of that Country into the war, conditions changed, and Canada was finally thrown upon her own resources and obliged to finance her own undertakings.

How well, and how quickly and with eagerness this country met the new and changed order of things is clearly reflected in the unprecedented total of Bond Issues in Canada in 1917, amounting to $725,325,000, as compared with $316,917,362 in 1916, $341,892,871 in 1915, and $272,935,067 in 1914. Of the record total borrowings in 1917, it is of especial note that the Government portion amounted to $676,000,000, due to the several issues of war bonds. It is of further interest to know that Canadian investors subscribed the large sum of $564,000,000, or in other words, about twelve times the amount subscribed in Canada in either of the years 1913 and 1914.

With the expenditure of these large sums of money in the Dominion, the effect on general conditions throughout the country is seen in the evident prosperity reflected in practically every branch of our industrial and commercial life. Bank clearings, export trade and agricultural returns, for instance, broke all previous records.

All these indications point to a return of prosperity to our country and with the vigorous campaign inaugurated for increased agricultural production, with the prevailing high prices, there is every reason why we should all look forward to a continuance of this prosperity even during the period of the world war. As to the period following the war, little apprehension need be felt as to the future of this great and growing Dominion.

Making due allowance for the temporary inactivity in Mortgage loan operations, this Company experienced a reasonably good year and your Directors are hopeful that the present year will witness a general improvement in all lines of business, and if their hopes are realized, it cannot but have a beneficial influence on the progress and development of this Company.

Your Directors again wish to record their hearty appreciation of the loyal support of the Shareholders, and the efficient services rendered by the officers and the staff during the past year.

At a subsequent meeting of the new Board of Directors, W. T. Alexander was elected President; J. G. Hargrave, Vice-President.

STATEMENT OF ASSETS AND LIABILITIES AT DECEMBER 31st, 1917.

ASSETS.

Mortgages on Real Estate and Properties acquired by Foreclosure		$5,956,566.79
Stocks and Bonds, at cost, with interest accrued		165,507.60
Loans on Stocks and other Securities		186,270.77
Head Office Building and Site		327,504.16
Owing by Imperial Canadian Trust Company on quarter interest in Head Office Building and Site		133,352.35
Sundry Accounts due Company		4,471.89
Charter and License Account		6,452.92
Commission and Expense Suspense Account		50,024.29
Furniture and Fixtures, Head Office and Branches		36,402.65
Cash on Hand at Head Office and Branches	$ 61,265.83	
Cash on Deposit, Royal Bank of Canada, Winnipeg	228,957.89	
Royal Bank of Canada, London, Eng.	7,710.83	
Bank of Scotland, London, Eng.	4,049.32	
		301,983.87
		$7,168,537.29

LIABILITIES.

Capital Stock Subscribed	$2,426,750.00	
Capital Stock Paid-up		$2,412,566.31
Interest Accrued on Capital Stock "B"		972.20
Unclaimed Dividends		1,949.16
Dividend on Capital Stock, January 2nd, 1918		60,187.50
Deposits and Accrued Interest		683,658.10
Debentures and Accrued Interest		1,537,849.80
Loan Repayments		1,711,977.52
Amounts Unadvanced on Mortgage Loans		923.26
Sundry Accounts Payable		1,873.31
Reserve Fund		606,580.13
Contingent Reserve Fund		150,000.00
		$7,168,537.29

J. G. HARGRAVE, Vice-President. W. T. ALEXANDER, President.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDING DECEMBER 31st, 1917.

Balance carried forward		$ 15,744.01
Net profits for the year from First Mortgages and other sources, after deducting Interest on Debentures and Deposits, Management Expenses and all other charges		206,388.08
		$222,132.09
Less written off Bank Stock		31,087.37
		$191,044.72
Dividends, July 2nd, 1917	$60,179.11	
Dividends, July 2nd, 1918	60,187.50	
		120,366.61
Transferred to Contingent Reserve Fund		$ 70,678.11
Reserve Fund:		
Balance at December 31st, 1917		$685,902.02
Transferred to Contingent Reserve Fund		79,321.89
		$606,580.13
Contingent Reserve Fund:		
Transferred to Contingent Reserve Fund, 1917		$150,000.00

AUDITORS' REPORT.

To the Shareholders:

We beg to report that we have audited the books and accounts of The Great West Permanent Loan Company for the year ending December 31st, 1917, and have found them properly stated and sufficiently vouched; we have also verified the mortgages and other securities, which we have found to be in order.

In our opinion the above Balance Sheet presents a correct view of the state of the Company's affairs as at December 31st, 1917, according to the best of our information and the explanations given us, and as shown by the books of the Company.

(Signed) D. A. PENDER, SLASOR & CO., C.A.,
Auditors.

Winnipeg, Man., March 12th, 1918.

THE BANK OF HAMILTON

The annual report of the Bank of Hamilton, covering fifteen months, ending February 28th, shows profits of $598,522, which represents 19.95 on the capital stock of $3,000,000. These earnings reported, however, do not include war taxes on circulation, patriotic contributions and pension fund assessments.

In the past fifteen months of its existence the bank has manifested undoubted evidence of its strength. Its deposits increased to $53,359,000 from $50,563,000 at the end of 1916 and $41,688,000 at the end of 1915. The quick assets, which include $6,024,000 of Dominion notes, $901,000 of current coin, and $2,300,000 in the central gold reserves, amounted to $29,616,666. General discounts on February 28th stood at 1916, and $28,119,000 in 1915. The total assets at the end of last month were $66,541,000 against $57,163,000 in 1916, and $48,254,000 in 1915.

EDMONTON WATERWORKS DEPARTMENT

City Commissioner A. G. Harrison, of the city of Edmonton, advises that the waterworks department of that city shows a large surplus for 1917.

The financial statement and balance sheet and the net result of the year's operation and management for the waterworks department for the year ending December 31st, 1917, show that after all expenditures have been met, including debenture interest, sinking fund, depreciation and bank interest, as well as maintenance and operation charges, there is a surplus of $38,189.75. This is the best showing this department has made in the history of the city.

For the year 1916 the surplus was $24,410.04. The total revenue of the department for the twelve months ending December 31st, 1917, was $368,868.15. The total expenditure was $330,678.40. The operation charges amounted to $160,920.72. The maintenance charges amounted to $22,986.42. The capital charges, including depreciation, were $146,771.26. Total mileage of mains under pressure in the system, 164.8 miles. Total cost of watermain maintenance for the year, $6,346.95, making the average cost of maintenance per mile, $38.70. During the year 168 new water services were installed and 132 house sewer services. Total number of house sewer services to date, 9,602. Total number of water services, 10,829. Average cost of maintenance per water service, 73 cents.

During the year a normal domestic pressure averaging fifty pounds per square inch has been maintained throughout the system on both sides of the river, above the hill, while the pressure on the flats has averaged one hundred and ten pounds per square inch.

The fire department has been enabled by means of its own equipment to boost the water pressure for fire fighting when and where necessary during the past year. This eliminates the necessity of boosting the pressure over the entire system of one hundred and sixty-four miles of mains and protects the entire system as well as the high duty pumps at the pumping station against unnecessary strain.

The growth of the system has been remarkable during the last ten years. In 1908 the city had installed 2,520 water services, 200 hydrants and 48.8 miles of watermains. The revenue that year was $49,633.67. In 1917 the number of water services was 10,829, fire hydrants 797, miles of water mains 164.8. The revenue was $368,868.15. The number of water meters in use in the city is 7,700. Average cost of maintenance per meter is 96½ cents. Since the installation of meters a great saving has been effected in the amount of water pumped.

Superintendent J. W. Turner and his staff are to be congratulated on the showing made, which is more remarkable owing to the world-wide adverse conditions as regards cost of labor and material.

The service given has been constant throughout the whole period, and by regular daily tests the water supply is shown to be free from all contamination. One pound of liquid chlorine per million gallons was used to sterilize the water and that was all that was found necessary and proved to be far more economical than the old hypochloride of lime system.

The branch of the Royal Bank of Canada at College and Yonge Streets, Toronto, is now located in their new premises two doors north of College Street.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended April 3rd, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Asked	Bid	Sales
Abitibi ... com.	....	....	50
Ames-Holden ... com.	....	....	....
" ... pref.	....	....	....
Asbestos Corporation	....	....	....
" ... pref.	....	....	....
Bell Telephone	....	....	22
British Columbia Fishing & Packing	....	....	....
Brompton	....	45	55
Brazilian	35¾	35⅝	415
Canada Car ... com.	26	24½	65
" ... pref.	63	61½	495
Canadian Converters	43	....	..
Canada Cement ... com.	....	59½	20
" ... pref.	91	90	140
Canada Cottons	58	56½	55
" ... pref.	...	....	26
Canadian Con. Rubber ... pref.	....	....	....
Canadian Pacific Railway	....	....	....
Canadian General Electric	....	....	30
Canadian Locomotive ... com.	....	....	....
Canada Steamship Lines ... com.	39½	39½	30
" " " ... pref.	76	....	50
" " " ... (Voting Trust)	38¾	....	25
Civic Investment	....	....	....
Civic Power ... com.	....	....	...
Cons. Mining and Smelting	....	....	1
Consumers Gas ... com.	....	....	....
Dominion Bridge	....	....	....
Dominion Canners ... pref.	....	....	....
Dominion Iron ... pref.	91⅜	91	235
Dominion Steel Corporation ... com.	60¾	60½	1966
Dominion Textile	85	83¼	20
" ... pref.	101	....	....
Goodwins Ltd.	11	....	....
Illinois Traction ... com.	....	....	....
" ... pref.	....	....	....
Intercolonial Coal ... com.	....	....	....
Lake of the Woods Milling ... com.	....	....	1
Laurentide Co.	....	152	....
Lyall Const. ... com.	68¾	68	125
Macdonald	15	14¾	125
Mackay Cos. ... com.	....	....	...
" " ... pref.	....	....	....
Maple Leaf Milling ... com.	98	....	70
Montreal Tramway	150	....	....
" " ... deb.	....	....	700
Montreal Telegraph	120	....	15
Montreal Cotton ... com.	....	50	....
" ... pref.	....	....	....
Nova Scotia Steel	....	....	....
Ogilvie Flour Mills ... com.	....	150	10
Ontario Steel ... com.	....	....	....
" ... pref.	74	75	....
Penmans	74	....	13
" ... pref.	....	81¾	....
Price Bros.	....	....	....
Riordan Paper	....	....	170
" ... pref.	....	92	....
Quebec Railway, Light, Heat & Power	....	15	95
Shawinigan Water & Power	....	....	12
" " " ... rights	....	....	....
Spanish River ... com.	....	....	...
" ... pref.	....	....	....
Smart Woods	....	....	210
Steel Co. of Canada	60	59⅞	2937
" " " ... pref.	....	90	80
St. Lawrence Flour Mills ... com.	....	51½	385
" " " ... pref.	....	....	....
Toronto Railway ... com.	....	....	....
Wayagamack	....	...	....
Bank of British North America	....	....	....
Bank of Commerce	185	....	10
Bank of Montreal	210	....	....
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	110	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	....	....	....
Dominion Bank	202	....	12
Merchants Bank	167	....	57
Molsons Bank	179⅞	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	4
Standard Bank ... com.	....	....	....
Union Bank	....	115	2
Montreal Bonds			
Asbestos	....	....	....
Bell Telephone	93	....	....
Canadian Car.	....	....	....
Canada Cement	97	....	....
Canadian Converters	....	83	....
Canada Felt	....	....	....
Cedars Rapids	....	....	5000
Dominion Coal	....	85	....
Dominion Cotton	....	....	....
Dominion Iron and Steel	86	81	13000
Dominion Textile ... A	....	....	....
" " ... B	....	....	....
" " ... C	...	....	....
" " ... D	....	....	....
Lake of Woods Milling	....	....	...
Laurentide	....	101	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	81¾	1000
Montreal Tramways	....	....	....
National Breweries	....	....	....
Nova Scotia Steel	....	....	....
Ogilvie ... A	....	100	....
" ... B	....	100	....
" ... C	....	100	....
Penmans	....	....	....
Price Bros.	....	....	....

Montreal Bonds (*Continued*	Asked	Bid	Sales
Quebec Railway, Light and Power	60	.....	55
Riordan Paper	95	....	....
Steel of Canada	....	80	41
First Dominion War Loan	...	93½	2000
Second Dominion War Loan	...	92¼	14000
Third Dominion War Loan	....	91½	20800
Wabasso Cotton	84	....	....
Wayagamack	70	....	....

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	14½	....	....
" ... pref.	50	....	...
American Cyanamid	35	33	....
" ... pref.	....	52	...
Barcelona	10	9½	....
British Columbia Fish	....	49	....
Brazilian	35¾	35¼	377
B. C. Packers	....	....	....
Canada Bread	17	16	10
" ... pref.	....	....	....
Canadian Car & Foundry	25	21	25
" " " ... pref.	63	61½	....
Canadian Canners	....	....	83
" ... pref.	....	....	....
Canadian General Electric	102¼	101½	25
" " " ... cum div. pref.	....	....	....
Canada Landed & National Investment	....	....	....
Canadian Locomotive	....	....	....
" ... pref.	....	82¾	....
Canadian Pacific Railway	159	137½	....
Canada Permanent	....	....	74
Canada Steamship	39⅝	39⅜	159
" " ... pref.	75¾	75	32
Can. Salt	...	....	190
Cement ... com.	59½	58½	....
"	....	90	....
City Dairy	....	30	....
" ... pref.	....	65	....
Coniagas	....	....	100
Confederation Life	375	....	....
Consumers Gas	144½	....	....
Dome	860	825	20
Dominion Canners ... pref.	25	21	....
Dominion Iron ... com.	....	....	....
" " ... pref.	....	...	...
Dominion Steel Company	60¼	59¾	50
Dominion Savings	....	....	....
Duluth Sup	41	....	....
F. N. Burt	....	....	....
" ... pref.	81½	....	....
Hamilton Provident	....	....	....
Huron & Erie ... com.	....	....	....
Lake of the Woods ... com.	....	...	....
La Rose ... com.	59½	57½	2000
Mackay Companies	75¾	75¼	77
" ... pref.	..	61¾	15
MacKinley Darragh ... com.	....	....	....
Maple Leaf Milling	..	94½	31
" " " ... pref.	92¼	91¾	25
Monarch	43	40	....
" ... pref.	80	....	....
Nat. S. Car	11	8	....
" ... pref.	36	32	....
Nipissing	845	837	5
Nova Scotia Steel	65½	61	...
" " " ... rights	....	....	....
Prov. Paper	....	....	....
" ... pref.	....	....	....
Penmans ... com.	75	73½	....
Petroleum	1150	1125	250
Riordon	120	117¾	....
" ... pref.	....	....	....
Rogers ... com.	....	....	...
Russell Motor	60	50	...
" ... pref.	68¼	...	32
Sawyer-Massey	....	10	..
" ... pref.	40	....	....
Smelters	....	....	15
Spanish River	....	....	...
" ... pref.	50	....	....
Cons. Smelters	25	24	...
Standard Reliance Loan	....	....	5
Standard Chemical	...	....	....
" " ... pref.	57	....	....
Steel Company of Canada	59½	58¾	85
" " " ... pref.	90	89	60
Toronto General Trust	....	..	....
Toronto Paper	72	65	...
Toronto Railway	58	...	....
Trethewey S. Mines ... com.	16½	15½	...
Tucketts	19	...	....
" ... pref.	....	....	....
Winnipeg Electric	48	....	....
Twin City	52½	52	102
Bank of Commerce	185	....	10
Bank of Ottawa	201	....	...
Bank of Hamilton	181	....	8
Bank of Montreal	210	....	...
Bank of Nova Scotia	218	....	1
Bank of Toronto	187	....	....
Dominion Bank	202	..	....
Imperial Bank	....	185	10
Merchants Bank	...	...	....
Molsons Bank	179¾	....	....
Royal Bank	208	....	....
Standard Bank	200	...	3
Union Bank	....	146	..
Toronto Bonds			
Canada Bread	....	....	1000
Canada Locomotive	....	....	...
Penmans	..	85	....
Riordon	....		2000
Sao Paulo, 1929	.	....	...
Steel Company of Canada	...	90½	....
First War Loan	93¾	93½	7700
Second War Loan	92¾	92⅝	18200
Third War Loan	91¾	91½	39500

Baldwin, Dow & Bowman
Chartered Accountants
OFFICES AT
Edmonton, Alberta. Toronto, Ont.

RONALD, GRIGGS & CO.
AND
RONALD, MERRETT, GRIGGS & CO.
Chartered Accountants Auditors Trustees Liquidators
Winnipeg Saskatoon Moose Jaw London, Eng.

CLARKSON, GORDON & DILWORTH
Chartered Accountants, Trustees, Receivers, Liquidators
Merchants Bank Building, 15 Wellington Street West, Toronto
E. R. C. Clarkson, G. T. Clarkson,
H. D. Lockhart Gordon, R. J. Dilworth.
Established 1864

Established 1882.
HENDERSON, REID AND COMPANY
CHARTERED ACCOUNTANTS
WINNIPEG Manitoba MEDICINE HAT, Alberta.
HENDERSON, REID AND PATERSON
CHARTERED ACCOUNTANTS
ACADIA BLOCK, LETHBRIDGE, Alberta.
W. A. Henderson, J. D. Reid, R. J. Ritchie Paterson

Charles D. Corbould
Chartered Accountant and Auditor
ONTARIO AND MANITOBA
806 Sterling Bank Bldg. .... Winnipeg
Correspondents at Toronto, London, Eng., Vancouver

BERT. R. MASECAR
Chartered Accountant
Auditor Accountant Liquidator Trustee
SASKATOON, Sask.

A. A. M. DALE
CHARTERED ACCOUNTANT
WEYBURN SASK.

D. A. Pender, Slasor & Co.
CHARTERED ACCOUNTANTS
805 CONFEDERATION LIFE BUILDING
WINNIPEG

EDWARDS, MORGAN & CO., Chartered Accountants
Canadian Mortgage Bldg., 10 Adelaide St. E. .... TORONTO, Ont.
614 Herald Building, First Street West .... CALGARY, Alta.
705 London Building, Pender St. W. .... VANCOUVER, B.C.
705 Electric Railway Chambers, Notre Dame Avenue WINNIPEG, Man.
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F. C. S. TURNER & CO.
Chartered Accountants
Successors to
LAING & TURNER
Trust & Loan Building, WINNIPEG
McCallum Hill Building, REGINA

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RUTHERFORD WILLIAMSON & CO.
Chartered Accountants Trustees and Liquidators
86 Adelaide Street East TORONTO
604 McGill Building MONTREAL
Cable Address—"WILLCO."
Represented at Halifax, St. John, Winnipeg, Vancouver

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent. extra if charged.

WANTED.—Fire Inspector for the Prairie Provinces by prominent British Company. Apply, stating qualifications and references, to "Inspector," care of *The Monetary Times*, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

CITY OF EDMONTON

WANTED—UTILITIES COMMISSIONER.—City owns Street Railway, Telephone, Electric Light and Waterworks. State fully qualifications, experience, date report for service, salary expected. Applications received till noon, April 20th. Address communications, marked "Application Commissionership," to City Clerk, Edmonton, Alberta.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

FIRE INSURANCE COMPANY requires chief clerk for Toronto office. Some knowledge of bookkeeping necessary. Good opening for man not subject to draft. Apply, stating age, experience and salary. Box 161, *The Monetary Times*, Toronto.

DOMINION SAVINGS BANKS

BANK	Deposits for Feb. 1918	Total Deposits	Withdrawals for Feb. 1918	Balance on Feb. 28th, 1918
	$ cts.	$ cts.	$ cts.	$ cts.
Manitoba:—				
Winnipeg	3,599.00	520.168.11	12,471.57	507,993.81
British Columbia:—				
Victoria	20,921.87	1,110,949.55	11,065.64	1,096,883.91
Prince Edward Island:—				
Charlottetown	21,113.00	1,843,113.98	19,812.62	1,823,301.36
New Brunswick:—				
Newcastle	410 00	244.373.58	6.406,93	237,966.65
St. John	41,760.26	4.653.634.28	62,099.04	4,591,535 24
Nova Scotia				
Amherst	....	....	......	....
Barrington	44.00	102,356 08	233.89	102.122.19
Guysboro'	221 00	96 149.52	1,142.49	95.007.03
Halifax	8,213.18	2.357,579.56	28,986.68	2.328.592.88
Kentville	2,294.00	239.186.72	1,632 49	237,554.23
Lunenburg	7,041.00	141.107.31	5.493.57	135,613.74
Pictou	....	....	....	....
Port Hood	200 00	72.538.92	1,138.47	71,400.45
Shelburne	843.97	221,804.61	3,269.72	218 534 89
Sherbrooke	2,290.00	79.522.80	733.99	78,788,81
Wallace	....	....	....	....
Totals	129.910.28	11,982 785.32	157.460 10	11,825 325.22

POST OFFICE SAVINGS BANKS

Dr.	NOVEMBER, 1917		Cr.
Balance in hands of the Minister of Finance on 31st Oct. 1917	$ cts. 13,211,824 69	**Withdrawals** during the month	$ cts 2,539,872.15
Deposits in the Post Office Savings Bank during month	850,125.97		
Transfers from Dominion Government Savings Bank during month:—	....		
Principal........ **Interest** accrued from 1st April to date of transfer...	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	4,706.18		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month	25,518.96	**Balance** at the credit of Depositors' accounts on 30th Nov., 1917	11 552,301.35
	14 092,173 80		14,092,173.80

PRELIMINARY STATEMENT OF THE TRADE OF CANADA FOR FEBRUARY

	Month of February			Twelve Months ending February		
	1916	1917	1918	1916	1917	1918
Imports for Consumption.	$	$	$	$	$	$
Dutiable Goods	29,097,441	36.490,288	30.705,474	278,303.387	441,917,609	546.253,779
Free Goods	22.557,527	31,540,181	21,500,974	207,856.753	363,112,013	431,348,256
Total imports (mdse.)	51,654,968	68,030,469	52,206,448	486,160,140	805,029,622	977,602,035
*Coin and bullion	2,109,968	525,469	901,768	34,175,614	26,979,553	13,309,561
Total imports	53,764,936	68,555,938	53,108,214	520,335,754	832,009,175	990,911,596
Duty Collected	10,489,586	11,409,494	9,449,747	100,315,295	142,722,151	162,861,605
Exports.						
Canadian Produce—The mine	4,896,026	5,074,172	5,960,721	64,582,028	83,641,039	76,969,040
The fisheries	1,782,071	1,655,615	4,336,162	22,389,048	24,570,488	31,610,187
The forest	2,595,420	2,459,024	2,354,446	51,464,650	55,540,515	51,591,269
Animal produce	5,492,339	7,652,860	10,918,931	99,731,844	121,612,208	178,000,273
Agricultural produce	13,898,856	11,449,080	28,089,659	244,246,913	369,303,875	551,780,208
Manufactures	28,606,680	39,504,694	34,346,308	210,622,022	455,173,956	667,842 339
Miscellaneous	659,776	428,938	355,390	5,278,817	7,532,612	4,794,798
Total Canadian produce	57,931,168	68,224,383	86,361,617	698,315,322	1,117,374,693	1,562,588,114
Foreign produce	831,865	3,254,865	3,403,291	39,293,938	24,891,544	46,387,713
Total exports (mdse)	58,763,033	71,479 248	89,764,908	737,609,260	1 142,266,237	1,608,975,827
*Coin and bullion	118,288	127,514	358,485	125,173,639	196,510,395	3,560,234
Total exports	58,879,321	71,606,762	90,123,393	862,782,899	1,338,776,632	1,612,536,061
Aggregate Trade.						
Merchandise	110,418,001	139,509,717	141,971,356	1,223,769,400	1,947,295,859	2,586,577,862
Coin and bullion	2,226,256	652,983	1,260,251	159,349,253	223,489 948	16,669,795
Total trade	112,644,257	140,162,700	143,231,607	1 383,118,653	2,170,785,807	2,603,447,657

*Note.—It will be noted that the figures relating to the imports and exports of coin and bullion for the twelve months ending Feb., were: imports 1916, $34,175,614; 1917, $26,979,553; 1918, $13,309,561: and exports 1916, $125,173,639; 1917, $196,510,395 1918, $3,560,234. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended April 3rd 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......pref.	78	86	Canada Machinery..com.	10	14	Dunlop Tire..... 6's	95	100	National Brick Bonds....	19	25
" " ....6's	...	89	" " pref.	45	50	Eastern Car..........6's	90	95	National Telephone...5's	50	57
" " ....com.	37.50	44	Can. Mortgage & Invest..	....	83	Ford Motor of Canada...	180	215	North Ont. L. & P. 6's	76	82.50
Alberta Pac. Grain..com.	92	....	Can. Oil............pref.	60	100	Harris Abattoir........6's	94	100	Nova Scotia Steel 6% deb.	85	92
Amer. Sales Book..pref.	....	90	Can Salt............. 6's	92.50	....	Home Bank.............	....	65	Ont. Pulp Bonds.........	74	78.50
Atlantic Sugar.......pref.	21	28	Can. Westinghouse......	102	118	Imperial Oil.............	268	285	Rosedale Golf...........	300	350
" " ....6's	78	84	Cockshutt Plow.....pref.	67	75	Imper. Trust Co. Toronto	....	37	Sovereign Life..........	12	18.50
Belding Paul.......com.	10	14	Consumers Cordage pref.	75	85	Inter. Mill ....pref.	80	86	Sterling Bank.	....	85
" " ......pref.	72	77	Collingwood Ship.....6's	....	92	Lambton Golf Club..	385	405	Sterling Coal........com.	9.75	11.25
Black Lake...........6's	20	25.50	" " ..com.	....	30	Maritime Coal & Ry.com.	17	21.50	" " ......bonds	70	73
Brand-Henderson...com.	45	51.50	Dom. Explosives	...	25	Massey Harris...........	115	131	St. Lawrence Sugar...6's	90	95
" " 6's	93.50	....	Dom. F'dry & Steel 8% pf.	86	91	Matthew-Blackwell com.	43	50	Toronto Paper........6's	85	90
Brantford Roofing.......	95	....	Dom. Fire	20	23	Matthew Laing.......6's	94	98.50	West. Assurance	6.75	....
British Amer. Assur.....	8	...	Dom. Iron 5's. 1939.......	72.50	77.50	Mexican North Power 5's	10	14	Wt. Can. Flour. 6's (1931)	92	97
Can. Cereal & Flour.. 6's	....	.90	Dom. Linseed Oil........	70	....	M'Donald..........pref.	76	82.50	" " " ....com.	100	115
Can. Cons. Felt.....pref.	27.50	....	Dom. Power.........5's	81	85.50	Morrow Screw........6's	85.50	92	West Can. Power. ...5's	49	55
Can. Fairbanks .....pref.	83	88	" " ....pref.	90.50	96.50	Mississauga Golf.........	....	60	....	....	....
Can. Marconi...........	1.35	2.50	....	....	....	....	....	....	....	....	....

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

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Our accident and health policy is the most liberal protection ever offered for a premium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

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Paid up Capital - - -	$200,000.00.
Authorized Capital - - -	$1,000,000.00.
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Employer's Liability, Elevator, Contract, Personal Accident, Fidelity Guarantee, Internal Revenue, Sickness, Court Bonds, Teams and Automobile

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Canada Security Assurance Company

HAIL DEPARTMENT

CALGARY - ALBERTA

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Montreal Stock Exchange

BANK CLEARINGS

The following are the bank clearings for the weeks ending March 28th, 1917, and March 29th, 1918, respectively, with changes:—

	Week ended Mar. 29, '18.	Week ended Mar. 28, '17.	Changes.
Montreal	$ 68,328,775	$ 67,001,825	+ $ 1,326,950
Toronto	61,881,479	49,102,167	+ 12,779,312
Winnipeg	42,286,284	39,552,308	+ 2,733,976
Vancouver	9,123,383	6,241,856	+ 2,881,527
Ottawa	4,835,864	4,319,258	+ 516,606
Calgary	6,039.307	5,463,782	+ 575,525
Hamilton	4,917,030	3,965,061	+ 951,969
Quebec	3,593,815	3,667,333	— 73,518
Edmonton	3,101,872	2,270,470	+ 831,402
Halifax	2,997,637	1,918,199	+ 1,079,438
London	2,035,770	1,812,655	+ 223,115
Regina	2,962,825	2,612,847	+ 349,978
St. John	2,030,678	1,995,298	+ 35,380
Victoria	1,697,118	1,420,490	+ 276,628
Saskatoon	1,688,994	1,640,484	+ 48,510
Moose Jaw	1,100,706	1,101,300	— 594
Brandon	562,302	441,035	+ 121,267
Brantford	1,020,542	667,713	+ 352,829
Fort William	519,320	398,510	+ 120,810
Lethbridge	977,532	698,101	+ 279,431
Medicine Hat	493,025	528,946	— 35,921
New Westminster	378,959	235,521	+ 143,438
Peterboro'	572,787	468,790	+ 103,997
Sherbrooke	842,762	891,835	— 49,073
Kitchener	527,085	494,610	+ 32,475
Totals	$224,515,851	$198,910,394	+ $26,764,563

The Toronto bank clearings for March are $246,559,204, compared with $231,728,865 for the same month in 1917, and $186,521,542 in March, 1916.

The Toronto bank clearings for the current week are $50,990,000, compared with $53,548,356 for the same week in 1917, and $46,958,734 in 1916.

NOVA SCOTIA FINANCES

Premier Murray, of Nova Scotia, has sold $50,000 ten-year 6 per cent. bonds to a syndicate composed of Wood, Gundy and Company, Dominion Securities Corporation, Eastern Securities Corporation and J. C. Mackintosh and Company, at 98, the bonds being dated April 1st, 1918. The premier has also placed $250,000 ten-year bonds at the same price with the Workmen's Compensation Board of Nova Scotia. These sales are in addition to the $1,000,000 issue sold last week to a syndicate composed of the Maritime Trust Corporation, of Halifax, and the Halifax Relief Commission. The Halifax Relief Commission have taken $750,000 worth of these bonds, the other quarter million being offered to the investing public by the Standard Bond Corporation, the bond department of the Maritime Trust Corporation.

Nova Scotia's chief financial requirements during the coming year, which are provided for by the above-mentioned sales, are as follows:—

Retirement of bank advances, $427,910; retunding, $248,500; last year's deficit, $239,912; farm settlements, $65,000; culverts, $45,000; Nova Scotia Sanatorium, $25,000; total, $1,051,322.

The refunding is of six issues made in 1888 and maturing this year. The amounts of the issues were $80,000, $78,000, $25,000, $20,000, $7,500 and $38,000. The first four issues were at 4½ per cent. and the last two at 4 per cent.

The debenture liabilities of the province amount to $13,362,706, of which $1,492,500 are payable at Halifax, $10,370,206 payable in London and $1,500,000 payable in Halifax and New York. The current liabilities amount to $547,529, of which $507,910 is due to banks in Halifax and $39,618 due to Dominion aid to agriculture. The total liabilities are $13,910,236 and the assets are as follow: Provincial department account at Ottawa, $1,055,929; Halifax and South Western Railway, $4,447,000; sinking fund and accrued interest, $586,517; current assets, $6,401,334; property assets, $5,435,000; lands and mines, $21,750,000.

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ASSOCIATION

Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

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The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED	INCREASE 166%
ADMITTED ASSETS	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds	$ 66,500,000
Deposited with Canadian Government and Government Trustees, over	7,000,000
Investments under Canadian Branch, over	$ 16,000,000
Revenue, over	7,900,000
Bonus declared	40,850,000
Claims paid	151,000,000

D. M. McGOUN, Mgr. P. W. DORAN, Chief Agent, Ont.

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The London Life Insurance Co.
LONDON ... ... CANADA
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Head Office: 701 Somerset Bldg., Winnipeg, Man.

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District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co. write in confidence

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THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE - TORONTO, CANADA

"Representing The Mutual Life of Canada"

Efficient representatives of our Company will be found in every important centre in the Dominion and in the Island of Newfoundland. Their motto is "Service" and they will gladly furnish any needed information regarding Life Insurance in general and Mutual Life Insurance in particular. The Company issues policies on every approved plan—including Endowment Policies, Monthly Income Policies, and Policies designed for the protection of Business Enterprises. It has been the aim of the Mutual Life of Canada to introduce into its contracts every modern privilege that is compatible with safety, but the distinguishing feature of the Company is Mutuality. Under this system all profit from whatever source reverts to the Policyholders and so reduces the cost of protection. We furnish—
The largest amount of protection for the least possible outlay.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
Assets $32,165,432 Assurances $123,510,899

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LIFE INSURANCE should appeal with peculiar force—for the reason that a Life Policy is the only investment in which the young have a decided advantage over their elders. Not only in the considerably lower cost—but in the greater immunity from ill health and other causes that prevent insurance—there is a strong argument for arranging this urgent matter of protection early in life.

The Great-West Life issues policies specially attractive to young persons. Premiums may be paid annually or otherwise, to suit the applicant.

Rates on request.

The Great-West Life Assurance Co.
DEPT. "F"
HEAD OFFICE : WINNIPEG

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Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
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For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

MUNICIPAL STATISTICS OF BRITISH COLUMBIA

(Compiled by Robert Baird, Inspector of Municipalities, British Columbia).

CITIES

Municipality.	Assessment, 1917.					Percentage of Improvements Taxed.	Populat'on.	Area in Acres
	Land.	Improvements.	Total.	Land and improvements exempt from Taxation.	Grand Total.			
	$	$	$	$	$			
Alberni	927,195 00	263,890 00	1,191,085 00	31,475 00	1,222,560 00	..	500	1,553
Armstrong	619,843 50	467,960 00	1,087,803 50	....	1,087,803 50	50	950	1,000
Chilliwack	975,650 00	856,300 00	1,831,950 00	300,250 00	2,132,200 00	..	1,600	1,040
Courtenay	552,989 00	215,800 00	768,789 00	20,600 00	789,389 00	50	500	800
Cranbrook	769,935 00	1,091,150 00	1,861,085 00	....	1,861,085 00	50	2,500	200
Cumberland	117,025 00	232,890 00	349,915 00	43,000 00	392,915 00	50	1,200	40
Duncan	825,890 00	536 050 00	1,361,940 00	156,500 00	1,518,440 00	..	800	500
Enderby	323,400 00	337,700 00	661,100 00	130,345 00	791,445 00	50	950	655
Fernie	862,560 00	1,398,486 00	2,261,046 00	575,225 00	2,836,271 00	50	5,000	331
Grand Forks	851,445 00	644,140 00	1,495,585 00	406,265 00	1,901,850 00	50	1,800	1,697
Greenwood	226,785 00	315,603 00	542,388 00	51,305 00	593,693 00	33⅓	700	640
Kamloops	3,185,850 00	2,141,335 00	5,327,185 00	976,900 00	6,304,085 00	25	4,500	912
Kaslo	202,569 00	258,771 00	461,340 00	143,039 00	604,379 00	50	900	400
Kelowna	1,671,855 00	1,334,550 00	3,006,405 00	363,255 00	3,369,660 00	..	2,500	1,281
Ladysmith	391,125 00	382,950 00	774,075 00	67,650 00	841,725 00	50	3,000	220
Merritt	666,867 00	...	666,867 00	14,415 00	681,282 00	..	1,700	1,615
Nanaimo	2,648,555 00	2,896,400 00	5,544,955 00	311,375 00	5,856,330 00	..	8,000	720
Nelson	1,876,026 00	2,577,025 00	4,453,051 00	536,935 00	4,989,986 00	50	7,000	483
New Westminster	17,536,470 00	2,121,000 00	19,657,470 00	4,076,200 00	23,733,670 00	50	15,000	3,481
North Vancouver	11,551,960 00	3,461,845 00	15,013,805 00	891,800 00	15,905,605 00	..	7,500	2,750
Phoenix	132,540 00	146,055 00	278,595 00	....	278,595 00	50	1,500	148
Port Alberni	1,518,152 00	626,700 00	2,144,852 00	72,759 00	2,217,611 00	..	750	1,960
Port Coquitlam	3,528,631 00	427,400 00	3,956,031 00	104,235 00	4,060,266 00	.	1,550	6,200
Port Moody	1,775,615 00	801,400 00	2,577,015 00	51,457 09	2,628,472 00	..	2,000	3,000
Prince George	2,727,581 00	403,865 00	3,131,446 00	519,933 00	3,651,379 00	..	1,500	1,092
Prince Rupert	11,596,295 00	2,674,060 00	14,270,355 00	6,680,650 00	20,951,005 00	..	6,000	2,240
Revelstoke	1,423,220 00	1,408,360 00	2,831,580 00	492,950 00	3,324,530 00	50	3,500	595
Rossland	484,997 00	684,310 00	1,169,307 00	615,815 00	1,785,122 00	50	3,500	1,920
Salmon Arm	498,410 00	343,100 00	841,510 00	16,000 00	857,510 00	50	750	520
Sandon	36,555 00	95,745 00	132,300 00	23,240 00	155,540 00	50	425	200
Slocan	59,775 00	61,812 00	121,587 00	29,387 00	150,974 00	10	100	192
Trail	455,410 00	1,170,210 00	1,625,620 00	102,645 78	1,728,265 78	50	4,500	664
Vancouver	139,922,600 00	75,942,580 00	215,865,180 00	....	215,865,180 00	..	99,000	10,784
Vernon	2,204,996 00	1,514,170 00	3,719,166 00	681,110 00	4,400,276 00	40	2,500	2,000
Victoria	53,694,922 00	25,196,630 00	78,891,552 00	12,893,720 00	91,785,272 00	..	45,000	4,637
Total	266,843,693 50	133,030,242 00	399,873,935 50	31,380,435 78	431,254,371 28	..	239,175	56,470

DISTRICTS

Municipality.	Land.	Improvements.	Total.	Land and improvements exempt from Taxation.	Grand Total.	Percentage of Improvements Taxed.	Populat'on.	Area in Acres
	$	$	$	$	$			
Burnaby	17,646,285 00	3,466,425 00	21,112,710 00	2,173,125 00	23,285,835 00	..	12,000	21,500
Chilliwack	2,945,790 00	819,870 00	3,765,660 00	....	3,765,660 00	..	6,000	45,000
Coldstream	934,080 00	1,332,294 00	2,266,374 00	....	2,266,374 00	..	400	17,000
Coquitlam	2,250,361 00	....	2,250,361 00	1,038 00	2,251,399 00	..	1,200	37,120
Delta	5,665,276 00	980,800 00	6,646,076 00	107,800 00	6,753,876 00	50	3,500	42,000
Esquimalt	5,273,200 00	1,656,125 00	6,929,325 00	584,700 00	7,514,025 00	..	5,000	1,500
Fraser Mills	154,564 00	639,878 00	794,442 00	....	794,442 00	50	900	390.46
Kent	769,647 10	....	769,647 10	880 00	770,527 10	..	750	47,360
Langley	2,087,294 00	1,371,652 00	3,458,946 00	35,878 00	3,494,824 00	..	2,500	75,907
Maple Ridge	1,283,105 00	1,059,685 00	2,342,790 00	59,255 00	2,402,045 00	50	3,000	45,000
Matsqui	2,057 351 00	1,832,244 00	3,889,595 00	67,000 00	3,956,595 00	..	2,000	54,145
Mission	952,432 00	1,350,570 00	2,303,002 00	20,336 00	2,323,338 00	50	2,500	52,000
North Cow chan	2,853,759 00	1,663,385 00	4,517,144 00	72,926 00	4,590,070 00	5	3,500	35,000
North Vancouver	7,567,928 00	1,851,390 00	9,419,318 00	966,191 00	10,385,509 00	..	3,500	48,000
Oak Bay	6,416,360 00	3,101,434 00	9,517,794 00	113,500 00	9,631,294 00	..	5,300	2,552
Peachland	406,290 00	204,700 00	610,990 00	26,345 00	637,335 00	..	400	3,520
Penticton	2,049,280 00	1,367,980 00	3,417,260 00	499,222 35	3,916,482 35	..	3,000	7,044
Pitt Meadows	1,119,078 00	277,345 00	1,396,423 00	3,250 00	1,399,673 00	50	250	14,000
Point Grey	21,283,285 00	8,541,300 00	29,824,585 00	543,713 00	30,368,298 00	..	13,000	12,000
Richmond	4,905,776 00	394,995 00	5,300,771 00	66,466 00	5,367,237 00	50	5,000	30,000
Saanich	13,705,801 00	4,453,609 00	18,159,410 00	....	18,159,410 00	..	10,000	45,000
Salmon Arm	854,557 00	761,245 00	1,615,802 00	....	1,615,802 00	..	4,500	46,080
South Vancouver	15,356,334 50	9,381,090 00	24,737,424 50	741,266 91	25,478,691 41	..	25,000	9,200
Spallumcheen	2,188,575 00	546,685 00	2,735,260 00	1,200 00	2,736,460 00	..	3,500	65,000
Sumas	472,419 00	158,262 00	630,681 00	800 00	631,481 00	..	475	19,100
Summerland	1,362,650 00	1,389,725 00	2,752,375 00	....	2,752,375 00	..	2,500	13,000
Surrey	4,542,299 00	....	4,542,299 00	....	4,542,299 00	..	5,500	76,000
West Vancouver	3,591,077 00	554,635 00	4,145,712 00	146,928 00	4,292,640 00	..	1,400	24,320
Total	130,694,853 60	49,157,323 00	179,852,176 60	6,231,820 26	186,083,996 86	..	126,575	888,738.46

THE
EXCELSIOR
INSURANCE LIFE COMPANY
A STRONG CANADIAN COMPANY
ESTABLISHED 1889.
SURPLUS ON POLICYHOLDERS' ACCOUNT, $886,818.03.

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Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

AGENTS WANTED.

The Prudential Insurance Co. of America
Incorporated under the laws of the State of New Jersey.
FORREST F. DRYDEN, President. Home Office, NEWARK, N.J.

THE MONARCH LIFE
SECURITY AND SERVICE
HEAD OFFICE - WINNIPEG.

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"First in the Northwest."

When the average Life Assurance Actuary figures out your premium he first finds the "net" premium, then adds to it a percentage called a "loading" to provide for expenses.

This method has been condemned by world famous actuaries for over half a century.

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LOWER PREMIUMS

Write for our circular entitled "Life Assurance Rates" exposing the unsound methods generally followed and justifying our claim to be

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The Northwestern provides the highest reserves of any Canadian Company.

The Northwestern Life
Assurance Company
WINNIPEG CANADA

The Travellers Life Assurance Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

BANKERS LEAVE MONTREAL FOR CUBA

An official party from the Royal Bank of Canada left Montreal on April 3rd, en route for Havana, Cuba. The party was made up of Sir Herbert Holt, president, and three other members of the board of directors, Messrs. A. J. Brown, K.C., C. E. Neill, and C. H. Duggan. Mr. Neill, general manager as well as a director of the bank, left for New York on April 2nd. The other members of the party left on April 3rd.

A visit by some of the officers and directors of the bank to the bank's southern territory is usually an annual event. From Havana the party will this year make trips to other important points in the Royal's branch system on the island. They will be away in all about three weeks.

APRIL DIVIDENDS

One of the most desirable securities for re-investment of April interest and dividends is found in

Province of British Columbia

5% Sinking Fund Gold Bonds maturing
April 1st, 1928

Denominations, $100, $500, $1,000

Price: 89.10 and Accrued Interest
yielding

6½%

Special circular and full particulars on request

W. A. Mackenzie & Co., Canada Life Building.
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TORONTO

NOVA SCOTIA TRUST COMPANY

The annual report of the Nova Scotia Trust Company, Halifax, of which Hon. C. T. Daniels is president, shows that for the fiscal year ended February 28th, 1918, the net profits after allowing for all disbursements were $15,173, which with the balance from the previous year of $28,683 made a total profit and loss account of $43,856. Out of this dividends amounting to $11,345 were paid, leaving a balance of $32,510 to carry forward. The paid up capital is $197,984. The total assets amount to $230,495, of which $27,149 is cash. The company's dividend rate is 6 per cent.

WEYBURN SECURITY BANK

Founded in 1911, the Weyburn Security Bank has continued to confine its operations to the province of Saskatchewan, where it has 19 branches.

Net profits for 1917 amounted to $74,279.86, or almost 20 per cent. on its paid-up capital. This is slightly less than 1916 when they amounted to $82,149, but with the improvement in general business conditions which is quite general throughout the West, it is safe to assume that this year's operations will more than catch up the decrease in this regard. To the reserve fund was transferred $25,000. Dividends paid amounted to $19,266, being at the rate of 5 per cent. per annum. The bank's holdings of Dominion and provincial government securities amount to $561,250, while its holdings of Canadian municipal securities and British, foreign and colonial public securities other than Canadian, stand at $444,733.50.

The present general manager, Mr. H. O. Powell, has been at the helm since the bank opened its doors for business. Under his management, combined with a board of directors well and favorably known in the districts in which the bank operates, it may be taken for granted that the affairs of the institution are in good hands.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 27-32	1⅞	....
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	4.8410	4.8430	4.88½
Cable trans.	4.8530	4.8550	4.87½

Sterling demand in New York, $4.7585.
Bank of England rate, 5 per cent.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railroads for the month of March:—

Canadian Pacific Railway.

	1918.	1917.	Inc. or dec.
March 7	$2,617,000	$2,422,000	+ $175,000
March 14	2,496,000	2,670,000	— 174,000
March 21	2,846,000	2,648,000	+ 198,000
March 31	4,306,000	3,932,000	+ 374,000

Grand Trunk Railway.

March 7	$1,122,582	$1,063,190	+ $ 59,39
March 14	1,135,553	1,068,837	+ 66,716
March 21	1,204,467	1,054,639	+ 149,828
March 31	1,796,678	1,815,571	— 18,893

Canadian Northern Railway.

March 7	$ 666,400	$ 669,100	— $ 2,700
March 14	733,000	738,200	— 5,200
March 21	788,200	719,100	+ 69,100
March 31	1,248,700	1,146.800	+ 101,900

EASTERN CAR COMPANY

The annual meeting of the Eastern Car Company was held last week at New Glasgow, N.S. Those present were Colonel Thomas Cantley, Frank H. Crockard, N. B. McKelvie, J. C. McGregor, J. W. Allison, F. Stanfield, J. H. McGregor, Archbibald McColl, Capt. Colin Fraser, Donald C. St. Clair, R. A. Chambers, W. D. Ross, J. K. Stewart and P. A. McGregor.

The president, Colonel Cantley, said that the company had started the year 1917 with a deficit of $103,000, but that this had all been wiped out with the exception of $19,000.

The French cars have all been finished and shipped. Of the Russian cars 2,400 without brakes have been completed, the bulk of them being held at a Canadian point. Payments on them are so far all in order and no trouble is anticipated regarding the balance of payments due, as satisfactory arrangements have been made. Work has been suspended on the 600 Russian cars with brakes, but a satisfactory settlement is expected in a short time.

The Russian contract has been profitable but the French contract was not. Both accounts are practically closed now, however. The company is now building 1,000 Canadian government 40-ton box cars and recently received orders from the Canadian government railways for 650 general service cars and 750 flat cars. No work has as yet been done on the general service or flat cars.

The orders received are practically enough to keep the plant employed for the first three quarters of this year. Barring unforeseen troubles, the company by the end of October will have wiped out its indebtedness to the Nova Scotia Steel and Coal Company and to the banks and will have a credit balance. Large amounts of material on hand will have been worked up and sold by that time. The present contracts incur no liability to the Nova Scotia Steel and Coal Company or to the banks, as payments on cars from time to time will enable the company to pay for all required material and labor.

The present officers and directors of the company were all re-elected.

The Hon. R. M. MacGregor, son of the Hon. J. D. MacGregor, has been elected vice-president and charter member of the directorate of the Nova Scotia Steel and Coal Company. Mr. R. M. MacGregor's father held that position before his death.

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JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Conscription of Wealth

Our National Obligations Can Only Be Discharged By the Creation of Wealth—No Nation Can Tax Itself Into Prosperity—Taxation Policies of the Dominion Call for Careful Revision and Adaptation to Peace Conditions—Capital Will Not Be Sought if Only Reward is Its Confiscation—Taxation Must Not Go so Far As to Injure Economic Enterprise.

IT is clear that the end of the Great War will bring with it a radical re-formulation of fiscal policies and a far-reaching programme of taxation reform everywhere throughout the world. This is patent when one realizes how great a burden has been laid upon the productive process by imposts of one kind and another, including income taxes and excess profits taxation. It is absurd to suppose that industry and commerce can carry, in the days of peace, the heavy burdens imposed by war. And yet it is equally true that the huge war debts, both principal and interest, must be provided for, and that, therefore, taxation, with respect to the sum total of revenues required, at least, cannot well be diminished in its amount or scope. Nevertheless, the taxation policies of both Canada and the United States will need careful revision and adaptation to peace conditions, if the production of wealth, through which alone revenues can be secured, is to be pursued with vigor.

There is an old French saying that "virtue is apt to be more dangerous than vice, because not subject to the restraint of conscience." This aphorism is trebly true today. In an excess of virtue the visionaries and theorists propose to make use of the present war situation to advance schemes of social reform. They have seized upon the war as a pretext for advancing their plans for the promotion of economic equality—an equality which would reduce the incomes of the various classes to a dead level. Their proposals are mainly advanced under the specious guise of "conscription of capital as well as conscription of men." On the surface, this demand looks reasonable enough. When one attempts, however, to analyze carefully what is involved in this programme, one soon realizes that there are formidable difficulties involved in the plan. And not the least of these difficulties is the clear comprehension of the meaning of the term, "conscription of wealth." This phrase was ever on the lips of radicals during the flotation of the last Victory Loan. When requested to formulate clearly what was implied in the shibboleth, no answer was vouchsafed, save a foggy expression of the idea that wealth should carry a burden relatively equivalent to that involved by the sacrifices of the masses who had devoted their children to the winning of the war.

As is well known, a similar demand was made in the United States when the Republic threw its resources into the scales for the preservation of freedom and democracy. The clearest and most effective reply that has come to our attention was that made by Mr. Otto H. Kahn, one of the biggest men in the field of American finance. Mr. Kahn, in his pamphlet on "War Taxation," drew attention to the fact that American artisans and farmers were never so well off in the nation's history; that only a small percentage of the former had been drafted for war purposes; that agricultural laborers were deliberately left on the land; and that if any class had been protected since the outbreak of war, beyond another, it was the laboring element in the Republic. In the United Kingdom, in the United States and in Canada, the well-to-do came forward eagerly upon the declaration of hostilities; and, in proportion to their numbers, played their part with no less sacrifice and devotion than was shown by other elements in the community. On the side of sacrifice of life, therefore, there is absolutely no ground for building up an argument in behalf of labor as against the well-to-do, or even the capitalist class.

As already remarked, it has been extremely difficult to give the quietus to the "conscription of wealth" cry, not only because of the appeal to prejudice, but much more because of the indefinite nature of the term itself. Economists waited long for a definite and clear formulation of what was meant by those who advocated the conscription of wealth; and waited in vain, so far as we are aware, until Mr. A. G. Gardiner of the London Daily News, two or three months since, proposed a capital levy, at the conclusion of the war, to an amount large enough to bring the debt burden close to the tax-paying ability of the nation. Thus, it is seen that one of the foremost exponents of the conscription of wealth advocates, not so much a new programme of taxation, as the confiscation of property.

That a man of the ability of Mr. Gardiner, in control of the policy of an organ of international repute, should coolly propose the confiscation of wealth, in the sense of the taking over of private fortunes in great degree by the State, gives pause for serious consideration. Mr. Gardiner would go so far as to confiscate 25 per cent. of fortunes above a fixed minimum; his general argument being that the war and national sacrifice have created in large measure this increment of wealth; and that what has been created by the sacrifice of all should be placed at the service of all. From this point of view confiscation is equivalent to repudiation; for, plainly, those classes in the community which have subscribed so heavily for war bonds will find, under such a programme, that their economic position is weakened in the same measure and degree as though the State had repudiated a part of its obligations.

From the extreme radical standpoint, this scheme may appear to preserve the national credit and to work substantial economic justice. On getting under the surface, however, it will be found no less reprehensible, and scarcely less fatal in its results, than direct repudiation. A capital levy can be secured on all property in only one of two ways: By cash contributions, or by the taking over of physical property, or the securities representing that property. If cash contributions are demanded, the well-to-do and capitalist classes will be forced to borrow from the banks and other lending institutions; for it is scarcely to be expected that liquid capital will be available to the extent required for furnishing several billions to the treasury within a definite point of time. Under these circumstances the liquid capital, so essential for the proper functioning of the nation's industry, will be tied up in long-time, unproductive loans on nondescript property. The result could only bring calamity to the industry and commerce of the United Kingdom.

Nor, as the London Economist so ably demonstrates, would a capital levy on concrete property, on bonds and stocks and other certificates of indebtedness, bring better results. In the first place, a veritable army of government officials would be required to appraise and select property; and in the second place, such property would be worthless to the government, unless sold. Whether disposed of by government officers, or by capitalists themselves, it is perfectly plain that all would be sellers in a falling market, where there would be few buyers. This in itself would break the market, and knock the bottom out of prices of securities and property of all descriptions; the fatal effects of which would be felt all along the line, and especially upon government credit. The difficulties involved in selecting and appraising property would be formidable and almost insurmountable. Consider, for a moment, the extent and variety of stocks and other securities held; the nondescript parcels of real estate; the odds and ends and bizarre accumulations gathered from all corners of the earth. It would be a physical and economic impossibility to work out anything approaching substantial justice, with respect to a capital levy on property, of the nature advocated by Mr. Gardiner.

The simple fact is, that all ideas of conscription or confiscation of wealth must be abandoned, whether in the United Kingdom or upon this continent. The great need of the Western World, and all countries coming within the scope of Western civilization, will be a fund of investment capital at the close of the war. Heavy taxation, that approaches either conscription or confiscation, is equally unthinkable. Capital is not created by any process of legerdemain; but by abstinence, by self-denial and by saving, up to the point of privation. Only by the adoption of the principle of self-sacrifice, and by hard resolution, has the world been able to recover in the centuries gone by from the scourge of war; and for the present generation there is no other way out.

Capital will not be accumulated if the only reward for abstinence is the confiscation of its fruits.

Nevertheless, as every thinking citizen knows, it is of imperative importance to safeguard and protect the credit of the State. To that end industrial forces must be marshalled for the extinguishment, in due time, of the principal of the war debt, and for the taking care of interest payments. This will require in our own country heavy taxation and greater economic effort than ever before. At the end of February of the present year the gross national debt of Canada stood at $1,900,000,000, and the net debt at $1,300,000,000 as compared with $350,000,000 and $650,000,000 respectively, in the year before the outbreak of war. And the end is not yet; still heavier sacrifices must be borne. It goes without saying that the economic power and the potential resources of the Dominion are quite able to stand even this colossal strain, provided that an equitable, just and scientific fiscal policy is pursued by the authorities.

Our national obligations can be discharged by the creation of wealth, and by that method alone. No nation has yet succeeded in taxing itself into prosperity. To secure the fullest returns from our economic equipment, from our factories, mines, railroads and farms, they must be made to pay, and produce a surplus over the costs of operation. It is a futile and foolish policy that would so burden enterprise, in whatever form it takes, as to cause a slowing down of economic effort. This fact must be kept in mind in formulatng any scheme of taxation that will leave the producer little or no return above his cost of production—even including in the cost of production the wages of superintendence. For risk is inevitably associated with the productive process, and must receive its due reward. It is plain as a pikestaff that when taxation is carried up to the point where the producer retains only the costs of production, there is no reward for risk; and where there is no reward for risk, there is no incentive to enterprise, no incentive for introducing new methods, no incentive for throwing on the scrapheap obsolete machinery, and no incentive for saving. Under these conditions the man who has a fund of capital, great or small, may as well invest in mortgages, or tax-free securities wherever they can be found. The pure interest rate never has, and never will, afford incentive for audacity, for enterprise, for risk-taking in business.

This brings us to the root of the whole discussion, and brushes aside many of the sophistries that befog the controversy on the tariff, on income taxes, the tax on the unearned increment, and various other forms of land taxation. The fiscal problem is essentially simple in its formulation, although bristling with difficulties in programme and practice. Revenues for federal, provincial and municipal purposes are required, and will be needed after the war, in amounts greater than ever before: How shall they be secured without killing industry and commerce, and without harming agricultural interests? The problem is clear enough, and evident enough; but the answer exceedingly difficult. One fact, however, stands out above all others—taxation must not proceed to the extent of cutting the nerve of economic enterprise.

Mr. Otto Kahn, in the pamphlet already mentioned, suggests, by way of a partial answer, the imposition of a tax upon expenditures, as a supplement to the various taxes already in use. As Mr. Kahn points out, however, a tax on consumption must not be levied on foods and the necessaries of life. Such a tax would be new to this continent; although we have always had taxes on consumption, indirectly, under the tariff, throughout our history. Nevertheless—and especially during these years of war—there seems abundant justification for the imposition of stamp taxes on all purchases of luxuries,—on pleasure cars, silks and satins, jewelry and all articles that are plainly beyond the scope of "necessaries." It is admitted that it would be difficult to define accurately the articles coming within the term "luxuries"; but at any rate no great obstacles lie in the way. Obviously, tobaccos, snuff, liquors, and so forth, would be exempted, as these are already taxed under the excise duties.

While consumption taxes would be altogether new in Canada and the United States, they have long been used as a fiscal expedient on the European continent. France, indeed, in its municipal taxation, has for many years calculated tax-paying ability on the basis of "conspicuous expenditure." The householder that could afford to make a conspicuous display of wealth, under this theory, could also afford to pay a relatively heavier tax than those living more carefully. The subject is too big to discuss in all its details at the present time; but sufficient has been said to indicate that the tax would involve little or no hardship; would be broad in its base, since it would cover so many expenditures; and that it would, above all, induce saving and divert demand from luxuries to necessities. And in checking extravagance, not the least valuable effects of such a tax would soon be apparent.

INTEREST PAYMENTS ON VICTORY LOAN

Amount of Interest to be Paid June 1st Next Approximately $15,000,000—Fact That Bonds are Largely Held in Canada Facilitates Payment of Interest

BY H. M. P. ECKARDT

(Author of "Manual of Canadian Banking.")

In connection with the Victory Loan there is but one more payment to be made. It is expected that this transaction will be handled without difficulty, as have been the preceding payments. Owing to the large amounts of subscriptions paid in full on January 2nd, the sums to be provided on the succeeding instalment dates were considerably cut down; but on the other hand there were a number of large subscribers who turned in old bonds for conversion and who have been meeting their payments, as they came due, out of proceeds of the converted bonds. These parties, in numerous instances, will require to find cash to meet the May instalments, and possibly there may be a more active demand for loans on that account. Thus in the course of another few weeks the financial markets will have finished the great task of providing the national government with $400,000,000 of new money for war purposes. Then a month later, on June 1st, occurs the first distribution of interest to the holders of the bonds. This interest distribution will be the most important transaction of this kind which Canada has so far experienced.

Conversion of Holdings.

As there are no details yet available regarding the amount of old bonds converted, it is not possible to give the amount of the pending distribution. However, there were outstanding $350,000,000 of bonds belonging to the first, second and third war loans; and it appears probable that from $150,000,000 to $200,000,000 of these outstanding bonds were turned in. The article on life insurance companies' investments in the war loans recently published by *The Monetary Times*, indicated that in not a few cases the large companies converted all or nearly all of their holdings; and it is understood that the industrial companies, brokers, bond dealers, municipalities, trust companies, and large individual holders generally followed the same policy. The inducement to convert was stronger than on any of the preceding occasions. Net return on the Victory bonds, as offered to subscribers, was higher than on the earlier loans, and in case of the Victory bonds the nominal rate, as printed on the coupons, is 5½ per cent., as against 5 per cent. specified in the first, second and third loans. If it be assumed that $200,000,000 of old bonds were converted, that would make a total Victory loan issue of $600,000,000 with annual interest charge of $33,000,000; and if the conversions be taken as $150,000,000, the yearly interest would be $30,250,000. So it will be seen that even with the lower of the two estimates re conversion, the amount of interest payable on June 1st, will be approximately $15,000,000. No other single interest or dividend payment made by the Dominion government or any Canadian corporation approaches this amount. The nearest approach to it is seen in the Canadian Pacific common stock dividend which calls for $26,000,000 in four quarterly payments of $6,500,000 each. In case of Canadian Pacific Railway's distribution the greater part must be remitted to other countries.

Canadian Pacific Railway Securities.

Prior to the war something like two-thirds of the Canadian Pacific's common stock rested in Europe, mostly in the British Isles. Thus it was necessary to remit, roundly, $17,000,000 yearly to the European holders, this outgo being in addition to a large proportion of the preferred stock dividends which amounted to a little over $3,000,000 per year, and the charges on the consolidated debenture stock, amounting to $7,000,000 per year. Early in the war the British government shipped a considerable part of the British holdings of these Canadian Pacific Railway securities to New York, to serve as collateral to British loans there, and it may conceivably be the case that the arrangements made with the American bankers provided for remittance of the interest and dividends on these securities to New York instead of to London. If any such arrangement was made, it would not likely have a sensational effect on our exchange relations with the United States—since any large purchases here of sterling exchange by the Canadian Pacific Railway for dividend and interest payments due in Europe would probably be covered by the banks in the New York sterling market.

Owing to the fact that the Dominion government's interest payment on the Victory bonds is payable mostly to Canadian investors, the effort of financing the transaction is lessened. There will, of course, be some coupons collected by American holders, and these will involve a certain demand for New York funds; but as the Victory bonds are payable in Canada only, and not optionally in New York, as in the case of the third war loan, the American holders will apparently have to stand the loss in exchange, which will be no small item, if the premium on New York funds still rules well above 1 per cent. when the coupons mature.

Interest on War Debt.

While the payment of interest on the war debt is considerably facilitated by reason of its being held so largely at home, there are some other considerations which deserve to be noticed. In order to enable themselves to finance the successive domestic war loans, and to make large direct advances to the Dominion and British governments for war purposes, the banks have been obliged to adopt a repressive attitude towards the industrial and mercantile customers who ordinarily have the call upon the greater part of the normal increase of bank funds. Customers who have always made good and profitable use of such credits as the banks accorded them, have been held down to small lines and many worthy customers have not been able to secure the credits needed for carrying on their businesses to best advantage. The banks make more profits through furnishing credits to their regular customers, and their position is sounder when their funds are not so largely advanced to one big borrower, even though that borrower be the government; but there has been no choice—duty imperatively called them to the aid of the government, and the business interests of the country were necessarily pushed aside. This indicates one way in which our industry and trade would benefit if it were possible or practicable to obtain a part at least of our national war credits in the United States. We could well afford to send the annual interest abroad if by so doing there was a considerable increase in the volume of funds available here for credits to our merchants, manufacturers, farmers, and others actively engaged in productive work.

NEW PLATE MILL CONTRACT ADVANTAGEOUS

The plate mill contract with the government will benefit the Dominion Steel Corporation as well as the national industry of shipbuilding. It will ensure plates at reasonable cost since the contract price of $4.15 per hundred pounds for the first six months is less than one-third the price actually paid for plates imported from the United States during the last few days. This is the opinion in Montreal. The mill will be completed just within eighteen months at a cost of under five millions, and the capacity will be 100,000 tons annually, or double the government's minimum order.

Mr. C. F. Sise, chairman of the Bell Telephone Company of Canada, died on April 9th.

MORTGAGE LOANING SITUATION

Decrease of $13,000,000 in Loans Since 1914—Repayments and Government Displacements

"Between the close of 1914 and 1916, the first two full war years," said Mr. S. R. Tarr, editor of Canadian Finance, Winnipeg, at the meeting of the Dominion Mortgage and Investment Association at Toronto, on March 25th, "mid-western mortgages on the books of lending corporations (loan, trust and insurance companies) decreased from $276,109,246 to $273,455,031, that is by $2,654,215, or by a little under 1 per cent. During 1917 the decrease was undoubtedly much more pronounced. While nothing approaching complete information will be available for some months, the annual statements of over a dozen of the largest Canadian loaning institutions of all three classes show a drop of about 3½ per cent. in bulk of mortgage investments last year. These figures, of course, relate to all Canada. But the ratio of decrease would probably hold for the west. While repayments were doubtless proportionately larger on the prairies, owing to unprecendented monetary returns from agriculture, there was considerable now lending (as for instance by several Dutch companies) by way of loans in outlying homesteading districts. A 3½ per cent. decrease in 1917 would mean a drop of about $9,500,000, making year-end institutional holdings of mortgages somewhere about $264,000,000. Since 1914, therefore, the wartime falling-off to the end of 1917 has been over $12,000,000, taking into account only institutional lending. Loans through private channels possibly fell off another $1,000,000. Conservative estimating of the present grand total of prairie mortgage loans would bring a figure of something over $285,000,000, city as well as farm, but not including implement company liens, etc., which latter have been pretty thoroughly cut down during the past two years of agricultural prosperity."

Affected by Government Loaning.

"Naturally enough, in view of phenomenal money returns from western crops, the farm mortgage situation has been one of repayment rather than of new loaning during recent months. The Manitoba situation especially has been affected by government loaning at lower rates than market conditions warrant, resulting in the paying off of loans from the companies, and the placing of mortgages with the government instead. As only $620,000 (out of $1,500,000 approved applications) was put out by the Manitoba farm loans board up to the end of 1917, the displacement has not yet been large. Nor is it likely that the total by the end of 1918 will be over one and one-half million dollars. But the after-war effect of this condition upon the supply of loan funds is certain to be deterrent to an extent far beyond the actual amount displaced. Idle company funds are now being diverted into other channels, notably government securities, and there will be much difficulty in attracting them back to compete in a mortgage field where business is done on a basis apart from money market conditions. The danger to the farmer is that, after the war, while the government itself will not be able to supply the volume of funds eventually required, the loan companies will, to a considerable extent, have been scared out.

Below-Cost Government Competition.

"But for such below-cost competition, present and prospective companies (in order to preserve their agency and administrative organizations intact) would prefer to keep funds in the west at lowered rates. As it is, they are seeking other fields. Alberta, recognizing the situation, has announced a decision not to enter the loan field under present conditions, and Saskatchewan has practically halted. Manitoba keeps at it, though it has been able to get less than $200,000 from investors within its own borders for the Farm Loans Association. (The provincial treasurer in an optimistic moment told a meeting of life underwriters that the school children's savings alone throughout the province would make available over a quarter-million dollars for the scheme.) Saskatchewan did better and received subscriptions of something over $750,000 to its greater production loan. With no further local funds immediately in sight and realizing (as Manitoba has failed to do) the absurdity of lending at a lower rate than has to be paid by the government itself, the Saskatchewan Farm Loans Board has been advising applicants that no further loans can be made in the meantime—the 6½ per cent. rate promised being manifestly out of line with market conditions. Manitoba, however, blindly continues putting out money at 6 per cent., a rate originally based on supposed government ability to borrow at 5 per cent., while recent short-term borrowing has cost the province 7¾ per cent.

"Conducted on sound business lines, government mortgage lending to western Canada's farmers might quite well find justification. There were those in the loan company ranks optimistic enough to hope, when the Manitoba Farm Loans Association was first proposed, that this new development in the loaning field would increase the future incoming of capital, as well as tend to lower rates, for the reason that the government's own participation in the business might put an end to legislative tampering with the security underlying mortgage contracts. Loan company representatives on the joint committee of commerce and agriculture joined in its unanimous vote approving of government mortgage lending, if on sound business lines. Conservative lending institutions prefer a lower rate with assured security to a high rate with considerable risk of loss and of costly delays.

"It is but fair to say that real legislative progress was made a year ago in removing some of the disabilities complained of by lenders and borrowers alike. But it is to be feared that any gain to the Manitoba situation in this particular is more than offset by the provincial treasurer's refusal to recognize any change in world-wide monetary conditions, and by the associations continuing to lend to farmers at a rate of 6 per cent., based upon a supposition that money could be obtained at 5 per cent. and that 1 per cent. would more than cover all administration charges. As to administration costs, no definite information was vouchsafed in the meagre interim report given at the recent session of the Manitoba legislature. But it is known that British Columbia incurred an operating loss of over 3 per cent. under its initial government plan of lending to farmers at 6½ per cent. Since reorganization of its system it has been found necessary for that province to raise its rate to 7½ per cent.

Robbing the Future of Needed Funds.

"Given a fair field and wholesome but not destructive competition, lending companies would be able to go on putting out their available funds with advantage to all, when the borrowing demand again begins to increase. But it spells future trouble to the province as a whole for the government to hand out at 6 per cent. to first-comers certain limited funds obtainable at a low rate that bears no relation to ruling interest. It cannot be kept up, unless at a large direct loan to taxpayers, rural as well as urban. The doing of it even temporarily must tend to divert the attention of lenders to the other fields where there is no government competition, or where (as in Alberta and Saskatchewan) it is to bear some relation to actual money market conditions.

Difficulties in Compiling Statistics.

"Any attempt to compile comparative tables relating to mortgage loans in the three prairie provinces is beset by manifold difficulties. The province of Manitoba prints no official detailed figures whatever as to institutional investments. The other two provinces' figures are differently tabulated in various respects. It is surely high time that full and uniform information as to classes of investments and sources from which they come should be given by all provinces. For seven years Canadian finance has endeavored (by getting into communication with government departments and with the loaning companies) to tabulate the mid-west's investments coming through institutional channels. Its best efforts have failed to achieve accuracy, and the results here submitted are only approximate. Some of the difficulties arise from government returns lumping together in some cases all investments—mortgages, real estate holdings, policy loans, stocks, bonds, etc. It would only befog matters to enter into explanations of the adjustments made in arriving at the final figures presented, covering about 400 institutions in all. This much may be said of them, that they are the only systematic attempt made in any quarter at a joint compilation, and that, over a series of years, they give a fair idea of the investment trend in the prairie provinces."

The clearing house committee of the Chicago Clearing House Association has adopted a resolution recommending to banks that on loans made for the purchase of Liberty bonds the rate be 4¼ per cent. for the first 90 days and 5 per cent. for the succeeding 90 days.

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of Canada

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TAXATION TANGLE IN THE WEST

Notwithstanding the gloomy predictions concerning the financial soundness of western municipalities, and notably of the cities, indulged in a few years ago, the West is coming to the fore with flying colors. There never was any real difficulty, worth the mentioning, in the financial affairs of the rural municipalities; but conditions were quite otherwise with respect to some of the cities and towns of Alberta and Saskatchewan. The important centres are making rapid headway in setting their financial affairs in order; but to do so it has required strict regulation of expenditures and the careful collection of revenues from taxation.

As is well known, both Alberta and Saskatchewan made large use of the so-called single tax in their municipal fiscal affairs before the outbreak of war. This did not mean that the single tax was relied upon exclusively, even in Edmonton and Vancouver, as a source of income, but that it was possible to exempt improvements in part from the burden of taxation. This permission was made use of extensively; and the burden on real estate shifted to a considerable extent, to land. All went well while the real estate boom lasted; but with the rapid decline in urban land values which culminated with the declaration of war, it was plainly seen that the cities and towns could no longer depend for a stable income sufficient to cover fixed and current expenditures, on the taxation of land values. Within the past year the provincial government of Saskatchewan appointed Professor Haig, of Columbia University, New York, to make a survey of urban taxation in the province, and to present recommendations for a revision of the existing system.

While Professor Haig's report is a carefully prepared document, presenting a clear view of actual conditions in the province, there is nothing new or striking in his recommendations. He recommends that the tax burden be shifted as rapidly as possible from unimproved lands to buildings; and that each class of property—land and buildings—be taxed according to its faculty, or ability to pay. Should the provincial government legislate in that direction it will relieve those real estate speculators who have clung desperately to their holdings during the past hard years. Moreover, the shifting of the tax burden, in greater measure, to improvements will undoubtedly result in providing a surer and more stable income to the urban municipalities; but it is equally plain that this burden will ultimately rest upon rent payers. This may be just and equitable; but at the same time there seems no sufficient reason for passing legislation as a measure of relief for those speculators who plunged in times of prosperity and now find the burden hard to bear.

One lesson worth while, at least, has been taught the people of Canada, whether of the prairie provinces or elsewhere—that a workable taxation scheme is to be found only in applying the principle of levying rates according to ability to pay. The single tax is no open sesame. Land, like other property, must fluctuate in value as long as risk is inherent in business activity; and if it fluctuates in value, the buoyant revenues that induce reckless financing in flush years may not be available in times of depression. Less reliance upon speculation, and the greater exertion of real productive power, is the *sine qua non* for ultimate economic success for the whole Dominion.

WESTERN IMMIGRATION AND LAND SALES

The record of Canadian Pacific land sales tells a remarkable story of western recovery. In the fiscal year ending June, 1915, the first year of war, the company's sales had fallen to 231,297 acres with aggregate sale price of $3,742,115. During the next fiscal period (ending June, 1916) the sales increased to 390,715 acres with sale price of $6,126,108. The next period is the half year ending December, 1916, and the results for this six months nearly equalled the business done in the whole of the preceding year—the sales being 328,574 acres and the selling value $5,295,345. Throughout 1917 the increased activity was fully maintained, the record for the 12 months ending December 31st being 789,055 acres, with total sale price of $14,330,811. Reports now coming down from the West are that the Canadian Pacific land offices are doing a record-breaking business. The tide of American settlers, which reached its height in the year ending March, 1913, when 139,000 people came in from the neighboring country, had steadily declined during the three succeeding years. In 1914 the Americans settling in Canada numbered 107,530; in 1915, 59,779; and in 1917 (year to March 31st), 36,937. During the year ending March, 1918, there was a substantial increase, and the newspaper dispatches from western centres state that most of the newcomers thronging the land offices recently are Americans—from California, the Middle West and New England.

It is, of course, well understood that the revival in Canadian Pacific land sales and in immigration from the United States is mainly due to the high price of wheat. Assured of getting around $2 per bushel for what they can produce in 1918, and confident that the prices realized in 1919 and 1920 will also be satisfactory, those having experience in farming naturally turn their attention to the cheap lands of our prairie provinces. Nowhere in the United States can lands of this quality be purchased at the Canadian prices. In most cases the prices current on the other side of the boundary line are from two to four times as great as in Saskatchewan and Alberta. This movement of Americans into Canada promises to have an important effect on our grain production in 1918 and 1919. Many of the new settlers have planned to break some land and plant a crop during the present spring; and it is certain that their efforts will result in a substantial increase of the area seeded in 1919. A satisfactory feature of the new immigration movement is that it has attained its volume in spite of the relatively poor yields of 1916 and 1917. In many parts of Manitoba and Saskatchewan the farmers in those two years received but a small yield of grain per acre. If under those circumstances the high prices attracted many settlers from the United States, we may reasonably anticipate that the combination of a big crop and high prices, when it materializes, will have a pronounced effect in building up the agricultural population of Western Canada. The favorable conditions under which the farmers have worked since taking off their last harvest have created a general expectation that the combination here referred to may be experienced in 1918.

SAVINGS BANK CHECKING ACCOUNTS

In view of the recent intimations to the effect that the banks have been considering a change of practice in regard to allowing savings bank customers to draw cheques upon their accounts, bank depositors have been discussing the probable effects of such a change. The savings bank checking account is of comparatively recent origin so far as the Canadian chartered banks are concerned. It is largely a result of banking competition and of the policy of establishing numerous branch offices in the residential and retail sections of the larger cities. To the average householder living uptown, the privilege of having a savings account at a bank a few doors away on which cheques might be issued payable anywhere in the city, has had a strong appeal. The branches in the cities, outside of the financial district, have thousands of these accounts, many of which are carried for no other reason than that of issuing two or three cheques per month for the purpose of paying the larger items of household expense. These savings bank checking accounts have been one of the main factors in developing the deposits of the city branches far beyond what they would have been if no such privilege existed. Thus they have been a factor in encouraging thrift and economical habits.

Because of their importance as deposit-builders, it is scarcely to be expected that the savings bank checking accounts will be abolished. Many branch managers would interpose a strenuous opposition to any proposals for doing away with them entirely. If the privilege were abolished, it is probable that a considerable number of the savings accounts bearing interest would be transferred to the current account ledgers, the interest payments ceasing. Hundreds of people have been educated to pay their accounts by cheque, and if they cannot do this by means of savings accounts they would do it by means of current accounts. But it may be taken for granted that a goodly number of the savings customers who have become accustomed to issuing a few cheques per month will never go back to the old method of attending in person at the bank to draw out the actual currency and then pay their larger monthly bills by cash. This would be a backward step, and it would not economize the labor in the bank. It is far better and more economical for all parties to have payments made by cheque, providing the amounts are not too small.

On the other hand, it is clear that many of the customers who have checking accounts in the savings department abuse their privilege—through issuing too many cheques. A savings bank account should not be active. Many bankers consider that if there is a steady balance of from $200 to $300, the bank can properly allow three or four cheques per month; but that accounts through which numerous cheques are passed should be in the current ledger, even if a fairly large balance is carried. In case of parties having large balances who wish to issue numerous cheques, the banks usually arrange for them to carry their funds in the current account ledger, stipulating for a free balance large enough to cover the cost of operating the account and give a profit; or the dormant portion of the balance may go into the savings ledger and an amount sufficient to carry the checking account is kept at all times in the current ledger.

INCREASE IN FIRE INSURANCE RATES

Many readers must have been interested in the announcement in the daily papers referring to increases in rates made by the fire insurance companies.

The fire insurance companies operating in the United States have followed the plan of making a general increase of 10 per cent. upon all the rates which they had been charging prior to the first of this year, and when the companies here recognized that an increase in rates was necessary, it was at first proposed to follow that plan, but after full consideration of the situation, it was decided that it would be better to increase rates in certain districts where the fires had been unusually prevalent and upon certain classes of risks where the losses have been frequent and severe. There have also been increases made in some towns where the fire apparatus has not been kept in good order.

The statistics furnished to the Dominion government during the last few years, of the premiums received and losses paid by insurance companies in the different provinces, show that in Ontario particularly the companies have been losing money. Taking into consideration the present high cost of building and for replacement of

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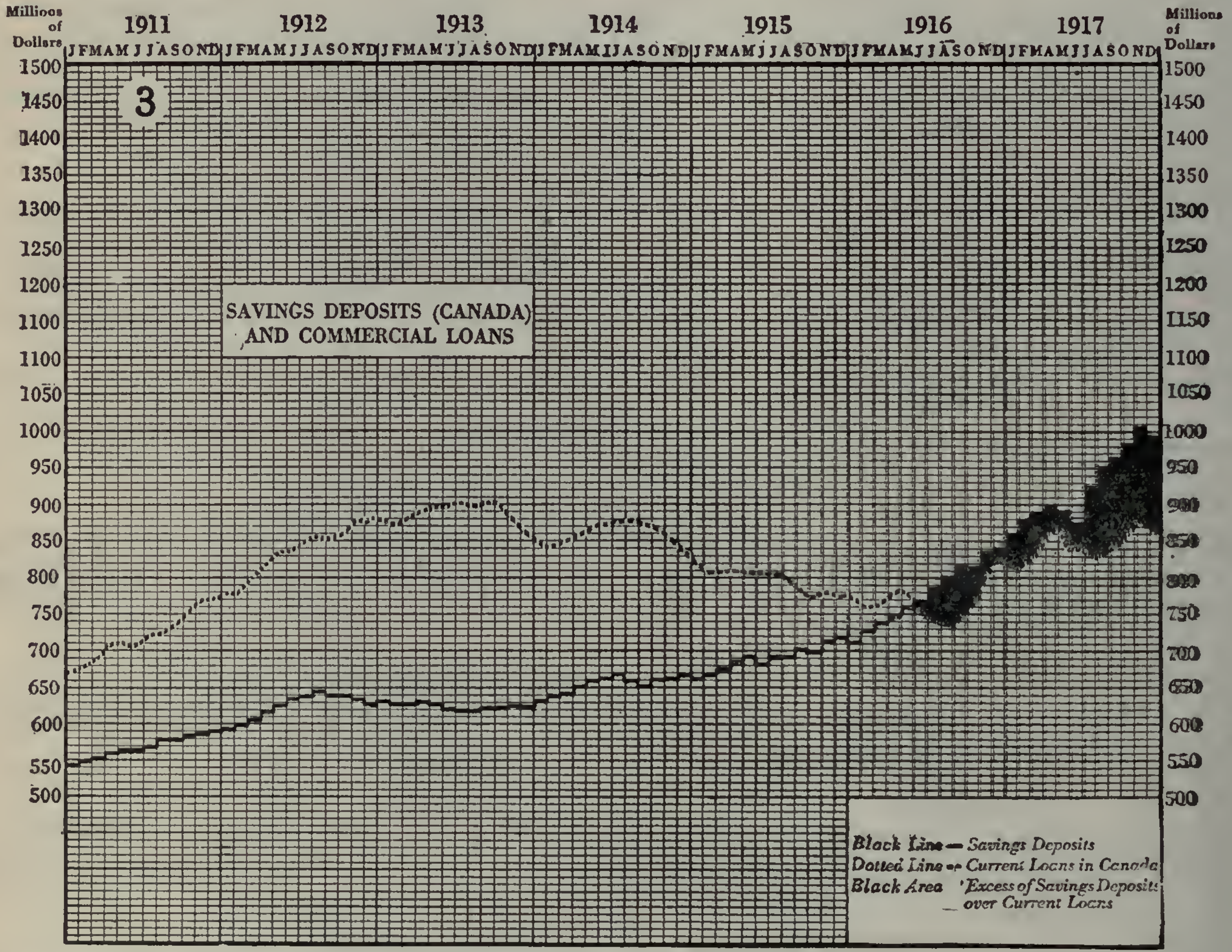
machinery and stock it entails upon insurance companies much heavier losses from a fire than would have been the case before the war, coupled too with the fact that there is undoubtedly an incendiary danger which, while perhaps a more severe hazard upon certain properties, is still a hazard upon all. There is also the very general employment of aliens and of men with little experience in the particular business in which they are engaged, all of which constitute a decided increase in the hazard which is being shown by the abnormal number of fires which have occurred in all parts of Canada, especially in Ontario, during the last few months.

It must be admitted by everyone that the insurance companies must receive a sufficient premium to keep them in a thoroughly solvent condition and that requirement is, if anything, more necessary now than was ever the case in the past.

The increase in rates will not apply at all to some large classes of risks in the community, such as private residences and ordinary stores in well-protected cities and towns. Where any increase has been made it is believed that it is fully justified by the changed conditions arising out of the war and from the heavy losses that have been already sustained. The method adopted in dealing with the abnormal situation is undoubtedly preferable to that of a general advance upon all rates which was the policy pursued in the United States by the insurance companies where they were confronted with a similar condition.

Relation of Savings Deposits to Commercial Loans



THROUGH the courtesy of Messrs. Greenshields and Company, we are able to present in diagramatic form some interesting comparisons between savings deposits in Canada and commercial loans. The following comment concerning the diagram is taken from the Monthly Review issued by this investment house.

One of the danger signals to Canadian business in 1912-13 was the marked decrease in savings deposits while current loans continued to expand. As savings deposits are the basis on which the banks make advances to business, the banks were forced to take in sail; business expansion halted and some depression set in.

The radical change in the situation existing then and now is shown in the chart given above. The curve of savings deposits has caught up with and crossed the curve of current loans and the black area depicts what could ordinarily be considered as the excess of the banks' loaning power for commercial purposes. Because of the large profits of the past few years, business is financing its needs at a period of the greatest activity in the history of Canada, with prices for labor and material abnormally high, with little more assistance from the banks than in 1912. Meanwhile, the increase in savings deposits is to be reckoned in hundreds of millions.

Because of this excess of loaning power, the banks have been able to make large advances to the Imperial government, continuing a flow of orders to Canada which became threatened by Britain's problems in finding means for payment.

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GOVERNMENT OPPORTUNITIES AFTER WAR

Should Prepare Now to Obtain Highest Moral Standards in Politics, Business and Domestic Life

BY A. T. DRUMMOND, LL.D.

(This is the first of a series of three articles on the above subject to appear in "The Monetary Times.")

Canada is, at present, on the threshold of great changes in its relations to the Empire, in its methods of government, in its foreign trade, in the applications of science to industrial activity, in social conditions, and, we hope, in the determination to hereafter maintain only the highest moral standards in politics, business and domestic life. There never has been a period in its history when its governments had such splendid opportunities lying before them, of guiding these changes wisely into right channels. The government of the country is, however, a business, and, as such, must be conducted on business principles, and by men not only fitted by training and experience for the work, but possessing initiative and breadth of view. And here is where, under our political systems, it largely fails.

The Failure of the Party System of Government.

For long years, the party spirit has been promoted among the people by political leaders and by the press, and it has led to conditions in government which need a deeply cutting remedy. Let us, for a moment, look at past results as developed in the constituencies and thereafter in the government. Men who had attached themselves to one or other of the so-called political parties, and whose recommendations too often were that they had strong lungs, a ready flow of language and plausible reasons to give on the public platform for their party's attitude on public questions, were nominated by party associations, and were, as a rule, the sole candidates presented to the people for election to parliament. Men of independent views, wedded to neither party, and anxious only for honest, progressive government, were rarely encouraged. For the time being, a union government at Ottawa, one of the results of the war, has admitted of a partial fusion, which, it is to be hoped will become more pronounced as experience is gained, but throughout the country, the party organizations are still maintained. Under such conditions attending representation, it is not unnatural that, among those accustomed to the platform, lawyers in large numbers should enter parliament, and that not a few should find their way into leading positions in the cabinets of both the provinces and the Dominion. Most of these positions require men of initiative, of business training, and of experience in special lines of work, and lawyers, whose training and habits of thought lie more in the direction of precedents and statutory authority, than of personal initiative, and whose experiences of business methods are necessarily somewhat restricted, can hardly fill these important positions with that foresight and business precision which the future outlook of the country requires. And this applies equally to many other holders, from time to time, of cabinet portfolios, whose appointments have been made, not because of their special knowledge of the subjects which the positions involve, but largely because, both in and out of parliament, they have diligently served their party. Fortunately, in the past, there have been some men of exceptional ability in the country's service. There is here a pressing need for reform that will go to the very base of the party system as developed with us, and of appointments to cabinet positions. The establishment of union government affords an opportunity for reconsidering the whole system of government by party, as to whether it has not only failed to secure permanently efficient administration, but has produced discordant divisions among the people which interfered with independent thinking on national problems, and has often been inimical to the country's best progress.

A Suggestive System of Government.

A compromise between Canadian and the United States methods of government is suggestive, under which, very briefly put, the premier, who would be elected, for the life of parliament, by the country's representatives from among themselves, would select his cabinet, not from among these representatives, but from among the best business men of the country. Those thus chosen for portfolios would give their undivided time and ability to the country's affairs, each in his own department, uninfluenced by political or any other considerations, but perhaps, in certain cases, might be represented in parliament, during its sittings, by parliamentary under-secretaries of state, chosen by the premier from among the members, for the purpose of affording information to the members on departmental matters. The members, elected by their constituents, not for party considerations, but for their past record of character and ability, would enter parliament, each as an independent unit, unpledged as to his vote, and under no obligation except to bring his best thought and judgment to bear on the measures and issues introduced. Party organizations will regard such a system as Utopian and impossible of practical effect, but there is a very large and important body of electors, wedded to neither party, who are practically disfranchised under the present system, and who will welcome some system which will bring business initiative and energy into the country's affairs, and honest, careful administration, untrammelled by party, sectional or racial considerations. Proportional representation would not be thought of under such a system.

British Emigration and Concentration on the Land.

It is most desirable that Canada should foster immigration of the progressive Anglo-Saxon type, rather than, as hitherto, seek so largely to have its factories in the east and its western farms occupied by the unskilled and uneducated masses from central and southern Europe, who settling so often in communities by themselves, have raised serious problems in language, in education, and in moral standards. State directed emigration to the Dominions and colonies of the Empire will hereafter be a policy of the British government, and there is thus afforded a valuable opportunity for wise co-operation now with it by our Dominion and provincial governments in a general immigration policy, to take effect at once when peace is assured, and under which a fair share of this emigration from the British Isles will be attracted to Canada, instead of, as in past years, flowing to the United States there to aid in developing the resources and wealth of that country.

Hitherto, the desire of the Dominion government to attract population to the western prairies, has led to the settlers receiving free grants of 160 acres, and to their being allowed to locate wherever land was available. The result has been that these settlers have necessarily found themselves placed from at least one half-mile to one mile from each other, whilst very many went from 20 to 30 miles from the railways in the hope that in time some branch line would be built into their district. Few of them could cultivate even one-half of their 160 acres grant, and thus, not only was social life between them largely impossible, but even around each railway town, the number of settlers was so few, and so much of the land was lying uncultivated, that the business of the town was limited, and the grain raised was not one-half of what it could have been. If the free grants were reduced to 80 acres, which the British immigrants would consider large, and a policy of concentration were adopted, the number of settlers around each town could be doubled, and the business of the town, including grain deliveries, correspondingly increased, whilst social conditions among the settlers would be greatly improved, land values would increase, and the distance from the town would for most of the settlers be greatly diminished. It is not too late for the governments with their remaining Crown lands to prevent a repetition of what is now a marked detriment to the prosperity of the hundreds of towns and villages on the western prairies, and to the social and material advantages of the settlers themselves.

Fertilizing of the Land.

Agriculture is considered one of the bases of wealth in Canada, and both the Dominion and provincial governments, recognizing its importance, have special departments organized to assist in its development. The virgin soil of the country, especally of our vast western prairies, is rich in those chemical constituents that, with the climate, result in crops ideal in quantity and quality. When, however, the soil is gradually deprived of these constituents by continued cropping, year after year, without artificially returning them to it, both the quantity and quality of grain, vegetable and other products deteriorate. In the early days of Manitoba, the farmers there freely claimed to obtain 40 bushels of wheat to the acre, and much of this was graded No. 1 Hard, which gave a reputation to the grains from that province. Now, nearly 40 years afterwards, the average production to the acre for the whole province is under 16 bushels, and not much of

THE BANK OF OTTAWA

Established 1874
94 Branches in Canada

Capital paid up - $4,000,000
Rest - - - $4,750,000

A BANK WELL EQUIPPED TO SERVE THE PUBLIC

Drafts, Money Orders and Letters of Credit issued

Interest added half-yearly to Savings Balances

Toronto Branches: Cor. King East & Victoria Sts., Cor. Broadview Ave. & Gerrard St. Cor. Queen St. & Pape Ave.

1

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler - President
W. D. Matthews - Vice-President
C. A. Bogert - - General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

The Standard Bank of Canada

Quarterly Dividend Notice No. 110

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 30th of April, 1918, and that the same will be payable at the Head Office in this City and at its Branches on and after Wednesday, the 1st day of May, to Shareholders of record of the 20th of April, 1918.

By order of the Board,
C. H. EASSON,
General Manager

Toronto, March 23rd, 1918.

MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital, $7,000,000 Total Deposits (Dec. 1917), $103,000,000
Reserve Funds, 7,421,292 Total Assets (Dec. 1917), 136,000,000

Board of Directors:

President - - - SIR H. MONTAGU ALLAN
Vice-President - - - K. W. BLACKWELL

Thomas Long
F. Orr Lewis
Andrew A. Allan
Lt.-Col. C. C. Ballantyne
A. J. Dawes
F. Howard Wilson
Farquhar Robertson
Geo. L. Cains
Alfred B. Evans
E. F. Hebden
Thos. Ahearn
Lt.-Col. J. R. Moodie

Managing Director - - - - - F. Hebden
General Manager - - - - D. C. Macarow
Supt. of Branches and Chief Inspector: T. E. Merrett

COLLECTIONS FOR BUSINESS HOUSES

The satisfactory service which the Merchants Bank renders to Business Houses, in the matter of collecting Notes, Drafts and other financial papers, is due to the number and strategic location of its branches throughout Canada, and the efficient system in force.

Special attention is given to collections; returns are promptly made and credited; losses are often prevented by the care and thoroughness with which we do this part of our work.

236 Branches and Agencies in Canada, extending from the Atlantic to the Pacific
New York Agency: 63 and 65 Wall Street
Bankers in Great Britain: The London Joint Stock Bank, Limited; The Royal Bank of Scotland

it reaches in quality the higher standard of years before. Even in Ontario, the average of last summer per acre, was for fall wheat only 23 bushels, and for spring wheat 21 bushels. No doubt each year brings unforeseen climatic causes which, sometimes in one and sometimes in another section, reduces the general average, but the plain fact remains that continued cropping, without sufficient, or, in so many cases, any compensating return to the soil, has resulted in a diminution of results per acre so large as not to be creditable to either the self-interest or the intelligence of the Canadian farmer. The different governments have been desirous of having larger areas placed under crop, but the real want is a larger production on the presently cultivated areas. What the governments should do in the interests of not only the farmers themselves, but of the consumers of their products in this country as well as in other countries which depend on us for food, is to promptly see that ample quantities are available of cheap, standarized fertilizers, concentrated, or at least freed from all unnecessary associated minerals which would only increase the cost of transportation to the farms; and that, under some well thought out system, for which our various experimental farms and agricultural colleges would furnish the basal facts, farmers would be compelled, as in Great Britain, to use fertilizers in given quantities according to the crops to be raised. There would be no hardship in this, but a clear advantage to the farmer himself, as well as to the country, in greatly enlarged production, better quality in the products, and much higher net cash returns. In thousands of the leases of English and Scotch farms, provision is carefully made under which given quantities of fertilizers have to be periodically applied to the soil by the tenant. And what is the result?—a production of wheat from two to two and a half times per acre what Canada's average last year was. And with the lower price here, the Canadian farmer cannot afford that enormous difference. His land originally came from the Crown as a free grant or at a mere nominal price, with the object of having it cultivated, and as our food supplies depend on this cultivation, there is an implied trust attached to the land that its fertility will be maintained. To compel the use of fertilizers is no curtailment of liberty, but is merely requiring the farmer to live up, not only to his own self-interest, but to his duty to the land itself and to the nation.

RAILROAD EARNINGS

The following is a statement of earnings and expenses of the Canadian Northern Railway for the month of February, 1918:—

	1918.	1917.	Inc. or dec.
Total gross earnings..	$ 2,691,000	$ 2,358,600	+ $ 332,400
Operating expenses ...	3,171,400	2,250,400	+ 921,000
Net earnings	480,400	108,200	— 588,600
Aggregate gross earnings from July 1st	27,263,100	26,822,700	+ 440,400
Aggregate net earnings from July 1st	2,279,700	6,886,400	— 4,606,700

The Grand Trunk Railway Company of Canada's reports for the year ended December 31st last are as follows:—

	1917.	Increase.
Gross receipts	£10,725,500	£ 905,800
Working expenses	9,002,900	1,774,900
Net receipts	£ 1,722,600	*£ 869,100
Balance of income from rentals and hire of equipment	68,000	5,600
Total net revenue	£ 1,790,600	*£ 863,500
Net revenue charges, less credits ..	1,496,700	*417,900
Balance	£ 293,900	*£ 445,600
G.T. West debit.	95,200	214,400
Det., G. H. and Mil. debit	143,600	103,400
Tol., Sag. and Mus debit	28,800	126,000
Surplus	£ 26,300	*£ 776,000

*Decrease.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Aylmer, Ont.—April 1—Farmhouse, owned by Geo. Lee, was destroyed. Estimated loss, $2,100.

Cayuga, Ont.—March 26—Oil-house at the Grand Trunk Railway station was destroyed.

Cooksville, Ont.—March 27—Home of Frank Harris was damaged.

East Toronto, Ont.—March 28—Two dwellings on Napier Street were damaged.

Elgin, Man.—April 1—The Elgin Hotel, owned by G. Fuller, was damaged. Estimated loss, $26,000.

Fairbank, Ont.—April 2—House of George Thompson, Thornton Avenue, was destroyed. Estimated loss, $2,500.

Halifax, N.S.—March 31—The King Edward Hotel was destroyed. Estimated loss, $30,000.

Hamilton, Ont.—April 4—Warehouse of the Eagle Spinning Mills Company and 552 bales of cotton were destroyed. Estimated damage to contents, $100,000; to building, $10,000.

Kingsclear, N.B.—March 25—Residence of Geo. Francis was destroyed.

London, Ont.—April 7—Showcase works and saw mill of D. H. Gillies Company were damaged. Estimated loss, $13,000.

Montreal, Que.—March 29—Block of tenements in Bordeaux Street, between Carriere and Dandurand Streets, was damaged.

Newbury, Ont.—March 26—The Royal Exchange building was destroyed.

Port Arthur, Ont.—March 31—An express car on Canadian Pacific Railway train No. 1 was destroyed.

Raleigh, Ont.—March 29—Parish house of St. Patrick's Church was destroyed.

Rawden, Que.—March 31—Mills of the Miner Lumber Company, Limited, were destroyed. Estimated loss, $50,000.

St. David Ridge, N.B.—March 24—House of Emery Thompson was destroyed. Estimated loss, $3,000.

St. John, N.B.—March 26—Upper story and roof of the W. H. Thorne and Company's plant was destroyed. Estimated damage to building, $10,000; to stock, $30,000.

Vancouver, B.C.—April 1—The Orpheum Theatre was damaged. Estimated loss, $15,000.

West Lorne, Ont.—April 1—Barn of Neil J. Campbell was destroyed. Estimated loss, $1,000.

West Zorra, Ont.—March 31—Barn and twenty-four tons of hay, owned by John Mundy, were destroyed.

Windsor, Ont.—March 28—The Herendeen Hotel was damaged. Estimated loss, $4,000.

Toronto, Ont.—March 28—Paul Reuben's clothing shop on Yonge Street was damaged. Estimated loss, $1,000.

March 31—One of the buildings of the Jefferson Glass Company's plant at 388 Carlaw Avenue was destroyed. Estimated loss, $30,000. Building of Barrett and Company on Berkeley Street was damaged. Estimated loss, $1,500.

April 2—Sheds and slips of the Thor Iron Works, at the foot of Bathurst Street, were destroyed. Estimated damage to plans and blueprints, $200,000; to building and contents, $100,000. Cause, defective wiring.

April 3—Plant of the Chemical Products Company, of 148 Van Horne Street, was destroyed. Estimated loss, $40,000.

April 6—The Galena-Signal Oil Company's plant was destroyed. Estimated loss, $130,000.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 21-32	1 11-16	....
Montreal funds	Par.	Par.	⅛–¼
Sterling—			
Demand	4.8340	4.8365	4.86
Cable trans.	4.8440	4.8470	4.87

Sterling demand, 4.7545.
Bank of England rate, 5 per cent.

THE STERLING BANK
OF CANADA

Despite the strain of war conditions, Sterling Bank service has become even more efficient and courteous.

Head Office
King and Bay Streets, Toronto 67

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	4,000,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

AUSTRALIA and NEW ZEALAND

BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)

AUSTRALIA	
PAID UP CAPITAL - - - -	$ 19,524,300.00
RESERVE FUND - - - -	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

J. RUSSELL FRENCH, General Manager

334 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C., 2.

AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

ESTABLISHED 1866

Union Bank of Canada

Head Office - WINNIPEG

Paid-up Capital - - - -	$ 5,000,000
Reserve - - - - -	3,400,000
Total Assets (Over) - - -	140,000,000

BOARD OF DIRECTORS

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J. W. HAMILTON, Assistant General Manager

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches.

London, Eng., Branches, 6 Princes Street, E.C., and West End Branch, Haymarket, S.W.
New York Agency, 49 Wall Street, New York City.
GEO. WILSON, Agent.

The Bank, having 305 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies.

Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world. 199

BANK OF HAMILTON
HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

DIRECTORS
SIR JOHN HENDRIE, K.C.M.G., President.
CYRUS A. BIRGE, Vice-President.
C. C. Dalton
Robert Hobson
W. E. Phin
I. Pitblado
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J. P. BELL, General Manager.

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Atwood
Beamsville
Blyth
Brantford
" East End
Burlington
Chesley
Delhi
Dundalk
Dundas
Dunnville
Fordwich
Ft. William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St.
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
Lucknow
Midland
Milton
Milverton
Mitchell
Moorfield
Neustadt
New Hamburg
Niagara Falls
Niagara Falls, S.
Oakville
Orangeville
Owen Sound
Palmerston
Paris
Port Arthur
Port Elgin
Port Rowan
Princeton
Selkirk
Simcoe
Southampton
Teeswater
Toronto
" Queen & Spadina
" College & Ossington
" Yonge & Gould
West Toronto
Wingham
Wroxeter

MANITOBA

Bradwardine
Brandon
Carberry
Carman
Dunrea
Elm Creek
Foxwarren
Gladstone
Hamiota
Kenton
Killarney
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Treherne
Winkler
Winnipeg
" Norwood
" Princess St.

SASKATCHEWAN

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Abernethy
Battleford
Brownlee
Carievale
Caron
Dundurn
Estevan
Francis
Loreburn
Mawer
Melfort
Meota
Moose Jaw
Mortlach
Redvers | Regina
Rouleau
Saskatoon
Stoney Beach
Tuxford

ALBERTA

Brant
Calgary
Cayley
Champion
Nanton
Oyen
Stavely
Taber

BRITISH COLUMBIA

Armstrong
Kamloops
Port Hammond
Salmon Arm
Vancouver E.
N. Vancouver
S. Vancouver
(Cedar Cottage

FOOD PRODUCTION PROBLEM

Two Aspects: Immediate Necessities as War Measure; World Need After Peace

The problem of production which is occupying the attention of most of the prominent men of the world is ably discussed by Mr. Herbert Hoover, United States food administrator. He says: "Our great department of agriculture has primarily the duty of education in production, but it falls upon the food administration to keep in constant touch with the food demands of our own people and the needs of the allies and other nations, and to arrive at broad conclusions as to what is required from the American producer in order to serve these combined interests during the war. It is this aspect of food supplies that I wish to treat in asking your co-operation in an effort to increase the livestock of this country. In considering the production of food from the world point of view, we can obtain clarity of vision if we divide our foodstuffs roughly into bread grains, meats and fats, and fodder grains. This classification is based less upon chemistry and agriculture than upon the commerce of food.

"There are two aspects from which we can consider this problem: The first is the aspect of our immediate necessities as a war measure, and the second, the broader aspect of the world need after peace; for conditions growing out of the war disturbance to production will have the most material effect on the whole agriculture of the world for many years subsequent to peace. But in order to arrive at some proper conclusions as to our immediate problem, we need to review the present situation as to world food supplies and the necessary reactions we must obtain to remedy the weakness in this situation.

"The first commodity for consideration must be wheat—the predominant bread grain. Our rye takes a very minor part in bread making, for our total export possibilities are only 20,000,000 bushels. From a European breadstuff point of view, the other cereals are substitutes to be used in mixing with wheat, and a certain amount of wheat is essential.

Tables Illustrating World Situation.

Table 1.—Wheat situation in France, Italy, the United Kingdom and Belgium.

	Bushels.
Three-year prewar average imports from United States	79,426,000
Three-year prewar average imports from Canada	112,900,000
Three-year prewar average imports from elsewhere	188,478,000
Total	380,804,000
Average production	590,675,000
Estimated production for 1917	393,770,000
1917 deficiency	196,905,000
Total imports required to maintain normal consumption	577,709,000

Table 2.—Estimated export surplus of wheat in various countries from 1917 planting.

	Bushels.
United States	80,000,000
Canada	150,000,000
Total North American surplus	230,000,000
Australia:	
Present surplus	120,000,000
New-crop surplus	120,000,000
India:	
Present surplus	50,000,000
New-crop surplus	70,000,000
Argentina: Estimated surplus from January harvest	180,000,000
Total, other supplies	540,000,000
Grand total	770,000,000

"There is therefore, ample promise of a supply without effort on our part if shipping were available to transport it. But the world's shipping is already too short to afford sufficient tonnage to traverse the longer routes, and the bulk of the load thus falls upon North America. The journey to Australia and India requires three times the time of the one to North America and thus three times as many ships to transport the same quantity. Furthermore, the American route is best protected.

"The problem is thus simply one of ships. If ample shipping existed, there would be no need for saving or increased production of wheat on the part of the American people. But, on the other hand, if we can produce such economics in consumption and such stimulation of production in the United States and Canada as will enable us to feed the allies absolutely from this continent, and thus enable them in the final analysis to live without sending a ship farther afield than our Atlantic seaboard, we can resist the submarine indefinitely. There is, however, another phase to this accumulation of wheat in isolated markets. If peace should come, a large number of ships in military transport will be released, and this wheat, of course, will be available to Europe and will come into immediate competition with the American wheat. As you will see from the tables, it represents more than the necessary supply for the allies and is, with Russian wheat, an ample supply for all Europe, Germany and Austria included.

Crop Insurance for 1918 Wheat Growers.

"For this reason it was felt that if we were to ask the American farmer to expand largely his acreage in wheat, he should have some assurance that he would not do so at his own loss, if peace intervened. Congress therefore gave a guarantee of $2 per bushel at primary terminal markets as to the 1918 harvest. This guarantee does not apply to the 1917 harvest; and, while the United States food administration has developed a method by which, so long as the food administration lasts, the farmer may receive an assurance of $2.20 on the basis of the Chicago terminal market for his 1917 wheat, I would like to have it clear to every farmer in the United States that the food administration by-law comes to an end with peace. So if peace should come between now and the 1918 harvest there will be a period in which no guarantees exist, and in which the price of wheat may fall much below present prices, due to competition from the more distan countries.

"Even if carried over, 1917 wheat will not tall within the 1918 guarantee, and it therefore must be of prime interest to the American farmer to get his 1917 wheat into the market a the earliest moment. This statement is made not that I anticipate early peace, but to issue a warning that by failure to get his wheat to market the farmer would be absolutely gambling on the continuation of the war, with nothing to gain by withholding his 1917 wheat and all to lose should peace arrive

Price Should Depend on Harvest.

"With the stimulation of $2 wheat, we are going to have a very much increased acreage in 1918. If climatic conditions are right, we should have 1,000,000,000 bushels. If the war continues, this wheat will be vitally necessary; but i the war should come to an end, there will be no foreign market for at least 400,000,000 bushels of this wheat. The government must then take over the wheat and probably find a market for it at a very great loss. I should anticipate tha the government may lose from $300,000,000 to $500,000,000 on this wheat guaranty if peace arrives before the 1918 harvest is marketed.

"And, now, I would like to say frankly that I have fel from the beginning that the stimulation of the production o wheat for 1918 could have been obtained in perfect justice to the farmer if the guaranty had been given simply on the basis of a return on capital and labor, so that the price would depend upon the character of the harvest.

"This does not mean that the farmer would not receive more than the minimum in case war continued; but, in case of a good harvest and peace intervened, the government would have been saved several hundreds of millions of dollars if the guaranty had been placed on this footing, and justice would still have been done to the farmer. However, the guaranty has been fixed. It is an insurance against the submarine and any estimate of what it may cost we must leave to the future.

"We may summarize the bread-grain position by saying that for the 1917 harvest we must economize in consumption and for 1918 we have an assurance, as far as law can give it of large production. Every indication of the planting of winter wheat points to a large increase next year."

Mr. C. E. L. Jarvis, fire insurance man and one of the best-known adjusters in Eastern Canada, died recently afte a brief illness.

Northern Crown Bank

HEAD OFFICE - WINNIPEG

Capital (authorized) $6,000,000 Capital (paid up) $1,431,200

Rest and Undivided Profits $920,202

A general banking business transacted at all branches

DIRECTORS

PRESIDENT Capt. Wm. Robinson

VICE-PRESIDENT Jno. Stovel

W. R. Bawlf Sir D. C. Cameron, K.C.M.G. E. F. Hutchings

A. McTavish Campbell Geo. Fisher

BRANCHES IN WESTERN CANADA

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Calgary
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Steveston
VANCOUVER
Hastings St.
Mt. Pleasant
Victoria

MANITOBA
Arden
Beausejour
Binscarth
Brandon
Crandall
Glenboro
La Riviere
Melita
Miniota
Pierson
Pipestone
Rathwell
St. Boniface
Ste. Rose du Lac
Somerset
Sperling
Steinbach
Stonewall
WINNIPEG
Portage Ave. and Port St.
Portage and Sherbrooke
Main & Selkirk
William and Sherbrooke

SASKATCHEWAN
Alameda
Allan
Aneroid
Balcarres
Bladworth
Borden
Brock
Cadillac
Dubuc
Dunblane
Dundurn
Duval
Earl Grey
Fiske
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Foam Lake
Glen Ewen
Govan
Hanley
Harris
Holdfast
Imperial
Kenaston
Kinley
Lancer
Langham
Laura
Liberty
Lloydminster
Lockwood
Macoun
Manor
Marengo
Maymont
Moose Jaw
Nokomis
Plato
Ponteix
Portreeve
Prelate
Qu'Appelle
Quill Lake
Regina
Rockhaven
Rush Lake
Saltcoats
Saskatoon
Scotsguard
Sedley
Sheho
Stornoway Stn.
Swift Current
Venn
Viscount
Waldeck
Wymark

BRANCHES IN EASTERN CANADA

ONTARIO
Bath
Bracebridge
Brockville
Burford
Cheltenham
Comber
Enterprise
Florence
Inglewood
Inwood
Kingston
Mallorytown
Napanee—Odessa
OTTAWA
Sparks St.
Rideau St.
Wellington St.
Port Dover
Scotland
Seeley's Bay
TORONTO
King St.
Dundas and Chestnut Sts.
Spadina Ave.
Woodbridge
Woodstock

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V. F. Cronyn, Supt. Eastern Branches

THE

Weyburn Security Bank

Chartered by Act of The Dominion Parliament

HEAD OFFICE, WEYBURN, SASKATCHEWAN

BRANCHES IN SASKATCHEWAN AT

Weyburn, Yellow Grass, McTaggart, Halbrite, Midale, Griffin, Colgate, Pangman, Radville, Assiniboia, Benson, Verwood, Readlyn, Tribune, Expanse, Mossbank, Vantage, Goodwater, and Osage.

A GENERAL BANKING BUSINESS TRANSACTED

H. O. POWELL, General Manager

ACCOUNT BOOKS
LOOSE LEAF LEDGERS

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Full Stock, or Special Patterns made to order

PAPER, STATIONERY, OFFICE SUPPLIES

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The Imperial Canadian Trust Co.

Executor, Administrator, Assignee, Trustee, Etc.

HEAD OFFICE: WINNIPEG, CAN.

BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY
VANCOUVER AND VICTORIA

2

The Northern Trusts Co.

Executor, Administrator, Trustee

No moneys on deposit; No Bonds or Debentures issued

The clause in the Company's Charter enabling it to include in its activities the acceptance of moneys on deposit and the issue of Bonds and Debentures was, at the special request of the original Directorate, struck out.

Sole liability to the public represented by Guaranteed Mortgage Investments to an amount not exceeding the paid up Capital of the Company, and secured in each instance by improved Farm and City Property to the value of more than double the amount of the mortgage investment.

Head Office .. Winnipeg

ASBESTOS OUTPUT INCREASED

Canada's Production Last Year Stimulated by War's Demands

The production of asbestos continues to increase under the stimulation of war demand. The product has been marketed at much higher prices and the total sales show a substantial increase. Stocks on hand at the end of 1917 were slightly in excess of those reported at the end of 1916.

In addition to the production in the province of Quebec, which is derived from the asbestos areas at Black Lake, Thetford, Robertsonville, East Broughton and Danville, there is also included in the record of production as given herewith, a small output of crude asbestos amounting to 10 tons, valued at $2,150, produced and shipped from the Porcupine district in the province of Ontario. These Ontario operations have been discontinued for the present, but indicate the possibilities of sources of supply other than the well-known areas in Quebec.

Exports of Asbestos.

Exports of asbestos during the calendar year 1917 were 93,932 tons, valued at $4,903,326, or an average of $52.20 per ton and asbestos and waste 52,088 tons, valued at $430,956, or an average of $8.27 per ton. There was also an export of manufactures of asbestos, valued at $55,666.

The exports in 1916 were 96,775 tons of asbestos, valued at $3,872,463, or an average of $40.01 per ton, and asbestos sand and waste 33,564 tons, valued at $241,272, or an average of $7.18 per ton; also manufactures of asbestos valued at $4,741.

Output, Sales and Stocks.

The following table shows the output, sales and stocks of asbestos:—

	Output.		Sales.		Stock on hand, Dec. 31.		
1917.	Tons.	Tons.	Value.	Per ton.	Tons.	Value.	Per ton.
Crude	6,268	5,383	$2,748,071	$510.51	1,322	$ 738,195	$558.39
Mill	144,040	138,802	4,467,318	33.67	12,102	479,119	39.58
Total asbestos	150,308	144,185	$7,215,389	$ 50.04	13,424	$1,217,314	$ 90.68
Asbestic	......	9,596	18,688	1.95	......	....	......
1916.							
Crude	5,415	5,886	1,866,969	317.19	444	138,415	311.75
Mill	112,832	127,553	3,332,828	26.13	5,845	254,920	43.61
Total asbestos	118,247	133,439	$5,199,797	$ 38.97	6,289	$ 393,335	$ 62.54
Asbestic	......	20,710	29,072	1.40	......	....	......

BANK OF BRITISH NORTH AMERICA

The annual report and balance sheet of the Bank of British North America for the year ending November 30th, 1917, which appears on another page of this issue, is a rather interesting document. It shows that the profits for the year, including the $104,222 brought forward from the previous year, amounted to $772,226, as compared with a total profit in the previous year of $598,522. Out of this the directors paid an interim dividend of $194,666 last October, leaving a balance of $577,559.

Out of this amount the directors have declared a dividend of 40 shillings per share, payable this month. The usual bonus of 5 per cent. was granted to the staff, calling for about $43,800. A special war bonus was paid to those members of the staff remaining on duty, and of not less than six months' service, to meet the increase in their necessary expenditures, which would cost approximately $34,066.66, and to carry forward $156,300.

The following comparisons, covering the past three years, will be of interest:—

	1915.	1916.	1917.
Demand deposits	$18,150,681	$20,511,339	$18,223,720
Note circulation	4,733,254	5,627,982	5,708,882
Total assets	61,513,696	67,785,957	77,682,843
Current loans, Canada	23,267,045	23,936,070	28,776,590
Current loans elsewhere	6,214,693	7,225,512	7,791,248
Dominion government securities	111,160	955,064	6,350,000

It will be noticed that the assets have increased ten million dollars, and almost six million dollars have been invested in government securities during the year.

Established in 1836, and incorporated by Royal charter in 1840, the Bank of British North America has built up an excellent reputation, founded upon correct banking principles and practice. Under the management of Mr. H. B. Mackenzie, the institution continues to enjoy the complete confidence of the public.

The first official indication that the United States government hoped to raise more than three billion dollars from the third Liberty Loan came last Tuesday, in a treasury statement asking that the country subscribe three or four times that amount and furnish 20,000,000 subscribers, which is just double the number of subscribers to the second Liberty Loan.

TRINIDAD ELECTRIC COMPANY

The earnings of the Trinidad Electric Company for February, 1918, are as follows:—

	Gross	Net.
Railroad	$ 9,309.23	$2,203.18
Light and power	10,003.24	4,389.32
Ice and refrigerator	2,926.79	418.51
	$22,239.26	$7,011.01

PORTO RICO RAILWAY COMPANY'S EARNINGS

The following is a comparative statement of earnings for February, 1918:—

	1917.	1918.	Increase.
Gross	$ 72,851.84	$ 83,185.94	$10,334.10
Net	35,794.04	40,412.21	4,618.17

The following is a statement of comparative earnings for two months ending February, 1918:—

	1917.	1918.	Increase.
Gross	$143,247.11	$165,307.40	$22,060.29
Net	67,621.08	76,354.06	8,732.98

PROPOSED NEW BRUNSWICK AUDIT ACT

In the legislature on April 3rd, Premier Foster introduced a bill to provide for the auditing of the public accounts of the province. He said that the proposed bill would replace the audit act of 1909. While the old act, he said, had good features and had worked to the benefit of the province, it had been in operation for eight years and those responsible for its operation felt that in some respects it could be improved upon. The new bill would create a comptroller and audit branch of the treasury department and contained other new features in connection with the handling of the public moneys of the province, which he felt would be an improvement on the old system. The bill would provide for the adoption of the double entry system of bookkeeping and made other changes which he felt sure would commend themselves to the members of the house.

Place Your Valuables in Our Safety Deposit Vaults

The only place of perfect safety from theft is in a safety vault. You will feel much more contented, and you will appreciate the conveniences and privacy accorded if you rent a Safety Deposit Box in our Vaults. Visitors will find an inspection of our Vaults Interesting.

Individual Boxes
$3 per Year

THE
TORONTO GENERAL TRUSTS
CORPORATION

ESTABLISHED 1882 HEAD OFFICE TORONTO

Branches: Ottawa, Winnipeg, Saskatoon, Vancouver

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors

B. F. B. Johnston, K.C., *President*. Hon. W. A. Charlton, W. J. Gage, Noel Marshall, *Vice-Presidents*. W. K. George, W. R. Hobbs, Jas. B. Tudhope, R. Wade, Jacob Kohler, A. McPherson, D. B. Hanna, John J. Gibson, *Managing Director*.

Chartered Trust and Executor Company
Traders Bank Building Toronto

Canadian Guaranty Trust Company
HEAD OFFICE: BRANDON

Board of Directors:

ALEX. C. FRASER, President.
LT.-COL. A. L. YOUNG, Vice-President.
JOHN R. LITTLE, Managing Director.

HON. GEORGE W. BROWN, WILLIAM FERGUSON, H. L. ADOLPH, E. O. CHAPPELL, J. S. MAXWELL, JNO. A. McDONALD, G. S. MUNRO, HON. W. M. MARTIN, M.P.P., JOHN E. SMITH, F. N. DARKE, ALEX. A. CAMERON, D. A. REESOR.

Acts as Executor, Administrator, Trustee, Liquidator, and in any other fiduciary capacity.

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment Terms one to five years.

The Empire Loan Company
WINNIPEG, Man.

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited
Toronto.

HENRY F. GOODERHAM, President
J. M. McWHINNEY, General Manager.

In Appointing Your Executor—

Let us suggest that you write or ask for YOUR copy of our recently-published brochure on WILLS. It will interest you and give you conclusive reasons also for the appointment of a corporate instead of an individual Executor and Trustee.

Ask at the same time for YOUR copy of farm land listings. These are assets arising out of estates in process of being wound up and where it is necessary to realize. Prices and terms moderate.

The Standard Trusts Company
Standard Trusts Bldg., 346 Main St. WINNIPEG

CANADIAN FINANCIERS TRUST COMPANY

Head Office - - Vancouver, B.C.

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Agents for investment in all classes of Securities.
Business Agent for the R. C. Archdiocese of Vancouver.
Fiscal Agent for B. C. Municipalities.

Inquiries Invited

General Manager Lieut.-Col. G. H. DORRELL

FOR ESTATES OF ALL SIZES
—THE TRUST COMPANY

Not only to the man of large means is the modern trust company necessary in managing property.

Men in all grades of life have appointed this Company their executor. Some have done so because their own businesses have taught them that the most efficient service is usually given by the organization equipped and staffed to supply it; others because they realize that for smaller estates economical administration is at least as important as for larger ones.

We invite inquiries about our facilities for performing specific duties. Booklets on request.

National Trust Company
Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000
18-22 KING STREET EAST, TORONTO

AUTOMOBILE DANGER INCREASING

Fatalities are as Numerous as Serious Infections—Urban Centres Furnish High Rate

The increasing importance of the automobile as an instrument of injury and death was referred to by Mr. Lee K. Frankel, Ph.D., third vice-president, at the 11th annual meeting of the Association of Life Insurance Presidents, in New York. Statisticians are observing that while the mortality from communicable diseases has responded more and more each year to the measures instituted by health authorities for their control, injuries and fatalities resulting from the growing use of automobiles are steadily climbing. Where formerly diseases like typhoid fever, scarlet fever and others played an important role in mortality tabulations, fatalities due to the automobile are to-day as numerous as some of the serious infections. What this increasing incidence of automobile fatalities means to life insurance companies is indicated by the industrial experience of the Metropolitan Life Insurance Company. In an exposure of more than ten million lives annually the death rate from automobile accidents has more than trebled since 1911. In that year the death rate from this cause was 2.3 per hundred thousand; in 1916 it had increased to 7.4 per hundred thousand.

During this six-year period the rate for each year was markably higher than the rate for the preceding year. The rate for 1916 showed an increase of more than 37 per cent. over 1915. The figures for the first ten months of 1917 indicate a considerable increase over the totals of 1916. These figures do not reflect an isolated experience but are representative of what is going on in the country generally, especially in the urban centres of population. The data available show clearly that we have before us a problem of the first magnitude and that we must organize all communal groups interested in public safety to combat the growing evil. It will be necessary to interest legislatures and to educate the public generally, if we are to control the results of the automobile industry which has grown so tremendously in recent years.

The increase in the number of automobile accidents and fatalities bears a definite relation to the increase in the number of automobiles in use. The development of the automobile is a matter of common memory. The last decade has seen the automobile reach a condition of practical utility to permit its general use. It is estimated that in 1907 there were approximately 150,000 motor vehicles of all types in use in the United States. In 1911 the number of cars registered amounted to 677,000. In 1916 registrations had increased to more than three and one-half millions. On July 1, 1917, the number was very close to four and one-quarter millions. The annual rates of increase have varied somewhat from year to year. In 1912 it was 49 per cent. over the preceding year; in 1916 it was 43 per cent. over 1915. The indicated rate of increase in 1917 is about 40 per cent. over 1916. Apparently, we have not yet reached the diminishing rate.

Due to Type of Vehicle.

A study of automobile accidents and injuries leads to a consideration of the various types of vehicles. Experience has shown that the type of car operated makes a marked difference in the hazard. According to the reports of the Massachusetts Highway Commission, motor trucks and commercial vehicles caused 50 per cent. more accidents per vehicle than any other class of machine. In New York City motor trucks and commercial vehicles form less than 25 per cent. of the number of machines registered. The annual report of the police department for the year 1916 shows that the number of deaths caused by trucks and motor delivery machines was almost 40 per cent. of the total deaths (132 out of 335). It is obvious that the motor truck is the more dangerous type of machine. It is of interest to observe that in the country at large the number of commercial vehicles still forms but a small part of the total number of automobiles in use, approximately 11 per cent. The increasing use of the automobile for commercial purposes presents a very distinct source of future hazard which should receive especial attention.

Rate Higher in Urban Centres.

We have already referred to the increasing mortality rates from automobile accidents as shown by the industrial experience of the Metropolitan Life Insurance Company. It is interesting to note that these figures are almost identical with those for the general population of the country as reported by the bureau of the census. In 1916 there were in the registration area of the United States 5,173 deaths from automobile accidents, corresponding to a death rate of 7.3 per 100,000 population. In 1911 the rate was 2.2 per 100,000 or less than one-third the present rate. In 1915, the last year for which detailed figures are available, the rate was 5.9 per 100,000. For the cities in registration states, however, the rate was 7.6 per 100,000, while in the rural areas of these states, the figure was only 3.9 per 100,000 or just about half the urban rate. We are concerned, therefore, with what is primarily an urban problem. This is shown by the following tabulation of rates for some of the principal cities of the country for the year 1916, compiled by the Prudential Insurance Company:—

	Deaths per 100,000.
United States registration area	7.3
Nine American cities	8.7
New York	7.2
Chicago	10.0
St. Louis	9.1
Baltimore	5.1
Buffalo	12.2
San Francisco	13.6
Providence	10.2
Newark	13.4
Washington	9.9

The higher rate in urban centres is borne out by the experience of the Metropolitan Life Insurance Company, as shown by the following figures:—

Mortality in 1916 from Automobile Accidents, Metropolitan Life Insurance Company Industrial Experience.

	Deaths per 100,000.
Total company experience	7.4
Ten largest cities combined	8.3
New York	8.1
Chicago	10.0
Philadelphia	9.6
St. Louis	6.0
Boston	6.4
Cleveland	6.0
Baltimore	4.1
Pittsburg	9.1
Detroit	13.9
Los Angeles	17.0

These figures should be taken with reserve as there are no available municipal data in reference to the ratio of automobiles to population. The statistics compiled by The Automobile show the following state ratios of population per car for the states in which the above cities are located:—

States.	Population per car.
New York	30
Illinois	22
Pennsylvania	34
Missouri	27
Massachusetts	28
Ohio	18
Maryland	29
Michigan	16
California	12
Rhode Island	24
New Jersey	30

SASKATCHEWAN MORTGAGE & TRUST CORPORATION

The ninth annual report of this institution, with head office at Regina, reflects great credit upon the management, especially when the unsettled state of business conditions generally is taken into account. The net profits for the year amounted to $49,192.57, of which $43,807.30 was used in the paying of dividends, at the rate of 6 per cent. per annum, the balance being carried forward. This profit is somewhat in excess of 1916, when it stood at $43,032.61. The paid-up capital of the company is now $777,206, while the assets are $927,704.81.

In every branch of the company's business there was a healthy increase, with the exception of the item, interest accrued and in arrears, where a substantial decrease is shown, which is a pleasing feature of the report.

Taken altogether, those directly and indirectly concerned with the management of the institution, have good cause for gratification with the report as presented. Mr. C. V. Smith is manager and secretary of this progressive Western institution. Owing to the resignation of Mr. Robert Sinton, the vice-president, Mr. A. W. McGregor was elected to the vacancy on the board of directors.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance.* Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

MONEY TO LOAN.

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE President D. M. CAMERON, Treasurer

THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 122

Notice is hereby given that a Dividend of Three per cent. for the quarter ending March 30th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after Monday, April 1st, 1918, to shareholders of record at the close of business on March 15th, 1918.

By Order of the Board.

M. AYLSWORTH,
London, Canada, Feb. 26th, 1918. Secretary

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

Canada Permanent Mortgage Corporation

TORONTO STREET - - TORONTO

Established 1855

President W. G. Gooderham. First Vice-President—W. D. Matthews. Second Vice-President—R. S. Hudson Joint General Managers—R. S. Hudson, John Massey. Assistant General Manager—George H. Smith.

Paid-up Capital	$6,000,000.00
Reserve Fund (earned)...	5,250,000.00
Unappropriated Profits	197,977.41
Capital and Surplus	$11,447,977.41

Associated with the above Corporation, and under the same direction and management, is **The Canada Permanent Trust Company,** incorporated by the Dominion Parliament. This Trust Company accepts and executes Trusts of every description, acts as Executor, Administrator, Liquidator, Guardian, Curator or Committee of the estate of a lunatic, etc. Any branch of the business of a legitimate Trust Company will have careful and prompt attention.

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 **Canada**

CAPITAL AND UNDIVIDED PROFITS .. $3,750,000

5½% SHORT TERM (3 TO 5 YEARS) DEBENTURES YIELD INVESTORS 5½%

JOHN McCLARY, President A. M. SMART, Manager

One of the best AUTHORIZED investments for TRUST FUNDS is our

5% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY,
EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
LONDON, ENG. EDINBURGH, SCOT.

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 **51 YONGE ST., TORONTO**

Paid-up Capital, $1,250,000 Rest, $850,000 Total Assets, $4,855,944

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00
Total Assets, $3,141,401.68
President, WELLINGTON FRANCIS, Esq., K.C.
Vice-President, HERBERT LANGLOIS, Esq.
Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on improved Real Estate on favorable terms.
WALTER GILLESPIE, Manager

EMPIRE RESOURCES AND WAR DEBT

Scheme to Relieve the Burden of Taxation—Full Use of Unutilized Resources

A paper was read on "Payment of War Debt by Development of Empire Resources," by Mr. H. Wilson Fox, M.P., at a meeting of the Royal Colonial Institute, London, England, last month.

"It cannot be properly or reasonably assumed," said the lecturer, "that the intervention or participation of the state in a limited number of branches of industry would sound the death-knell of individual enterprise in this country. On the contrary, it would almost certainly have the effect of providing an immense number of new openings for capitalists and workers. Take, for example, the electrical industry. Can it be doubted that if by state action practically unlimited supplies of cheap power were made available throughout the length and breadth of the land an almost indefinite expansion of the industry would take place? Moreover, so far as the comparatively few industries in this country in which the state might elect to participate are concerned, the empire resources development committee contemplates that any action taken would be on co-operative lines, so that a place might be found in a reorganized industry for the capital, brains and energy of those who are already engaged in it, while the state would assist with improved facilities, assistance and additional capital. The aim in each case would be to make a larger profit in the common interest by making full use of resources or opportunities which at present are either unutilized, only partly utilized or wasted.

Some Concrete Proposals.

"The first proposal is concerned with the fish supply of the United Kingdom. The committee—mainly on the initiative of Lord Dunraven, Mr. Moreton Frewen and Mr. Alfred Bigland, M.P.—have investigated the conditions affecting the supply and distribution of fresh fish in these isles, and has ascertained the following remarkable facts. The first is that the consumption of fresh fish (exclusive of shell fish) in the United Kingdom under pre-war conditions was less than 1½ oz. per head of population per day, out of about, say, 40 ozs. of food consumed on the average per head per day. The total weight of fish thus consumed was about 600,000 tons per annum. The second is that the amount received by the fishermen for these 600,000 tons of, as it is termed in the trade, "wet fish" was about £14,000,000, while the total retail price paid for them by the consumers was certainly not less than £25,000,000. The third is that practically unlimited supplies of the best food fishes could be obtained from the fishing grounds of Canada and Newfoundland and sold here at a considerable profit at prices far lower than those ruling before the war.

"The committee does not for a moment suggest that the whole of the difference between the £14,000,000 and the £25,000,000 which I have mentioned went into the pockets of the middlemen, though undoubtedly it is a very profitable trade. What it does say is that there is great waste and inefficiency in the process of supply and distribution; that if the means of transportation both at sea and on land were improved, and better facilities for cold storage were provided in every town and hamlet, the business of fish supply could be organized on an entirely new and vastly extended basis; that the trade could be carried on under conditions which would, in the majority of cases, not only improve the position of the fishermen and others now engaged in the industry, but also assure to the public plentiful and constant supplies of the best fish at greatly reduced prices; and that the state might reasonably expect to make a profit of from £25,000,000 to £50,000,000 per annum. It will be admitted that such results would justify considerable effort in order to attain them.

Canada's Grain Lands.

"A proposal of a different nature, emanating from Mr. Moreton Frewen, is that the home government, through the agency of an empire resources development board, might cooperate with the Dominion and state governments in Canada in the early development for sale of large tracts of grain lands, by the construction of roads, railways, granaries, elevators, docks and other facilities needed to make these lands readily accessible, and to assure to settlers the opportunity of marketing their crops to advantage. The suggestion made to the committee was that 'if we can negotiate a land grant of 200,000,000 acres from the great provinces of Alberta, Saskatchewan and British Columbia, we insure our food supply; we insure the food supply of the United States, and within the next quarter of a century the sale of farms in this improved domain would pay off the last penny of the empire's debt.' In justice to Mr. Frewen, it must, however, be recalled that at the time this suggestion was made it was not anticipated that the war debt would assume the proportions which now seem probable.

Power Supply and Coal.

"One proposal is that the state should take in hand the consolidation of the electrical power supply of the United Kingdom upon adequate and comprehensive lines. During the last ten years an investment by the Victoria Falls Power Company of £7,000,000 in establishing a power supply business on the Witwatersrand in South Africa by the use of steam-driven electrical plants of large capacity, has resulted, even in a district where coal is cheap, in a profit to all concerned—producers, consumers and the government—of more than £4,000,000 per annum. Moreover, nothing is being earned by the manufacture of by-products from the coal used.

"In this country the existing demand for power is more than fifty times as large. Coal is relatively expensive. The cost of installation per unit of plant would probably be less, and a substantial portion of the necessary distribution plant is already in existence. On the other hand, the load-factor would probably, at any rate at first, be considerably lower. It can, nevertheless, be argued with considerable force that if the state were to deal with this business on modern lines it might derive a profit of at least £100,000,000 per annum, while furnishing the community with supplies of light and power at far cheaper prices than those at which they are delivered to-day. The opportunity of obtaining practically unlimited supplies of cheap electrical power would certainly give rise to a greatly increased demand and would, in particular, tend to cheapen, improve and extend facilities for transportation. In this domain, similarly, the last word has not yet been said. Here, too, it is extremely probable that the state could co-operate with the proprietors of our railroad system with great material financial advantage and with considerable benefit to the general community. The possibility of effective action of this character largely, in fact primarily, turns upon questions of management.

As to the State's Necessities.

"The post-war revenue, which the government will have to raise by one means or another in order to discharge its ever-growing obligations, cannot now be expected to be less than £600,000,000 per annum, and may even exceed £700,000,000 per annum. It is idle to hope for any early and substantial reduction of government demands owing to the application of any method of pruning. Nor am I personally sanguine that the situation can be dealt with satisfactorily by resort exclusively to ordinary methods of taxation. Taxation of imports is not likely to yield any sum which will go far to meet our needs, while the burden of the income tax cannot be increased indefinitely with safety either by the raising of rates or extension of the area of its incidence. Some new method of obtaining money for the state must certainly be found, and for my part I am convinced that that new method must be based, not upon conscription of wealth already in existence, which I believe would be found to be both a dangerous and largely impracticable expedient, but upon the production of new wealth under conditions which will assure to the state itself the direct receipts of a substantial share of the profits earned. This, at any rate, is the belief and gospel of the empire resources development committee.

In Regard to Finance.

"With regard to finance, it is proposed that the precedent of the existing development commission of the United Kingdom might be followed. That commission was, in the first instance, financed by means of an annual grant of £500,000 from the consolidated fund for a period of five years, which ended on March 31st, 1915. This fund was placed at the disposal of the treasury, and might be spent by it on the advice of the development commission, but not otherwise. The development commission has no executive authority itself in regard to expenditure, and has pointed out the disadvantages of its position in this respect in a series of convincing reports. It is proposed in the present case that the board for the development of empire resources shall have full executive authority within its own sphere, and that, in the first instance, provision for its operations might be made on the basis of £10,000,000 per annum for a period of ten years."

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FOOD PRODUCTION AND WAR

"I fear the disciplined people behind the German Army, the rationed family and the determination of wife and sister and daughter and mother to stand and starve—so that their fighting men may be fed—I fear it more than the Imperial German army itself." This is the warning of Premier Lloyd George. In drawing attention to the threatening of the battle line by lack of food, Dr. Abbott, secretary of the Organization of Resources Committee, Ontario, reminds us that Britain and France are now on food rations and that Italy is on the verge of starvation. Only continuous support from us can enable us to hold out. Only with a disciplined people behind can we hope to win. The rationed British nation, blood of our blood, bone of our bone, are proudly paying the price and sharing with France and Italy their limited stock of food. For in this there is mighty pride, a conscious measuring of their glory with the best traditions of ancient Sparta and of Imperial Rome, for Britons know that upon them rests the burden of saving humanity. The story of their service shall ring and echo forever along the hill tops of history.

The budget brought down in the British Columbia legislature on April 4th, estimates the revenue for the fiscal year ending March 31, 1919, at $9,900,055.12, with an estimated expenditure of $11,611,694.08, of which $1,853,440 is chargeable to capital account. If the anticipated revenue is secured the actual deficit will be $1,111,838.95.

PROPOSAL TO ESTABLISH BUREAU OF STATISTICS

Sir George Foster, in the House of Commons on April 4th, introduced a resolution to establish a bureau under the minister of trade and commerce to be called the Dominion Bureau of Statistics. The purpose of the bureau, according to the resolution, is to collect, abstract, compile and publish statistical information relative to the commercial, industrial, social, economic and general activities and conditions of the people. It is to collaborate with all other departments of the government in the compilation and publication of statistical records.

Mr. Jacques Bureau wished to know why it was necessary to establish such a bureau. At present there was a census branch in the department of agriculture, which took a census of the Dominion. As far as industrial statistics were concerned, he understood that the department of labor had officers which compiled them. He asked if it was the intention to have the statistical branches attached to various departments, merged under this new bureau.

In reply, Sir George Foster said that there was no intention of abandoning the statistical branches at present attached to different departments of the government.

The Sun Life Assurance Company of Canada operates actively on five continents, in 42 countries and under 22 flags; the sun never sets on the Sun Life empire.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

The following table, compiled by *The Monetary Times*, shows the volume of bank loans to municipalities since January, 1915:—

	1915.	1916.	1917.	1918.
January	$35,952,805	$32,015,371	$24,487,272	$40,015,466
February ...	38,437,903	35,149,915	26,121,324	43,535,628
March	41,227,449	38,649,462	29,877,911	....
April	43,031,360	44,371,050	35,931,996	....
May	43,948,436	43,924,036	39,790,191	....
June	46,889,816	46,773,032	42,757,673	....
July	44,029,446	42,385,096	43,989,207	....
August	46,020,730	39,882,811	43,940,176	....
September ..	43,928,331	38,708,745	42,721,563	....
October	45,682,230	37,613,530	41,204,781	....
November ..	41,064,550	32,945,963	36,459,598	....
December ...	30,878,028	24,056,797	36,353,039	....

Lincoln, Ont.—Tenders have been called for by the county for an issue of $50,000 5½ per cent. 10-year bonds.

Verdun, Que.—Messrs. Versailles, Vidricaire and Boulais, Limited, have been awarded a block of $450,000 6 per cent. 5-year bonds. The issue was sold at 95.70 and accrued interest for the whole amount. Eight tenders were received: Hew R. Wood Company offered 95.36, Hanson Brothers 93.99, A. E. Ames 93.93, Provincial Securities, Limited 94 net, Cie d'Archat et Vents de Debentures 93.80, Home Bank of Canada 94. St. Cyr, Gonthier and Frigon offered to sell the bonds at 96.50, from which would be deducted the expenses for advertising, etc.

Montreal, Que.—The Catholic School Commission is offering at par $2,500,000 securities, divided into $1,500,000 6 per cent. five-year bonds, and $1,000,000 6 per cent. two-year treasury notes. Instead of selling the securities to a banking syndicate, as has been done in the past, the school commission is selling direct to the public with the co-operation of the Hochelaga Bank. The bank will receive subscriptions at its branches beginning April 8th, and arrangements are also made for the filing of subscriptions with officials of the school commission. In making the offering the commission is advancing not only the merits of the securities as investments, but also the necessity that the public of Montreal should come to the assistance of the commission in its efforts to raise money for the building of new schools.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from March 25th to 28th, 1918:—

School Districts.—Maxwell, $1,200 10-years not ex. 8 per cent. annuity; W. C. Ennis, Wilkie. Berlin, $400 5-years not ex. 8 per cent. instalment; Jas. Greaves, Willow Hill. North Lake, $1,300 10-years not ex. 8 per cent. annuity; Todor Kurlak, Drobot. Lilian, $1,500 10-years not ex. 8 per cent. annuity; L. L. Bassham, Annette.

Rural Telephone Company.—Phippen, $5,800 15-years not ex. 8 per cent. annuity; C. E. Stodders, Phippen.

The following is a list of debentures reported sold from March 25th to 28th, 1918:—

School Districts.—Grafton, $2,000, Festubert, $1,800, Return, $1,800. Beaver Valley, $1,200, Hill Point, $1,800; Waterman-Waterbury Manufacturing Company, Regina. Poelcapelle, $1,200; W. L. McKinnon and Company, Regina. Runnymeade, $2,000; Nay and James, Regina.

Rural Telephone Companies.—South Melfort, $4,200, South Prince Albert, $10,300; W. L. McKinnon and Company, Regina. Verdun, $1,700; S. J. Kipley, Kipling. Little Quill, $6,300; J. A. Thompson, Winnipeg.

Village.—Moss Bank, $3,000; W. L. McKinnon and Company, Regina.

The board of directors of the American Cyanamid Company at their meeting held on April 2nd, declared a dividend of 3 per cent. on the preferred stock, payable May 1st, 1918, to stockholders of record as at the close of business on April 20, 1918. This dividend is for the six months' period ended December 31, 1916. The stock transfer books will be closed from April 21, 1918 to May 1, 1918, inclusive, and dividend cheques will be mailed.

ANOTHER BRITISH COMPANY ENTERS CANADA

The British Traders Insurance Company, which was organized in 1861, has decided to enter the Canadian field and will write fire and marine business. The company is now writing business practically all over the world, and has assets of over $5,000,000. Mr. C. R. Drayton has been appointed manager for Canada, with head office at Toronto. Mr. R. H. Williamson, formerly of the marine department of the Western Assurance Company, will have charge of the marine branch for the British Traders.

GREATER WINNIPEG WATER DISTRICT

According to the auditor's reports and financial statements of the Greater Winnipeg Water District for the year ended December 31, 1917, this very important enterprise is going forward steadily to completion.

On the aqueduct itself there has been expended to date $7,220,633.86, while on the building of the constructional railway $1,618,221.79 has been spent, which figure includes all the necessary equipment for the road.

The outstanding liabilities consist of $1,283,112 4½ per cent. inscribed stock and $7,500,000 5 per cent. five-year debentures. During 1917 $4,000,000 of the $7,500,000 was pledged with the Bank of Montreal as collateral security.

According to the condensed statement of expenditure, $10,625,943.02 has so far been put into the enterprise.

The policy of the administration in the letting of contracts has been to let them progressively. As the organization proceeded tenders were invited and contracts for separate portions awarded.

The statement sets out in detail the various expenditures, following the practice as followed in the 1915 and 1916 reports, accompanied by schedules giving in detail the subdivisions of expenditures.

SUN LIFE LIBERALITY REPEATED

A decision of importance to former policyholders of the British Columbia Life, recently reassured by the Sun Life, has been made regarding the extra premium chargeable under their policies, where the assured engages in military or naval service. The Sun Life management has voluntarily waived all restrictions regarding military and naval service in the case of British Columbia Life policies issued prior to August 1, 1914, and in force on the date of the completion of the agreement, and have further agreed that the present war clause of the Sun Life be made to apply to all policies issued since August 1st, 1914. Even in cases where British Columbia Life policyholders have signed an agreement limiting the company's liability to 25 per cent. of the sum assured, the Sun Life has undertaken to protect them against the war risk for the full amount.

Though according to the terms of the reassurance, the Sun Life assume only the liabilities covered by the British Columbia Life, it has decided to treat these new policyholders on exactly the same basis as if they had originally held Sun Life policies, accordingly any restrictions regarding military or naval service on policies issued before the outbreak of war, have been waived, and the holders of such policies who are now, or will be engaged in military or naval duties, will secure the full benefits without extra premium or other restrictions.

The feeling appears to be that a strong, well-established life company is warranted in adopting this broad, patriotic policy, whereas the smaller and younger life companies have felt compelled to charge an extra premium to offset the prospective extra mortality due to war.

A concession such as this will come as no surprise to a public familiar with the liberality of treatment consistently accorded to the policyholders of companies that have been reassured by the Sun Life. That it will be received with warm approval and appreciation by these policyholders and their beneficiaries goes without saying.

Mr. William Lucas, of the private banking house, Markdale, of William Lucas and Company, and eldest brother of Hon. I. B. Lucas, attorney-general of Ontario, was found dead in bed at his home on April 3rd.

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It is good business to increase your holdings of **Victory Loan Bonds,** because the security is of the highest quality, the income return attractive, and you are not required to pay Dominion Income Tax.

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LEGISLATION AFFECTING LOANING

Amendments to Dominion Lands Act—Report of Committee of Mortgage and Investments Association

That many opportunities have occurred, and have been taken advantage of, to directly impress upon members of the Dominion and provincial legislatures the injury done to the credit respectively of the Dominion and provinces by legislation that imposes additional burdens upon borrowers and upon agencies which endeavor to meet their needs, was the statement made in the report of the executive committee of the Dominion Mortgage and Investments Association presented at the association's annual meeting held at Toronto this week.

Dominion Lands Act.

Referring particularly to the Dominion Lands Act, the report said:—

"The attention of the Dominion parliament at its sittings during 1917 was largely absorbed by extraordinary war measures, hence our request for legislation to facilitate borrowing by the entrants to different classes of homesteads when settlement and other desirable conditions had been complied with, was deferred. We have, however, the assurance of the Department of the Interior that such amendments to the Dominion Lands Act as will implement our requests will be passed at the present session. These amendments will provide—

> "(a) Re-entrants to abandoned homesteads to be required to assume seed grain, fodder and relief liens given to secure advances to previous entrant.
>
> "(b) Provision for the issue of certificates of recommendation when duties have been satisfactorily performed, and for modification of requirements as to residence.
>
> "(c) Pre-emptors and entrants of purchased homesteads to be placed in a position, when their duties have been completed, to obtain loans on the security of the land thus acquired by them.

"The importance of these amendments will be more apparent when it is remembered that nearly 9,000,000 acres are at present under pre-empted and purchased homesteads. In the three years prior to March 31st, 1916, 9,311 entries for these classes of homesteads were made."

The report then referred to the difficulties in connection with seed grain and fodder liens.

Provincial Legislation.

The report recalled the fact that Mr. Langmuir, the president of the association, and the vice-presidents, Mr. Cronyn and Mr. Saunders and Mr. A. E. S. Holt, were deputed to visit Ottawa while the provincial premiers were assembled there for the purpose of discussing with them the desirability of amendments to western legislation. The situation in the west was fully reviewed and rectification in several cases was promised, notably in respect of the Volunteer and Reservists Relief Acts, the Dower Act of Alberta, and the Land Titles Act of that province in regard to the personal covenant in mortgages.

Membership of Association.

The members of the Dominion Mortgage and Investments Association number 36. The assets represented amount to $687,708,348, as compared with $615,203,623 a year ago. These figures do not include the assets of companies representatives of which are members of the affiliated provincial organizations. The following is a list of the members of the association:—

Loan and Savings Companies.

	Head office.	Assets.
Brockville Loan and Savings	Brockville	$718,478
Central Canada Loan and Savings...	Peterborough	9,472,824
Credit Foncier Franco-Canadien ...	Montreal	50,015,670
Huron and Erie Mortgage	London	17,771,189
Standard Reliance Mortgage	Toronto	7,380.750
Great West Permanent Loan	Winnipeg	7,368,916
Trust and Loan Company of Canada.	London (Eng.)	19,282,457
Waterloo County Loan and Savings.	Waterloo	$1,076,678
Toronto Savings and Loan	Peterborough	3,907,080
Associated Mortgage Investors	Rochester	3,000,000
Canadian Mortgage Association	Paris, France	10,000,000
The Mortgage Corporation of Nova Scotia	Halifax	1,266,136
Edinburgh-Canadian Mortgage Corporation	Toronto	1,671,037
		$132,940,215

Trust Companies.

	Head office.	Assets under administration.
The Union Trust	Toronto	$15,191,344
The Royal Trust	Montreal	110,728,091
The Toronto General Trusts	Toronto	77,180,513
Trusts and Guarantee	Toronto	15,404,349
Prudential Trust	Montreal	4,160,298
National Trust	Toronto	69,197,054
Guardian Trust	Toronto	2,889,504
Eastern Trust	Halifax	18,342,421
Crown Trust	Montreal	2,606,367
Mercantile Trust	Hamilton	5,034,786
		$320,754,727

Life Insurance Companies.

	Head office.	Assets.
Canada Life Assurance	Toronto	$59,264,183
Capital Life Assurance	Ottawa	338,428
Continental Life Assurance	Toronto	2,220.166
Confederation Life Assurance	Toronto	21,559.159
Imperial Life Assurance	Toronto	12,974,417
Manufacturers' Life Assurance	Toronto	22,694,435
Northern Life Assurance	London	2,822,369
Sun Life Assurance	Montreal	82,948,996
Mutual Life Assurance	Waterloo	28,971,253
32		$234,013,406

Provincial Associations.

Mortgage Loans Association of British Columbia.
Mortgage Loans Association of Alberta.
Mortgage Loans Association of Manitoba.
Land Mortgage Companies of Saskatchewan.

4

Mr. John Appleton is secretary of the association.

GOOD OUTLOOK FOR CROP THIS YEAR

The Winnipeg Free Press presents its first crop report of the season, just six weeks ahead of last year.

The report, summed up, indicates a very satisfactory condition of soil, and considerable seeding already done. Seeding will be general in Manitoba on April 8th, in Saskatchewan about April 10th, while in Alberta seeding will be general in the south about April 15th, and in the north a week later.

A few spots in southern Manitoba report fallow blowing, but rain recently helped the situation. Generally soil is reported moist and mellow.

The early seeding is apparently helping the labor shortage to some extent, but the situation is pretty acute in some districts, while the general report is that domestic help is almost unobtainable. Under existing labor conditions it is not surprising that, while a few districts report increased acreages, the general indication is for an acreage little, if any, in excess of last year. Average rate of wages for farm help is given as $60 for experienced men.

The Monarch Life representatives from various parts of Ontario assembled last week in Toronto to discuss the company's Ontario operations Mr. J. W. W. Stewart, managing director, was present and delivered a particularly interesting and inspiring address. He announced that at the end of the first quarter one-third of the volume of business set for 1918 had been secured. After the banquet Mr. Stewart was presented with a beautiful cane.

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PENSIONS OR INSURANCE?

Which is the Better for Returned Soldiers? — Pension-Providing Scheme Has Broken Down

What should the State provide for its soldiers, pensions or insurance? This is the question discussed by Professor W. W. Swanson, of the University of Saskatchewan, in an interesting article recently in the Manitoba Free Press. His article follows:—

That the pensions paid by the Canadian government to enlisted men are inadequate has been proved beyond peradventure. Both in parliamentary discussions and in the recent convention of western Liberals held at Winnipeg this problem has received serious consideration. The cost of living has mounted so high since the outbreak of war that the provisional scheme for providing pensions to Canadian soldiers, or to their dependants, has broken down. The government of the day has decided to throw the onus of formulating an adequate pension plan upon the new parliament, refusing for the present to deal with the issue because of its surpassing importance. In the meantime, we may learn much from studying the plan outlined by the American congress for taking care of the soldiers and sailors of the nation. The present article will deal with the more important points that are worth considering in the forecasted American legislation.

Experience With Pensions.

The United States, although involved in relatively few wars in the course of its history, has had experience with pensions beyond that of any European nation, at least with pensions on the grand scale. The republic has shown the deepest gratitude to its old soldiers, especially to those of the period of the civil war. Indeed, the pensions paid American soldiers and sailors since 1861 exceed the total cost of the civil war, being in sum total somewhat more than $5,000,000,000 to date. Expert American financiers compute that it will cost the nation not less than $2,000,000,000 to extinguish its obligations to civil war veterans and their dependants. The sum in itself is a staggering one, but it takes no account of the expenses of administration and the possibility for future raids on the federal treasury. Unfortunately, it must be admitted that the politician and his henchmen have prostituted the name and meaning of patriotism, as far as pensions are concerned, and have used the nation's bounty to advance their own selfish interests and ends. Along with all this have come corruption, malfeasance in administration, political log-rolling and sectional preferments for party purposes. The simple fact is that the pension fund became a boodle fund to be freely drawn upon for political objects. And, it may be noted in passing, the maintenance of lavish pension payments became the special interest of the Republican party for a decade and more, in order that it might justify itself in the eyes of the people in imposing high tariff taxes upon them. Therefore, not only because Canadians are faced with the same problem, but also because the Dominion is deeply interested in, and affected by, the economic and social life of the United States, it is a matter of more than ordinary importance to us to learn that congress is determined that the pensions to be paid, as a result of the present conflict, shall not again be used to debauch public and private life.

Settlement in Advance.

It goes without saying that the generous-hearted American people are considering, not the propriety, but the equity and expediency of their pension plans. The administration was determined that the lessons of the civil war should not have been taught in vain, and that former blunders might be avoided. The main object sought by congress, therefore, seems to be the formulating of a plan whereby a long continued drain upon the nation's resources shall be prevented. Reduced to its simplest terms, this merely means that American people wish, as far as possible, to pay for the war while it is being waged; and the tremendously heavy taxation imposed upon the nation is but another aspect of the same problem. In this respect the United States is following the lead of Great Britain, which is paying not less than one-third the cost of the war from current income. However that may be, the pivotal point of the American pension scheme is the determining in advance of the sums to be paid to the dependants of those who fall on the field of battle, and to those who are crippled in their country's cause. It has been decided to pay those who have a claim upon the nation a lump sum, in lieu of an annuity, so that the burden may be more accurately estimated, and provided for during the life of the present generation.

The cancellation of pensions, and the substitution therefor of cash indemnities, presents a problem both intricate and difficult. For the carrying out of such a scheme, however, the administration has the benefit of a score or more state laws bearing upon workmen's compensation. As far as sickness and disabilities are concerned, the experience of the various state boards, gained in applying such compensation laws, will prove invaluable. Moreover, it should be observed that the federal government has already established a precedent of its own for providing insurance payments to the dependants of certain classes who are exposed to the risks of war. As perhaps most of our readers are aware, every steam vessel which leaves an American port must insure its master and crew against submarine risks. If the ship owner refuses, or neglects, to do so, the government itself takes action and provides the necessary insurance, making the premium payment a first lien against the vessel. This work is under the direction and administration of the bureau of war risk insurance of the treasury department. It has worked admirably well and has succeeded in affording full protection to the dependants of American seamen who are compelled to voyage into the war zone.

Wanted Expert Help.

It was natural enough, once the government had taken action in this direction, to continue the policy wherever it could be wisely applied. Therefore, immediately upon the outbreak of war, the administration summoned a conference to deal with the whole question of pensions, of the council of national defence, the department of commerce and the treasury department. The members of these bodies, after an exhaustive investigation of the pensions problem, leant their full approval to the plans of the administration for paying indemnities, in lieu of pensions, to the officers and enlisted men of the land and sea forces of the United States. The government, however, feeling the need of expert, technical advice, early in July, through the secretary of the treasury, called into consultation a large number of insurance officials; and afterwards appointed a committee of prominent insurance men to prepare a plan of insurance against personal injuries received by enlisted men during the course of the war.

Project Was Approved.

The committee approved the entire project. Several experts in insurance pointed out, however, that the proposed indemnity for injury or death is not, strictly speaking, subject to the principles underlying the theory of insurance. They draw attention to the fact that the scheme involves no problems in the working out of which insurance practice and experience could be very helpful. They were decidedly of the opinion that it would be inexpedient to interpose an insurance company between the beneficiary and the government, inasmuch as this would merely complicate the administration of the plan and would benefit no one concerned. The committee recommended, therefore, that the government should carry on the work proposed through the bureau of war risk insurance, or through some other special agency created for that purpose. Beyond doubt, the administration will take action along these lines.

In brief, it may be said that three lines of development are being worked out as part of a larger scheme for preventing distress among those dependent upon the officers and enlisted men in the American army and navy. Space prevents our going into details, but the elements of the plan may be simply presented as follows: Soldiers may assign a certain portion of their pay to dependants, as under the Canadian plan. When this is done, however, in the American army, an extra allowance will be paid by the government to the family, the amount of which will depend in large measure upon the number of children in it. Indemnities will be paid in case of death, or of total or partial disability. The size of the indemnity will be measured by the length of active service, the number of children in the family, and the financial loss falling upon the family through the father joining the active forces of the United States. Our readers should take special note of the following important provision: Insurance at regular rates in amounts from $1,000 to $10,000 will be provided for those officers and men who are willing to pay the usual regular premium rates. Under this plan the American government will meet the entire cost of the allowances and the indemnities, and will take upon itself the duty of paying

BRITISH COLUMBIA TIMBER

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the special war risk premium on insurance policies issued to its enlisted men. It strikes us that, in this particular, the American government is doing the right thing, and the worthy thing, by its army and navy; and that the Canadian government should no longer refuse to assume the special war risk on policies that have been taken out, or that may be secured, by our troops and their officers on active service.

Just as Well as Generous.

We have come to speak so lightly of hundreds of millions, and even of billions, of dollars since the outbreak of war that the enormous and crushing cost of financing the war no longer impresses the average citizen. In a sense this is no time to calculate costs—the war must be won, no matter how bitter the price in human material, or its cost in mere money. Nevertheless, the common people in Canada and the United States feel the cruel pressure of the war in their economic life. Although wages have been materially increased since the beginning of the struggle, they have been far outdistanced by the soaring prices of food, clothing, coal and all the necessaries of life, not to mention the comforts and luxuries. All these facts must be taken into consideration in dealing with any pension scheme which, although it should be generous to those on the battle line, must be just to the people at home.

In this connection, it is estimated that at $4,000 per man in the American army—which is likely to be the standard indemnity—the indemnities for 1,000,000 men in the field will amount to $400,000,000 a year. That is not a crushing burden for the great and powerful republic, but it is no small one and will be felt in consumption, as well as in income, taxation. Nevertheless, even so great a sacrifice may prove well worth while if it will save the American nation from extravagant pension legislation in the years to come. But will it do so? And—what is more to the point—ought it to do so? He is a wise man who would seek to impose limits upon the generosity of a great people whose sons have risked their all, including life itself, for the honor and safety of the nation.

Conditions in Canada.

In considering the pension legislation of the United States, as outlined above, Canadian readers may question whether it could be made applicable to conditions in this country. It would require, for its carrying out, a large annual sum, which would mean additional taxation or further borrowing. Most readers will agree that taxation in this country, tariff and incomes taxes considered, has reached its furthest limits. On the other hand, if indemnities were to be paid from borrowing, it might give the government an equally difficult problem. Be it remembered that the last Canadian loan in New York—premium, interest and commission to J. P. Morgan & Company being considered—cost the Dominion almost 8 per cent. Although the perils arising in connection with pension payments are very evident and great, it is probably expedient for the Dominion to assume these risks and spread its payments to Canadian soldiers and their dependants over a period of years. On the other hand, there is absolutely no reason as to why our government should not assume, as in the United States, the special war risk included in the premiums on insurance policies granted to officers and men who seek to protect, in this way, those dependent upon them. It is entirely unfair to call men to the colors under conscription, and impose upon them extraordinary risks, without extending adequate protection. Under the present Canadian pensions plan, no fair-minded person will argue that our soldiers and officers are sufficiently provided for. The way out is at least suggested in the American scheme—lump sum indemnities for officers, equalization of pensions as between enlisted men and officers of the lower grades, and bonuses on insurance policies to cover war risks. At any rate, it is evident that this question will come up again and again for consideration and investigation; and in the meantime it will prove well worth while to study carefully the proposed American legislation.

COBALT ORE SHIPMENTS

The following is a list of the shipments of ore, in pounds, from Cobalt Station for the week ended April 5th, 1918:—

Buffalo Mine, 88,000; Aladdin Cobalt, 72,000; Hudson Bay Mine, 64,234; Dominion Reduction Company, 86,000; McKinley-Darragh-Savage Mine, 234,763; total, 544,997.

The total shipments since January 1st now amount to 4,810,901.8 pounds, or 2,405.5 tons.

CONDITIONS IN BRITISH COLUMBIA

(Staff Correspondence.)

Vancouver, April 6th.

Industry on the Pacific Coast was never more marked than at the present time. The outstanding feature of activity is that it is not confined to any particular line of production, neither is it confined to any few sections of the province. Figures show that the benefit accrues to every community throughout the southern section, as well as in the northern portions. Perhaps British Columbia has felt the depressing material effects of the war less than most parts of the earth, and the reaction coming after the days of 1914 is noticeable. Naturally, the question arises, Will the businesses which have been built up and the industries which have been created continue after the war is over? Such a question will relate particularly to shipbuilding. This is the one big, new industry, employing thousands of men, and bringing in its wake a number of correlative industries, which, added to the activity in lumbering and mining, has created a general prosperity. This is noticeable in the cities, particularly Vancouver, where rents have been ascending rapidly, and for residences they are almost on a par with what they were in 1912 and 1913. They are bound to go up more as the demand continues for houses, as labor is not only dear, but very scarce, which, together with the high cost of materials, will discourage building.

This is the apparent immediate effect of the industrial activity, and the suggestion has been made that it will fall off after the war is over. British Columbia, because of its resources in raw materials, has been slower than other portions of Canada to feel oncoming depression, and has been quicker in reaction. To-day, apart from prices quoted for real estate, it is ahead of what it was in what are called the boom days of five or six years ago. Figures of large companies indicate a great advancement. So, even if there was a falling off, it is doubtful if the retirement would be further than where the province was when war broke out. That any such backward movement should again take place is merely problematical.

There is every reason to believe that present prosperity will continue The big shipbuilding plants which have been established have work for many months, and, with the money invested, the owners will strain every effort to secure fresh contracts. With the initiation of a steel industry, the future of shipbuilding on this coast would be assured, in the opinion of many. That is the industry about which there is doubt. Should it be that in time ships are not constructed in such numbers as at present, there is ample call for labor in many other lines, and there is little question but that it would be easily assimilated as released from the shipyards.

With the big basic industries there is no doubt. Though the cut of logs last year was 40 per cent. greater than in 1916, and more than double that of 1915, to-day timber is scarce. Export has been again prohibited, after having been allowed for three years. When the war is over and ship tonnage is available, there is big demand for lumber in all parts of the world, especially Europe. Big pulp and paper mills, now getting into operation, will also demand labor, for the disturbed world conditions hampers them now, and when things are settled they will have found a permanent place in the world's markets for their outputs. The demand for minerals such as British Columbia produces will also continue after the war. Prices of copper and silver, perhaps, may not be quite so high, but they will be enough to ensure activity for many years. Metallurgical experts do not look for much falling off in the big markets, and if there is any, they look for quick recovery.

War prices and war demands have had the effect of a bonus. Under such conditions, industries have been established and put on their feet, new properties opened up, and operations undertaken which, would have been impossible in ordinary times. Opportunity has been given for a start which will be a factor in the event of any adversity in conditions.

These features apply to the principal industries which have been and will be the backbone of British Columbia. They are so marked that total provincial production in 1917 will be a record, and that of 1918 will be even better. Industrial strength is such that it will be comparatively maintained, despite what takes place.—R. B. B.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

FIRE INSURANCE COMPANY requires chief clerk fo. Toronto office. Some knowledge of bookkeeping necessary. Good opening for man not subject to draft. Apply, stating age, experience and salary. Box 161, *The Monetary Times*, Toronto.

INSPECTOR WANTED for Eastern Canada field by large Tariff Fire Insurance Company. Good opening for energetic man with connection amongst agents. Box 163, *The Monetary Times*.

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An experienced fire insurance man

for office and soliciting. Large office, western city, good opportunity to right party. State experience. Address:—

Box 165, MONETARY TIMES, TORONTO.

CORRECTION

An error of an unusual kind occurred in connection with last week's issue. On Monday, April 1st, under the heading "The Markets," on the financial page, "The Toronto Globe" published an item which was erroneous, as it referred to bonds of the Nova Scotia Steel and Coal Company, whereas it should have referred to bonds of the province of Nova Scotia. This item was clipped in our office and handed to a sub-editor, with a request that the latter prepare a paragraph for our paper calling attention to the error and correcting same, so that investors who had read the item in the "Globe" would not remain under the impression that the Nova Scotia Steel and Coal Company were making a bond issue at the present time.

Through a misunderstanding, the correction was not prepared as intended, but the clipping from the "Globe" was sent to our composing room and inserted in our paper! The result is that we now have our own mistake to correct as well as that of our contemporary. The Nova Scotia Steel and Coal Company are not issuing any bonds at the present time. The item should have referred to the issue of provincial bonds, complete details of which were given on another page of last week's issue, and which had also been referred to at length in previous issues of our paper.—Editor, *The Monetary Times*.

DIVIDENDS AND NOTICES

DETROIT RIVER TUNNEL CO.

Detroit, Mich., April 2, 1918.

Notice is hereby given that the Annual Meeting of the Stockholders of the Detroit River Tunnel Company, for the election of Directors and the transaction of such other business as may be brought before the meeting, will be held at the Head Office of the company, in the City of Detroit, Michigan, on the First Thursday after the First Wednesday (being the 2nd day of May) of May, 1918, at 10 o'clock a.m., Standard Eastern Time.

DWIGHT W. PARDEE,
Secretary.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st MARCH, 1918, payable APRIL 15th, to shareholders of record March 31st, 1918.

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, March 4th, 1918.

TENDERS WANTED

Sealed Tenders are asked for the investment of the funds of

THE SYNOD OF HURON

for a period of five years.

All tenders to be in the hands of the Secretary-Treasurer of Synod at 12 o'clock noon on 26th April, 1918. The best or any tender not necessarily accepted.

For specifications address

Rev. W. J. DOHERTY, B.A., L.Th., Sec.-Treas.
Synod of Huron, Box 307, London, Ont.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Kitchener, Ont.—March 3—The departmental store of Weseloh and Gouldie, Limited, owned by A. Weseloh and Geo. Patter, was destroyed. The estimated damage to contents was $35,000; to building, $7,000. A total insurance of $46,000 was carried in the following companies: Mount Royal, $5,000; Northwestern National, $5,000; Fire Insurance Exchange, $3,000; Canadian Fire, $10,000; Queen City, $2,000; Gore District, $3,000; Economical, $2,500; Merchants, $2,500; Styuvesant, $3,500; Monarch Fire, $1,500; British Northwestern, $5,000; Phœnix of Hartford, $3,500.

Vancouver, B.C.—March 4—Two-story vacant frame house owned by H. Grossman formerly, but now in the hands of the Mortgage Company of Canada, was destroyed. The cause is said to be of incendiary origin. Estimated loss, $658. Insurance to the amount of $1,500 was carried in the Beaver Insurance Company.

Three and a half years of war have caused an increase of $111,000,000,000 in the public debt of the leading warring nations, according to tabulations made by the Federal Reserve Board at Washington. Of this sum, $72,400,000,000 represents the debt increase of the allied nations and $39,300,000,000 that of the central nations.

BRIGHT OUTLOOK IN WEST

"Conditions throughout Western Canada are exceptionally bright this spring." Such was the opinion, expressed most optimistically to *The Monetary Times* this week by the western comptroller of the Ogilvie Flour Mills Company at Winnipeg, who has just returned from an extensive trip through the west.

"The spring season," he said, "is opening up much earlier than usual, and seeding is in full swing all over the west. The greater production idea has taken hold in real earnest, and greatly increased acreage will be sown this spring. The land has been well prepared to receive the seed, and everywhere the farmers are hard at it."

There is great need of more production, as practically all the European wheat-producing countries are tied up. The war it is felt, is becoming more and more one of agricultural production. The country that can produce food, and yet more food, is the country that is going to win. Canada should be able not only to supply her own needs, but to give substantial aid in the way of food supplies to the Allies. Canada has vast capacity for production, and yet, in spite of the continued high prices for grain, only 12 per cent. of western lands, recognized to be the finest farming land in the world, is under cultivation. Less than 25,000,000 acres of Canada's 483,000,000 acres of prairie land available for cultivation are to-day being utilized.

Land in western Canada, besides being wonderfully productive, is remarkably cheap, and prices for grain and produce are abnormally high. These factors have combined to bring into the country large numbers of United States settlers, who, in most cases, have sold their homesteads in the States for twice or three times the amount they are paying for their land in Canada.

Since January 1st the immigration department of one railway alone has handled over 500 families of United States settlers, who have realized the great future ahead of Canada, and who are eager to have a share in it.

Trade in practically all lines in Winnipeg and throughout the west is brisk. Implement dealers are rushed keeping up with orders, and a notable feature about the business is that it is largely on a cash basis. The agitation about the removal of duties on farm implements is occupying the minds of implement men to some extent.

Hardware firms are also very busy, the demand principally being from the farmers. Wholesale houses are rushed with orders.

In the city the demand for houses is quite active, and rents are advancing.

SEEDING HAS COMMENCED IN THE WEST

Reports from the west received at the head offices of the Canadian Northern Railway system in Toronto indicate that seeding has been commenced at many points throughout the three prairie provinces in the territories served by the western lines of that company.

The districts reporting include Kipling, Radville, Regina, Bengough, Moose Jaw, Hartney, Carlyle, Gravelbourg, Elrose, Kindersley, Battleford, Hanna, Sibbald, Benton, Calgary, Craigmyle, Drumheller, Rockyford, Battle River, Red Willow and Alliance.

The report indicates that seeding will be started in most districts in the west on or about the 10th of April.

The Bank of British North America

ESTABLISHED IN 1836

Incorporated by Royal Charter in 1840

PAID-UP CAPITAL, $4,866,666.66 RESERVE FUND, $3,017,333.33

Eighty-Second Annual Report and Balance Sheet

Report of the Directors of The Bank of British North America, Presented to the Proprietors at Their Eighty-Second Yearly General Meeting on Tuesday, March 5th, 1918.

The Court of Directors submit the accompanying Balance Sheet to 30th November, 1917.

The Profits for the Year, including $104,222.14 brought forward from 30th November, 1916, amount to $772,226.02 of which $194,666.66 was appropriated to an interim Dividend paid last October, leaving a balance of $577,559.36, out of which the Directors propose—

To declare a Dividend of 40s. od. per Share, payable, less Income Tax, on the 5th April next.

To pay the usual Bonus of Five per cent. to all the Staff, estimated to cost about $43,800.00, and also—

A Special War Bonus to those members of the Staff remaining on duty and of not less than six months' service to meet the increase in their necessary expenditure, estimated to cost about $34,066.66, and to carry forward $156,309.55.

The above Dividend will make a distribution of 8 per cent. for the year.

The Dividend Warrants will be remitted to the Proprietors on the 4th April next.

The Directors have made a Donation of $10,000 to the Halifax Relief Fund, and although the disaster did not occur until after the close of the Bank's financial year, they have included it in the Accounts now submitted.

During the year the following Branch and Sub-Branches have been closed:—Quesnel, B.C., Boucherville and Varennes, P.Q.

And a Branch has been opened at Kamsack, Sask.

The following appropriations from the Profit and Loss Account have been made for the benefit of the Staff:—

To the Officers' Widows and Orphans Fund	$ 9,456.29
" " Pension Fund	44,743.89
" " Life Insurance Fund	11,680.00

The following statement prepared by request of a Proprietor at the last Annual General Meeting shows the present distribution of the Bank's Capital:—

In Canada	533	Proprietors hold	6,356 Shares.
" Great Britain and Ireland	1,295	" "	12,993 "
" Elsewhere	67	" "	651 "
	1,895		20,000 "

London, 26th February, 1918.

THE BANK OF BRITISH NORTH AMERICA

BALANCE SHEET, 30th NOVEMBER, 1917

LIABILITIES

Capital—20,000 Shares of £50 each fully paid			$ 4,866,666.66
Reserve Fund			3,017,333.33
Dividends Declared and Unpaid			2,850.61
Profit and Loss Account—			
Balance brought forward from 30th November, 1916		$ 332,955.46	
Dividend paid April, 1917	$194,666.66		
Bonus to Staff	34,066.66		
		228,733.32	
		$ 104,222.14	
Net profit for the year ending this date after deducting all current charges and providing for bad and doubtful debts		668,003.88	
		$ 772,226.02	
Dividend paid October, 1917		194,666.66	
Deduct:		$ 577,559.36	
Transferred to Bank Premises Account	$ 5,169.61		
Transferred to Officers' Widows and Orphans Fund	9,456.29		
Transferred to Officers' Life Insurance Fund	11,680.00		
Transferred to Officers' Pension Fund	44,743.89		
Canadian Patriotic Fund	18,000.00		
Canadian War Tax on Circulation	48,666.66		
Halifax Relief Fund	10,000.00		
American Red Cross Fund	1,000.00		
		148,716.45	
Balance available for April Dividend			428,842.91
Notes of the Bank in Circulation			5,708,882.04
Deposits not Bearing Interest			18,223,720.63
Deposits Bearing Interest, (including Interest accrued to date)			40,860,087.12
Balances due to other Banks in Canada			44.04
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries			443,337.25
Bills Payable			2,200,107.80
Acceptances under Letters of Credit			803,651.65
Liabilities and Accounts not included in the Foregoing			1,127,319.19
Liability on Endorsements $451,941.64			
			$77,682,843.23

ASSETS

Current Coin and Bullion	$ 960,750.00	
Dominion Notes	5,079,117.00	
		$ 6,039,867.00
Notes of other Banks		980,277.82
Cheques on other Banks		2,770,543.39
Balances due by other Banks in Canada		16,607.15
Balances due by Banks and Banking Correspondents elsewhere than in Canada		2,388,353.47
Dominion and Provincial Government Securities not exceeding Market Value		6,350,000.00
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian—(including £300,000 Exchequer Bonds, £100,000 3½ per cent. War Loan. The War Stock taken at cost)		8,570,334.69
Railway and other Bonds and Stocks		46,884.37
Call and Short Loans in Canada on Bonds, Debentures and Stocks		2,607,013.55
Call and Short Loans elsewhere than in Canada		4,849,124.91
Other Current Loans and Discounts in Canada (*less* Rebate of Interest)		28,776,590.96
Other Current Loans and Discounts elsewhere than in Canada (*less* Rebate of Interest)		7,791,248.46
Liabilities of Customers under Letters of Credit as per contra		803,651.65
Real Estate other than Bank Premises		29,038.65
Overdue Debts (estimated Loss provided for)		283,059.32
Bank premises at not more than Cost, Less Amounts Written off		2,374,639.83
Deposit with the Canadian Minister of Finance for the Purposes of the Circulation Redemption Fund—		
Cash		245,821.58
Deposit in the Central Gold Reserve		2,420,000.00
Other Assets and Accounts not included in the Foregoing		339,786.43
		$77,682,843.23

H. B. MACKENZIE, General Manager.
E. A. HOARE, G. D. WHATMAN, Directors.

We have examined the above Balance Sheet with the Books in London and the Certified Returns from the Branches, and we report to the Shareholders that we have obtained all the information and explanations we have required and that in our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank. As required by Section 56, Clause 19, of the Bank Act of Canada, we visited the Chief Office (Montreal) of the Bank and checked the cash and verified the securities and found that they agreed with the entries in the books of the Bank with regard thereto. We further report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us and as shown by the books and returns.

London, 4th March, 1918.
N. E. WATERHOUSE, FRANK S. PRICE, Auditors.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended April 10th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Asked	Bid	Sales
Abitibi com.	....	....	....
Ames-Holden com.	....	....	....
" pref.	....	....	....
Asbestos Corporation	....	....	....
" " pref.	....	....	....
Bell Telephone	....	130	21
British Columbia Fishing & Packing	50	....	32
Brompton	....	46½	215
Brazilian	35¾	35⅜	436
Canada Car com.	31	30¼	1335
" pref.	73	71	1280
Canadian Convertera	43	....	....
Canada Cement com.	60	59½	507
" pref.	90¾	90¼	94
Canada Cottons	..	57	102
" pref.	76	....	75
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	....	....	....
Canadian General Electric	....	102	32
Canadian Locomotive com.	....	....	60
Canada Steamship Lines com.	42	41⅞	1220
" " " pref.	76⅞	76⅝	1061
" " " (Voting Trust)	....	41½	75
Civic Investment	....	....	....
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	11
Consumers Gas. com.	....	....	....
Dominion Bridge	....	....	....
Dominion Canners pref.	....	23¾	25
Dominion Iron pref.	....	...	55
Dominion Steel Corporation com.	61	60¾	2660
Dominion Textile	85⅝	85⅛	892
" pref.	101	100	....
Goodwins Ltd.	11	....	....
Illinois Traction com.	....	....	....
" pref.	80	....	....
Howard Smith Paper Mills com.	....	....	25
Lake of the Woods Milling com.	131	125	....
Laurentide Co.	155	154½	105
Lyall Const. com.	....	75	295
Macdonald	15	14½	185
Mackay Cos. com.	....	..	...
" " pref.	....	....	....
Maple Leaf Milling. com.	95	....	....
Montreal Tramway	....	....	....
" " deb.	72½	....	3200
Montreal Telegraph	....	....	....
Montreal Cotton com.	....		....
" pref.	....	....	....
Nova Scotia Steel	....	....	10
Ogilvie Flour Mills com.	....	160	5
Ontario Steel com.	27½	27¼	518
" pref.	74	7[illegible]	....
Penmans	74	....	210
" pref.	....	81⅞	6
Price Bros.	....	....	....
Riordan Paper	118	....	260
" pref.	....	92	....
Quebec Railway, Light, Heat & Power	18½	18¼	1535
Shawinigan Water & Power	....	110¼	175
" " " rights	....	....	....
Spanish River com.	....	....	50
" pref.	....	....	....
Smart Woods	....	....	....
Steel Co. of Canada	59	58¾	5535
" " " pref.	....	89½	55
St. Lawrence Flour Mills com.	67	65	3338
" " " pref.	....	....	70
Toronto Railway com.	....	....	....
Wayagamack	....	..	....
Bank of British North America	...	....	....
Bank of Commerce	185	....	4
Bank of Montreal	210	....	17
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	110	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	218	....	8
Dominion Bank	202	....	....
Merchants Bank	....	167	270
Molsons Bank	17[illegible]⅞	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	6
Standard Bank com.	....	....	....
Union Bank	....	146½	86

Montreal Bonds	Asked	Bid	Sales
Asbestos	....	....	....
Bell Telephone	....	90¾	....
Canadian Car.	....	....	....
Canada Cement	97	....	2000
Canadian Converters	....	....	....
Canada Felt	....	....	....
Cedars Rapids	84	....	7100
Dominion Coal	....	....	....
Dominion Cotton	....	....	....
Dominion Iron and Steel	....	84	....
Dominion Textile A	....	....	....
" " B	....	....	....
" " C	...	....	2250
" " D	....	....	....
Lake of Wooda Milling	....	....	..
Laurentide	....	101	1000
Lyall Construction Co.	....	....	2500
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	74	....
Nova Scotia Steel	....	....	....
Ogilvie A	....	100	....
" B	....	100	....
" C	....	100	....
Penmans	....	....	....
Price Bros.	....	....	480
Quebec Railway, Light and Power	60	....	2000
Riordan Paper	....	....	....
Steel of Canada	....	90	300
First Dominion War Loan	...	93¾	6900
Second Dominion War Loan	93½	....	23200
Third Dominion War Loan	91¾	91⅝	6300
Wabasso Cotton	84	....	....
Wayagamack	....	76	200

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	11½	....	....
" pref.	50	....	...
American Cynamid	32	29	....
" pref.	....	52	....
Barcelona	9½	9⅜	....
British Columbia Fish	50	49	215
Brazilian	35⅝	35¼	330
B. C. Packers	....	....	....
Canada Bread	17	16	50
" pref.	....	....	45
Canadian Car & Foundry	30	28	....
" " " pref.	70½	69	....
Canadian Canners	....	....	21
" pref.	....	....	....
Canadian General Electric	103	101½	....
" " " cum div. pref.	....	...	....
Canada Landed & National Investment	....	....	....
Canadian Locomotive	....	....	....
" pref.	....	82¾	....
Canadian Pacific Railway	138	136	....
Canada Permanent	....	....	760
Canada Steamship	41⅞	41¼	160
" " pref.	77	76¾	25
Can. Salt	...	....	....
Cement com.	60	59	275
"	91	....	108
City Dairy	....	30	....
" pref.	....	67	....
Coniagas	325	300	....
Confederation Life	375	....	....
Consumers Gas	141½	....	....
Dome	850	825	200
Dominion Canners pref.	21½	....	....
Dominion Iron com.	....	....	...
" " pref.	....	....	20
Dominion Steel Company	61	60	15
Dominion Savings	....	....	....
Duluth Sup	11	....	....
F. N. Burt	....	....	....
" pref.	....	81¼	5
Hamilton Provident	....	....	....
Huron & Erie com.	....	....	....
Lake of the Woods com.	....	....	....
La Rose com.	60	56	....
Mackay Companies	76	75	25
" pref.	....	62½	31
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	91½	93½	....
" " " pref.	92¼	91¾	10
Monarch	13	39	....
" pref.	80	....	2
Nat. S. Car	10½	9	....
" pref.	35	31	...
Nipissing	860	845	....
Nova Scotia Steel	65	63	25
" " " rights	....	....	....
Prov. Paper	55	....	....
" pref.	....	....	...
Penmans com.	75	73½	25
Petroleum	1437	1413	200
Riordon	119	117¼	....
" pref.	....	....	....
Rogers com.	....	....	...
Russell Motor	58	50	....
" pref.	....	69	36
Sawyer-Massey	....	10	...
" pref.	40	....	....
Smelters	....	....	....
Spanish River	....	....	....
" pref.	50	....	....
Cons. Smelters	25	....	....
Standard Reliance Loan	....	....	...
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	59⅛	58¾	350
" " " pref.	....	89½	54
Toronto General Trust	....	...	....
Toronto Paper	72	65	....
Toronto Railway	58	....	....
Trethewey S. Mines com.	16½	15½	....
Tucketts	19	....	....
" pref.	....	....	....
Winnipeg Electric	48	....	....
Twin City	51	50	175
Bank of Commerce	....	185	51
Bank of Ottawa	201	....	...
Bank of Hamilton	....	185	....
Bank of Montreal	210	....	...
Bank of Nova Scotia	218	...	....
Bank of Toronto	....	187	25
Dominion Bank	202	...	4
Imperial Bank	....	186	2
Merchants Bank	....	....	....
Molsons Bank	....	....	....
Royal Bank	208	....	....
Standard Bank	200	...	33
Union Bank	....	146½	5

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	1000
Canada Locomotive	....	....	....
Penmans	...	85	....
Riordon	....		....
Sao Paulo, 1929	.	....	....
Steel Company of Canada	....	91½	1000
First War Loan	94	93¾	7300
Second War Loan	92½	92⅝	4400
Third War Loan	92	91⅞	49100

NEW INCORPORATIONS

Gordon, Ironside and Fares Packers, Limited, Incorporated With Headquarters at Winnipeg

The largest company incorporated during the past week was Gordon, Ironside & Fares Packers, Limited, with an authorized capital of $3,000,000, and head office at Winnipeg, Man.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital and the persons named are provisional directors.

Hamilton, Ont.—Wing Lee Yuen Company, Limited, Lee Yuen, Lee Sing, Pong Bank, $40,000.

Ottawa, Ont.—Clemora Realty Company, Limited, Henrietta Adelaide Clemow, William Frederick Powell, Ernest Clemow Powell, $250,000.

Fraserville, Kamouraska Dist.—La Meuneri Modele, Limitee, Fabien Plourde, Joseph Plourde, Jean-Baptiste Dansereau, $150,000.

Cartierville, Que.—La Compagnie de Blace de Cartierville, Joseph-Antoine Lalande, Edouard Cousineau, Emery Legault, $20,000.

Kitchener, Ont.—J. C. Jaimet & Company, Limited, Edwin Whyte Clement, William Pope Clement, Eva Belle Clemens, $40,000.

Edmonton, Alta.—Unilectric Company of Canada, Limited, Chester McMann, Joseph Robert Ulery, George Bligh O'Connor, $25,000.

Hamilton, Ont.—Tallman Brass & Metal, Limited, Joseph Nelson Tallman, William Nelson Tallman, Addison Herbert Tallman, $800,000.

Kingston, Ont.—Continental Chemical Company, Limited, Edwin Dunbar Chaplin, Alexander MacKinnon, Ithamar Gordon Bogart, $100,000.

Vancouver, B.C.—The First National Exhibitors Circuit of Canada, Limited, Willis Perry Dewees, John Alfred Schuberg, John Ritchie Muir, $10,000.

Winnipeg, Man.—Gordon, Ironside & Fares Packers, Limited, Leopold Macauley, William Thomas Sinclair, Thomas Mansell Weatherhead, $3,000,000.

Thornton, Ont.—The Ivy and Thornton Farmers Stock and Grain Company, Limited, George Davis, James Alexander Jamieson, William Henry Halton, $100,000.

Vaudreuil Station, Que.—The Agricultural Cement Tile and Drainage Company, Limited, Walter Seely Johnson, Alexander Rives Hall, William Smith Wilson, $25,000.

Walkerville, Ont.—Long & Wilson Hardware Company, Limited, Albert Long, Herbert Walter Wilson, Alfred Miers, $40,000.

Montreal, Que.—The Dominion Mill Stock Company, Limited, Nathaniel Samuel Fineberg, Isaac Kert, Henri Morin, $40,000. Forbes Corporation, Limited, John Jennings Crealman, Sadi Conrad Demers, John Buchanan Henderson, $50,000. Habison-Walker Refractories Company of Canada, Limited, Louis Athanase David, Louis Philippe Crepeau, Segfried Hinson, Read Bush, $10,000. Canadian Live Stock Production Company, Limited, Robert Stanley Weir, Warren Forbes Alloway, George Hume, $100,000. "John J. Deery Company, Limited," John Wesley Blair, Francis Joseph Laverty, Terence Edwardes Smith, $40,000. Laiteri Ville-Marie, Limitee, Joseph A. Chenevert, Maurice K. Carrol, Madam Edouard Langstaff, $49,000.

Toronto, Ont.—The Adams Coal Company, Limited, George Hess Shaver, Harry Henault Beeman, Mary Louise Cook, $40,000. Churchill Mining and Milling Company, Limited, George Arthur Young, Elsie Whitehead, Howard Young, $1,000,000. Great Lakes Oil Refining Company, Limited, James Houston Spence, Grant Cooper, Howard Addison Hall, $1,750,000. Interurban Engineering Company, Limited, Edwin Smily, Bruce Williams, Wesley Rhodes, $35,000. Lauder, Spears & Howland, Limited, William Wallbridge Vickers, Harrold Wilson, Robert Fraser Angus, $250,000. The Mackay Company, Limited, George Andrew Mackay, Eleanor Mackay, Ruth Naomi Mackay, $40,000. Northway-Grant Company, Limited, Mervil MacDonald, Newton Shaffer, Wesley Rhodes, $100,000. The Universal Car Company, Limited, George, Herbert Sedgewick, James Aitchison, Albert Benjamin Nind, $60,000. Queen City Dental Manufacturers, Limited, Frank Edwin VanDusen, Frederick Lane, Herbert Bertram Eardley Scott, $40,000.

BANK CLEARINGS

The following are the bank clearings for the weeks ending April 5th, 1917, and April 4th, 1918, respectively, with changes:—

	Four days ending Apr. 4, '18.	Six days ending Apr. 5, '17.		Changes.
Montreal	$ 65,764,864	$ 71,606,189	—	$ 5,841,325
Toronto	50,990,000	53,548,356	—	2,558,356
Winnipeg	40,870,564	45,260,106	—	4,389,542
Vancouver	7,886,664	6,150,628	+	1,736,036
Ottawa	6,633,167	5,838,456	+	794,711
Calgary	6,013,924	6,450,561	—	436,637
Hamilton	4,662,055	4,670,258	—	8,203
Quebec	3,639,534	4,222,915	—	583,381
Edmonton	2,785,871	2,568,605	+	217,266
Halifax	3,141,409	2,666,393	+	475,016
London	2,548,742	2,548,128	+	614
Regina	2,953,704	3,010,400	—	56,696
St. John	2,131,555	2,144,611	—	13,056
Victoria	1,356,473	1,433,437	—	76,964
Saskatoon	1,566,598	1,689,822	—	123,224
Moose Jaw	1,134,644	1,119,367	+	15,277
Brandon	547,724	532,155	+	15,569
Brantford	926,830	864,540	+	62,290
Fort William	580,780	553,962	+	26,818
Lethbridge	670,438	781,864	—	111,426
Medicine Hat	450,986	560,806	—	109,820
New Westminster	425,848	246,463	+	179,385
Peterboro	575,268	643,709	—	68,441
Sherbrooke	787,996	663,195	+	124,801
Kitchener	569,325	640,657	—	71,332
Total	$209,614,963	$220,415,583	—	$10,800,620

The Toronto bank clearings for the current week are $567,676,368, compared with $44,630,470 for the same week in 1917, and $43,616,392 in 1916.

FEBRUARY BANK CLEARINGS

The following are the bank clearings for the months ot March, 1917, and March, 1918, respectively, with changes:—

	Month ending March, 1918.	Month ending March, 1917.		Changes.
Montreal	$305,158,929	$328,025,610	—	$22,866,681
Toronto	246,559,204	231,728,865	+	14,830,339
Winnipeg	182,505,002	175,164,866	+	7,340,136
Vancouver	37,633,399	29,080,730	+	8,552,669
Ottawa	23,677,409	21,569,296	+	2,108,113
Calgary	26,689,701	24,580,616	+	2,109,085
Hamilton	19,799,662	18,672,519	+	1,127,143
Quebec	15,929,450	17,046,983	—	1,117,533
Edmonton	13,091,114	10,988,506	+	2,102,608
Halifax	14,457,473	10,543,125	+	3,914,348
London	9,179,200	9,231,757	—	52,557
Regina	12,212,186	11,660,715	+	551,471
St. John	9,169,416	8,929,619	+	239,797
Victoria	7,267,730	6,205,324	+	1,062,406
Saskatoon	6,660,566	7,061,202	—	400,636
Moose Jaw	4,711,094	4,398,034	+	313,060
Brandon	2,471,144	1,993,247	+	477,897
Brantford	3,907,885	3,217,375	+	690,510
Fort William	2,553,839	1,960,004	+	593,835
Lethbridge	3,253,970	2,967,697	+	286,273
Medicine Hat	1,927,294	2,297,092	—	369,798
New Westminster	1,576,375	1,107,323	+	469,052
Peterboro	2,715,629	2,492,826	+	222,803
Sherbrooke	3,335,467	3,254,748	+	80,719
Kitchener	2,431,998	2,530,566	—	98,568
Total	$958,875,136	$936,708,645	+	$47,072,264

The farmers of Canada contributed $2,119,267 to the federal treasury during the fiscal year, 1916-17, in customs taxes on agricultural implements and farm machinery. Figures given to the Commons on April 8th by the minister of customs, in reply to a question by Mr. J. F. Reid, of Mackenzie, showed that customs taxation for the year on thrashing machinery, outfits, etc., totalled $477,895 on traction engines, portable engines, etc., for farm purposes $806,356; on harvesters, reapers, etc., $89,257; on ploughs and parts thereof, $373,504; and on other farm machinery, $280,255.

DOMINION SAVINGS BANKS

BANK	Deposits for Feb. 1918	Total Deposits	Withdrawals for Feb. 1918	Balance on Feb. 28th, 1918.
	$ cts	$ cts.	$ cts.	$ cts.
Manitoba:—				
Winnipeg	3,599.00	520.468.41	12,474.57	507,993.84
British Columbia:—				
Victoria	20,921.87	1,110.949.55	11,065,64	1.096.883.91
Prince Edward Island:—				
Charlottetown	21.143.00	1.813.113.98	19.812.62	1.823.301.36
New Brunswick:—				
Newcastle	440 00	244.373.58	6.406,93	237,966.65
St. John	41,760.26	4.653.634.28	62,099.04	4,591,535.24
Nova Scotia				
Amherst	....	....	....	....
Barrington	44.00	102,358.08	233.89	102,122.1
Guysboro'..	221 00	96 149.52	1,142.49	95.007.03
Halifax	8,213.18	2.357,579.56	28,986.68	2.328,592.88
Kentville	2,294.00	239.186.72	1.632 49	237,554.23
Lunenburg	7,044.00	441.107.31	5.4 3.57	435,643.74
Pictou	....	....	....	....
Port Hood	200 00	72.538 92	1,138.47	71,400,45
Shelburne	843.97	2 1.804.61	3,269.72	218 534.89
Sherbrooke	2,290.09	79.522.80	733.99	78.788.81
Wallace	....	....	....	....
Totals	129.010.28	11,982 785.32	157.460 16	11,825.325.22

POST OFFICE SAVINGS BANKS

Dr.	DECEMBER, 1917		Cr.
	$ cts.		$ cts.
Balance in hands of the Minister of Finance on 30th Nov. 1917..	41,552,301.35	Withdrawals during the month	1,959,733.25
Deposits in the Post Office Savings Bank during month	799,089.85		
Transfers from Dominion Government Savings Bank during month:— (Wallace, N.S.)	91,649 09		
Principal Interest accrued from 1st April to date of transfer	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	6,818.71		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month	17,997.72	Balance at the credit of Depositors' accounts on 31st Dec., 1917	40.478,123.47
	42.467,856 72		42,467,856 72

GOVERNMENT FINANCE

PUBLIC DEBT	1917		1917
Liabilities—	$ cts.	Assets—	$ cts.
Payable in Canada	744,379,491 74	Investments—Sinking Fds.	16,291,525 01
Payable in London	362,703.312 40	Other Investments	238,032,819 35
Payable in New York	75,873,000 00	Province Accounts	2,296,327 90
Temporary Loans	579,005,464 06	Miscel and Bkg. Accounts	758,947,455 94
Bank Circul'n Redemp. Fd.	5,799,603 27		
Dominion Notes	251,622,765 54	Total Assets	1015 568 158 23
Savings Banks	51,661,995 89		
Trust Funds	10,923,371 69	Total Net Debt 31st Mar.	1106 394 023 99
Province Accounts	11,920,481 20	Total Net Debt 28th Feb.	1010 780 470 48
Miscel. and Bkg. Accounts	28 072 687 43		
Debt	2121,962,182 22	Increase of Debt	95,613,553 51

Revenue and Expenditure on account of Consolidated Fd.	Total to 31st Mar. 1918	Expenditure on Capital Account, Etc.	Total 31st Mar. 1918
Revenue—	$ cts.		$ cts.
Customs	143,311,395 12	War	299,930,317 41
Excise	26,677,387 23	Public Works, Railways and Canals	570 836,822 85
Post Office	20,774,200 40	Railway Subsidies	720,404 75
Pbc. Works, R'lways & Canals	27,200,585 90		
Miscellaneous	34,408,940 34		
Total	252,372,508 99		
Expenditure	141,989,541 35	Total	871,487 545 01

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended April 10th 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........com.	38.50	43.50	Can. Mortgage & Invest..	....	83	Ford Motor of Canada...	195	220	National Telephone...5's	50	56
" " ....pref.	78	86	Can. Oil............com.	35	....	Goodyear Tire...........	175	200	Nova Scotia Steel 6% deb.	85	92
Alberta Pac. Grain..pref.	87	93.50	Can. Westinghouse......	100	118	Harris Abattoir........6's	94	100	Ont. Pulp Bonds........	74	78.50
" " " com.	98	...	Carter Crume.......pref.	...	65	Home Bank..............	....	63.50	People's Loan...........	80	90
Atlantic Sugar.......pref.	20	28	Cockshutt Plow.....pref.	67	75	Imperial Oil.............	268	280	Rosedale Golf Club......	....	345
Belding Paul.......com.	10	14	Consumers Cordage pref.	75	85	Inter. Mill ....pref.	81	87	South Can. Power..com.	10	15
" " ......pref.	73	77	Collingwood Ship...com	....	30	Lambton Golf Club....	375	400	Sovereign Life...........	12	18.50
Black Lake............6's	20	25.50	Continental Life.........	17	25	Maritime Coal & Ry.com.	17	21.50	Sterling Bank. . ..	....	84.50
Brand-Henderson...com.	45	52	Dom. Explosives	...	25	Massey Harris...........	115	131	Sterling Coal........com.	9.50	11
" " 6's	93.50	....	Dom. F'dry & Steel 8% pf.	86	91	Matthew-Blackwell com.	43	50	" " ......bonds	69	73
British Amer. Assur.....	8	....	Dom. Fire	20	23	Mex. Mahogany Bonds..	....	55	Toronto Paper........6's	85	90
Can. Cereal & Flour.. 6's	....	.90	Dom. Glass ....pref.	79	85.50	M'Donald...........pref.	76	82.50	West. Assurance	6.75	....
Can. Cons. Felt.....pref.	28	....	Dom. Iron 5's, 1939.......	72.50	77.50	Morrow Screw........6's	85.50	92	Wt. Can. Flour. 6's (1931)	92	97
Can. Crocker Whe'ler pf.	80	85	Dom. Power... ......5's	81	85.50	Mississauga Golf.........	....	60	" " " ....com.	100	115
Can. Fairbanks .....pref.	83	88	" " ....pref.	90	96.50	National Drug 7% pref...	....	90	West Can. Power. ...5's	49	55
Can. Marconi...........	1.35	2.25	Dunlop Tire..... . 6's	95	100	National Life............	30	....	....	....	....
Canada Machinery..com.	11	14 50	Eastern Car...........6's	90	95	National Potash.........	....	1.25	....	....	....
" " pref.	45	50	....	....	....	....	....	....	....	....	....

ALBERTA'S COMPENSATION ACT

The Workmen's Compensation Act, which was read a second time in the Alberta legislature on April 8th, will apply to all the industries and all the businesses in the province, with the exception of railway companies, which have been left out of the scope of the legislation for one year on representations by members of the trainmen's unions.

The act will be operative in respect to mines beginning in August of the present year, and in respect to the other industries on January 1st, 1919. Meantime, negotiations would be undertaken, Premier Stewart informed the House, with a view to having a uniform compensation law for the three prairie provinces, and probably British Columbia as well. Dealing with the claim that the compensation in case of fatal accident should be an annuity instead of a lump sum, as provided by the act, the premier said that if it were found desirable to make a change the alteration of the law would be retroactive. In connection with this point the first minister frankly admitted that the State would have to recognize its responsibility for the care of widows and children. This forecasts an insurance feature for the act.

MONTREAL BOND ISSUE FULLY SUBSCRIBED

The Bank of Montreal has announced that the public issue of $6,900,000 city of Montreal 5-year 6 per cent. gold bonds has been fully subscribed and the lists closed.

The result should be gratifying to the city authorities as well as to the bank which handled the issue, because it is believed to be the first instance of a public loan, other than war loan, issued in Canada in the manner it was issued.

The bonds were offered at par, without accrued interest for payment on the 8th of April. This means the payment to investors of a bonus of interest from the 1st of December, 1917, to the 8th of April, 1918, thereby reducing the net price of the bonds to a figure which makes the interest return 6½ per cent. per annum.

Directors of Maple Leaf Milling have declared the regular quarterly dividend of 2½ per cent. on the common stock and a bonus of one per cent. in addition. Both will be payable April 18th to stock of record April 8th.

Investment Advice

The right kind of investment house for you to deal with is one that makes the closest study of investments, one that can give you statistical information and the benefit of ripe experience as to the wisdom of making the investment you contemplate. Members of the Toronto Stock Exchange are responsible and established authorities on investment matters.

Any Member of the Toronto Stock Exchange can buy or sell any security for which there is a market anywhere in the world.

Toronto Stock Exchange

Established Seventy Years Ago.

THE EMPLOYERS'
LIABILITY ASSURANCE CORPORATION
OF LONDON, ENG. LIMITED

ISSUES

Personal Accident — Sickness
Employers' Liability — Automobile
Workmen's Compensation — Fidelity Guarantee
and Fire Insurance Policies

C. W. I. WOODLAND
General Manager for Canada and Newfoundland

Lewis Building, MONTREAL
JOHN JENKINS, Fire Manager
Temple Bldg., TORONTO

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Head Office, 46 King St. W., TORONTO, Ont.

IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital - - -	$200,000.00.
Authorized Capital - - -	$1,000,000.00.
Subscribed Capital - -	$1,000,000.00.
Government Deposits - -	$111,000.

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GUARANTEE AND ACCIDENT COY.
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Employer's Liability — Personal Accident — Sickness
Elevator — Fidelity Guarantee — Court Bonds
Contract — Internal Revenue — Teams and Automobile

AND FIRE INSURANCE

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance — Sickness Insurance — Plate Glass Insurance
Burglary Insurance — Automobile Insurance — Guarantee Bonds

The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

P. R. REED, President. T. B. REDDING, Vice-President. E. M. WHITLEY, Secretary-Manager

Canada Security Assurance Company

HAIL DEPARTMENT

CALGARY - ALBERTA

12/4/18

OUTLOOK FOR LOANING INSTITUTIONS

When Will London, Paris, New York Be Able to Resume Absorption of Loan Companies' Offerings?

Discussing the outlook for loaning institutions at the annual meeting of the Dominion Mortgage and Investment Association, Mr. M. Chevalier, managing director of the Credit Foncier Franco-Canadien, recalled that during the last four years the supply of new funds has been very much reduced, that the money markets of Great Britain and France have been practically closed, that the United States market, which was looked upon for a time as the only accessible one for Canadian securities, has, since the United States' entrance into the war, considerably reduced the facilities, and that even the Canadian investor, who was a frequent depositor with loan companies, has had his savings attracted by powerful and higher bidders.

"Under these conditions," he said, "the loan companies' attitude could only be an expectant one. They have been living on their past business and will have to do so until the war is over. While commerce and industries have in various branches greatly benefited by the war and wonderfully developed, the loaning business is, and will be, stagnant, until the conditions I have just referred to have been modified.

What are Prospects?

"What then are the prospects? Here we are treading on unknown ground, and the experience of would-be prophets during the last four years has not been very encouraging.

"There are probabilities, however, and these may be suggested by the study of similar circumstances in the past. Here in Canada we can hardly find in the past history of the economies of the country a period resembling the present one. We have passed through serious real estate crises, which were the result of local conditions and greatly affected the loaning business, but never before has the loaning business been governed by conditions of such a varied and unexpected nature.

"It is a well-known fact that the importance of the mortgage loan business is in proportion to the influx of immigrants. Just before the war was declared, Canada received in one year over 400,000 immigrants and the result was that the year 1913 was the heaviest on record for the loan companies. The North-West people in those days were always asking for more capital, and very often they received more than they could digest.

"Less than a year after, all that optimism was destroyed and the depression intense. Immigration practically stopped, and to cap the climax, in 1914, the crops were so poor, that the governments thought advisable to come to the assistance of the Western farmers. Things looked then very dark, and the natural consequence should have been disaster for many. But here we had to realize that the influence of the war, notwithstanding its terrible consequences, had unexpected and beneficial results. One very good and one fair crop sold at war prices put the farmer on his feet again.

Under Normal Conditions.

"Under normal conditions his prosperity should attract a large number of newcomers. Many are already coming from the neighboring states, but will the European immigrant resume his influx when the struggle is over?

"Perhaps Great Britain will send us a number of her discharged soldiers, but the arrival of the others is still a doubtful problem. Until it is solved the demand for funds is bound to be moderate. No great development is possible without an increase in population, and the best that the loan companies can hope is that until a new active immigration movement sets in, conditions in towns may improve as well as they have done in the rural districts. Then conditions will be normal and loan companies will find sufficient employment for their available funds.

Period of Moderate Demand.

"No one can predict now how long that period of moderate demand may last. But the chances are that it will not be of very long duration. We must not forget that Canada, with its immense natural resources, its vast territories still unoccupied, offers an irresistible attraction to settlers and fortune seekers, and that the flow of immigration which is now at its lowest ebb, may unexpectedly attain torrential proportions.

"When this happens, will the supply of funds be adequate to the demand which would result from this movement? Until the war Canada was amply supplied, even to an excess and indiscriminately, not only through regular channels, but by private individuals who living thousands of miles away could not judge of the value of the securities they held. The losses these private individuals have had to sustain are not forgotten yet. Fortunately, the loan companies, guided by their experience, have kept out of the danger zone and enjoy a good credit.

Demand and Supply.

"As soon as the demand exceeds their present supply an appeal will have to be made. What will be the result? We have seen that the markets are all practically closed. How long is this going to last? When will London, Paris, New York, be in a position to resume absorbing the Canadian loan companies offerings? The question is not an easy one to answer.

"That these markets will, after a time, occupy their former place on money centres, there can be no doubt, but the recuperation may be slow. We hear a good deal about the enormous accumulation of debt in all the allied countries, but this may sound and look worse than it is in reality. The misfortune of some makes the fortune of others, money changes hands but does not vanish and new investors will replace old ones. Competition, however, is bound to be intense. Devastated countries will call for a large expenditure and government issues will be a prominent factor.

Rights of Loan Companies.

"In order to succeed in securing funds in these markets, as well as in Canada, borrowing companies will have to offer to the investor a security that will stand the most critical examination. Until lately Canada has enjoyed abroad the best of reputations. It is important that this good reputation be sustained and that nothing be allowed to create outside the impression that the capital invested in Canada is not sufficiently protected.

"Unfortunately, during the last four years, there has been a pronounced tendency amongst the legislators of this country to disregard the just rights of the loan companies, and to interfere with their agreements. This has been carried so far that it was found expedient to organize your association for the protection of the companies. Thanks to your efforts, some good has already resulted. Time and experience will take care of certain provincial schemes and I hope that with your assistance and the numerous protests which find their expression in our financial papers, the public will realize how dangerous it is to frighten capital away."

CANADIAN NORTHERN RAILWAY SITUATION

The government has issued a statement on the Canadian Northern Railway situation, which asserts that no part of the system has as yet been taken over, and denies that the government has been paying bond coupons or notes for the Canadian Northern or its subsidiaries. The government has, however, paid $25,000,000 to the Canadian Northern Railway, which has been utilized as follows: Reducing construction loans, $3,500,000; equipment, $6,051,502; interest and sinking fund on mortgage securities, $15,398,498. This is in addition to $353,894 cash subsidies paid last December and a payment of $1,867,858 made under Guarantee Acts.

The comparatively small amount of the $25,000,000 which has been spent for rolling stock and equipment indicates that an additional sum will be asked from parliament later this year.

Mr. John Appleton, secretary of the Dominion Mortgage and Investments Association, left Toronto last night for Vancouver to attend the annual meeting of the British Columbia branch. Before returning to Toronto Mr. Appleton will attend the annual meetings of the Alberta, Saskatchewan and Manitoba branches of the association, to be held in Calgary, Regina and Winnipeg, respectively.

C. W. Kirkpatrick, prominent newspaperman, of Hamilton, was recommended by the board of control to succeed H. M. Marsh, commissioner of industries, who resigned on April 1st. In making the recommendation, the controllers gave careful consideration to the qualifications of all applicants. It was held that Mr. Kirkpatrick's many years' publicity experience would particularly fit him for his new duties.

CONFEDERATION LIFE
ASSOCIATION
Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.
OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
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AGENTS' ATTENTION!
The Western Life Assurance Company
made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED.	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED.....................	INCREASE 166%
ADMITTED ASSETS..	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh
Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds.........$	66,500,000	Investments under Canadian Branch, over...$	16,000,000
Deposited with Canadian Government and Government Trustees, over..............	7,000,000	Revenue, over...............	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

PROFITS EXCEED ESTIMATES
ONLY IN THE
London Life Insurance Co.
LONDON ... ... Canada
POLICIES "GOOD AS GOLD." 2

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted
n Western Ontario Cities. If you would like to improve your position, and ow with a strong, progressive Canadian Life Insurance Co., write in confidence
H. A. KENTY, Superintendent of Agencies
HE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE - TORONTO, CANADA

"Representing The Mutual Life of Canada"

Efficient representatives of our Company will be found in every important centre in the Dominion and in the Island of Newfoundland. Their motto is "Service" and they will gladly furnish any needed information regarding Life Insurance in general and Mutual Life Insurance in particular. The Company issues policies on every approved plan—including Endowment Policies, Monthly Income Policies, and Policies designed for the protection of Business Enterprises. It has been the aim of the Mutual Life of Canada to introduce into its contracts every modern privilege that is compatible with safety, but the distinguishing feature of the Company is Mutuality. Under this system all profit from whatever source reverts to the Policyholders and so reduces the cost of protection. We furnish—
The largest amount of protection for the least possible outlay.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
Assets $32,165,432 Assurances $123,510,899

THE ANCHOR
OF LIFE INSURANCE

"We all need our anchors, and I know of no better one than a Great-West Policy," is the opinion of a prominent Western financier, expressed in a recent letter to The Great-West Life.

Life Insurance offers the surest way of providing for the welfare of dependent ones. A Great-West Limited Payment Policy gives the additional advantage that the insured is enabled to provide for his own future as well.

Rates on request.

The Great-West Life Assurance Co.
DEPT. "P"
HEAD OFFICE : : WINNIPEG

ALWAYS A PLACE
FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine
ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR
For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.
For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

MUNICIPAL STATISTICS OF BRITISH COLUMBIA

Debenture Debt at December 31st, 1917.

(Compiled by Robert Baird, Inspector of Municipalities, British Columbia).

CITIES

Municipality.	Debentures								Total Debenture Debt.
	Schools.	Streets.	Other Non-revenue Producing	Waterworks.	Electric Light.	Sewers (Revenue-producing).	Other Revenue-producing.	Local Improvements.	
	$	$	$	$	$	$	$	$	$
Alberni..........	....	...	8,000 00	52,130 00	10,000 00	....	....	....	70,130 00
Armstrong	10,500 00	11,315 61	9,350 00	41,000 00	78,000 00	....	....	....	150,165 61
Chilliwack	33,500 00	75,500 00	87,000 00	....	....	....	....	24,254 48	220,254 48
Courtenay........	....	...	....	....	....	....	....	....	...
Cranbrook.......	31,393 40	12,816 00	141,559 10	159,786 80	....	....	....	7,500 00	353,055 30
Cumberland......	....	....	....	....	....	....	....	9,659 30	9,659 30
Duncan..........	21,000 00	10,000 00	14,000 00	25,000 00	65,000 00	....	....	3,100 00	138,100 00
Enderby	27,500 00	2,500 00	21,500 00	24,500 00	....	....	....	18,500 00	94,500 00
Fernie...........	52,000 00	10,000 00	89,500 00	119,000 00	74,000 00	67,000 00	....	4,634 39	416,134 39
Grand Forks.....	6,500 00	30,000 00	49,500 00	75,800 00	18,000 00	....	....	....	179,800 00
Greenwood	....	25,500 00	27,900 00	38,100 00	....	....	....	....	91,500 00
Kamloops	63,500 00	15,000 00	122,500 00	329,000 00	563,500 00	60,000 00	...	91,873 51	1,245,373 51
Kaslo	15,500 00	6,000 00	....	1,500 00	31,000 00	....	....	....	54,000 00
Kelowna.........	61,500 00	14,000 00	151,000 00	155,500 00	....	....	....	51,309 00	433,309 00
Ladysmith	....	....	....	....	25,000 00	60.000 00	....	11,477 00	96,477 00
Merritt	3,000 00	10.000 00	20 000 00	45,000 00	25,000 00	....	....	....	103.000 00
Nanaimo	50,000 00	45.000 00	46,000 00	333.000 00	....	230,000 00	....	339,024 87	1,043,024 87
Nelson	75,000 00	40.000 00	55.000 00	62,500 00	355,000 00	52.500 00	131,000 00	32,364 11	803,364 11
New Westminster	389,000 00	1,264,000 00	1,734,000 00	916,500 00	206,000 00	...	....	1,363,925 84	5,873,425 84
North Vancouver.	402,480 00	203,909 08	550,968 22	576,000 00	....	....	180,000 00	936,894 70	2,850,252 00
Phoenix	....	6,000 00	....	....	....	....	....	....	6,000 00
Port Alberni......	....	20,000 00	6,500 00	170,000 00	40,000 00	....	....	....	236,500 00
Port Coquitlam...	35,000 00	237,000 00	54,500 00	100,000 00	...	....	....	...	426,500 00
Port Moody......	....	....	43,000 00	80,000 00	....	...	....	50,300 00	173,300 00
Prince George....	....	15,000 00	10,000 00	95,000 00	60,000 00	....	....	....	180,000 00
Prince Rupert....	20,000 00	....	169,719 16	374,093 10	259,942 72	....	36,965 28	873,942 91	1,734,663 17
Revelstoke.......	58,000 00	63,000 00	101,430 59	56,700 00	286,145 00	....	....	164,726 92	730,002 51
Rossland	30,000 00	52,500 00	52,000 00	31,500 00	....	....	....	....	166,000 00
Salmon Arm	1,500 00	....	8,500 00	85,000 00	42,000 00	....	....	....	137,000 00
Sandon..........	....	....	250 00	....	....	....	....	....	250 00
Slocan...........	....	....	6,000 00	....	....	....	....	....	6,000 00
Trail.............	32,500 00	....	4,000 00	92,500 00	....	....	....	....	129,000 00
Vancouver.......	4,146,900 00	4,414,100 00	12,373,300 00	4,749,351 20	....	....	....	9,791,133 17	35,474,784 37
Vernon	....	....	232,000 00	240,000 00	189,000 00	....	....	223,963 28	884,963 28
Victoria	1,500,888 69	100,000 00	4,621,920 02	4,227,260 59	...	....	....	8,528,667 57	18,978,736 87
Total.....	7,067,162 09	6,683,140 69	20,810,897 09	13,255,721 69	2,327,587 72	469,500 00	347,965 28	22,527,251 05	73,489,225 61

DISTRICTS

	$	$	$	$	$	$	$	$	$
Burnaby	307,300 00	1,217,950 00	70,000 00	660,900 00	....	....	....	....	2,256,150 00
Chilliwack	15,000 00	....	...	....	....	....	....	....	15,000 00
Coldstream	...	17,000 00	1,200 00	100,000 00	...	....	....	20,000 00	138,200 00
Coquitlam........	....	82,500 00	....	8,175 42	....	....	....	....	90,675 42
Delta............	....	....	15,000 00	205,000 00	....	....	....	94,216 99	314,216 99
Esquimalt........	27,500 00	....	....	....	....	400,000 00	....	...	427,500 00
Fraser Mills......	....	....	....	...	....	....	...	....	....
Kent	....	....	....	...	....	....	....	....	....
Langley	....	....	....	....	....	....	....	...	....
Maple Ridge.....	....	....	....	....	....	....	....	....	....
Matsqui..........	....	....	....	....	....	....	....	....	....
Mission..........	....	....	....	....	....	....	....	....	....
North Cowichan..	....	35,000 00	....	....	....	....	....	....	35,000 00
North Vancouver.	62,000 00	508,243 00	411,757 00	155,000 00	....	....	....	137,070 50	1,274,070 50
Oak Bay.........	65,000 00	....	96,000 00	200,000 00	....	425,000 00	....	480,224 46	1,266,224 46
Peachland........	1,000 00	....	2,500 00	10,500 00	12,300 00	....	....	5,200 00	31,500 00
Penticton........	32,700 00	42,000 00	43,800 00	168,000 00	87,000 00	....	110,000 00	12,000 00	495,500 00
Pitt Meadows....	....	...	....	....	....	....	....	....	....
Point Grey.......	233,858 33	1,921,568 49	1,783,052 55	1,447,998 40	....	....	....	2,900 00	5,389,377 77
Richmond	28,000 00	306.600 00	...	365,000 00	....	....	..	70,621 50	770,221 50
Saanich..........	33,500 00	450,000 00	....	401,500 00	....	....	....	116,469 31	1,001,469 31
Salmon Arm	....	....	2,500 00	....	....	....	....	....	2,500 00
South Vancouver.	1,002,644 10	3,836,186 40	50,000 00	1,013,050 00	....	....	....	784,284 71	6,686,165 21
Spallumcheen	....	....	17,750 00	....	....	....	...	67,526 00	85,276 00
Sumas...........	....	....	....	....	....	....	....	....	....
Summerland......	5,000 00	19,000 00	6,000 00	278,500 00	22,500 00	....	....	....	331,000 00
Surrey..........	....	....	....	....	....	....	....	....	....
West Vancouver .	38,200 00	175,000 00	334,000 00	125,000 00	....	....	....	100,000 00	772,200 00
Total.....	1,851,702 43	8,611,047 89	2,833,559 55	5,138,623 82	121,800 00	825,000 00	110,000 00	1,890,513 47	21,382,247 16

New Records

Results secured during the past year re-affirm the position of the Sun Life of Canada as the leading life assurance organization of the Dominion.

It leads all Canadian Companies in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Premium Income, Total Income and Payments to Policyholders.

Fair-dealing and progressive business methods are the foundations for the Company's phenomenal growth.

SUN LIFE ASSURANCE
COMPANY OF CANADA
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The Fastest Route to Big Production

Is via the Training, the Service and the Cooperation given through our own

FREE SALES COURSE
PROSPECT BUREAU
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YOU { Travel without expense,
Are better equipped for the journey,
Sure of getting there, with the

CANADA LIFE
ASSURANCE CO.
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War Conditions — Liberal
Premiums — Recently Reduced
Agency Contracts — Profitable

AGENTS WANTED

Gresham Life Assurance Society
LIMITED
Head Office for Canada ∴ MONTREAL
Established 1848. Funds Exceed $50,000,000

CROWN LIFE

BIGGER BUSINESS AT LOWER COST

	1916	1917
Cash Premium Income	$461,342.90	$551,869.25
Cash Interest Income	87,002.65	105,856.13
Total Income Less Outgo	144,658.70	281,532.07

Expense ratio (10 & 1 basis) reduced 23.3%

Copy of Annual Report will be sent on request.

Crown Life Insurance Co., Toronto

Agents wanted in unrepresented districts 55

Orders for the new issue of H. M. P. Eckardt's
Manual of Canadian Banking
are now being received
Postpaid anywhere . $2.50
The Monetary Times Printing Company, Toronto, Ont.

The Travellers Life Assurance Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

CANADA'S WAR EXPENDITURE

Up to the end of February Canada's war expenditure on capital account totalled $207,849,726. For the month of February war expenditure was $19,494,711, as compared with $23,285,988 in February of last year.

Revenue for the eleven months' period ended February 28th showed an increase as compared with the same period of the last fiscal year. For the eleven months ended February 28th, 1917, it was $205,417,039, as compared with $229,766,627 for the same period ended February 28th, 1918. Expenditure on consolidated fund account rose for the same periods from $113,161,357 to $124,781,421. Revenue for February, 1918, was $21,225,872, as compared with $17,513,473, the revenue for February, 1917.

Canada's total gross debt at the end of February was $1,096,393,359. Assets were $985,612,889, leaving a net debt of $1,010,780,470.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

St. Lawrence Flour Mills.—Directors of the company on April 8th placed the stock of that company on a regular 6 per cent. basis, with the declaration of a dividend of 1½ per cent. for the quarter ending April 10th. The dividend is payable May 1st to shareholders of record April 15th.

In addition to the dividend of 1½ per cent. the directors declared a bonus of 1 per cent. for the quarter, so that the return on the common stock, if the bonus is continued, will amount to a return of 10 per cent on the stock.

Imperial Oil Company, Limited.—The company has recently put into effect a new scale of wages, covering employees at the various plants which the company controls throughout the country. The new scale will mean an immediate increase of approximately $650,000 per annum in wage charges, and follows other increases which have been made from time to time, particularly since the outbreak of the war. At the same time an important change will be inaugurated in connection with the working hours. Process men in the refineries who have been working twelve hours per day shift are to be placed on an eight-hour basis, while each employee in this class will have one day off in every seven. In respect to other classes of refinery labor previously working ten hours per day, there will be a reduction to nine hours per day with an increase in wages at the same time.

William A. Rogers, Limited.—In presenting the annual statement of the company to shareholders, S. J. Moore, the president, states that the profits of the company were affected by the entry of the United States into the war and the resultant falling off in the silverware trade.

The profit and loss statement compares as follows with previous two periods:—

	1917.	1916.	1915.
From previous year	$226,148	$188,499	$176,689
Profits	81,855	240,648	189,810
Bond interest	19,421	......	......
Preferred dividends	63,000	63,000	63,000
Common dividends	22,500	90,000	90,000
Reserve	.....	50,000	25,000
Carried forward	203,081	226,148	188,499

Canadian Fairbanks-Morse Company, Limited.—At the annual meeting of the company, on April 9th, earnings for the year, after deduction of operating costs and taxes, were reported as $1,033,817. From this was set aside $251,843 for depreciation, leaving net for the year of $781,974, compared with $636,629 in 1916. From this was deducted $135,000 preferred dividends and $436,000 dividends on common, leaving a surplus for the year of $210,974. The profit and loss statement compares with the previous year as follows:—

	1917.	1916.
Balance forward	$1,129,466	$ 697,836
Earnings	781,974	636,629
Totals	$1,911,440	$1,334,466
Preferred dividends	135,000	45,000
Common dividends	436,000	160,000
Surplus	$1,340,440	$1,129,466

Kipawa Fibre Company, Limited.—The prospectus of the company, a new Canadian industry, has been issued. The Riordon Pulp and Paper interests are closely associated with the enterprise. The mills are at Timiskaming, Que. The officers are: President, Charles Riordon; vice-president and managing director, Carl Riordon; second vice-president and manager, C. B. Thorne; secretary-treasurer, F. B. Whittet.

It is proposed to issue presently $500,000 bonds, $6,000,000 common and $6,000,000 preferred shares.

The purpose of the company is to make high-grade bleached sulphite pulp, and it is pointed out that the European product has not heretofore sold in America below $60 per short ton, ex-dock at Atlantic ports, making the delivered price about $63, and it is now selling at $160 per ton.

It is claimed that the company will be producing pulp while prices are still high. Assuming that the company will be able to sell its product at only $63 per ton, with a cost of $35, the net profits would be $28, which, on the basis of 100 tons per day, would be $840,000 per year, equal to 14 per cent. on the $6,000,000 preferred stock.

Sloss-Sheffield Steel and Iron Company.—The pamphlet report of the company for the thirteen months ended December 31st has been issued. The profit and loss statement shows total operating profit of $3,370,614 after deducting operating expenses, repairs, maintenance, renewals, etc. From that amount there was deducted $227,500 for bond interest and $665,741 for depreciation and depletion charges, making total deductions of $893,241, and leaving a balance of $2,477,373. Taking out $325,000 to cover the estimated income, war and excess profit taxes left $2,152,373; dividends amounted to $573,881 on the preferred stock and $148,869 on the common stock, a total of $722,750, which, deducted from the last previous balance, left $1,429,623 to be carried forward. Adding the previous surplus of $4,311,691 made the total profit and loss surplus as of December 31st, 1917, $5,741,314. The balance sheet as of December 31st shows total liabilities and assets of $27,844,354. Among the assets was $208,094; accounts receivable from customers for pig iron, coal and coke, $1,463,761, and Liberty bonds owned and subscribed for to the amount of $342,850. Accounts payable amounted to $738,908. President J. W. McQueen says during the year an appraisal was made of the properties of the company by qualified experts not connected with it, and that the values appearing in the balance sheet reflect the result of this appraisal and do not differ materially from those given in previous financial statements.

McKinley-Darragh Mines.—The annual report of the company, covering the year 1917, proved rather a disappointment to shareholders. Nevertheless, the actual physical and financial assets of the property as it stands are worth nearly double the current market price of the stock. The report shows that: Ore reserves are 1,076,182 ounces; slimes, 200,000 tons; liquid assets, $398,660.

The ore reserves at the current market value are worth 92 cents per ounce, or $920,000, and on this there is, on the 1917 cost basis, a clear profit, even after depreciation, of 35 cents per ounce, or equal to $350,000. The report does not give an estimate of the silver content of the slimes, but, as Cobalt slimes go, there should be at least six ounces to the ton. Now, 200,000 tons at this rate would mean 1,200,000. There are no mining costs in recovering the silver from slimes, and McKinley's entire costs, exclusive of mining, in 1917 were about 16 cents per ounce, leaving a profit of some 75 cents. The slimes should, therefore, be worth as an actual asset about $800,000. Hence, the table of actual assets, exclusive of ore in sight and the prospective value of the mine, works out at approximately $1,500,000, against issued capital of $2,247,692, or equal to 70 cents per share, as follows:—

Value of ore reserves, net	$ 350,000
Liquid assets	398,660
Value of slimes, net	800,000
Total physical and liquid assets	1,548,660

During 1917 McKinley-Darragh recovered 908,756 ounces of silver and shipped 1,020,545 ounces. Total net profits were $259,794, and dividends took $269,723. The surplus at the end of the year stood at $242,514, and, as was pointed out above, the liquid assets in cash, ore and supplies amounted to $398,660. The following table shows the company's ore reserves as compared with a year ago:—

	Ounces.
Estimated ore reserves on January 1st, 1917	1,714,302
Ore developed during year 1917	398,786
Total	2,104,088
Ore removed during 1917	1,027,906
Estimated ore reserves on January 1st, 1918	1,076,182

The company has 200,000 tons of tailings, with valuable silver content. An oil flotation mill is treating these tailings

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The Newark Fire Insurance Company, New Jersey, has been authorized by license 444 to transact the business of fire insurance in Canada, restricted to the province of British Columbia. The chief agent for Canada is Mr. F. W. Walker, Vancouver, B.C.

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JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Proposed Thrift Campaign*

Provision of War Credits for Great Britain—Inculcation of High Ideals Into the Minds of the Young—Introduction of School Savings Banks—Promotion of Economic Preparedness—Elimination of Waste and Extravagance.

By **GEORGE W. MORLEY, LL.B.**
(Formerly Secretary of the Canadian Bankers' Association).

It is a well-recognized fact amongst publicity men who have had experience in thrift campaigns on this continent that effective campaigns cannot be accomplished by fits and starts, by spasmodic newspaper articles or occasional advertising. Interest and enthusiasm must be aroused, and when aroused must be maintained for an appreciable period to allow time for the habit of saving to be thoroughly inculcated into the minds of the people. In the campaign which I have in mind there would be no overlapping of the territory covered by the Food Controller and the educational campaign being carried on by him. There would be well-written articles of an interesting and instructive nature in the press, discussion of ways and means, and exchange of ideas. There would be inspiring meetings held during the noon hour for factory employees, for children in the schools and for adults generally in the public halls. Thrift clubs and associations would be formed with the object of buying war savings certificates. To put it concisely, thrift must be made the general topic of conversation. The probable results of such a campaign would chiefly be as follow:—

(1) The provision of war credits for Great Britain, which is the primary object.

(2) The inculcation of high ideals into the minds of the young, as the future of the nation is in their hands.

(3) The introduction into the schools of a department of instruction now sadly neglected.

(4) The introduction of school savings banks to a wider extent.

(5) The attainment by the people of a better grasp of the principles of safe investments in government funds.

(6) The promotion of a greater degree of economic preparedness. Work is now plentiful, and wages high. This condition will not continue as a period of depression will immediately follow the war.

(7) The elimination, to a great extent, of waste and extravagance.

The proposition, if carried into effect, will result in the establishment of local thrift associations in all cities, towns and counties throughout the Dominion—a Dominion-wide thrift compaign. Every citizen will have the suggestion of thrift before him constantly for the period of six months. For the sake of illustration I submit the following:—

A person comes to breakfast in the morning and finds in the paper a quarter-page article suggesting his need of thrift. He turns to another page and reads a story telling of successes made by heads of families who have saved.

He takes the street car and finds a message for him in the advertising space. He goes into his office or factory and finds illustrated cards constantly before him during the day, emphasizing the advantages of saving.

On pay day, the wage earner finds in his envelope an interesting thumb-nail folder pointing out to him a new manner in which he should save.

He goes home and his child shows him one of the thrift booklets which he has been handed at school, and a discussion on the habit of thrift ensues around the family table. He finds advertisements in the evening paper, reminding him of modes to save as well as of ways to spend. After dinner, he may decide to go to the "movies" where between each reel is flashed on the screen another reminder of the thrift campaign.

The housewife, when she goes shopping, buys a thrift booklet at the bookstore, sees cards in the windows, and perhaps after her child comes home from school, she assists him in a prize contest for an essay on "Thrift."

Finally, at the height of the campaign, when everybody is interested, Thrift Sunday is declared and every clergyman in the city adds his influence by utterances from the pulpit reminding the public of the close relation existing between religion and thrift.

The outline of the plan is as follows:—

The city of Toronto is to appoint a commissioner to assume entire control of the campaign in Toronto. He is to confer from time to time with what would be known as the central committee, composed of three prominent citizens and a leading publicity agent. The city to be divided into wards—each ward, if possible, to have a committee appointed by the Board of Trade, to keep in close touch with the commissioner. The committee should comprise a banker, newspaperman, clergyman, merchant, lawyer, manufacturer, chartered accountant, university professor, physician, and trades unionist, with power to add to their number men in other walks of life. This ward committee will choose their own chairman, organize

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Comment upon this article appears in our editorial columns on page 9.

a speakers' bureau, arrange for meetings from time to time, forward monthly reports to the commissioner as to the progress of the campaign in its particular neighborhood, and generally keep in close touch with the commissioner, arranging for co-operation as follows:—

The Schools, Colleges and Universities.

(*a*) The establishment of schools savings systems such as the Brooklyn system, whereby children may be taught how to conduct a savings bank themselves, and be allowed the privilege of opening a bank account at a chartered bank as soon as anyone had a dollar to his credit. I have the forms which are used in Detroit, and it would be quite easy to arrange for someone to go there and see the system in actual operation, with a view to installing it here. I would suggest a conference with the cashier of the Peninsular State Bank, Detroit, who is in close touch with the working of the system. Printed instructions would be provided for school principals respecting the plan, and monthly reports on accounts could be furnished the commissioner.

The cashier of the Peninsular Bank, in a letter some time ago gave the following concise account of the Brooklyn saving system:—

"All the work is done by pupils of the schools; eight boys and as many girls are selected to take care of the savings in each school. They form an organization just like that of a bank, with president, cashier, assistant cashiers and bookkeepers. One day a week is designated for receiving deposits, and on the day the pupils in charge of the bank are on hand half-an-hour before school opens. The bookkeeping is done after school hours. As soon as a pupil's deposits in the school bank amount to $1 he is given a treasurer's or cashier's check, which he may deposit in any savings bank of the city, opening an account on which he will be paid interest. A regular set of blanks is provided in the schools with deposit slips, checks, receipts, etc. Under this plan the pupils not only learn the importance of saving their money, but receive training in banking methods, which is of great value to them in later life."

(*b*) Provision for regular systematic thrift talks before the schools, a manuscript of an appropriate address being furnished every month by the commissioner, and fresh booklets on thrift being distributed every month to be read in class and taken home. Special attention could also be devoted to questions on arithmetic relating to thrift.

(*c*) The distribution of lapels to be worn by children, *e.g.*, "I save dollars, do you?"

(*d*) The co-operation of the universities and colleges with a view to educating the poor and supplying lectures through their departments of political economy.

Newspapers, Periodicals and Leaflets.

(*a*) The publication of regular editorials, news items, advertisements and articles on thrift, and by having a special supplement on thrift in weekly papers and Saturday editions.

(*b*) The donation of prizes for the best essays and definitions on thrift, and for the best thrift slogans, and arranging for publication of the same.

(*c*) The printing of pamphlets and leaflets on such subjects as the saving of coal, food, extravagance and bad form in dress, and the unnecessary use of motor cars and the consumption of gasoline. These could be distributed through the post office or through the media of the police.

(*d*) The co-operation of booksellers in keeping supplies of books on thrift, a list of which could be furnished by the commissioner.

The display of signs and cards in railway coaches, street cars, steamboats, and the use of electric signs by such companies as the Hydro-Electric and Toronto Electric Light companies.

In arranging for special attention to be given to the opening of savings bank accounts, as for instance the encouragement of thrift among their employees in general, and the distribution of printed enclosures when pass books and cancelled cheques are handed back to the customers at the end of each month.

In arranging for a "Thrift Sunday" once a month, and if clergymen so desire it, laymen having special knowledge of thrift could occupy the pulpits, a monthly communication to be sent by the commissioner suggesting material for sermons. Literature used in the campaign also would be provided in order that clergymen may have a proper understanding of the scope of the campaign.

Chartered Accountants.

In arranging for the preparation and distribution of monthly account cards and for the collection of same. These to be examined by a committee with a view to pointing out faults and publishing monthly hints and leaflets of advice as to how best to cut down expenses and keep books. I would suggest that folders for accounts be distributed to households in the following form, or to the like effect:—

(Inside of the folder)

TO HELP THE FAMILY BUDGET EXPENSES.

(Some suitable motto)

Wages	Should Spend	$	$	$	$	$	$	$	$	$	$
$	Spent as follows:	House Food	Clothes	Car Fare	Amusement	Education	Patriotic; Red Cross; Religion	Insurance	Other Expenses	Savings	Total
Day											

(Outside of the folder)

PERSONAL ACCOUNT

OF

NAME ....

ADDRESS ....

for week ending

....1918.

Cinematograph Theatres.

Arrangements could be made with the Bureau of Commercial Economics, Washington, for illustrated lectures and motion picture films such as "The Reward of Thrift," a three-reel photo play produced by the Vitagraph Company of America. The various theatres could arrange for itineraries. This form of advertising thrift would be excellent, as the "movies" are very popular with the public.

Arrangements should be made to teach foreigners Canadian customs, *e.g.*, educate them to distinguish between an immigrants' bank and a chartered bank by the distribution of thrift talks in their own language and persuading them to keep their money in the country.

Encouragement of Thrift at the Source.

It is chiefly where the wage and salary earner draws his pay that the best opportunity for advancing the cause of thrift presents itself, and the idea would be to teach him habits of thrift which would tend to have him become a consistent money saver. I would suggest that thrift be encouraged in the following ways:—

(*a*) By printed cards containing thrift mottoes displayed in offices and workrooms—mottoes to be changed every two weeks.

(*b*) By thrift talks by prominent men at noon meetings.

(*c*) By the distribution of folders containing thrift reminders enclosed in pay envelopes.

(*d*) By the formation of factory savings associations and other clubs, *i.e.*, combinations of wage earners in the buying of war savings certificates. In this regard I would suggest that one of the following two plans (if not both) be adopted:—

(1) In order to save time and eliminate inconvenience to employees in going to banks and post offices, make arrangements for post office or other officials to come once a week and sell war savings certificates on the ground, and in order to catch the smaller savings, have sold stamps of twenty-five cents each which will be applied on $10 certificates.

(2) The plan adopted in England, and followed in Australia. The idea would be to encourage systematic saving by grouping a number of people together and having them agree to contribute a certain sum per week, two weeks, or month (as the case may be) to a common fund, appoint a secretary-treasurer to do the banking, and have him hand out pass books and enter up the deposits made therein from time to time. This plan would not only encourage thrift on a small scale, but would also result in the buying of certificates and allowing the government to use the money at an earlier date than would otherwise be the case. For instance, if thirty-five people agree to contribute to a common fund, a twenty-five-cent contribution every week by each of them would result in the purchase of a $10 war savings certificate instead of the government having to wait thirty-five weeks for certificates amounting to $350.

(*e*) For the sake of convenience the printed forms could be issued, signed by the employee instructing the pay clerk or bookkeeper of the factory to deduct so much each week and apply it to the purchase of a war savings certificate.

(*f*) Where pay envelopes are not used, and pay sheets adopted, a memorandum could be attached thereto calling the attention of the employee to save so much each pay day.

(*g*) On each cheque issued, an endorsement of a few words regarding thrift could be stamped at the left-hand top corner.

(*h*) The inauguration of strict office rules respecting office waste. For example:—

(1) The saving of all string, cord and twine from packages received.

(2) The use of clipless paper-fasteners and the discontinuance of clips and pins, except in necessary cases.

(3) The use of special delivery stamps only after an employee is convinced that service secured will be worth the difference.

(4) The encouragement of employees to think far enough ahead to use mail instead of telegraph or telephone.

(5) Economy in the use of blotters, correspondence paper, etc.

(6) The encouragement of the use of fountain pens, by means of which ink is saved and efficiency increased.

(7) The use of backs of letters having no value coming into office for memorandum paper.

Co-operation and Encouragement.

The above is a mere outline of what could be accomplished if a thrift campaign became a fact. Besides the media mentioned there would be the following:—

The co-operation of women's clubs, such as the Daughters of the Empire, Women's Canadian Club, Young Women's Christian Association, etc., in encouraging economy in dress, good housekeeping and domestic science, and in the collection of old rags, papers and magazines; of children by the use of thrift lapels; of the Canadian Club, Rotary Club, clearing houses, Young Men's Christian Association, boards of education, the Canadian Manufacturers' Association, the Canadian Press Association, the Ontario Motor League, lumbermen's, dry goods and tanners' associations, insurance companies, express and steamboat companies, and by the use of advertising media such as theatre programmes, tickets, envelopes and curtains, wagon signs, thrift exhibits in shop windows (showing the contrast between thrift and waste), health pamphlets, leaflets (as to the saving of coal and the disposition of rubbish), electric signs, lobby cars, window signs, bill boards, store window posters, periodical public parades, cartoons in newspapers, with series of thrift pictures with the purpose of focussing attention, besides innumerable other methods of co-operation and media which would be suggested by people of every calling from time to time.

COBALT ORE SHIPMENTS

The following is a list of the shipments of ore, in pounds, from Cobalt Station for the week ended April 13th, 1918:—

Trethewey Mine, 77,980; La Rose Mine, 62,719; Coniagas Mine, 88,000; Beaver Mines, 72,469; O'Brien Mines, 64,640; Dominion Reduction Mines, 66,000; Buffalo Mines, 154,000; Kerr Lake Mines, 119,671. Total, 705,479 pounds, or 352.7 tons.

The total shipments since January 1st now amount to 5,516,380.8 pounds, or 2,758.2 tons.

ESSEX COUNTY BOND ISSUE

Messrs. A. E. Ames and Company, of Toronto, have been awarded a block of $60,000 6 per cent. bonds, payable in 20 annual instalments. The issue was sold at 98.539.

The production of silver from the Nipissing for the month of March amounted to $308,048, thereby exceeding the February output by over $12,000, and maintaining its big record of approximately $10,000 per day. According to a statement by Mine Manager Park to the president and directors of the Nipissing Company, the amount of bullion shipped during March totalled $475,013, as against the $308,048 produced.

LETTERS TO THE EDITOR

Farmers' Money at Low Rates

Editor, *The Monetary Times.*

Sir,—Among the varied and interesting contents of your issue of April 15th, certain statements are made which appear to me to require some qualification or explanation.

In your editorial headed "Financing the Small Farmer," you give some interesting particulars as to efforts made to revive interest in production in the New England States. According to the facts you quote, that movement is very desirable. You state, however, that in Canada, aside from the chartered banks, little or nothing has been attempted in this direction. The writer of the article in question must have overlooked the fact that there is a very considerable amount of money being offered to the farmers in the Canadian West at rates as low as those for which the government itself has to pay for the funds it requires. The farmers, however, are enjoying such prosperity as enables them to pay off their mortgage indebtedness, and those who are not paying off their mortgage indebtedness are increasing their capital in the farm by additional stock and implements to aid them in increasing production.

You have also overlooked the fact that in Manitoba the Honorable Mr. Winkler has provided for the farmer financial facilities for obtaining livestock, and the same policy is being vigorously pursued by the Honorable Duncan Marshall in Alberta.

I am merely drawing attention to these facts as I think so influential a journal as *The Monetary Times* should give due credit to such laudable efforts.

It is noted that, in a paragraph following your editorials, you state that the first ten months' operations of the Manitoba Farm Loans Association show a very satisfactory condition. It would be very interesting to your readers to have the facts in connection with the operations of this association. You will remember that a short time ago the Honorable Mr. Brown made a statement in the local legislature which did not give any information upon which the success of the undertaking could be judged.

The outstanding facts are that the Manitoba government is paying 7¾ per cent. for money, while it is loaning, to a very limited extent (and probably this is the only redeeming feature of the association's loaning operations) at 6 per cent. Mr. Brown, it will be noted, also stated that some telephone replacement funds had been obtained at 5 per cent.

As *The Monetary Times* is highly regarded amongst the trust companies and other fiduciary corporations, it will come as somewhat of a surprise to them that it lends—by stating that the operations of this association are in a satisfactory condition—countenance to the misuse of the replacement funds to which I have made reference. If the trust companies whose operations are regulated by statute were to misuse trust funds as the provincial government of Manitoba appears to have done, they would find themselves in the hands of the law and those responsible would be fortunate if they escaped the common jail. Your efforts to direct attention to the adequate financing of the farmers, I may add, is very laudable and will be fully appreciated by all who realize the present position of the Empire. Any aid given, however, should be on sound principles.

I have just been informed by a friend who was in Winnipeg recently that the plan for co-operative borrowing by farmers for the purchase of livestock has made some progress but that has been arrested by the fact of the rate of interest which the local associations may pay the banks being fixed at 6 per cent. As you will understand that when the Manitoba government itself has to pay 7¾ per cent., it cannot be expected that the banks will be willing to advance money to these said associations at 6 per cent. Naturally then, however laudable may be the efforts of the associations, it cannot be expected that the banks will continue to provide accommodation at a 6 per cent. rate.

The provincial treasurer, I understand, approached the banks with a view to their being more generous, but they pointed out to Mr. Brown that his experience with the Farm Loans Act might have shown him some of the difficulties incident to providing funds at 6 per cent. The only answer he could make was—"Oh, that will have to be changed." There is no doubt of that.

The great mistake which appears to be made by those with the laudable desire to assist the farmers, is their belief that the government can provide credit at less than its market price. The result is that money will not stay in those provinces. Mortgages are being paid off and the money remitted to Europe. The action of the provincial governments in thus trying to interfere with the law of supply and demand is turning the current of capital away from a field which has unmeasured possibilities in the way of production. This is one of the results of making economic law the football of parties and politicians.

Yours, etc.,
"Britisher."

Toronto, April 11th, 1918.

[*The Monetary Times* is indebted to "Britisher" for his interesting and instructive letter. In regard to the operations of the Manitoba Farm Loans Association, the views of this journal are well known through editorial comment during the past year or so. The paragraph to which "Britisher" refers, so far as we recollect, was obtained as an announcement to the press by the association some weeks ago, and was the association's own views as to the results of its work. This should have been stated at the time. Editor, *The Monetary Times.*]

Life Insurance and Cost of Living

Editor, *The Monetary Times.*

Sir,—In your issue of the 5th inst., Mr. M. P. Langstaff has offered an interesting criticism on some letters of mine that have appeared in Canadian Insurance. Mr. Langstaff has not misunderstood my meaning but has introduced some new factors which I had not thought necessary for my purpose—which was to expose a very obvious fallacy.

Writers and speakers on the value of life insurance have made much of the fact that while during the last decade or more other necessities of life have risen enormously in price life insurance remains the same and so might be regarded as comparatively cheap. But this is a superficial view.

In purchasing boots and shoes or groceries we deal with two different things, money and the material bought or sold. In life insurance we consider an indemnity and the premium for it both of which are to be paid in money. What affects the one therefore affects the other, so that there is no anomaly in the fact that while bacon, flour, rent, fuel, etc., have soared in cost life insurance remains the same.

What I contended was—and it cannot be refuted—that premiums bear an approximately fixed relation to the amount of the policy. As the value of the one fluctuates so will that of the other. I used the word approximately so as to allow for variation in interest and the increase in the expense element in the loading. But these would affect the principle at issue so little as to be negligible. I had by no means overlooked these factors but it would be only confusing to discuss them.

I called the argument for cheap insurance "camouflage" and that is just what it is. In many essentials the cost of living has increased from 50 to 100 per cent. But supposing the companies substantially increased the premiums, how absurd this would be in view of the fact that the face value of the policy would buy only about one-half of what it would have procured formerly. Why should we pay an increased premium for a decreasing benefit.

If it were necessary for the companies to raise their rates for insurance with those of other commodities they would not hesitate one moment to do so unless they wished to commit hari-kari. The fact that the companies refrain from raising their rates with the prices of other things clearly proves that it is not necessary to raise them—and no one knows this better than Mr. M. P. Langstaff.

Yours, etc.,
B. W. N. Grigg.

Waterloo, Ont., April 12th, 1918.

Mr. J. Gardner Thompson, manager for Canada of the Liverpool and London and Globe Insurance Company, and president of the Liverpool-Manitoba Insurance Company and also of the Globe Indemnity Company, was a visitor to Vancouver recently.

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THE EXCHANGE SITUATION

The persistence with which the quotations for New York funds stick in the neighborhood of 1¾ per cent. premium, is causing much discussion; and merchants, manufacturers and others who require to purchase exchange in considerable amounts are manifesting some uneasiness over the continuance of the adverse conditions. It will be remembered that the large exports of Canadian grain last fall turned the exchange with the United States in our favor; and as the American embargo upon gold exports was then in force, New York funds in October sold at a discount of ½ per cent., with an extreme drop on one occasion to 15/16 per cent. Then came the Canadian bankers' trip to Washington, as a result of which the United States government agreed to release $25,000,000 for export to Canada if required. Although very little gold came over, this announcement rectified the position of the exchange market—the quotations throughout November and during the first half of December being close to par. After the close of interior navigation the grain movement, of course, was cut down to small dimensions; and perhaps as a result of the scarcity of export bills, the quotations for American exchange began to rise in the second half of December. For practically the whole of the first quarter of 1918, the market has been very much against us, the high record of 1⅞ per cent. premium being reached a short time ago.

It is to be noted that the exchange market misses the sundry flotations of Canadian bonds in the American market, which were in evidence throughout 1915 and 1916. Every now and again some Canadian province or large city would place in the United States an issue of new bonds, the amount of which might range from $1,000,000 up to $7,000,000 or $8,000,000. Proceeds of such flotations would go to the credit of our banks in the books of their New York correspondents; and the banks found these credits very useful for supplying the exchange needed by Canadian importers during seasons in which the grain exports were at low figures. When the United States entered the war, in April, 1917, these sales of our securities in the American market had to be discontinued. The Washington government wished to have the available funds of its investors reserved for its own war issues. The accounts of our banks in New York were thus no longer replenished from time to time by means of the payments in connection with new bond issues there. Also, we have been under obligation to remit interest to New York on account of our securities held abroad. Some of these interest remittances are important. The interest on the $100,000,000 New York loan of the Dominion government placed there last August, calls for $2,500,000 on February 1st and a like amount on August 1st. Interest on the $75,000,000 Dominion loan of 1916 requires $1,875,000 on April 1st and a like amount on October 1st. Then we have been obliged to repay the principal as well as the interest on a considerable number of our maturing bond issues. Since the $7,000,000 loan of the city of Montreal matured in December last, various other Canadian municipal and provincial bond issues have fallen due in New York, and Canada has been obliged to find exchange to retire them at an inconvenient season of the year. Exports of Canadian grain will be resumed on a large scale next month, and it is but reasonable to expect that the movement will have some effect in correcting the abnormal exchange situation.

PROPOSED THRIFT CAMPAIGN

Elsewhere in our columns will be found an outline, by Mr. G. W. Morley, of a nation-wide thrift campaign. The recognition by parliament that it will require at least $500,000,000 to finance Canada's military needs during the present fiscal year, brings sharply to the fore the need of devising the most efficient methods for financing a tremendous undertaking of such scope and magnitude.

Quite correctly, Mr. Morley emphasizes the fact that thrift campaigns "cannot be accomplished by fits and starts, by spasmodic newspaper articles or occasional advertising." The programme proposed is comprehensive in scope; and if carried into effect immediately should accomplish much in accumulating that indispensable reservoir of capital absolutely essential to finance Canada's part in the winning of the war.

Briefly stated, this programme involves the providing of war credits for the United Kingdom, and incidentally, of course, for Canada; the inculcation of habits of thrift and patriotic ideals in the young; the teaching of thrift in our schools, universities and workshops; and the instruction of the whole nation in correct principles of investment and the management of funds. If even a tithe of what is outlined be carried into practical effect, lasting results, beneficial to the economic life of the nation will be in evidence long after the close of the war.

One cannot over-emphasize the simple, stark truth that saving is vital to the winning of the war. Nevertheless, there is confusion in many quarters as to the precise connotation of this term; for there are sharp limits set upon the extent to which fruitful thrift can be carried. For example, the Food Controller and his staff have taught the Canadian people how to substitute other commodities for sugar, beef, bacon and wheat—foodstuffs essential for the support of our overseas troops. Loyal and patriotic citizens have done their utmost to co-operate in this direction, only to discover that, in many cases, the substitutes are much higher in price than the original foods. No one would grumble at this state of affairs, even if the saving of the right kind of exportable foodstuffs raised the cost of living in the individual family budget, if it were not for the fact that higher prices for substitutes reduces saving power and limits, to the same extent, power to invest in war loans.

Against this no decent-minded citizen can complain, for our soldiers at the front must come first, and receive full support no matter what hardships are imposed upon those at home. It does emphasize, however, the absolute necessity of careful distribution of available supplies, as well as efficient production. Nevertheless, it is obvious that the supplies requisite for the support of the men at the front must be produced in great degree, day by day, and month by month, as the war is being waged. To produce these supplies demands the most rigorous application of the nation's industrial energy to essential war work. And the control of industrial power costs money.

Thrift produces two specific results, aside from its lasting effects upon character—it provides the funds for the control of industrial power, and at the same time withdraws that industrial power from non-essential industries. Ceasing to spend upon luxuries, directs capital and labor to the mining of coal, the production of ships and shells, the breaking up of a bigger acreage of fertile lands, the exploitation of timber limits and a score or more of other basic activities. In a word, to save money is nothing if it does not also save industrial power.

We are not convinced that Canada's labor forces have as yet been effectively organized. The penalty which the government has recently made it possible to impose upon the shirker and idler should be vigorously enforced. There are thousands of men in the Dominion under-employed; thousands imperfectly employed; and other thousands available, if need exists, to be withdrawn from the field of marketing into that of production. It is clear, none the less, that no industry should be denuded of its labor force uselessly, until a definite demand for labor comes from employers in factory, mine, or on the land—from those engaged in turning our war supplies. Unemployment can accomplish nothing by way of winning the war, nor idle factories and shops. Thrift is essential up to the point of providing fluid capital for war loans; but beyond that point, it becomes a vice. There is a world of difference between saving and hoarding. To make clear that distinction, and to fire every man, woman and child with enthusiasm, and to deepen the will for victory, is the all-essential task that confronts those planning and organizing the great drive for financing the war.

CANADA AND THE LIBERTY LOAN

The campaign in the United States for flotation of the third Liberty Loan is proceeding vigorously. Many of the cities and towns have already reported subscriptions considerably in excess of the amounts which they were asked to subscribe. Recent news from the battle fronts in France and Flanders has been such as to stir the hearts of the people and awaken them to the serious nature of the military crisis that was precipitated by the launching of the great German offensive. The heroic resistance of the Anglo-French and American forces, and the heavy losses sustained by them in their great fight for human liberty, have already been effective in swelling the loan subscription lists; and the financial community is confident that the $3,000,000,000 asked for by the Washington government will be far more than covered.

At first it was thought that the monetary situation in Canada might be affected adversely—through the movement homewards of American funds yet employed here, and through further drying-up of the stream of American investment money running in this direction. But the behavior of our exchange and money markets during the first half of the Liberty Loan flotation period, indicates that these apprehensions were groundless. It is evidently the case that most of the temporary funds employed in Canada before the United States declared war, has been returned already; and the recall of the remainder probably would not have a pronounced effect upon us. At any rate, since the loan prospectus was issued, on April 6th, the premium quoted here for American funds has shown a slight tendency to fall.

As regards the movement of American funds to this country, it is well known that the sales of Canadian provincial and municipal bonds in the United States have been comparatively small since last April—for a considerable time our provincial and municipal borrowers have been obliged to make their new issues of bonds in the domestic market. The bond houses in Toronto and Montreal have, however, been able to sell sundry bonds to individual investors in the United States, these parties being attracted by the unusually high interest yields; and probably their sales to these clients would be suspended or discontinued during the flotation period. Some American capital continues to drift here in the form of remittances to branch American plants by the parent concerns for the purpose of adding to the equipment or extending plants. This movement is not likely to be stopped by the loan campaign, in cases where there is urgent need of increased productive capacity. It is conceivable that a very successful flotation with the loan heavily over-subscribed, might lead to a re-opening of the discussion of an American credit for Canada in connection with the trade balance. If that matter is taken up again, and if it is decided that circumstances would permit of the granting of a substantial credit to our government, the financial situation here, especially as regards exchange, would undoubtedly be favorably affected.

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THE MANAGER, BOND DEPARTMENT,
TORONTO

62

EFFECT OF WAR LOANS ON SAVINGS BANK DEPOSITS

The following extracts are taken from a circular recently sent out by the investment house of Blyth, Witter and Company, Los Angeles, Cal. After asking what the effect of the Liberty loan and war savings certificates on savings bank deposits in the United States will be, the circular reads:—

Great Britain and Canada have entered the second half of their fourth year of the war. During the whole period their respective issues of war debt totalled $24,500,000,000 and $925,000,000. At the outset their respective savings deposits aggregated $1,120,000,000 and $722,000,000, while at the present time they are reported $1,266,000,000 and $983,000,000. Respective increases 13 per cent. and 36 per cent. On the per capita basis, the debt of the United Kingdom of Great Britain before the war was $76.20, which compares with $615 at the present time; while savings deposits per capita are practically unchanged from $80 before the war to $79 at the present time. In Canada the per capita debt before the war was $69, compared with $166 at the present time, an increase of 140 per cent.; while savings deposits per capita have increased from $93.05 to $119.85, a growth of 28.8 per cent.

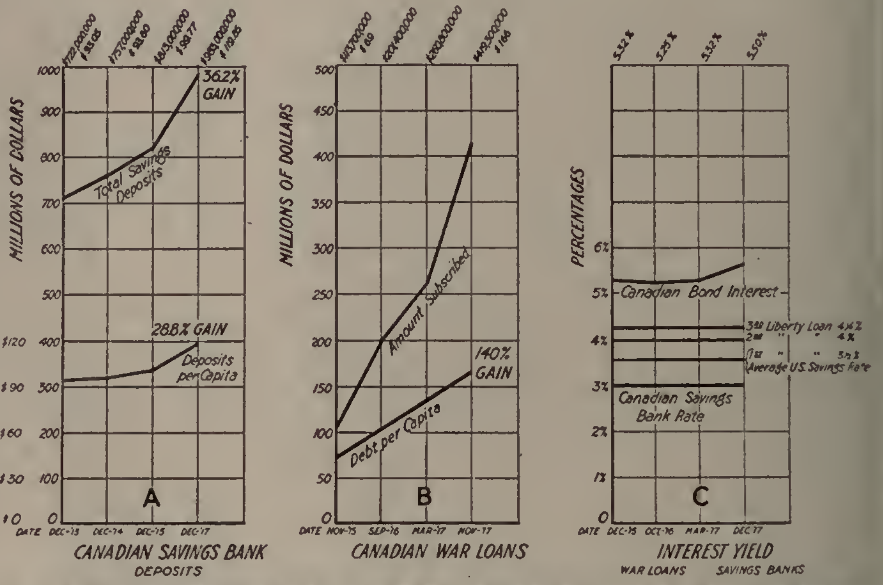
Canada, in general respects, gives the best basis on which to make predictions of the future trend of savings bank deposits in the United States as a result of recurring war loans. Accordingly, a graphic chart based on Canadian statistics has been prepared, as shown hereof, which may indicate a condition likely to materialize in our own country. Of the three divisions of this chart, A indicates the growth of savings bank deposits from December, 1913, to December, 1917, which took place during practically the same period in which Canadian war loans to the extent of $445,000,000, were subscribed, as shown by B. In a period of sixteen months war loans equalling 62 per cent. of the savings bank deposits at the beginning of that period were subscribed, and at the end of the period savings deposits had increased 36 per cent.

While the interest yield on Canadian loans exceeds 5 per cent., Canadian savings bank allow an average of 3 per cent., and in spite of this lesser rate, have constantly gained in deposits. If such an interest disparity fails to check the growth of savings bank deposits in Canada, it appears logical to assume that in the United States, where Liberty Bonds yield from 3½ per cent. to 4¼ per cent., with savings banks paying from 3 per cent. to 4 per cent., the growth of savings deposits will continue proportionately greater than in Canada.

The number of subscribers to successive war loans is indicative of an increased investing power, which, as above shown, has not been as a result of the diminishing savings bank deposits.

	Persons subscribed.
Canada's first war loan	1 in every 317
Canada's second war loan	1 " " 229
Canada's third war loan	1 " " 187
Canada's fourth or Victory Loan ..	1 " " 10
The first English loan	1 " " 23
The second English loan	1 " " 38
The third English loan	1 " " 13
United States first Liberty Loan ..	1 " " 27
United States second Liberty Loan	1 " " 11½

War savings certificates, if results in the United States follow those of Great Britain, will not lessen the growth of savings bank deposits. The British War Savings Commission reports that thrift has been stimulated to the ultimate good of the savings institutions.



In the above diagram the small figures at the lower extreme left, and the smaller figures across the top of Diagram A represent the increase in per capita savings deposits during the period under review, while the lower and shorter line in Diagram B represents the increase in per capita debt. C indicates the relative interest paid on Canadian war loans, Liberty loans and by savings banks.—Editor.

CROP OUTLOOK FAVORABLE

According to the "Monthly Commercial Letter" of the Canadian Bank of Commerce for April seeding has already commenced in the western provinces. The weather so far has been favorable and in all three provinces there is a very large increase in the land ready for crop. The only difficulty at present is in procuring additional labor in order to seed the larger acreage properly, but government departments are co-operating, as far as possible, in aiding farmers to obtain both labor and machinery. Fortunately the spirit of co-operation among all the agencies which aid production is very pronounced, and as a result it is anticipated that the acreage seeded will be greater than that of any previous year. More than usual attention has been given to procuring the best class of seed and municipalities have been given power to help farmers who, from one cause or another, are without proper supplies. In Ontario seeding has been completed in some districts, while in others some delay has been experienced in obtaining seed as a result of transportation difficulties.

It is quite apparent that farmers, while giving due heed to the urgent call for a larger supply of wheat, are not neglecting other forms of production. During the past month many sales of pure bred cattle have been held, and the prices paid indicate a more intelligent interest in this branch of farming. The production of wool has also attracted more attention than hitherto, especially in the western provinces where shearing time is now approaching. Alberta expects this year to lead the other provinces in the volume of this product. The provincial treasurer states that the wool clip increased from 500,000 pounds in 1914 to 2,086,000 pounds in 1917, with an advance in price from 16 cents to 57 cents.

The price of wheat in Canada for the 1918 crop is to remain at $2.21, which is regarded by the farmers themselves as being satisfactory. The prevailing prices of other grains, although not fixed, are very much higher than a year ago. No. 2 C.W. oats are quoted at 91¾ cents as compared with 65 cents, No. 3 C.W. barley at $1.65 as compared with $1.10, and No. 1 N.W. flax at $3.84 as compared with $2.69⅞. Large quantities of wheat continue to be delivered at interior elevators, and in the hands of farmers there are considerable stocks yet to be hauled to country elevators.

Henry A. Sherrard, chief agent of the Western Assurance Company, died Wednesday last, after an illness of one year. Mr. Sherrard entered the service of the Western Assurance Company thirty-six years ago as a junior clerk. He was born in Ireland fifty-four years ago and had been a resident of Toronto for many years.

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GOVERNMENT OPPORTUNITIES AFTER WAR

Need of Expansion in Imperial and Foreign Trade—Forethought of Problems Encouraging Production

BY A. T. DRUMMOND, LL.D.

(This is the second of a series of three articles on the above subject to appear in "The Monetary Times.")

That New South Wales last year had an external trade with thirty-seven different sections of the British Empire and with ninety-four foreign countries or their island groups in the Pacific ocean, and that this trade embraced dealings with every continent on the globe, is a suggestion to us in Canada that our external trade, which in the past, before the war, had been so largely restricted to Great Britain and the United States, is capable of great expansion in a similar way if we throw into it as much enterprise and energy as we have done into the home trade. The war has now opened up new markets among our Allies, not only in war munitions, but in railway and special engineering equipment, military clothing, food supplies, aviation material and ship construction, and the problem for the Dominion government and the manufacturers will be to not only retain this advantage, but to arrange now to extend it after the war to all other lines of production in which Canada can excel. Great Britain lives by its external trade, and its government has already awakened to the need of immediate steps to largely increase it, whilst the United States is making strenuous efforts, through its government, its banks and its manufacturers, to largely expand, especially in Europe and South America, its already important foreign trade. Thus, with the competition which these two countries and Germany will, when peace arrives, create, it will require all the forethought which our Dominion government can now, without any delay, give to the problems of encouraging production, of securing information, and of, in advance, preparing transportation facilities and trade arrangements; and equally, it will need all the initiative and energy which our manufacturers can apply to the economical utilization of our varied natural resources if Canada is to successfully invade the markets of the Empire, as well as those of foreign states. The Dominion government may well give direct encouragement, as did the British government, to the formation of a great trade corporation to promote not only foreign trade and its long credit requirements, foreign exchange and the gathering of information regarding foreign credit, but new enterprises in Canada, the insurance of foreign and domestic bills and other lines which do not compete with the purely Canadian banking business of our own present institutions. The government has also its opportunity of encouraging, by direct aid, chemical and electrical research, which the last four years have especially shown to be of such vast importance to the development of our natural resources and of our manufacturing interests. And there are markets waiting now for our initiative. For some time there has been a growing desire throughout the British West Indies for closer commercial relations with Canada, and now is the time to follow this up and not leave it until after the war. Brazil and the Argentine are other markets waiting to be investigated.

Weights and Measures.

In Great Britain strong efforts are being made in banking and commercial circles to introduce the decimal system of currency, with the sovereign, or one pound sterling, retained as the unit, and the Associated Chambers of Commerce, which include British commercial bodies in even foreign countries, have at the same time presented petitions and prepared legislation for the consideration of parliament in London, under which, if passed, the metric system of weights and measures will become the legal standard in Great Britain. The adoption of this standard will not only simplify the present cumbersome system, but would co-ordinate British weights and measures with those of many other countries, and be thus of great value in the enormous foreign trade of the Kingdom. As Canada long since adopted as its standards the British system of weights and measures, and is now preparing to enter largely into the foreign trade, the same arguments which are being employed in Great Britain in favor of the metric system would apply as strongly here. Why should not our Dominion government investigate the subject now?

In eight of the provinces of Canada we may be said to be a one-language people, with English as our sole acquirement, but are intersected by another extensive province in which French is almost exclusively spoken, and where the pride of the people in their language has raised serious problems in education in other provinces into which there has been an overflow of population from this province. Under the Confederation Act the subject of education was reserved to the provinces, but since the war began the development of the foreign trade and the more intimate connection of Canada, now and in the future, with Imperial interests at home and abroad, have brought education in foreign languages within the range of the requirements of the Dominion government, but on a broad basis, which will embrace not only the conversational and correspondence sides, but a knowledge of the literature, institutions, political relations and commercial laws and customs of the foreign countries with which trade is being developed. Business with France will, in the coming years, be large, and thus the French language will be a feature of interest in all of the more important manufacturing and exporting cities of the Dominion, whilst, at the same time, of great value in the constant intercourse of the people of the other provinces with those of Quebec, both socially and in business. All of the provinces in eastern Canada have thus a direct interest in encouraging the study of the French tongue, and this, perhaps, more than anything else, will help to allay the ill-feeling presently pervading the French-Canadian people. Acquaintance with foreign languages will also raise the educational standards in all of the provinces. No well-educated man should, at home or abroad, have to admit his inability to use any but his own mother tongue. And the need of an intimate acquaintance with modern languages will increase as the foreign trade continues to expand as our Dominion government's foreign interests enlarge, as they must, and as our association in Imperial affairs, leads, especially our Canadian university graduates, into the diplomatic, civil, consular and trade services of the Empire, which will be, without doubt, opened to them all over the world. Here then is an opportunity for our Dominion government to at once advise with the provincial governments and the universities with a view to stimulating this study.

Transportation Problems.

An over-readiness to yield to sectional demands and some lack of insight as to the real needs of the country in transportation have been serious results in the past of our Canadian political systems. Extensive and costly lines have been built by the Dominion government through long stretches of country where there never can be a progressive population and a paying traffic, and where climatic conditions will always be a barrier to economic operating. Subsidies have also been granted by both provincial and Dominion governments to transcontinental lines for the construction of subsidiary lines and branches to open up new country, when the already built sections were, and would be for years, suffering for want of a local population and business for which there were large openings. Overseas transportation appears, on the other hand, to have been somewhat neglected by the governments, although on both the Atlantic and the Pacific oceans there were splendid opportunities for a maritime trade. Why, for instance, is it that, except for sugar, our direct trade with the West Indies has languished, that our merchants so extensively buy tropical products in New York and Boston instead of importing them direct, and that our manufacturers have practically lost the West Indian markets to the superior enterprise of New York, Boston and New Orleans? And the markets of Venezuela and the central American states were involved at the same time. Why is not trade cultivated with the Argentine, Uruguay and Brazil, where there are increasingly progressive people and extensive markets both for our own products and for many which we, in turn, need? Inadequate or complete lack of transportation facilities form one important reason. It is the part of the Dominion government to enter into trade agreements with foreign states and nations, to subsidize ocean transport lines, to promote fast freight services on its own and other railway lines in this country, and by trade information from its representatives in other countries and in other ways encourage and facilitate individual enterprise in building up a foreign trade.

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C. H. EASSON,
General Manager

Toronto, March 23rd, 1918.

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Replanting of Trees.

Thirty-five years ago an international convention was held in Montreal in the interests of forest preservation from fire and of more conservative methods in lumbering and granting of timber licenses, which then had no relation to the existing forest supplies and to the future needs and revenues of the country. The attendance was large, and the interest aroused in the United States resulted shortly thereafter the establishment of the important Bureau of Forestry at Washington and of forestry departments in some of the state governments and of various state forestry associations. In Canada the result was much less satisfactory. The Dominion and provincial governments were for many years somewhat indifferent to the issues involved, apparently comforting themselves with the belief that our forests were almost limitless; that existing methods were satisfactory; that the burning annually of the pines and other trees in two or three townships would not, amid boundless supplies, affect the general situation, and that the future might well take care of itself. The friends of forestry were unheeded in their repeated warnings, and it is only within the last few years that the largely decreased supplies of pine and spruce lumber, the small sizes of the logs and the continued devastations of forest fires, entailing great loss of life and vast quantities of forest timber, at last awakened our slumbering Canadian governments and forced them to realize that something must be done. Protection from fire is now receiving some attention from the different governments, although the writer has repeatedly, but in vain, suggested to them that carelessness and disregard of forest regulations, which always have been the greatest causes of forest fires, should, if only for the moral effect it would have, be made criminal. Little consideration has, however, as yet, been given to afforestation; that is, the replanting of the destroyed areas. It is an important problem if our duty to the future is worth a thought. What is needed is an immediate government policy, supported by legislation, under which many thousands of young pine, spruce and hardwood trees will be annually planted and cared or by each of the different governments on a systematized plan in the burned and cut-over districts formerly occupied by these trees in eastern Canada and British Columbia; and further, that in all grants or renewals of Crown leases to lumbermen there should be strict provision for the leaving, on each acre leased, of two or three each of mature pines and other woods for seeding purposes, and for the planting and subsequent care of two or three young trees of the same species for every tree cut down for lumber purposes; and all this to be carried out under proper forestry regulations.

Municipal Legislation Needed.

An unduly extended area within its limits, an extraordinarily large assessed property valuation, a comparatively small population, and a municipal debt out of proportion to the population and apparent wealth of the municipality are not unknown features in connection with scores of the cities, towns and villages of the western provinces. The inclusion within their limits of many hundreds—occasionally running into the thousands—of vacant lots, as if each town plot had in it the future of a great city, enabled these places to greatly extend the values on their assessment rolls, and to borrow correspondingly on the strength of this apparent security. During recent dull years hundreds of these lots, in each of many cases, have been abandoned to these municipalities through the taxes being unpaid, and, although highly assessed under the single tax system, have in reality often barely a farm value.

Legislation seems urgently needed under which no city, town or incorporated village would be allowed to annex any new areas unless a given number of approved buildings had been erected and permanently occupied on, for instance, each ten acres proposed to be annexed, whilst no village should be incorporated unless its boundaries were limited to a quarter of a section, or even less.

There should also be legislation under which all municipalities should have more defined limitations fixed for them, both as to population and assessed property, beyond which debts could not be incurred unless for public utilities, from which it is purposed to obtain ample net revenue to meet their respective interests and sinking funds as well as renewals, whilst as to these public utilities, no propositions should be permitted where the municipality would not control, or the operation of which would lie or extend outside the municipality, as in the case of an interurban railway.

Measures should also be passed to compel every city, town and village to utilize its garbage and sewage for economic purposes, including fertilizing the soil on civic or other farms, instead of, as so generally at present, depositing them in dumps or in the lakes and rivers, there to form a source of danger for their own citizens or those of neighboring municipalities. Similar legislation should also apply to the wastage of all mills, chemical works and factories generally, in probably all of which wastage can be utilized for its by-products, or directly as a fertilizer. These are pressing problems from the points of view of both conservation of waste and public health.

BANK OF HAMILTON

The 46th annual report of the Bank of Hamilton, appearing on another page of this issue, contains a statement of the business of the bank for the 15 months ended February 28th, 1918. Another period of successful business has been experienced. The profits for the 15 months were almost $600,000, which is more than the profits for the preceding business year, even after allowing for the extra three months. After paying five quarterly dividends at 12 per cent. per annum, and other expenses, including contributions to the Patriotic, Red Cross and Relief Funds, they have been able to carry $232,421.80 to the credit of profit and loss, or almost $25,000 more than last year.

The continued advance in prices and in wages has resulted in a further increase in circulation, and, in spite of the drain through war loans, both current and savings deposits have increased considerably.

The bank's holdings of Dominion and provincial government securities, which were last year $569,458.46, are now $3,295,775.32. This indicates the extent to which the bank has helped to meet the unusual financial needs of the Dominion and provincial governments at the present time. At the same time their holdings of other Canadian securities have been increased.

The bank also wrote off during the year $50,000 against bank premises, the present valuation of these being $2,145,455.13.

COST OF VICTORY LOAN

A statement was submitted to parliament on the 12th inst., by Hon. A. K. Maclean, acting minister of finance, showing the cost of floating the last war loan. The expenses were given as follows:—

Organization expenses	$ 376,000
Publicity campaign, paid to Dominion Publicity Committee	163,000
Canadian Press Association	207,000
Remuneration to brokers	750,000
Commissions to canvassers	1,140,000
Remuneration to bankers	984,395
Total	$3,620,395

Further expenses, including printing, etc., would, it was announced, bring the total to about $5,000,000, or about 1¼ per cent. of the allotment. *The Monetary Times* got in touch with the department of finance for further information, but were advised that fuller details are not at present available.

Mr. C. H. Neely, United States manager of the Ocean Accident and Guarantee Corporation, and formerly manager for Canada of the same company, is visiting Toronto this week.

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Uncalled	4,000,000	20,000,000
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	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

J. RUSSELL FRENCH, General Manager

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Union Bank of Canada

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BANK OF HAMILTON

HEAD OFFICE, HAMILTON

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Value of Life Insurance to the Individual and to the State

The War Has Inculcated Habits of Thrift—The Menace of Unemployment or Illness, Old Age and Death, is Ever Present—Economic Importance of Population Makes Vital the Problem of Conservation of Human Life in Canada.

IT requires little or no argument, so far as details are concerned, to demonstrate the vital value and growing importance of life insurance to the community as a whole, as well as to the organized community, the state. It is patent that increased insurance per capita, whatever form that insurance assumes, lessens the burden of taxation for the whole community, and avoids the necessity of dealing out doles to the aged and the infirm, whether through charity or direct government action. Doubtless the filial tie is, in most instances, sufficiently strong to prevent actual want overtaking parents in old age; but, for this, experience has shown sufficiently well that there is no guarantee. Moreover, a hundred and one circumstances and accidents of fate may intervene, which result in throwing the aged and infirm upon exterior aid of one sort or another. Even from the selfish point of view, therefore, whether of the state or the individual, the providing of sufficient insurance, in relation to financial power, is not only desirable, but essential as well.

Main Sinews of War.

The war has driven home, as nothing else could, the supreme value of thrift. Contrary to general opinion, it is not the large corporations, financial or industrial, that provide in the main the sinews of war. In the United Kingdom alone, since the outbreak of hostilities in August, 1914, credits have been arranged on war account to the astonishing total of $35,000,000,000, the greater part of which has been secured through the combined effort of the entire nation. Thrown upon its own financial resources by the exigencies of war, Canada has subscribed a total of $982,000,000 in answer to the government's appeal for $450,000,000. It was recently stated in the Commons, by the acting minister of finance, the Hon. Mr. McLean, that approximately $500,000,000 would be required from the Canadian people to finance the military necessities of the government for the current fiscal year. The amount will be forthcoming, but it will be forthcoming only by rigorous excision of extravagant spending and by a combined drive for the practice of greater saving and thrift.

Life Insurance Agents.

Life insurance agents are the skirmishers on the advanced battle line in this thrift campaign. Far from being unproductive, as has been unjustly charged in some quarters, these men are performing service of the utmost value to the community and the state. It is beyond our immediate purpose to delve into the problem as to what precisely is the nature of production; it must suffice to say that the maker of material goods is far from being the only producer in the community. The worker who concentrates upon the production of necessary services is essentially a producer; for even the material product is not finally produced until the sales force places it in the hands of the final consumer. This point needs no elaboration—it is only when the worker is divorced from association with the marketing of material goods that he is liable to find the aspersion, "non-producer," cast at him. And for high-minded men, convinced of the value of their work, it is doubly difficult to put forth their best energies and effort under these conditions.

The life agent performs at least two services of fundamental importance—in his everyday activities he is carrying forward the campaign for saving, economy and thrift, on the one hand, and helping in great degree to remove the menace of economic want due to old age or death, on the other. During the course of the war the inculcation of habits of thrift and the providing for enforced saving are of the greater national importance. But at the conclusion of hostilities, when the colossal financial burdens at present imposed upon the community by the demands of war are removed, the securing of economic freedom for workers in every sphere of life will take on a new and higher significance.

Just as risk is inevitably associated with industrial enterprise, so, like a shadow, it follows the individual worker throughout all his productive years. The menace of unemployment, of accident, of illness, old age and death, is ever-present, and no man can put forth his best efforts until that menace is wholly, or in part, removed. Insurance of one kind or another has, during the last generation in particular, been so designed in principle and practice as to meet the need of the individual, and to effectually remove the economic risk attaching to life. So important was this problem considered in Germany before the war, that the state had developed a great scheme of social insurance to remove the disabilities under which the masses of the people laboured. The United Kingdom, a few years since, formulated a programme for government insurance against sickness, and—to a smaller extent—against unemployment. In addition, the United Kingdom spent millions of dollars each year on old-age pensions. We are persuaded that state action, on this continent, will not bring the results that private enterprise can achieve; that the management of the Intercolonial, in Canada, and of the Post Office in both the Dominion and the United States has not made government administration and the supervision of economic activities welcome to the people. The responsibility of carrying forward the vitally important service of insurance must remain in the control of private enterprise.

Estimating Life.

The war has demonstrated as never before the value of human life. Estimating life in the lowest, material terms—and neglecting for present purposes all cultural and spiritual factors—it is clear that the loss of a single man on the field of battle subtracts from the wealth of the state. The soldier's life is snuffed out, in the majority of cases, while he stands on the threshold of the years of greatest production. There is here, then, a double loss—the loss of twenty or thirty years of productive labor, and the loss of the expenses of bringing him up to the producing age. It needs no special argument to teach Canadians the economic importance of population. For a decade before the outbreak of war increased immigration occupied the minds of our government and people alike. The settling of the prairie provinces, through immigration from the United Kingdom, Continental Europe and the United States, geared up every commercial and industrial enterprise in the land. The country knows full well that increased population is essential for the complete utilization of our economic equipment, and for the reduction of per capita taxation costs. That increased population can be secured by natural increase, and by immigration, both of which are important. Hitherto, attention has been centred upon the latter problem; but, in view of the great demand for labor for the rebuilding of Europe, it will be well not to place too much reliance upon a rapid increase of immigration at the close of the war.

Conservation of Human Life.

The problem of the conservation of human life becomes a matter of imperative importance, then, to this country. This is a problem that bristles with difficulties, medical, economic and social. Human life is conserved to the extent that it is made more vigorous, and to the extent that its years are lengthened. It may not be generally known what a marked difference there is, in this latter particular, between the peoples of the various modern nations. In Sweden and Denmark, the average life is 50 years; in the United States and England 45 years; in India 25 years. Short as the span of life in our generation is, it has been greatly lengthened within the last hundred years. In England within 50 years, five years have been added; in Prussia during the last 25 years, 6 years have been added; while, if Europe as a whole is surveyed for the last three hundred years, it will be found that better economic conditions have added enormously to the span of life. In conserving human life no one single institution is doing so much as the life insurance company.

The life agent, therefore, need make no apology for the kind of work he is doing in war time—work, whether he knows it or not, that is of supreme value to the state. On the other hand, it is equally true that no man can justify his work to-day, unless it has in it something of the nature of social service; and unless he throws into it his every effort. Human labor is about the most precious commodity in the market just now. Through the reserves of labor, efficiently directed and administered, the war will be won. It is necessary to keep that idea and ideal before us in these dark days.

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days in which no slacker, whether within or without the zone of military operations, can be tolerated. In a word, the imperative duty lies upon the nation of so conserving and strengthening its economic resources as to provide the widest opportunity for the absorption of its soldiers, at demobilization, in normal business pursuits, and for meeting the pressing problems of peace.

DISABILITY CLAUSE IN LIFE POLICIES

Sixty Per Cent. of Insuring Public Demand It—Prominent Feature of Workmen's Insurance Laws

If the insurance salesmen of some 50 years ago could have foreseen the policy contracts which the salesmen of the present day are able to present to the insuring public, they would have turned sea-green with envy. The old pioneers who blazed the trail for the insurance companies in those days were like most pioneers, in that they had much labour with a modicum of gain. Not only had the public to be educated into the fundamental principles of life insurance and its indispensability, but the agent had no trail of allurng fragments leading up to his proposition, in the shape of surrender values, paid-up insurance, loan privileges, extended term insurance, and so forth. But competition and legal enactments have gradually led to the introduction of one privilege after another, so that the present day contract errs, if at all, on the side of liberality.

Of these various privileges which have been introduced from time to time, the total and permanent disability clause is, probably, of most recent date. Not that insurance against disability is in itself new. As Mr. B. D. Mudgett points out: "Under the name of invalidity insurance it forms a prominent feature of the workmen's insurance laws of a number of European governments, where protection has long been granted against both temporary and permanent invalidity caused either by accident or disease. As early as the 18th century, invalidity insurance was furnished to members of the mutual aid societies of Germany and Austria, and it was extended rapidly in the 19th century to many classes of workers. The friendly societies of Great Britain and the fraternal orders and labor unions in the United States have likewise paid disability benefits. With the stock companies in the United States insuring accident and health risks, this sort of protection, has, of course, held first place, but the value of accident and health policies has been greatly restricted by the fact that these companies issue a one-year term contract and possess the option, therefore, of refusing to renew at the time when the insured may be most in need of the protection."

Introduced by European Companies

The European life companies were the first to introduce the disability clause in their contracts, and it was not until 1896 that the clause was adopted by any of the American companies. Since then, however, it has spread rapidly and appears now in one form or another in the policy contracts of the great majority of the American companies.

It was the year 1910 before the Canadian companies were permitted by law to insert the privilege, and even then it was only in a restricted form. The Canadian Insurance Act of 1910 authorized the companies to "issue life policies, including in the same policy insurance against disability caused by accident or sickness, but the amount of such disability insurance shall not exceed the premiums payable or accruing on such life and disability policy during the period of disability insured against, but in case of total and permanent disability the company may, at the request of the insured, and without further payment of premiums, pay, in full settlement of the policy, and as a substitute for all other benefits and privileges thereunder, a total and permanent disability benefit not exceeding the sum insured under the said policy." In 1917, this section was amended to permit of the payment of total and permanent disability benefits under life insurance policies without reducing the amounts which may be paid as main benefits, and Canadian companies were thus enabled to incorporate a clause in their policies which could compete successfully with that of the American companies. The Actuaries' Club of Toronto, realizing the importance of having uniformity among the companies in respect to this disability provision, appointed a committee in the fall of 1917 to draft a clause suitable for use by Canadian companies. This committee drew up the clause which has since been adopted by practically all the Canadian companies. Its main provisions are as follows:—

"Upon proof being furnished to the company that the assured has become wholly disabled by bodily injury or disease, so that he is and thereby will be, permanently and continuously, unable to engage in any work or occupation whatever for remuneration or profit, then:—

Waiver of Premium.

"(a) The company will waive the payment of the premiums which may become due thereafter under this policy during the continuance of such total disability. In making any settlement under this policy the company shall not deduct any part of the premiums so waived and all benefits provided by this policy including surrender and loan values, shall be determined in the same manner as though any premiums waived under this provision had been paid in cash.

Monthly Income.

"(b) Furthermore, the company will pay to the assured a monthly sum equal to $10 for each $1,000 of the principal sum assured by this policy, the first monthly payment to be made six months after receipt of the said proof of total and permanent disability, and subsequent payments monthly thereafter during the continuance of the said total disability of the assured, ceasing with the last monthly payment preceding the maturity of this policy. The amount of this policy payable at maturity shall not be reduced by any payments made under this disability provision."

The liberality and genuine worth of the disability clause as illustrated in the above form, are self-apparent. Nevertheless, we find here and there companies declining to employ it in their contracts. Such companies argue that the provision is not life insurance; that it may be misrepresented by agents; that there will be a tendency to give the clause too much prominence, to the ignoring of other and more important features; that it is difficult to define disability, and litigation may possibly result therefrom; that there is a lack of disability statistics upon which to base the premiums; that competition has led to inadequate premiums being charged for the benefit; and so forth.

Provision is Not Life Insurance.

(a) Life insurance should give permanent protection, otherwise it is not worthy of its name. The occurrence of permanent and total disability may necessitate the lapsation of insurance that is badly needed by the assured. True, the policy may contain provisions for automatic extension, but as such extended period is of limited duration and, moreover, necessitates a growing indebtedness on account of unpaid premiums, it may be of little value in the average case of disability. Moreover, life insurance should provide for all the risks of death, and total and permanent disability has itself been called a sort of "living death" and the period is usually of brief duration before actual death takes place.

Misrepresented by Agents.

(b) The clause in the majority of cases is so clearly and unambiguously worded that it is difficult of misconstruction. Insurance enactments and the work of the Life Underwriters' Association have, too, made the day of misrepresentation in insurance salesmanship virtually a thing of the past.

(c) That there will be a tendency to give the clause too much prominence, to the ignoring of other and more important features. This objection would hold in the event of a company granting the clause being in competition with one that does not issue it. But as the great majority of companies now have the provision in their policies, such competition would rarely occur. In the main, the disability provision would not be advertised beyond its real merits.

Total Disability.

(d) That it is difficult to define "total disability" and litigation may possibly result therefrom. The point involved here, is the limitation of the benefit to those who are totally disabled from earning a "living," quite regardless of the normal occupation of the insured or the kind of "living" he may be enabled to make, if accident or disease render him unable to follow his accustomed vocation. For instance, we can imagine a musician having the fingers of one hand injured so that he can no longer follow his usual occupation, but he may still be able to earn a remuneration in some other way. In this connection an amusing story is told of the case of a man who was totally paralyzed. His wife was a thrifty woman who operated a chicken farm. While in the husband's sick room one day, she had an inspiration, and returning, packed a number of eggs about the invalid's body, the experiment resulting in the hatching out of a brood of chickens.

A MARK OF CONFIDENCE

During 1917 this Corporation assumed the administration of 488 Estates and Trusts, valued at over $10,000,000. Efficient service begets confidence. Write for booklets, "Making Your Will" and "A Talk With a Business Man."

THE
TORONTO GENERAL TRUSTS
CORPORATION

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Head Office, 83 Bay Street, Toronto

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited
Toronto

HENRY F. GOODERHAM, President
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Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

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Chartered Trust and Executor Company
Traders Bank Building Toronto

Will Making

THE average human being is very much averse to making a Will; and yet it is absolutely necessary that it be done, if we would dispose of our Estate as we would wish, instead of leaving it to the disposition of the Law.

The making of a Will TODAY will not accelerate death a single instant, but rather tend to make us satisfied with an act timely and properly done.

The Corporate Executor is the only ideal Executor. Consult with us as to the making of your Will. Will Forms Free

The Standard Trusts Company
Standard Trusts Bldg., 346 Main St. WINNIPEG

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Acts as Executor, Administrator, Trustee, Liquidator, and in any other fiduciary capacity.

CANADIAN FINANCIERS TRUST COMPANY

Head Office - - Vancouver, B.C.

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Agents for investment in all classes of Securities.
Business Agent for the R. C. Archdiocese of Vancouver.
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Inquiries Invited

General Manager Lieut.-Col. G. H. DORRELL

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment Terms one to five years.

The Empire Loan Company
WINNIPEG, Man.

Details of a Safe Investment

are contained in our Booklet, "Guaranteed Trust Investments." On the Guaranteed Trust Investment Plan moneys are entrusted to us for a three-year period or for one of five years. Such funds are invested by us for the most part in carefully selected first mortgages on improved real estate. Sums of $500 and upwards are accepted, and interest at a satisfactory rate is paid by cheque half-yearly.

We are glad to mail a copy of the booklet anywhere on request.

National Trust Company
Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000
18-22 King Street East, Toronto.

The query naturally followed: "Was the man wholly incapacitated from contributing to the support of the household?"

In practice, however, few, if any, claims of total disability arise, the genuineness of which cannot be determined without difficulty. Taking, for example, cases of paralysis, insanity, incurable tuberculosis, locomotor ataxia, we see that the question of total disability or otherwise can easily be proved. Then, too, the clause specifies certain accidents which, without prejudice to any other cause of disability, the company will consider as valid claims—e.g., the entire and irrecoverable loss of the sight of both eyes or the severance of both hands at or above the wrists, or of both feet at or above the ankles, or of one entire hand and one entire foot.

Lack of Disability Statistics.

(c) That there is a lack of disability statistics upon which to base the premiums. Some force pertains to this objection without doubt, as the American companies have not been employing the clause a sufficient length of time to allow for the accumulation of sufficient trustworthy data in respect to total and permanent disability. Fairly reliable data, however, has been found in the experience of American fraternal societies and tables constructed therefrom, and the premiums deduced from such tables are recognized as being safe, and a fair measure of the risk involved until the experience of the old-line companies themselves is available.

The introduction of the total and permanent disability clause is a real step forward in the evolution of the life insurance policy. The "waiver of premium" and the "monthly income" throughout disablement gives protection where and when it is greatly needed, and performs a true function of life insurance. The privilege is here to stay. In the language of a contemporary: "Each year we see companies adopting it which have previously been hostile or lukewarm toward the plan, and when we read criticisms from those which have not yet adopted it, we are reminded of the reply of a well-known Bishop who was asked for an opinion concerning tango dancing. He stated that in the course of his pastoral duties he had not chanced to see the tango danced, which he suspected was likewise the case with most of those who were so vigorously criticizing it in the newspapers."

WINNIPEG RED CROSS CAMPAIGN SUCCESSFUL

(Western correspondence.)

Winnipeg, April 15th.

The generosity of the people of Winnipeg was again demonstrated in a marked way by the Red Cross campaign which closed last week. Three hundred thousand dollars was the amount aimed at from the city and $300,000 from all the rest of the province of Manitoba. The whole of the $600,000, and more, has been raised in the city and suburbs, and in all likelihood the province will easily raise $400,000, thus making the handsome total of $1,000,000 for this most worthy cause from Manitoba. The business men of the city had a splendid organization and looked after the business and down town districts, while the women's organizations looked after the residential districts, the whole city thus being thoroughly covered.

INVESTMENT OPPORTUNITY

Messrs. A. E. Ames and Company have just issued a letter to their clients in which they draw attention to the opportunity afforded by Canadian preferred stocks as a means of augmenting income with a minimum of risk to the investor.

"Under present conditions," said Messrs. A. E. Ames and Company, "investors naturally desire to secure as great a return on their funds as is possible with reasonable safety. To those who have a substantial part of their moneys invested in high-grade securities, such as government and municipal bonds, the opportunity of the greater income return available through purchase of some of the better class industrial preferred shares is worthy of attention.

"These securities have long formed a recognized part of British investment lists, and discriminating Canadian investors are becoming increasingly seized of their possibilities. The special earnings which many industrial companies have realized during the war period have greatly strengthened the equities behind the shares and placed the companies in strong financial position, which should stand them in good stead during the period of readjustment from war to peace conditions."

NEW INCORPORATIONS

Large Manufacturing Company Incorporated With an Authorized Capital of $6,000,000

The largest company incorporated during the past week was: International De Lavand Manufacturing Corporation, Limited, $6,000,000, Toronto, Ontario.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Fraserville, Que.—La Meunerie Modele, Limiteé, $15,000. Fabien Plourde.

Brantford, Ont.—Brantford Realty Company, Limited, $100,000. James Harley, Archibald Manson Harley.

Lauzon, Que.—Edouard Ruel, Limiteé, $150,000. Desanges Blais, Edouard Ruel, Joseph Cyrille Ruel.

Windsor, Ont.—Morris Knowles, Limited, $40,000. Morris Knowles, John Marie Rice, George Frederick Maglott.

Joliette, Que.—La Compagnie a' Bois Bedard, Limiteé, $250,000. Joseph Hermas Sansregret, Joseph Onesime Malo.

Sherbrooke, Que.—Boucher Lacroix & Fisette, Limiteé, $49,900. Fabien-Philas Boucher, William Lacroix, Louis Fisette.

Cobourg, Ont.—Sparling & Reeson, Limited, $40,000. Florence May Thomson, Mary Gilmore Keenan, Alfred John Sneath.

St. Thomas, Ont.—Rondeau Fish Company, Limited, $40,000. Norman MacAulay, John Nichol, Margaret MacAulay.

Kingston, Ont.—Smith Brothers' Jewellers, Limited, $20,000. Gordon Jenkin Smith, Wm. Herbert Leslie Smith, Harry Maxwell Wilder.

Arthabaska, Que.—L'Imprimerie d'Arthabaska, Incorporeé, $18,000. Gustave Perrault, Charles-Robert Garneau, Zephirin Nault.

Ottawa, Ont.—Veteran, Limited, $50,000. John Roger Anderson, Kenneth Clark Macpherson; Bryson Estate, Limited, $300,000. Thomas Arthur Beament, Alan Haskett Armstrong, James Bearman Bryson.

St. Johns, Que.—J. A. Lomme & Compagnie, Limiteé, $100,000. Joseph Abraham Lomme, Henri D'Orsonnens; Windsor Canning Company, Limited, $100,000. Gerald Augustine, Coughlin, Francis George Bush.

Winnipeg, Man.—Dominion Metal Exporting Company, Limited, $500,000. Michael Tessler, Joseph Gershfeld, Benjamin Starikoff; Brooks Elevator Company, Limited, $50,000. Charles Stuart Anderson, Rogers and Harold St. Clair Scarth.

Montreal, Que.—Grain Growers Auto Tractor Company, Limited, $100,000. Joseph Hormidas Rainville, Joseph Oscar Gagnon; Lee Coal Company, Limited, $25,000. Ernest Edgar Vipond, Herbert Salkeld Vipond, Frederick George Reid; National Sales Check Books, Limited, $49,000. Howard Salter Ross, Eugene Real Angers, Isidore Popliger; Lumber Supply Company, Limited, $250,000. Alphonse Lachance, Wilfred Picard, Dolor Raymond; L. Mercier & Fils, Limiteé, $3,000. J. A. Napolean Fauteux, J. Clovis Dagenais, J. H. Pierre Pelletier; Ricketts' Club, Incorporated, $10,000. M. M. Frank Callaghan, Francois-Xavier Biron.

Toronto, Ont.—Can Conservers of Canada, Limited, $100,000. Margaret Duncan Gray, Thesta Anna McLennan; International De Lavand Manufacturing Corporation, Limited, $6,000,000. Ernest Wm. McNeil, William Dawson Toye; (Canadian) Young High-Velocity Carburetor Company, Limited, $500,000. Henry Hague Davis, Edward Henry Brower, Lawrence Alfred Landriau; Buckingham Mines, Limited, (no personal liability), $1,000,000. Ira Marks, Wilton Ira Marks, James Ross Curry; Canadian Fluorite, Limited, $500,000. William Ridout Wadsworth; Cleanall Soap Company, Limited, $40,000. Joseph Ogilvie Paterson; Dargan Lumber Company, Limited, $40,000. James Leith Ross, Arthur Wellesley Holmstead, Lancing Belmont Campbell. F. W. Fisher Company, Limited, $40,000. Mervil MacDonald, Edwin Smily, Bruce Williams.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance*. Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

MONEY TO LOAN.

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE, President D. M. CAMERON, Treasurer

Canada Permanent Mortgage Corporation

TORONTO STREET - - TORONTO

Established 1855

President W. G. Gooderham. First Vice-President—W. D. Matthews. Second Vice-President—R. S. Hudson. Joint General Managers—R. S. Hudson, John Massey. Assistant General Manager—George H. Smith.

Paid-up Capital	$6,000,000.00
Reserve Fund (earned)...	5,250,000.00
Unappropriated Profits	197,977.41
Capital and Surplus	$11,447,977.41

Associated with the above Corporation, and under the same direction and management, is **The Canada Permanent Trust Company**, incorporated by the Dominion Parliament. This Trust Company accepts and executes Trusts of every description, acts as Executor, Administrator, Liquidator, Guardian, Curator or Committee of the estate of a lunatic, etc. Any branch of the business of a legitimate Trust Company will have careful and prompt attention.

"OLDER THAN THE DOMINION OF CANADA."

Paid-Up Capital, $2,500,000 Reserve, $3,100,000

THE HURON & ERIE MORTGAGE CORPORATION

HEAD OFFICES - LONDON, CANADA

Branch Offices:

London, St. Thomas, Windsor, Winnipeg, Regina, Edmonton

DIRECTORS:

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HUME CRONYN, 1st Vice-President and General Manager

F. E. LEONARD, 2nd Vice-President

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F. R. Eccles, M.D., LL.D.
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THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 Canada

CAPITAL AND UNDIVIDED PROFITS .. $3,750,000

5½% SHORT TERM (3 TO 5 YEARS) DEBENTURES YIELD INVESTORS 5½%

JOHN McCLARY, President A. M. SMART, Manager

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada. Particulars on application.

The Canada Standard Loan Company

520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

One of the best AUTHORIZED investments for TRUST FUNDS is our

5½% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,412,566.31
Reserve	756,580.13
Assets	7,168,537.29

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY, EDMONTON, SASKATOON, VANCOUVER, VICTORIA, EDINBURGH, Scot.

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 51 YONGE ST., TORONTO

Paid-up Capital, $1,250,000 Rest, $850,000 Total Assets, $4,855,944

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $390,000.00

Total Assets, $3,141,401.68

President, WELLINGTON FRANCIS, Esq., K.C.

Vice-President, HERBERT LANGLOIS, Esq.

Debentures issued to pay 5%, a Legal Investment for Trust Funds.

Deposits received at 4% interest, withdrawable by cheque.

Loans made on improved Real Estate on favorable terms.

WALTER GILLESPIE, Manager

LIFE INSURANCE IN BUSINESS

As a Factor — Product of Developed Civilization — Western Honesty

"If I were to preach a sermon this morning," said Mr. Frank Pike, in his address before the Edmonton board of trade on April 9th, "I would take as my text, 'The stone which the builder rejected has become the chief corner-stone.' " A few years ago, when insurance agents came in to see me, many and many a time have I treated their arguments almost with contempt, and rather proudly told them that I did not need their insurance or advice, as I had sufficient surplus to protect my family in case anything happened to me. As a proof of this, I used to produce a little tin box, full of titles to various pieces of real estate, agreements of sale and a few mortgages. At that time my box was filled to overflowing with these documents, and I remember that my few insurance policies were shoved carelessly in a pigeon-hole in the vault. But to-day, if you look into that tin box, you will find that the titles and the agreements, as well as the mortgages, have nearly all evaporated. There is nothing left of much intrinsic value but the insurance policies. So you see the application of the text that "The stone which the builder rejected has become the chief corner-stone."

Life insurance is a product of developed civilization, and, in its spirit of self-sacrifice, we might almost add, Christianity. Savages and wild men of the remote parts of the earth pay little heed to the future. They live from hand to mouth—gluttony to-day, starvation to-morrow. When we look back to the carnival of extravagance that prevailed on these prairies a few years ago, it is enough to make us wonder whether we had progressed very much from the days of our cave men ancestry

Habits of Thrift.

The great war has brought us to our senses. We now take a saner view of life, and have a greater realization of its realities. People have lost, to some extent, the malignant "get-rich-quick" fever, and are now endeavoring to arrange their affairs in a more thoroughgoing, systematic manner. They are cultivating habits of thrift and economy, which will undoubtedly mean the economic salvation of the country and the nation. This condition of affairs makes it much easier for sound, conservative business men, such as insurance agents and bankers, to conduct their business. In the banks we go a great deal on moral character, as well as on a man's financial standing, and I do not know of any surer sign of a well-balanced mind than the fact that a man has provided against future contingencies by ample life insurance.

Business men during the last four or five years have gone through a period of great stress and strain, and, in times like these, men undoubtedly need, as we say in Newfoundland, "a sheet anchor to windward," to help them bear the strain of financial worries.

If a man has the comforting thought that, no matter what happens to him, his wife and family are protected, in case of his death, from a cold and unsympathetic world, where, to a great extent, the law of "the survival of the fittest" still prevails, it will relieve his mind of a great load of worry; it will brace his nerves, and enable him to make a better success of his business undertakings.

Considering for Loan.

In view of this, when considering a man's application for a loan, if we find that he is of the thoughtful, methodical, careful type, who is making provision in the best available way—ample life insurance—for the contingencies to which human life and human affairs are liable, we have much more confidence in that man and in his ability to make good. A man's first duty undoubtedly is to his wife and family and those depending upon him. He should see to it that they are protected; but after this has been done, a man also has another duty to perform, and that is to provide, as far as in him lies, for debts contracted by him. Especially do I refer to money borrowed, and not particularly to real estate entanglements. There is a difference.

Not long ago a man who had borrowed four or five thousand dollars from the institution came in and threw down a life insurance policy for $5,000, payable to the bank. He said: "My wife and family are provided for, and now I want to do something for you. I borrowed money from this institution some time ago, and since then my affairs have become somewhat involved through an overdose of real estate. The money was loaned to me in good faith, not only on the strength of my statement, but my character and ability were taken into consideration, and I look upon the loan as a debt of honor, and feel in duty bound to meet it—living or dead." Now, this is not cheap sentimentality, neither is it an extreme case. It is only what an honest man should do, and in my experience of twenty years in this western country I have found the great majority of men absolutely honest, paying their debts if there is any possible way of doing so. Dishonesty does not readily take root in this western country, with its freedom and freshness. It is of exotic growth and not indigenous to the west.

Provide Against Contingency.

Taking into consideration all the great potentialities of this country, there is no reason why a man should not, if he receives a reasonable amount of encouragement and assistance, get on his feet again. There is only one thing a man cannot avoid, and that is the uncertainty of human life, and he can only provide against this contingency by a life insurance policy.

There is another factor which might be dwelt on briefly. Take the case of a manager of an incorporated company. I can mention companies in this city, the success of which depends, to a great extent, on the experience and ability of the managing director, who has spent years in becoming familiar with every detail of a rather technical and complicated organization. The death of such a man would undoubtedly mean a financial loss to the corporation, and in cases of this kind directors should see that a certain amount of insurance is taken out on their manager's life, payable to the company, and the premiums charged to expense, or, better still, contingency account.

Insurance Indicates Thrift.

No doubt, at times, some men are tempted to over-insure, and perhaps there are times when the consequences of this means disaster in the shape of abandoned policies and lost premiums; but where one man overinsures, I would say that ten do not take out sufficient insurance when they are young.

It has frequently come to my attention that young men in our service, who are sufficiently thrifty and thoughtful enough to take out a substantial life insurance policy, and who have the moral stamina of providing something from their monthly salary for their annual premiums, are the types of young men who can be most depended upon to develop into trusted and tried executive officers.

Life insurance is undoubtedly a good investment, whichever way you take it. The largest policy ever taken out was for $2,500,000 on the life of the greatest United States financier, J. P. Morgan. Last year a policy of $2,000,000 was taken by H. P. Davison of the Morgan firm. The largest policy written on the life of a Canadian was $1.500.000 on Sir Mortimer B. Davis, of Montreal. No shrewder men than these ever lived.

Most of us dislike the thought of growing old, and if we are fairly well protected by life insurance, which should mature before the days of reduced working power and diminished income, we shall find that the gathering weight of the passing years will be considerably lightened.

COBALT'S ORE OUTPUT

Since the first silver was discovered in Cobalt, in 1903, the production has been as follows:—

	Aver. price, cents per oz.	Ounces.	Value.
1904	57.2	206,875	$ 111,887
1905	60.4	2,451,356	1.360,503
1906	64.8	5,401,766	3,667,551
1907	67.5	10,023,211	6,155,391
1908	52.9	19,487,875	9,133,378
1909	51.5	25.897,825	12,461.576
1910	53.5	30.645,181	15,478,047
1911	53.3	31.507,791	15,953,847
1912	60.8	30,243.859	17,408,935
1913	57.8	29.681,075	16,553,981
1914	54.8	25,162,841	12,765,161
1915	49.69	24,746,534	12,135.816
1916	65.661	19.915,000	12,643,175
1917	81.417	19.401.893	16,131,013
Total		274,724,172	$151,960,561

ONTARIO

Make Your Vegetable Garden a Family Affair

The best way to insure the success of your vegetable garden is to get every member of the family interested in it.

Don't put the whole burden upon father and mother. Any child over the age of ten years can, and usually will be glad to help, if his interest is encouraged; and even younger children may be shown how to help.

The way one family cultivated a very successful vegetable garden last year was as follows:

The husband and wife planned the garden. The man spaded up the soil and manured it as he went along.

Then he and his wife and their two eldest children raked it all over thoroughly and put in other fertilizer. In this way they got the ground into good condition.

The man planted the potatoes, the corn, the tomatoes and the cabbages.

The woman attended to the beans, peas, green onions, spinach, radish and lettuce.

The children looked after the late onions, parsnips, beets and carrots. And they all helped one another with the hoeing.

What was the result?

There grew up in that family a friendly rivalry and an interest in the garden such as no person would have believed possible had the experiment not been tried.

The family had plenty of salad vegetables during the summer. They preserved sufficient tomatoes, beans and pickles to last all through the Winter and they took off enough potatoes, beets, carrots, parsnips and onions to carry them through until March of this year.

What this family did your family should be able to do. The way they went about cultivating their garden is described in a booklet entitled "A Vegetable Garden for Every Home." This book has been prepared by the Ontario Department of Agriculture for distribution to any householder who will send for a copy. It is full of helpful, practical suggestions, including plans for various sized gardens. You can get a copy free by filling out and mailing the coupon below.

Organization of Resources Committee, Parliament Buildings, Toronto.

Dear Sirs:

Please send me a copy of your booklet "A Vegetable Garden for Every Home."

Name ....

Address 3

ORGANIZATION OF RESOURCES COMMITTEE
In Co-Operation with Canada Food Board

REDUCTION OF LIFE INSURANCE DIVIDENDS

Should the Dividends of Life Insurance Companies be Reduced?

M. P. LANGSTAFF, A.I.A., F.A.S.

In times like these the annual reports of the various financial institutions receive special and widespread study, illuminating as they do, the trend of business conditions in the different parts of the country. This holds particularly true of the reports of the life insurance companies, whose operations are influenced by so many factors, viz., investment conditions, rising costs of living, mortality rates, etc.

The majority of financial institutions have felt the strain and turmoil of the times, and that the insurance companies are not passing through entirely unscathed is witnessed by the growing discussion on the advisability of reducing dividend scales, or its alternative, the raising of premium rates. It is especially interesting, therefore, at the present time to study the annual reports of the life companies with a view to ascertain, as well as their sometimes meagre data will allow us, the toll which the exigencies of the times are laying upon them—for example, to learn what effect the greater proportion of investment on government bonds—compulsory to a considerable extent—has had upon the interest earnings; how much strain the increased cost of living, with its concomitant rise in the expense of writing new business and in caring for the old, has thrown upon the premium loadings; whether the war claims are proving excessive and placing the total claims beyond the actuarial expectations upon which the premiums are based; whether the hardships entailed by the war are raising the lapse rates or accentuating the policy loan evil; and, finally, whether any or all of these factors combined are sufficient to encroach dangerously upon the margin of safety in the present premium scale.

In touching briefly on a number of these points I propose to use the ratios of some of the leading companies for the past few years. In using the much-maligned "ratio" as our divining-rod, it is perhaps necessary to say a word in its defence. As is well known, the "ratio," whether that of interest, mortality, expense, or otherwise, when employed for comparative purposes as between companies, is absolutely pernicious and contains the grossest fallacies. When applied to the same company, however, from year to year by those in close touch with that company's affairs, it should give many useful indications; and similarly, when applied to various companies over a number of years, the "year" being the basis of comparison and not the "company," it should allow of tolerably clear conclusions being drawn as to the general trend of the insurance business throughout the country in respect to mortality costs, interest earnings, expense rates, and so forth. It is in this latter way, then, that I shall endeavor to use the ratio.

Let us first consider mortality rates. The ratio I have taken is the death losses per thousand dollars of assurance. For comparative purposes between two companies this ratio would, of course, be altogether unsatisfactory, as it takes no account of the ages of the companies or of the reserves held against the claims that have arisen. For our purposes, however, the ratio gives us the indications we require.

Death Losses per Thousand Dollars of Assurance.

Company.	Year 1912.	Year 1913.	Year 1914.	Year 1915.	Year 1916.	Year 1917.
A	11.87	11.38	13.97	15.06	15.36	13.19
B	9.61	8.86	10.99	10.21	12.34	14.25
C	4.32	3.31	6.96	5.16	9.56	7.48
D	4.71	4.80	4.16	5.45	5.74	6.29
E	4.83	4.70	3.86	4.47	8.63	7.70
F	5.40	5.99	7.06	5.20	8.34	8.81
G	8.32	6.31	7.97	7.06	8.29	8.46
H	6.24	6.45	6.80	7.88	9.73	10.22
I	9.11	7.30	6.74	8.39	10.51	7.45
J	10.32	8.57	8.77	9.54	9.96	10.85
K	5.09	4.17	4.65	4.74	7.77	7.71

A glance at the above table will show that the death losses of the war years have been considerably higher than in the preceding years. The trend for the companies on the whole, can be seen more easily if we sum these several columns. The totals are as follows:—

Year.	Total.	
1912	79.82	Average 77.86
1913	71.84	
1914	81.93	
1915	83.16	Average 97.26
1916	106.23	
1917	102.41	

Treating 1914 as a pre-war year for the Canadian companies, we have our average for the three war years to the average of the three years just preceding, in the proportion of 97.26 to 77.86, that is, a jump of 25 per cent. for the war years. Judging from the fact that the year 1916 does not show much variation from 1917, and that Canada's fighting forces at the front reached their maximum in these years, we can reason that the mortality as shown by these years, so far as the war is concerned, has reached its maximum. This 25 per cent. over the normal, while it has probably wiped out most of the mortality profit for the companies, has still, judging from the statements of the various companies, left the "actuarially" expected mortality, that is, the mortality allowed for by the premiums—both ordinary and war extras—slightly in excess of that actually experienced. Speaking generally, therefore, we can say that from the standpoint of mortality alone, the present premium rates are sufficient, provided the scale of dividends to policyholders includes no mortality profit, but that otherwise the rates would have to be increased to the extent that mortality profit has entered into the dividend calculations.

It might be said, however, that under present conditions, if there is one point where one should err on the side of caution, it is in respect to allowances for excess mortality. It is recognized that the fighting this year may reach an intensity never before experienced, and if so, an ultra-conservative attitude in respect to dividend payments would be sound business policy.

Interest Earnings.

Interest Rate.

Company.	Year 1912.	Year 1913.	Year 1914.	Year 1915.	Year 1916.	Year 1917.
A	5.38	5.75	5.97	5.86	5.89	5.84
B	5.65	6.23	6.03	5.90	5.46	5.37
C	8.00	8.11	8.22	8.35	8.30	7.87
D	7.43	7.49	7.52	6.12	6.55	6.87
E	7.91	7.90	7.93	7.62	7.58	7.36
F	6.83	7.15	7.02	6.84	6.73	6.72
G	6.43	6.96	6.85	6.69	6.69	6.61
H	6.09	6.27	6.35	6.66	6.76	6.63
I	5.85	6.15	6.25	6.14	6.07	5.92
J	6.09	4.99	5.26	5.36	5.19	5.52
K	6.02	6.51	6.71	6.48	6.07	5.91

With the exception of several companies that before the war had a preponderance of their funds invested in real estate mortgages, the last few years have seen very little change in the interest rates of the Canadian companies. Any reduction, indeed, has been due to the gradual transfer of funds from mortgages to bonds and debentures. As the latter class of security does not entail the investment expenses of the former, it is quite possible, indeed, that the net rates of the companies might even show an increase. This would certainly be the case if we gave weight to the margin of safety contained in the investments, for, while the mortgages of the life companies have, on the whole, been well selected and limited to a conservative percentage of the property values, yet it will hardly be urged that they equal in security the gilt-edged bond holdings of the various companies. As an indication of how the investment pendulum has been

46th ANNUAL STATEMENT

of the Result of the Business of the Bank for the Fifteen Months Ending 28th February, 1918.

Bank *of* Hamilton

BOARD OF DIRECTORS:

SIR JOHN HENDRIE, K.C.M.G., C.V.O., President.
CYRUS A. BIRGE, Vice-President.
C. C. DALTON
I. PITBLADO, K.C.
ROBERT HOBSON
J. TURNBULL
W. E. PHIN
W. A. WOOD

J. P. BELL, General Manager.

PROFIT AND LOSS ACCOUNT

Balance at credit of Profit and Loss Account, 30th November, 1916			$209,556.57
Profits for fifteen months ended 28th of February, 1918, after deducting charges of management, interest accrued on deposits, rebate on current discounts, and making provision for bad and doubtful debts			598,522.04
			$808,078.61
Appropriated as follows:			
Five Quarterly Dividends at the rate of 12 per cent. per annum		$450,000.00	
Pension Fund, Annual Assessment	$ 12,106 81		
Special Contribution	10,000.00		
		22,106.81	
War Tax on Bank Note Circulation		37,500.00	
Patriotic, Red Cross and Relief Funds		16,050.00	
Bank Premises Account		50,000.00	
			575,656.81
Balance of Profits carried forward			$232,421.80

Hamilton, 18th March, 1918.

GENERAL STATEMENT

LIABILITIES

To the Public:		
Notes of the Bank in Circulation		$ 5,127,111.00
Deposits not bearing interest	$ 16,771,689.62	
Deposits bearing interest, including interest accrued to date of statement	36,588,311.42	
		$ 53,359,981.04
Balances due to other Banks in Canada		44,154.69
Balances due to Banks and Banking Correspondents in the United Kingdom		988.30
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		1,191,407.61
Acceptances under Letters of Credit		194,917.27
		$59,918,559.91
To the Shareholders:		
Capital Stock paid in		$ 3,000,000.00
Reserve Fund	$ 3,300,000.00	
Balance of Profits carried forward	232,421.80	
	3,532,421.80	
Dividend No. 115, payable 1st March, 1918	90,000.00	
Former Dividends unclaimed	699.00	
		3,623,120.80
		$66,541,680.71

ASSETS

Current Coin	$ 901,257.15
Dominion Government Notes	6,024,951.00
Deposit in Central Gold Reserves	2,500,000.00
Deposit with the Minister of Finance for the purposes of the Circulation Fund	157,000.00
Notes of other Banks	389,297.00
Cheques on other Banks	1,846,132.58
Balances due by other Banks in Canada	338,559.07
Balances due by Banks and Banking Correspondents elsewhere than in Canada	1,059,602.77
	$13,216,799.57
Dominion and Provincial Government Securities, not exceeding market value	3,295,775.32
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	7,541,280.23
Railway and other Bonds, Debentures and Stocks, not exceeding market value	674,841.02
Call and Short Loans (not exceeding thirty days) in Canada, on Bonds, Debentures and Stocks	3,457,456.12
Call and Short Loans (not exceeding thirty days) elsewhere than in Canada	1,400,000.00
	$ 29,616,152.26
Other Current Loans and Discounts in Canada (less rebate of interest)	33,134,198.55
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	575,198.00
Real Estate other than Bank Premises	407,628.84
Overdue Debts estimated loss provided for	175,542.30
Bank Premises, at not more than cost, less amounts written off	2,145,455.13
Other Assets not included in the foregoing	292,590.36
Liabilities of customers under Letters of Credit as per contra	194,917.27
	$66,541,680.71

JOHN S. HENDRIE,
President.

J. P. BELL,
General Manager.

AUDITOR'S REPORT

In accordance with the provisions of Sub-sections 19 and 20 of Section 56 of the Bank Act, we report to the Shareholders as follows:

We have examined the above Balance Sheet with the bonks and vouchers at Head Office, and with the certified returns from the Branches, and we have obtained all the information and explanations we have required, and in our opinion the transactions which have come under our notice have been within the powers of the Bank.

We have checked the cash and verified the securities of the Bank at the Chief Office and at several of the principal Branches during the fifteen months covered by this statement, as well as on February 28th, 1918, and have found that they agreed with the entries in the books of the Bank with regard thereto.

In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

Hamilton, 18th March, 1918.

C. S. SCOTT, } Chartered Accountants.
E. S. READ, } Auditors.

gradually swinging from the mortgage to the bond field, the following figures will be interesting: ;—

Percentage of Total Assets.

Company.	Year 1913. Mortgages.	Year 1913. Bonds.	Year 1915. Mortgages.	Year 1915. Bonds.	Year 1917. Mortgages.	Year 1917. Bonds.
A ..	36.58	25.81	36.97	25.10	32.69	32.40
B ..	35.52	26.95	32.61	28.60	27.09	38.45
C ..	80.39	5.20	76.77	4.98	65.38	14.18
D ..	72.57	1.51	52.29	1.73	44.16	12.10
E ..	70.74	2.09	60.77	7.83	53.40	19.45
F ..	66.49	10.39	52.19	21.04	37.76	37.19
G ..	81.25	3.98	67.28	16.20	44.06	40.39
H ..	49.18	21.83	42.21	25.97	33.97	43.41
I ..	55.58	21.93	54.54	23.32	45.21	32.91
J ..	34.22	31.10	29.46	35.00	25.65	55.47
K ..	9.33	57.92	12.50	52.21	8.95	57.80

From the standpoint of interest earnings, the companies are, I think, in an enviable position. The war has given them an unprecedented opportunity of purchasing at bargain prices gilt-edged, long-term bonds, and has, as it were, guaranteed them a high interest rate for many years to come in a way which they could not have secured from the short-term mortgage investment. When the pendulum swings again towards the mortgage field they will be ready to meet the situation, both from the sales of appreciated bonds, and also from their steadily growing income. The only conclusion we can draw, then, is that the war, so far as interest earnings, present and potential, are concerned, has placed the majority of life companies in an improved position, well able to maintain the liberal dividend apportionments from the interest earnings that they have been making during the past few years.

Expense Rates.

Expense to Income.

Company.	Year 1912.	Year 1913.	Year 1914.	Year 1915.	Year 1916.	Year 1917.
A	14.64	14.88	15.60	16.44	16.97	18.75
B	22.62	20.62	22.01	21.05	21.29	22.24
C	24.73	24.56	24.06	24.81	23.42	26.73
D	27.98	27.80	29.50	29.59	31.16	31.87
E	24.79	26.36	26.13	23.52	22.82	22.62
F	21.62	21.67	23.67	23.47	24.47	24.55
G	24.35	23.75	22.65	19.79	20.38	21.67
H	16.64	17.44	17.00	16.39	15.83	19.20
I	18.15	19.72	19.32	20.69	20.66	22.33
J	18.84	17.17	22.81	20.78	18.58	17.71

The expense rates here given show, in the main, a tendency to increase, though there is hardly enough swing to give any sure indication as to the rate at which the cost of business has been increasing. If the cost of business were constant and the same amount of business were written each year, then, of course, the expense rate, as found above, would decline, owing to the renewal premium income, with its lower cost, gradually assuming a greater proportion to the total income. Where, however, owing to the conditions of the times or to increased progressiveness, a company writes new business in such proportions that the ratio of business written to old business in force increases, then the expense rate given above, even though the cost of business remains uniform, will advance.

Hence this factor, the varying amounts of new business written, deserves especial attention in any consideration of the expense ratios of the Canadian companies for the past few years, as will be seen from the following table, where, it will be noted, that the war years have been very productive years for the insurance companies in respect to amounts of new assurances:—

Issued Business to Old Business.

Company.	Year 1912.	Year 1913.	Year 1914.	Year 1915.	Year 1916.	Year 1917.
A	12.38	11.68	9.84	10.40	12.75	13.85
B	21.34	19.02	16.93	15.06	15.51	19.90
C	24.18	25.30	17.03	20.47	22.96	25.76
D	23.39	27.46	23.36	15.15	23.84	28.87
E	33.76	28.74	25.15	22.60	21.41	22.79
F	22.74	21.60	19.15	18.09	21.46	23.76
G	24.24	17.52	15.46	15.35	16.29	18.50
H	15.66	18.50	16.62	14.56	15.46	18.35
I	16.48	17.11	14.78	16.75	18.12	21.00
J	18.90	18.72	15.89	15.97	16.62	16.99

From the "expense to income" ratio, therefore, it is impossible to judge to what extent the increase in the ratio is due to increased cost of writing business or to the greater proportions of new business written. If we take a period five years apart, however, and endeavor to give effect to the relative costs of procuring new business and in caring for the old business we can get a better indication of the way in which expenses have increased in the life insurance business. I have used figures from Stone and Cox tables.

Company.	Year 1911. Expense rate on New premiums.	Year 1911. Expense rate on Renewal premiums.	Year 1916. Expense rate on New premiums.	Year 1916. Expense rate on Renewal premiums.
A ...	$115.46	$11.55	$126.99	$12.70
B ...	112.23	11.22	127.17	12.72
C ...	132.95	13.29	134.39	13.44
D ...	147.35	14.74	159.64	15.96
E ...	119.11	11.91	111.26	11.13
F ...	112.30	11.23	134.46	13.45
G ...	121.08	12.11	124.53	12.45
H ...	104.79	10.48	102.33	10.23
I ...	124.91	12.49	135.11	13.51
J ...	100.94	10.09	135.51	13.55
K ...	101.92	10.19	102.31	10.23

From these figures it is clear that in the main, the cost of business for insurance companies has made a pronounced rise, and must have a marked adverse effect upon the ability of the companies to retain their present dividend scales

We have now glanced rapidly at the trend of the mortality, interest, and expense rates, the three main sources upon which the earnings of life companies are based. If we could also ascertain the ratio of surplus earned on ledger assets for the years under consideration we should have a more exact indication of how these three elements combined are influencing the earnings of the insurance companies. From the reports of the companies, however, it is impossible to obtain this ratio accurately, and we must be content with the rough deductions we can arrive at from the figures given above. A summary of these shows that one of the factors, the interest earnings, calls for no retrenchment in dividend payments, but that the other two factors, mortality and expense, would seem to demand either a considerable reduction in the scale of dividends that have been paid during the last few years, or an increase in the premium rates. These deductions are based, of course, on the supposition that the dividend scale has approximated somewhat to the earnings. Where, in the case of any company, a considerable margin has prevailed between the earnings and the dividend payments, it is quite possible that no retrenchment may be necessary. It is quite possible, too, that here and there some individual company has, by increased economy, offset the extra expense drain, or by a very stringent war clause has nullified the extra mortality caused by the war claims. Other points, too, enter into the problem, such as the decline in market values, the stringency of the reserve basis, the maintenance of an adequate contingency fund, and so forth. The object of this paper, however, is merely, by a casual consideration of the trend of the important ratios, to ascertain the nature of the extra strain being thrown on life insurance in general by the excrescences of the times.

VANCOUVER TAXES

The city council of Vancouver has struck a tax rate of 24 mills, or about the same as last year. In order to do this, the council has decided to resort to a tax on improvements, instead of assessing land values alone. Otherwise, a rate of over 30 mills would have been necessary. The rate is nominally 26.6 mills, but a discount of 10 per cent. is allowed for prompt payment.

Mr. George W. Goodall, Western Manager of The Monetary Times, will leave Winnipeg next Tuesday on his usual Western spring trip, calling at all the important towns and cities between Winnipeg and Vancouver. In view of the improved business conditions that are prevailing in Western Canada, Mr. Goodall's weekly letter will be an interesting feature during the next few weeks.

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Chartered Accountants
OFFICES AT
Edmonton, Alberta. Toronto, Ont.

CLARKSON, GORDON & DILWORTH
Chartered Accountants, Trustees, Receivers, Liquidators
Merchants Bank Building, 15 Wellington Street West, Toronto
E. R. C. Clarkson, G. T. Clarkson,
H. D. Lockhart Gordon, R. J. Dilworth.
Established 1864

Charles D. Corbould
Chartered Accountant and Auditor
ONTARIO AND MANITOBA
806 Sterling Bank Bldg. .... Winnipeg
Correspondents at Toronto, London, Eng., Vancouver

A. A. M. DALE
CHARTERED ACCOUNTANT
WEYBURN SASK.

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614 Herald Building, First Street West .... CALGARY, Alta.
705 London Building, Pender St. W. .... VANCOUVER, B.C.
705 Electric Railway Chambers, Notre Dame Avenue WINNIPEG, Man.
201 Royal Trust Building, St. James Street .... MONTREAL, Que.
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INCREASED ACREAGE IN THE WEST

Figures for acreage for this year's crop, given out by the United Farmers of Alberta, show a 50 per cent. increase in fall ploughing for Alberta, a total acreage of 3,000,000 in wheat alone for this province, and a total acreage of 6,000,000 in Saskatchewan prior to beginning of spring farm work.

There is an increase in new breaking for this year's crop in Alberta of 250,000 acres.

The Saskatchewan summer fallow totals 3,750,000 acres, or a million acres greater than the highest of any year previous.

THIRD LIBERTY LOAN SUBSCRIPTIONS

On April 11th Liberty Loan subscriptions reached the $400,000,000 mark, according to conservative estimates compiled at Washington from official treasury department figures.

Eight of the eighteen Federal Reserve districts had reported subscriptions of $212,005,250 up to the close of business on April 9th.

The first Liberty Loan, in April, 1917, was for $2,000,000,000. It was over-subscribed by $1,035,226,850, or very nearly 52 per cent. More than 3,960,000 men and women, or 99 per cent. of the total number of subscribers, subscribed for amounts ranging from $50 to $10,000. Only twenty-one subscriptions were received for $5,000,000 or over.

The second Liberty Loan campaign came in September, 1917, when $3,000,000,000 was offered, and resulted in an over-subscription of approximately 54 per cent. In other words, the over-subscription to the $3,000,000,000 issue was $1,617,532,300.

Taking advantage of the right provided by law to allot one-half of the over-subscription, the treasury department made the total issue of the second Liberty Loan $3,808,766,150.

The number of subscribers more than doubled, there being 9,400,000, in comparison with the 4,000,000 of the first Liberty bond issue

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Sherbrooke, Que.—Messrs. A. E. Ames and Company, of Toronto, have been awarded a block of $150,000 6 per cent. 5-year coupon gold bonds.

Quebec, Que.—The minister of finance has authorized the bond issue of the city for a sum of $479,000. The bonds will be issued at five-year terms, bearing 6 per cent. interest.

Saskatoon, Sask.—A block of $100,263 5 per cent. bonds, dated January 1st, 1914, and due January 1st, 1944, have been awarded to Messrs. W. A. Mackenzie and Company, of Toronto.

Bradford, Ont.—Messrs. W. L. McKinnon and Company, of Toronto, have purchased a block of $15,600 6 per cent. bonds payable in 30 annual instalments. The proceeds will be used for hydro-electric purposes. These bonds have been guaranteed by the county of Simcoe.

Edmonton, Alta.—Sealed tenders will be received by the debenture branch of the department of education up to Thursday, April 25th, 1918, on five blocks of school district debentures amounting to $19,480. Separate tenders are to be made on each block. The following are the blocks: Block No. 1, Rurals, 10-years, 7 per cent., Ardmore School District, No. 3463, $500; Leader School District, No. 3494, $1,200; Mossy Bank School District, No. 3538, $1,500; Centennial School District, No. 3502, $1,800—$5,000. Block No. 2, Rurals, 10-years, 7 per cent., Bonny Doone School District, No. 3477, $2,000; Meiklejohn School District, No. 3544, $1,800; Hilliard School District, No. 3546, $1,800—$5,600. Block No. 3. Village District for assessment purposes, 10-years, 7 per cent., Evanston School District, No. 2902, $3,000—$3,000. Block No. 4, Rural, 7-years, 7 per cent., Federal School District No. 3566, $2,000—$2,000. Block No. 5, Rurals, 10-years, 7 per cent., Naples School District, No. 2852, $1,000; Metagama School District, No. 3458, $1,000; Flagstaff School District, No. 3505, $1,880—$3,880; total, $19,480.

SAVING THE FORESTS OF ONTARIO FROM FIRE

Great strides towards effective forest fire protection were made in Ontario last year under the provincial forestry branch, according to "Conservation," notwithstanding that the transfer of authority over this work was not made until a relatively late date. About 1,100 men were engaged in this important work, including fire rangers, inspectors and head office supervision. The organization is to be further extended during the coming season, and the supervision will be stricter. Increasingly efficient results may be expected from year to year, as the men become better trained and incompetents are weeded out.

A total of 1,110 fires were reported, of which 68 per cent. occurred before July 1. Of the fires attributable to railways, 60 per cent. occurred along the National Transcontinental. Settlers clearing land were charged with 91 fires, and neglected camp fires with 154.

The total area burned over was 384,164 acres, of which 19 per cent. was timber land, 39 per cent. cut over land, 20 per cent. young forest growth, and 21 per cent. barren. The total amount of timber damaged was estimated at about 15 million feet, in addition to 91,246 cords, mostly pulpwood, and 781,685 ties.

Material progress has been made in the construction of permanent improvements, such as lookout towers, trails, telephones and portages. A beginning has also been made in securing the disposal of logging slash where this constitutes a danger to life and personal property, as is frequently the case in the clay belt. Some 3,500 permits were issued for the burning of settlers'-clearing slashes. This means a very great reduction in the danger of fire escaping and causing damage, to say nothing of loss of life.

Ontario has now definitely taken its place alongside the other governmental agencies throughout Canada that are adopting up-to-date methods of organization and policy for the reduction of the enormous forest fire losses which have proved so costly in the past.

SEEDING IN THE WEST

(Western correspondence.)

Winnipeg, April 15th.

Seeding is now well advanced in all parts of the west, the season being easily two weeks in advance of last year. There is a great demand for farm tractors, the supply in most cases not being equal to the demand. One implement dealer, in discussing the situation with *The Monetary Times* last week, said they were getting practically all cash from the farmers on tractors and other implements this spring. The western farmer in these days is a very prosperous member of the community. He is driving the latest model automobile, and in many cases carries large balances in the bank.

The influx into the west of United States settlers with money still continues. The Canadian Pacific Railway land department in Calgary records the applications for land in Alberta to be in excess of 6,000,000 acres over the previous year. In fact, the offices in Calgary these days resemble boom days. They are bringing money and equipment with them, and are a distinctly desirable class of settlers.

The supply of labor for getting in the crop, while not acute, is serious in many parts of the west. Boys from the cities have gone out in large numbers in response to the "Sons of the Soil" S.O.S. call, organized by the government, and from reports have been a great help, and relieved the situation to some extent. Wages are exceptionally high, single men getting as high as $900 and board for one year and married couples $1,200.

BRITAIN'S OVERSEAS TRADE INCREASES

The monthly statement of the British Board of Trade giving the imports and exports for Great Britain for February, shows increases of £28,105,000 in imports and £2,803,000 in exports, as compared with February, 1917.

The following table shows the trade of the United Kingdom in February, 1918, compared with the same month last year:—

	1918.	1917.
Imports	£99,053,000	£70,947,901
Exports	40,090,000	37,287,486
Excess of imports	£59,954,000	£33,660,415

Comparative figures are given in the following table of the United Kingdom's trade by months for 1916, 1917 and 1918:—

Imports.

January	£ 74,935,741	£ 90,552,967	£ 90,058,714
February	67,335,579	70,947,901	99,053,000
Total for two months.	£142,271,320	£161,540,868	£198,111,714
March	86,115,869	81,114,045	....
April	75,716,294	84,585,218	....
May	83,792,730	87,620,456	....
June	86,927,680	86,068,342	....
July	76,732,443	90,182,430	....
August	76,091,439	100,567,416	....
September	77,440,183	86,299,668	....
October	81,159,873	94,260,963	....
November	88,934,806	109,789,023	....
December	75,381,306	84,796,512	....
Total for year	£948,506,492	£1,065,256,407	....

Exports.

January	£ 36,757,167	£ 46,860,542	£ 41,665,935
February	36,335,782	37,287,486	39,099,000
Total for two months.	£ 73,092,949	£ 84,148,028	£ 80,764,935
March	37,598,119	44,111,131	....
April	36,817,839	35,799,466	....
May	47,024,411	43,437,256	....
June	47,274,563	43,651,663	....
July	46,323,057	49,833,635	....
August	47,720,323	49,803,715	....
September	43,477,677	43,244,194	....
October	44,715,248	50,757,054	....
November	42,488,254	43,382,335	....
December	39,928,460	37,140,514	....
Total for year	£506,279,707	£525,308,991	....

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OUR WATER POWERS AND FUEL SITUATION

Their Relation—Heat, Light and Power Needs—Industrial Development Depends Upon Fuel Power

"It is axiomatic that Canada's heat, light and power needs must be considered as one great national problem, and also that the domestic and industrial development depends primarily on the co-ordinated use of all the fuel-power resources of the Dominion." This statement was made by Mr. J. B. B. Challies, M.Can.Soc.C.E., at the first general professional meeting of the Canadian Society of Civil Engineers at Toronto, on March 26 and 27, 1918

"Development along independent and divergent lines," he said, "has, in the past, prevented adequate correlation of the great Canadian industries of fuel production and hydropower supply. There is now, however, as a result of the fuel shortage, developed a consensus of opinion among men familiar with fuel and hydro-power matters in Canada, that there is between these allied industries, enormous scope for national co-operation which would be conducive to their mutual advantage, as well as to the common weal.

Location of Water Powers.

"When considered in retrospect, the production of hydropower in Canada has undoubtedly been an industrial achievement and an engineering triumph worthy our nation. In the short space of about 25 years, there has been developed and put in use, nearly 1,800,000 water horse-power. The present per capita power development in Canada is larger than all other countries except Norway. It is the same with respect to our known undeveloped water power. No country enjoys to a greater degree the benefits of cheap, dependable hydropower, and no country has had these benefits more universally applied for municipal, industrial and domestic use. That Canada is recognized as one of the great water power countries in the world is due largely to:—

"1. The nature and extent of our water resources—abundance and seasonable distribution of rainfall; the regimen of our rivers—upper waters well forested with large lakes, suitable for regulation—rivers flowing through valleys with well concentrated falls.

"2. The fortunate location of the waterfalls with respect to existing commercial centres, and related raw materials.

"3. The consistent endeavors of governments, Dominion and provincial, in having water powers thoroughly investigated and intelligently administered.

"4. The business acumen and foresight of the capitalist, and the professional skill and courage of the engineer, in blazing the trail of pioneer water power development and use.

"5. The almost universal adaptation of electric energy for municipal, industrial and domestic purposes.

Development of Water Powers.

"In general, the use of water power in Canada may be briefly described as follows:—

"(a) For municipal, including domestic and ordinary industrial purposes, about 78 per cent. of total developed, or 1,348,490 horse-power. So far as these uses are concerned, further requirements will probably be met for some years by additional installations at, and increased storage for, existing plants. In certain centres, however, as for instance the Niagara power zones, growing requirements can only be met by new water power developments.

"(b) Pulp and paper, about 14 per cent. of total developed, or 248,075 horse-power. Further pulp and paper plant requirements can probably be met for some time by additional installations to present plants, although the tremendous growth of this industry will necessitate the development of new water powers in different parts of the Dominion. There are now 54 pulp and paper plants scattered throughout Canada and several new plants have been under serious contemplation, some of which would be in use now had it not been for the difficulty of financing due to war conditions. On account of the isolated nature of the industry—away from commercial centres—power requirements for pulp and paper need not conflict with other demands upon hydro-power.

Electro-Chemistry.

"(c) Electro-chemical and similar processes, about 8 per cent. of total developed, or 140,000 horse-power. While the United States have achieved almost a world supremacy in electro-chemistry, this industry in Canada is of very recent growth. It has, however, expanded at an enormous rate, entailing recent extensive additional installation in present plants, and requiring in the near future the development of additional water power sites. Our propinquity to the United States, and our abundance of essential raw material will compel the migration to the Dominion of many new electrochemical plants of importance and value.

"The products of the electro-chemical industry are extremely diversified. They include aluminum, silicon, calcium-carbide, cyanamid, ferro-alloys, graphite, carborundum, chlorine, etc., many of which are indispensable in the arts and in manufacture. Without aluminum the modern high-speed scout airplane would not exist; without electro-chemical abrasives and ferro-alloys manufacturing processes would be lengthened many-fold. Our industrial supremacy in times of peace is dependent upon these products to a very considerable extent.

"One of the most important electro-chemical processes is the fixation of nitrogen. About 30,000 horse-power is used for this purpose at Niagara by the American Cyanamid Company, and while other plants of this kind have so far not been put into operation commercially in this country, they have been seriously contemplated, and await only a sufficient source of low-price power for realization. The electro-metallurgical industry is in its infancy, but promises great expansion, especially in the production of nicu-steel in Canada. Few people appreciate the rapid growth during the last two years in the use of electric furnaces for the production of the highest grades of steel. By proper foresight the demand for hydropower for these industries need not conflict with other demands, as, for instance, municipal, domestic and ordinary industrial uses. Total developed power, about 1,735,598 horsepower.

Hydro-Electric Power.

"In considering the future of water-power development in Canada, it is important to note that it means the use of a non-expendible resource, and in many cases represents the substitution of an inexhaustible resource for an exhaustible one. For this reason, the use of hydro-electric energy should be encouraged in every reasonable way.

"Further development of water power in Canada will, undoubtedly, be extensive, and must depend very largely on: (1) Additional requirements for municipal, industrial and domestic use; (2) growth of pulp and paper industry; (3) new electro-chemical and electro-metallurgical processes; (4) electrification of steam roads, especially terminals and adjacent engine divisions; (5) substitution of hydro-electric power for fuel power in manufacturing and industry.

"In the rapid development within a short space of time of our water powers to the extent of nearly 1,800,000 horsepower, it is natural to expect that there has been some misconception in design, in construction, in conservation of opportunity, in overlapping of service, and even in governmental administration, although as to the latter it is an axiom in British jurisprudence that 'the King can do no wrong.' If we were starting *de novo* to develop our water powers, with our present knowledge of what is essential in government investigation and administration, of what is really basic in conservation of resource, of the present practice of the art of hydraulic and electric engineering, and last, but by no means least, of what is the most important or prior market demand, from a national standpoint, from particular power sites, whether general municipal requirements should precede electro-chemical and allied industrial requirements, we would, for instance, most assuredly produce a very different power situation at Niagara. At the same time, this most important and world-famous source of our electric energy has well served us. Generally speaking, our water powers have undoubtedly proven to be one of Canada's most valuable assets.

"Looking to the future in power development, if Canada is to reap full benefit from her heritage in white coal, there must be a constructive liaison between (a) the various Dominion and provincial government administrative departments concerned in water power matters; (b) the producing corporation or commission; and (c) between the consuming public. Concurrently with such a liaison there must also be an adequate co-ordination of the development and use of water power with that of all other power-producing agencies.

Necessity for Development.

"Anyone who has listened attentively to the very able presentation of the various elements in the fuel situation during the last two days, must realize that there is a prodigious field for such co-ordination in the development and use of our varied power and heat-producing resources which will combine the effective use of all, along lines for which each is best adapted, and which will, by avoiding duplication or misdirec-

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"The necessity for the correlated development and use of all our fuel-power resources has surely passed the agitational or educational stage. The many urgent reasons for such correlated use are stressed a hundred-fold by the coal shortage experience of last winter.

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LAW OF BROKER AND CUSTOMER

Customer's Stock May Be Released on the Payment of Own Liability

BY M. L. HAYWARD, B.C.L.

In the case of Conmee vs. The Securities Holding Company, it will be remembered, the broker sued the customer for the balance due on certain stock over and above the margin, and the Supreme Court of Canada held that the broker could not collect from the customer on the ground that the broker had pledged the customer's shares, with others, for a greater sum than the customer owed the broker, without any agreement with the pledgee whereby the customer's stock could be released on the payment of his own liability, and that there never was a time when the broker could appropriate to the customer his shares which had been pledged on payment to the broker of the customer's liability.

The case of Clarke vs. Baillie decided by the Supreme Court of Canada in 1911, is another case along somewhat similar lines. In this case the customer gave a Toronto broker orders to purchase certain New York stocks on margin, and the broker pledged this stock, together with other stock, in which the customer had no interest, for a bulk sum exceeding the customer's indebtedness.

In the latter case, however, the brokers sued the customer for the balance due on the stock; but in the Clarke case, the customer, after the stock had been pledged by the broker, applied to the broker for the stock, tendered the balance due, and the broker delivered to the customer the certificates for the stock which she had ordered. Then, after the transaction had been closed up in this way, the customer learned of the manner in which the broker had dealt with the stock and sued the broker for damages.

Pledge Customer's Stock.

In this case the court recognized the principle that the broker has the right to pledge a customer's stock bought on margin so long as he does not pledge it for an amount in excess of what was due by the customer in connection with the purchase of the stock, and it was proven that when the customer asked for delivery of the stocks and tendered the balance the certificates were handed over to her without any delay.

In view of these facts, and as the broker made no profit on the pledge, and the customer suffered no loss thereby, and the broker delivered to the customer the shares ordered, the court held that the customer could not recover damages for the action of the broker in pledging the stocks, while laying down very clearly that the right of a broker carrying stock on margin to pledge the stock for his own purposes is limited to the extent of his advances

"There can be no doubt," said the Chief Justice, "as both parties admitted, that the broker had the right to hypothecate the stock for his customer so long as he did not pledge it for an amount in excess of what was due him by the customer in connection with the purchase."

Exceeded Authority.

Judge Idington also pointed out that after the broker exceeded his authority in pledging his stock, "it is idle to speak of the other securities being ample or the personal credit of the broker in New York being ample, so long as the charge exceeds the value of the stock presumed to have been bought."

The decision of the court went upon the ground, however, that the broker made no profit and the client suffered no loss and the stock was delivered to the customer on demand.

On this point Judge Davies says: "On the ground, therefore, that although the brokers were not, under the terms of their contract as I construe it, justified in pledging the shares in the manner they did, yet, as they delivered the shares to the client immediately she demanded them and that she did not suffer any damage whatever from the alleged impropriety, I think that this action cannot be sustained."

Must Not Exceed Advances.

Summing up this case and the Conmee case, it will be seen that they lay down the following rules:—

1. A broker carrying stock on margin for a customer has the right to pledge the stock for his own purposes.
2. The broker has no right to pledge the stock for an amount greater than the amount of his advances, unless he can redeem the customer's stock on payment of the amount of the customer's liability.
3. If the broker pledges the stock for an amount exceeding the amount of his advances, and is not at any time in a position to deliver to the customer the shares pledged on payment of the amount which the customer owes, the broker cannot collect the balance from the customer.
4. If the broker does pledge the stock for an amount greater than his advances, but delivers to the customer on demand the number of shares carried for the customer which the customer accepts, then the customer cannot recover from the broker damages for the unauthorized dealing with the stock.
5. A memo on the broker's statement that "when carrying stocks for customers we reserve the right of pledging the same or raising money upon them in any way most convenient to us," does not justify the broker in pledging the stock for a sum greater than is due from the customer to him.

FORD TRACTORS ARRIVE IN TORONTO

Twenty-seven Ford tractors, ordered by Ontario farmers through the Ontario department of agriculture, have arrived at reshipping points. Nine tractors reached Toronto last week. These will be forwarded at once to Georgetown, Clarkson, Mono Road, Stouffville, Caledon East, Agincourt, Cheltenham and Newcastle. More are on the way.

Altogether, the Ontario department has sold to farmers practically one hundred tractors, delivery of which will be made within a few weeks.

MUST INCREASE FLAX PRODUCTION

There is at the present time an almost imperative demand for an increased production of flax. The reason is that flax fibre is used in the construction of airplane wings, and the fact that the withdrawal from the war of Russia has practically cut off Great Britain's chief supply of that product.

It is urgently necessary that the supply be maintained, and Great Britain is looking to Canada to assist in that respect.

B. Turnbull, of the Flax Control Board of the Imperial War Office, in a letter to the department at Ottawa, referring to the situation caused by Russia's defection, says that "it is a matter of the utmost urgent national importance that as large an area as possible in Canada should immediately be put under cultivation of fibre-producing flax," and urges the most vigorous action on the part of the authorities to encourage every effort to meet the demand.

Ontario has responded, and will plant an extra 8,000 acres this year. This province has already developed a flax business which is worth $2,000,000 a year, and last year supplied the Irish flax mills, which are threatened with grave curtailment owing to the shortage, with 30,000 bushels.

The soil and climate of British Columbia, especially the Fraser valley, are said to be particularly well adapted for the raising of this product, and if the farmers of that province hurry they may yet be able to have a share this year in this great Imperial project.

The crop is said to be a profitable one. One and a quarter bushels of flax will plant an acre of ground, and a market is assured. The question of increased production is one of labor largely, but it is suggested that in British Columbia the women who will be employed as berry-pickers might be continued in the flax fields, the crop following the berries closely.

BRITISH COLUMBIA TIMBER

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FIRES AND THEIR CAUSES

Cause of Fire Should Be Traced—Analysis of Conditions Leading Up to Fires

BY HENRY LYE.

During the past twelve month Canada has had a series of heavy fire losses in connection with which there has been no ground for suspicion of moral hazard or of any evil intent on the part of the owners of the properties destroyed; in fact, many of the owners have suffered financially directly, as well as indirectly.

There have been so many of these fires and they have been so serious in the values destroyed, as to create a sort of nervousness on the part of the public as well as the insurance companies on the principle that 'what has been may be."

Very few persons realize the ramifications of interests detrimentally involved in these fires, the unravelling of which would startle the minds of the people and possibly lead to more efficient means of prevention of such disasters in future, but indifference and want of feeling and thought are contented by the reading of the accounts of fires with the comment of fully or partially insured, not knowing or caring as to the personal sufferings of those indirectly affected.

Example Better than Precept.

We have been told that "example is better than precept," and are faced with the fact that no prophet's warning ever prevented the perpetration of the evil denounced, except in the case of Jonah, who was himself vexed by the success of his preaching in the reformation of the Minevites; no experiences have led to action; even Lord Roberts was denounced and ridiculed by the wiseacres then in power and in the newspapers then published. So history, ancient or modern, offers no encouragement to those who have had experience and have observed the events of the past.

It is true that we have commissions of conservation, but we know that they have not known how to conserve, and, consequently, have entailed expense to no profit.

The only efficient conservation has been on the part of the credit men's associations, which have done immense service to the country by investigation of the personal characters, habits, systems and reliability of retailers and have prevented the accumulation of unsaleable goods, whilst insisting on the keeping of proper accounts.

Sale Prices of Commodities.

The continued increases in the sale prices of commodities have led to some care as to the safety of goods which could not be replaced at the cost of those on hand, and the increased prices of materials and labor, of furniture and furnishings have promoted some care in preservation of buildings and contents.

The unusual severity of the weather in the scarcely yet past winter has in some cases nullified precautions, but the great fires to which we first alluded, have not been explained or justified,,so far as can be judged by the published reports, we can reasonably infer that most of them have been caused by simple carelessness, whilst their individual extent has generally been owing to overcrowding and ill-arrangement, sometimes arising from urgencies of production, delays in delivery and, in some cases, by the overgrowth of business for which the buildings were neither designed nor properly adapted.

Carelessness of Those in Charge.

As to carelessness on the part of those in charge, we have had notable instances: In one case, where the different departments were isolated, the watchmen found it troublesome to open and again close the fireproof doors during their several rounds, and so from mere laziness left them open until their morning watch; in another case, the watchmen cleaned up every floor carefully, dumping the refuse into the local conveyors into the vault from which it was to be carried into the furnace. They left open the doors of the chutes and left a trail of inflammables from the furnace to the vault, and went to the supper provided for them in the upper story, intending to dust and clean up after supper; meanwhile, a spark fell from the fire in the furnace, and half a million dollars in value was damaged or destroyed without any evil intent on the part of any one.

It cannot be too greatly impressed upon the minds of the inspectors of the fire insurance companies that fire seldom occurs from causes plainly seen or ordinary. Consequently, they should have more than ordinary care in making investigations into possibilities as well as of probabilities, insisting on special precautions under extraordinary circumstances, as it is unusual for fires to originate on the front door steps. Adjusters and fire wardens are not justified in reporting "causes unknown"; it should be part of their duty to the people of the Dominion to ascertain the cause of fires in all cases.

YEAR'S POSTAGE REVENUE

An expenditure of $23,174,601 for postage stamps during the fiscal year ended March 31st, 1917, is recorded in the annual report of the post-office department. This expenditure is more than three times as large as that of the similar period in 1906-07, and $1,719,424 greater than the year 1915-16. On March 31st, 1907, the issue of postage stamps was valued at $7,576,748. When compared with figures of the last fiscal year the increase in ten years amounts to $15,597,583.

DEMERARA ELECTRIC COMPANY'S EARNINGS

The following are the earnings of the Demerara Electric Company, Limited, Halifax, for February, 1918:—

	Gross.	Net.
Railroad	$5,486.77	$ 205.61 (loss)
Light and power	7,771.11	4,019.23
Miscellaneous	......	114.06
		$3,987.68

GOOD BUSINESS IN SOUTHERN ALBERTA

According to the annual report of the Lethbridge board of trade, out of $1,200,000 worth of business transacted by one of the leading implement concerns of that city in 1917, 92.7 per cent. of it, to the extent of approximately $1,100,000, was done in cash. In 1916, 82 per cent. of the business done by this branch, to the value of somewhat less than one million dollars, was for cash. In 1917 figures, therefore, not only show a substantial increase in the volume of cash business done, but also a larger amount of cash business. The prospects for 1918 are considered to be even better than they were in 1917.

ONTARIO'S FARM CONDITIONS

Horses are more in request, but buyers are careful to buy only those of good quality. Cattle generally are thin, but healthy, and are somewhat less in number than formerly. At a sale in Durham county recently purebreds sold at from $240 to $360, and twelve grades averaged $124, including day-old calves. At the same time calves are being vealed at from four to five weeks old, bringing from $15 to $18.

The demand for milk and dairy products continues strong. Dundas county shippers and Montreal wholesale men have agreed on 30 cents a gallon for milk all summer, with a raise to 32 cents in September, which is considerably higher than last year's prices. With the scarcity and high prices of feeds, it is likely that milch cows will go on the grass somewhat thinner than usual.

Hogs are high in value, prices running from $20 to $20.75 a hundredweight. Owing to the scarcity of feed, some are being turned off as soon as drovers will take them. Young pigs are very hard to procure, as owners seem to want to do the finishing.

Sheep are on the increase, and the demand has caused prices to advance considerably. The marketing of field crops goes slowly on. Hay is plentiful, and brings from $12 to $14 a ton. Barley, oats and rye command high figures. Four carloads of turnips were purchased by a Michigan firm last week for seed purposes at 22 cents a bushel, but where sold locally for feeding, prices of these roots have been 7 cents to 8 cents a bushel Ensilage is running lower in the silos than for many years at this date; in fact, corn generally is hard to procure.

Farm labor of good quality is scarce, and many boys and inexperienced men will have to be used. Business men of Kenora are being organized for assisting in seeding and harvest.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent. extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

OFFICE AND CREDIT MANAGER, at present and for last ten years employed by one firm in Western Canada, and who formerly was manager of a small branch Bank, for family reasons desires position in Ontario or in Montreal; $2,500 initial salary required. Is married man. Address replies to Box 167, *The Monetary Times*, Toronto.

INTERNATIONAL LOAN COMPANY, LIMITED

The fifth annual meeting of the International Loan Company, Limited, was held March 11, at the head office, 706 Confederation Life Building, Winnipeg. It was gratifying to the president and the shareholders present to be presented with a report which can only be regarded as the most satisfactory in the company's history. As showing the steady development of the company during the past few years, the following comparative figures are of interest:—

	1915.	1916.	1917.
Total assets	$179,308	$205,788	$239,435
Contracts receivable	158,649	187,845	210,220
Interest accrued	10,318	14,488	13,980
Cash in bank	5,237	2,698	1,573
Capital paid-up	151,242	175,372	210,595

In seconding the motion in favor of the adoption of the report, Mr. B. McKenzie Gunn, the vice-president, called the attention of those present to the fact, that while the number of shareholders had increased 38 per cent. and the paid-up capital 20 per cent., the general operating expenses in connection with the year's business was just about the same as in the previous year, which was striking evidence of the efficient management of the company. This was a well deserved compliment.

During the year twenty-four new loans were placed upon the books of the company, the majority of these being farm loans. One hundred and ninety-one new shareholders were added during the year. The number of shareholders now stands at 697, a large percentage of which are farmers in the province of Manitoba.

The company has just moved into new offices in the Curry Building and is apparently making satisfactory progress.

Mr. J. W. Mackenzie, manager for Canada of the Preferred Accident Insurance Company, of New York, returned to Toronto from Montreal this week, after completing organization arrangements for that city.

DIVIDENDS AND NOTICES

DETROIT RIVER TUNNEL CO.

Detroit, Mich., April 2, 1918.

Notice is hereby given that the Annual Meeting of the Stockholders of the Detroit River Tunnel Company, for the election of Directors and the transaction of such other business as may be brought before the meeting, will be held at the Head Office of the company, in the City of Detroit, Michigan, on the First Thursday after the First Wednesday (being the 2nd day of May) of May, 1918, at 10 o'clock a.m., Standard Eastern Time.

DWIGHT W. PARDEE,
Secretary.

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of **Two and one-half** per cent. for the current quarter, being at the rate of **Ten** per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and at its Branches, on and after the 1st day of May next to Shareholders of record at the close of business on the 15th day of April.

By order of the Board.
D. C MACAROW,
General Manager.

Montreal, 26th March, 1918.

CANADA CEMENT COMPANY, LIMITED

PREFERENCE DIVIDEND

DIVIDEND No. 33.

Notice is hereby given that a dividend of 1¾% for the three months ending March 31st, 1918, being at the rate of 7% per annum on the paid-up Preference Stock of this Company, has been declared, and that the same will be paid on the 16th day of May next, to Preference Shareholders of record at the close of business, April 30th, 1918.

H. L. DOBLE,
Secretary.

Montreal, April 16th, 1918.

NEW VICTORIA BOND ISSUE

Local and Montreal bond houses are offering a new issue of 6 per cent. ten-year bonds of the city of Victoria, B.C., at 92.89 and interest, a price which offers a return of 7 per cent. to the investor. The bonds are dated April 1st, 1918, and mature April 1st, 1929, and are in denominations of $1,000. Victoria's finances are in good shape, and the city has had a good record in the money market.

VICTORY LOAN BONDS

The Canadian Bank of Commerce, in its monthly commercial letter, says that Canadian citizens are under the impression that having bought and paid for Victory bonds it is not unpatriotic to dispose of them, and they have been encouraged in so doing by offers made by manufacturers and tradesmen to take them in payment for goods. Generally speaking, bonds taken in trade are at once offered for sale and tend to depress the price and thus create a condition that will adversely affect the sale of future issues. As soon as a Victory bond goes on the market the seller practically shifts his loan to the government on to the shoulders of some one else. The only way to help the government by the use of savings is to invest in these bonds and to hold them.

MONTREAL STOCK EXCHANGE

The Advantages of buying "Listed" Securities

THERE are many advantages to the investor in buying Securities that are listed on the Stock Exchange.

First: Careful and minute investigation is made into the affairs of a Company. Then certain regulations are made which assure the public of securing an equality of information on the issue of financial statements, dividend notices, and other matters of interest.

Prices on listed securities are established, not by a group of dealers, but by the public at large.

Then there is the advantage of obtaining a daily record of all transactions. Quotations are published in most Newspapers, or can be secured almost instantly by telephone or telegraph no matter where you live.

Any member of the Montreal Stock Exchange can buy or sell for you any Listed or Unlisted Securities, which have a market anywhere in the world.

Write to-day for valuable booklet on investing to the Secretary, Montreal Stock Exchange, Room 431 Stock Exchange Building, Montreal.

Montreal Stock Exchange

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Belleville, Ont.—April 11—Barn belonging to Geo. W. Burgess was destroyed. Caused by horse kicking over lighted lamp.

Burlington, Ont.—April 10—Barn of O. B. Koenig, Brant Street, was destroyed. Estimated loss, $300.

Ethelbert, Man.—April 9—Whole town was destroyed.

Galt, Ont.—April 14—Western Hotel and stables, with four horses and forty-one chickens were destroyed.

Kingsville, Ont.—April 10—Trapped in burning house. One death.

Kitchener, Ont.—April 10—The Lion Brewery was damaged. Estimated loss, $1,000.

London, Ont.—April 10—Western Fair grounds were damaged. Estimated loss, $5,000.

Parry Sound, Ont.—April 11—Old Mosley residence was damaged.

Peterboro, Ont.—April 10—Barn and outbuildings of W. R. Shields' farm was destroyed.

Oromocto, N.B.—April 10—Dwelling of Harry Finnemox was destroyed. Caused by defective chimney.

Sperling, Man.—April 8—Shingle mill of Salmon River Lumber Company was destroyed.

St. David's, Ont.—April 5—Henry Place, owned by Mrs. Homer Dixon, of Niagara Falls, was destroyed. Estimated loss, $5,000.

Strathroy, Ont.—April 12—The Keyser Corner cheese factory was damaged. Estimated loss, $5,000.

Sydney, N.S.—April 10—Store of A. N. McDonald, Rockdale Avenue, was destroyed. Estimated loss, $10,000.

Toronto, Ont.—April 11—Rankin Mill, Dundas Street and Sheridan Avenue, was damaged. Estimated loss, $1,200. Stair Building on Bay Street was damaged. Estimated loss, $500.

April 15—Plant and buildings of the Harris Abattoir on St. Clair Avenue, west of Keele Street, was destroyed. Estimated damage to buildings, $250,000; to stock, $750,000.

Vermilion, Alta.—April 11—Large block of business buildings were destroyed. Cause by explosion in garage. Estimated loss, $500,000. The following are the most important blocks which were destroyed: The town hall, post office, Royal Bank of Canada branch, two hardware stores and Stevens' merchandise store.

Vittoria, Ont.—April 7—Barn of J. E. Butler and Son was destroyed.

Warkworth, Ont.—April 14—W. J. Brown's sawmill was destroyed.

West Oxford, Ont.—April 10—Barn of Mr. W. Robinson and forty head of cattle were destroyed. Estimated loss, $8,000.

Winnipeg, Man.—April 7—The Arris block on Pacific Avenue and Sherbrook Street was damaged. Estimated loss, $12,000. Garage owned by A. E. Woods and P. A. Davidson and twenty-seven cars were destroyed. Estimated loss, $60,000.

Yennadon, N.S.—April 7—Home of Mrs. Alex. Hill was destroyed. Estimated loss, $1,500.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Leaside, Ont.—March 7—The Royal Flying Corps officers' mess room was destroyed. Estimated loss, $5,000.

Montreal, Que.—February 14—Convent and soldiers' convalescent home owned and occupied by the Grey Nuns was damaged. Estimated damage to contents, $18,432; to buildings, $126,943. A total insurance of $219,000 was carried and $92,100 is being paid by the companies. The following are the details, giving the insurance carried and the amount paid, respectively: Royal, $50,000, $19,568; Queen, $25,000, $9,784; Liverpool and London and Globe, $25,000, $9,784; Phœnix of London, $35,000, $13,926; Guardian, $20,000, $8,010; Fidelity-Phenix, $10,000, $4,005; North America, $25,-

It's a Hard Rub

For a woman to unexpectedly find it necessary to become a breadwinner. You wouldn't like your wife to come to that, would you?

But what about your widow? Why not provide for her a regular monthly income to begin at your death and continue as long as she lives? You can do it by means of an Imperial Life policy.

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO

000, $10,012; Scottish Union, $20,000, $8,010; Mutuette de Charité, $9,000, $9,000.

Vancouver, B.C.—Fire Chief Carlisle submits the following report for the month of March to *The Monetary Times*:—

The estimated total damage resulting from fires was $5,365, of which $4,315 was covered by insurance, leaving the property loss above insurance at $1,050. The total value of the property involved was $363,675.

The following shows the cause of fires, alarms, etc., for the month: Backfire (carburetter), 1; candle left lighted on table, 1; carelessness with cigarettes, 1; chimney fires, 10; electrical origin, 3; false alarms, 7; films, in box, placed on match head on floor, 1; firewood left on top of furnace to dry, 1; flying sparks, 3; gasoline tank (on stove) leaking, 1; gasoline (carelessness with), 2; hot ashes placed in a wooden receptacle, 1; incendiary origin, 1; paper, rubbish, etc., around furnace catching fire, 2; smoke scares, 1; stove placed too near to wall, 1.

Toronto, Ont.—March 31—The main glass factory of the Jefferson Glass Company, Limited, was damaged. Damage to building, $25,000; to contents, $30,000. A total insurance of $187,400 was carried and is divided among the following companies:—

Sun, $10,250; British Crown, $5,000; Quebec, $10,000; Union of Canton, $5,000; Pacific Coast, $1,500; Fidelity-Phenix, $10,000; Continental, $5,000; Glens Falls, $2,500; Great American, $5,500; Springfield, $5,000; Niagara, $5,000; New York Underwriters, $2,750; Insurance Company of North America, $5,000; Atlas, $9,000; North Empire, $4,000; Firemen's Fund, $4,900; Norwich Union, $2,500; London Guarantee, $2,500; Hartford, $15,000; British Dominions, $500; Providence Washington, $2,500; Alliance of Philadelphia, $3,500; Ætna, $10,000; Home, $12,500; British Empire Underwriters, $5,000; Liverpool and London and Globe, $5,000; Pennsylvania, $3,000; Rochester-German, $3,000; Connecticut, $2,000; Century, $2,500; Niagara, $[illegible],000; Ocean, $1,000; Royal, $7,500; Employers, $5,000; Phœnix of Hartford, $2,500; Norwich Union, $2,500; London Guarantee, $2,500.

GOVERNMENT LOANS TO PROVINCES

In reply to a question in the House of Commons, Ottawa, on Tuesday last, Hon. A. K. Maclean, acting minister of finance, stated that sums of $2,000,000 and $2,500,000 have been loaned to the provinces of Ontario and Saskatchewan, respectively. In the House recently, it transpired that the government had advanced money to two provinces which, however, Mr. Maclean deemed it inadvisable at the time to name.

WM. A. ROGERS, LIMITED

The 17th annual meeting of Wm. A. Rogers, Limited, was held on Monday, the 15th inst. The annual report presented to the shareholders showed net profits for the year amounting to $81,855.41, as compared with $240,648.84 for last year. The difference is accounted for by the falling off in the silverware trade in the United States during the latter months of the year, and the disturbed conditions growing out of the entry of that country into the war.

The company also purchased during the year, the business of Simeon L. and George H. Rogers Company, and important changes were made in the administration of the business; $222,800 of additional preference stock was issued in connection with this purchase. As a result of the agreement with Canadian Wm. A. Rogers, Limited, it has been necessary to again assist that company in its dividend payments. This agreement extends until 1924.

During the year $600,000 of 6 per cent. serial bonds were issued, most of which have been sold. The interest on these bonds was paid, amounting to $10,421.84, as were also the quarterly dividends on the preference stock and one quarterly dividend on the common shares.

Another event of the year was the formation of Wm. A. Rogers, Limited, of California, to handle the business on the Pacific coast. This company is a subsidiary, and is reported to be making satisfactory progress.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended April 17th, 1918, and Sales.

Montreal figures supplied to *The Monrtary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations " and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi com.	....	....	....
Ames-Holden com.	....	....	....
" pref.	....	....	....
Asbestos Corporation	....	....	....
" " pref.	....	....	....
Bell Telephone	130	....	42
British Columbia Fishing & Packing	....	....	30
Brompton	49¼	....	620
Brazilian	35	....	49
Canada Car com.	30	30	746
" pref.	71	....	351
Canadian Converters	....	....	....
Canada Cement com.	....	....	236
" pref.	....	....	56
Canada Cottons	....	....	285
" pref.	...	....	....
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	....	....	....
Canadian General Electric	....	....	....
Canadian Locomotive pref.	....	....	5
Canada Steamship Lines com.	76	....	236
" " " pref.	....	....	98
" " " (Voting Trust)	....	....	....
Civic Investment	....	....	1687
Civic Power com.	79½	79⅝	221
Cons. Mining and Smelting	....	....	135
Consumers Gas com.	....	....	....
Dominion Bridge	....	....	....
Dominion Canners pref.	....	....	15
Dominion Iron pref.	....	....	25
Dominion Steel Corporation com.	60¼	59¼	1982
Dominion Textile	85¾	....	371
" pref.	....	....	25
Goodwins Ltd.	....	....	....
Illinois Traction com.	....	....	....
" pref.	....	....	....
Lake of the Woods Milling com.	....	....	15
" " " pref.	....	....	4
Laurentide Co.	159	159¾	1350
Lyall Const. com.	71	....	265
Macdonald	14¾	15	115
Mackay Cos. com.	....	....	5
" " pref.	....	....	....
Maple Leaf Milling com.	....	....	20
Montreal Tramway	....	....	....
" " deb.	....	....	400
Montreal Telegraph	....	....	....
Montreal Cotton com.	....	....	....
" pref.	....	....	....
Nova Scotia Steel pref.	....	....	5
Ogilvie Flour Mills com.	....	....	25
Ontario Steel com.	28	....	618
" pref.	....	....	....
Penmans	82	....	63
" pref.	....	....	....
Price Bros.	....	....	....
Riordan Paper	....	....	35
" pref.	....	....	....
Quebec Railway, Light, Heat & Power	18¾	....	707
Shawinigan Water & Power	112½	112½	1317
" " " rights	....	....	....
Spanish River com.	13½	....	345
" pref.	....	....	....
Smart Woods	....	....	....
Steel Co. of Canada	58½	58½	1881
" " " pref.	....	....	....
St. Lawrence Flour Mills com.	....	....	240
" " " pref.	....	....	....
Toronto Railway com.	....	....	....
Wayagamack	....	...	....
Bank of British North America	...	....	....
Bank of Commerce	....	....	....
Bank of Montreal	....	....	....
Bank of Ottawa	....	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	....	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	....	....	6
Dominion Bank	....	....	....
Merchants Bank	....	....	....
Molsons Bank	....	....	50
Quebec Bank	....	....	....
Royal Bank	....	....	1
Standard Bank com.	....	....	....
Union Bank	....	....	....

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	....	....
Bell Telephone	....	....	....
Canadian Car.	....	....	....
Canada Cement	....	....	....
Canadian Converters	....	....	....
Canada Felt	....	....	....
Cedars Rapids	....	....	1100
Dominion Coal	....	....	....
Dominion Cotton	....	....	....
Dominion Iron and Steel	....	....	500
Dominion Textile A	....	....	....
" " B	....	....	....
" " C	...	....	....
" " D	....	....	....
Lake of Woods Milling	....	....	....
Laurentide	53	52¾	114
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	21¼	....	105
National Breweries	....	....	....
Nova Scotia Steel	....	....	300
Ogilvie A	100	....	2000
" B	....	....	....
" C	....	....	....
Penmans	....	....	....
Price Bros.	....	....	....
Montreal Bonds (*Continued*)	**Opened**	**Closed**	**Sales**
Quebec Railway, Light and Power	....	....	....
Riordan Paper	....	....	....
Steel of Canada	....	....	....
First Dominion War Loan	94	93¾	3400
Second Dominion War Loan	92¼	....	11200
Third Dominion War Loan	91¾	92¼	40100
Wabasso Cotton	....	....	....
Wayagamack	....	....	3000

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	14½	....	....
" pref.	50	....	....
American Cynamid	32	29	....
" pref.	....	52	...
Barcelona	9¾	9¼	....
British Columbia Fish	....	18½	30
Brazilian	35½	35	224
B. C. Packers	....	....	....
Canada Bread	17	16	.
" pref.	....	....	2
Canadian Car & Foundry	31	30	....
" " " pref.	....	....	....
Canadian Canners	....	....	....
" pref.	....	....	....
Canadian General Electric	102½	101½	45
" " " cum div. pref.	....	....	....
Canada Landed & National Investment	....	....	20
Canadian Locomotive	....	....	....
" pref.	....	82¾	....
Canadian Pacific Railway	159½	158½	....
Canada Permanent	162½	....	100
Canada Steamship	41¼	41	50
" " pref.	76½	76	210
Can. Salt	...	....	....
Cement com.	60	59½	26
"	91	....	55
City Dairy	....	30	....
" pref.	75	68	....
Coniagas	345	315	....
Confederation Life	375	....	....
Consumers Gas	141½	....	31
Crows Nest	50	....	....
Dome	830	810	....
Dominion Canners pref.	24½	....	....
Dominion Iron com.	....	....	...
Dominion Steel Company	59¾	59	105
Dominion Savings	....	....	17
Duluth Sup.	11	....	....
F. N. Burt	....	....	6
" pref.	....	81½	8
Hamilton Provident	....	....	...
Huron & Erie com.	....	....	32
Lake of the Woods com.	....	....	...
La Rose com.	60	54	....
Mackay Companies	76	75¼	72
" pref.	64½	63½	7
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	95	94	106
" " " pref.	92½	91	93
Monarch	43	39	....
" pref.	80	....	11
Nat. S. Car	9½	8	100
" pref.	35	31	...
Nipissing	855	810	15
Nova Scotia Steel	65	....	....
" " " rights	....	....	....
Prov. Paper	55	....	....
" pref.	....	....	....
Penmans com.	75	73½	...
Petroleum	1450	1412	100
Riordon	119½	117¼	....
" pref.	....	....	...
Rogers com.	....	....	...
Russell Motor	58	54	...
" pref.	....	67½	10
Sawyer-Massey	15	....	....
" pref.	40	....	...
Smelters	....	....	130
Spanish River	....	....	50
" pref.	50	....	....
Cons. Smelters	24¾	24⅝	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " pref.	87	....	....
Steel Company of Canada	58¾	58	285
" " " pref.	90	89½	7
Toronto General Trust	....	....	....
Toronto Paper	72	65	....
Toronto Railway	58	....	20
Trethewey S. Mines com.	16½	15½	200
Tucketts	19	....	....
" pref.	....	....	....
Winnipeg Electric	48	....	....
Twin City	50	48½	110
Bank of Commerce	....	185	3
Bank of Ottawa	201	....	...
Bank of Hamilton	....	184	10
Bank of Montreal	210	....	....
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	25
Dominion Bank	202	....	7
Imperial Bank	....	....	29
Merchants Bank	....	....	....
Molsons Bank	....	....	....
Royal Bank	208	....	1
Standard Bank	200	...	30
Union Bank	....	148½	1

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	....
Canada Locomotive	....	85	....
Penmans	....	85	....
Riordon	....	....	....
Sao Paulo, 1929	. ..	....	....
Steel Company of Canada	....	92	....
First War Loan	94	94¼	7800
Secund War Loan	92½	92	17500
Third War Loan	92	91⅞	11900

British Colonial Fire Insurance Company

The sixth annual general meeting of the shareholders was held at the Company's office, No. 2 Place d'Armes, Montreal, on Wednesday, the 10th of April, 1918.

The President, Mr. Lafleur, said that he was confident that he expressed the sentiments of the shareholders in stating that the Company had sustained a great loss in the person of the late President, the Honorable C. E. Dubord, whose place he now fills, and that the shareholders had lost a sincere and sympathetic friend.

A statement of the business transacted in 1917 was submitted:

The net premium income amounted to $261,336.47 and the total income to $315,599.87.

The premiums written during the past year show an increase of $81,388.97 over the year 1916, and the income from all sources, for the same period, shows an increase of $82,518.49, the disbursements showing an increase of $74,060.30.

The cash assets amount to $285,683.48 and the Ledger assets to $1,176,000.30.

The liabilities to the public amount to $142,846.40.

A report was also submitted of the Managing-Director's recent sojourn in Europe with reference to the passing of reinsurance treaties and the extension of the Company's operations in that country, this being facilitated by the connections which the Company enjoys through its shareholders in France.

By reason of arrangements made, the "British Colonial" expects to receive a larger volume of business, and steps have, therefore, been taken to increase the paid-up capital during the present year.

In view of the extension of the Company's affairs, it was decided to establish an Advisory Board in Paris, and to increase the number of the Directors residing in France. The following directors were elected in addition to the French Directors at present holding office: Messrs. Dupont-Descat, Luzarche-Dazay and le Vicomte de Jessaint.

The Honorable Ernest F. de Varennes was elected to the Board and the Directors whose term of office had expired were re-elected.

At a subsequent meeting of the Directors Mr. I. L. Lafleur was elected President, Mr. J. B. Morissette, Vice-President, Mr. J. E. Emile Leonard, Treasurer, and Mr. Theodore Meunier, Managing-Director and Secretary.

International Loan
Company, Limited

Head Office: - WINNIPEG, Man.

BALANCE SHEET AS AT JANUARY 31st, 1918

ASSETS.

Cash on Hand		$ 346.39	
Cash in Bank		1,573.34	
			$ 1,919.73
Accounts Receivable			516.84
Contracts Receivable (Mortgages and Agreements)		210,220.42	
Accrued Interest		13,980.00	
		$224,200.42	
Deduct:			
Payments Deferred		2,356.47	
			221,843.95
Office Furniture		124.50	
Less Depreciation		12.50	
			112.00
Organization Expenses: Including Commissions on Sale of Stock		17,042.53	
Less Written Off		2,000.00	
			15,042.53
Note: The uncollected Premiums on Stock amount to	$18,434.50		
			$239,435.05

LIABILITIES.

Accounts Payable			$ 895.76
Capital:			
Authorized	$2,000,000.00		
Subscribed		$ 607,600.00	
Less:			
Unpaid		397,004.07	
Paid Up			210,595.93
Deferred Profit in respect of Discounts not yet earned			16,021.66
Surplus as per Profit and Loss Account			11,921.70
			$239,435.05

Winnipeg, February 23, 1918:—We have audited the Books and examined the vouchers for the period ending January 31, 1918, and hereby certify the foregoing Balance Sheet to be, in our opinion, properly drawn up so as to exhibit a true and correct position of the Company's affairs, and to be in accordance with the Books. We have verified the agreements and securities held by the Company, which we have found in order.

D. A. PENDER, COOPER, SLASOR & CO.,
Chartered Accountants.

OFFICERS AND DIRECTORS.

PRESIDENT:
GEO. W. ARGUE, M.D.

FIRST VICE-PRESIDENT:
B. McKENZIE GUNN, LL.B.

SECOND VICE-PRESIDENT:
W. HOWARD GEDDES, D.D.S.

SECRETARY-TREASURER:
GEORGE HAY

DIRECTORS:
ROBERT H. HAMLIN ROBERT RETTIE
M. WILLIS ARGUE CHAS. SETTER

AUDITORS:
DAVID COOPER & CO., Chartered Accountants

BANKERS:
Union Bank of Canada

REFERENCES:
UNION BANK OF CANADA. R. G. DUN & CO

HEAD OFFICE:
224 Curry Building, Winnipeg, opposite Post Office.

BUILDING PERMITS COMPARED

RETURNS FOR THIRTY-FIVE CITIES.

DEPARTMENT OF LABOUR FIGURES	January 1918	February 1918	February 1917	Feb. 1918, compared with Feb. 1917. Increase+ Decrease− Amount	Per Cent.
CITIES	$	$	$	$	
NOVA SCOTIA	71,280	71,584	90,450	−18,866	−20.86
Halifax	62,470	68,075	88,535	− 20,460	− 23.11
Sydney	8,810	3,509	1,915	+ 1,594	+ 83 24
NEW BRUNSWICK	....	....	88,475	−88,475	....
Moncton	....	....	2,175	− 2,175	....
St. John	....	....	86,300	− 86,300	....
QUEBEC	167,482	134,692	563,330	− 428,638	−76.09
Maisonneuve	....	....	500	− 500	....
Montreal	116,110	77,045	402,565	−325,520	− 80.86
Quebec	30 572	25,147	145,725	−120,578	− 82.74
Sherbrooke	....	....	9,940	− 9,940	....
Three Rivers	19,300	17,000	2,700	+ 14 300	+529.63
Westmount	1,500	15,500	1,900	+ 13,600	+715.79
ONTARIO	611,120	492,492	774,435	−281,943	−36.46
Brantford	5,245	10,000	5,815	+ 4,185	+ 71.97
Fort William	80,000	....	150	− 150	....
Guelph	....	2,800	3,200	− 400	− 12.50
Hamilton	50,000	65,890	42,610	+ 23,280	+ 54.63
Kingston	5,195	....	....	....	....
Kitchener	3,600	425	2,775	− 2,350	− 84.68
London	17,150	16 560	18,305	− 1,745	− 9 53
Ottawa	8,875	15,800	26,500	− 10,700	− 40.38
Peterborough	3,300	1,230	13,425	− 12,195	− 90 84
Port Arthur	16,895	530	1,125	− 595	− 52.89
Stratford	2,945	575	11,305	− 10,730	− 94.91
St. Catharines	3,035	7,675	13,508	− 5,833	− 41.70
St. Thomas	....	550	2,000	− 1,450	− 72.50
Toronto	409,965	347,282	573,517	−226,235	− 39.44
Windsor	4,915	23,175	60,200	− 37,025	− 61.40
MANITOBA	41,100	54,900	36,350	+18,550	+51.03
Brandon	....	250	24,000	− 23,750	− 98.96
Winnipeg	41,100	54,650	12,350	+ 42,300	+342.51
SASKATCHEWAN	5,800	29,225	17,255	+11,970	+69.37
Moose Jaw	....	18,600	2,600	+ 16,000	+615.38
Regina	700	3,650	13,005	− 9,355	− 71.93
Saskatoon	5,100	6,975	1,650	+ 5,325	+322.73
ALBERTA	507,700	47,850	8,000	+39,850	+498.13
Calgary	505,300	32,200	4,500	+ 27,700	+615.56
Edmonton	2,400	15,650	3,500	+ 12,150	+347.14
BRITISH COLUMBIA	158,155	71,190	104,200	−33,010	−31.68
New Westminst'r	1,650	3 900	6,520	− 2,620	− 40.18
Vancouver	53,125	55,415	96,780	− 41,365	− 42.74
Victoria	103,380	11,875	900	+ 10,975	+ 1,219.44
Total	$1,562,637	$901,933	$1,682,495	− $780,562	− 46.39

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1¾	1 25-32	....
Mont. funds	par	par	⅛ to ¼
Sterling—			
Demand	$4.83.85	$4.84	$4.86
Cable transfers	$4.84.85	$4.85	$4.87

Sterling demand in New York, $4.75.50.
Bank of England rate, 5 per cent.

INDEX NUMBERS OF COMMODITIES

(DEPARTMENT OF LABOUR FIGURES)	No. of Commodities	Index Numbers *Feb. 1918	‡Jan. 1918	*Feb 1917
I. GRAINS AND FODDERS:				
Grains, Ontario	6	420.1	405.2	287.8
" Western	4	352.9	331.4	235 7
Fodder	5	210.7	208.1	198 9
All	15	332.4	319.8	243 0
II. ANIMALS AND MEATS:				
Cattle and beef	6	324.9	321.8	265.9
Hogs and hog products	6	345.6	342.7	263 4
Sheep and mutton	3	277.5	279.6	233.3
Poultry	2	381.3	349.6	273.6
All	17	330.5	325 0	260 2
III. DAIRY PRODUCTS	9	264.1	259.0	234.5
IV. FISH:				
Prepared fish	6	241.6	241.6	186.4
Fresh fish	3	225.8	225.8	193 3
All	9	236.3	236.3	188.7
V. OTHER FOODS:				
(A) Fruits and vegetables				
Fresh fruits, native	1	229.8	229.8	257 4
Fresh fruits, foreign	3	160.1	133.2	95 2
Dried fruits	1	269 5	256.1	192.7
Fresh vegetables	5	339.0	318.2	481.9
Canned vegetables	3	251.2	246.9	181.7
All	16	261.8	258.4	266.8
(B) Miscellaneous groceries and provisions				
Breadstuffs	10	260.4	258 5	200.1
Tea, coffee, etc.	4	151.6	151.6	141.6
Sugar, etc.	6	244.9	227.8	185.0
Condiments	5	225.1	214.9	153.1
All	25	232.2	225.3	177.7
VI. TEXTILES:				
Woollens	5	369.2	369.2	242.0
Cottons	4	293.6	291.7	181.0
Silks	3	131.5	130.9	115.0
Jutes	2	609.5	615.9	412 7
Flax products	4	388.4	388.4	270 2
Oilcloths	2	177.7	173.7	139.8
All	20	327.1	326.9	223.7
VII. HIDES, LEATHER, BOOTS AND SHOES:				
Hides and tallow	4	261 7	277.2	320 8
Leather	4	263.3	268.1	271.5
Boots and Shoes	3	232.9	232.9	221.1
All	11	255.5	261.8	274.6
VIII. METALS AND IMPLEMENTS:				
Iron and steel	11	282.6	278.7	190 3
Other metals	12	242.2	251.0	274 1
Implements	10	214.7	199.0	165.2
All	33	250.5	241 3	213.3
IX. FUEL AND LIGHTING:				
Fuel	6	235.8	235.3	201 6
Lighting	4	120.2	117.3	99.3
All	10	189.6	188.1	162 5
X. BUILDING MATERIALS:				
Lumber	14	233.2	232.1	189.2
Miscellaneous materials	20	212.7	209 4	186.0
Paints, oils and glass	14	273.7	263.2	222.8
All	48	236 5	231.7	197.7
XI. HOUSE FURNISHINGS:				
Furniture	6	207.3	207.3	177.5
Crockery and glassware	4	279 8	279.8	208.4
Table cutlery	2	150.7	150.7	132.2
Kitchen furnishings	4	222.9	223.6	155.4
All	16	222.2	222.4	174.0
XII. DRUGS AND CHEMICALS	16	291.4	289 2	237.0
XIII. MISCELLANEOUS:				
Raw Furs	4	511.5	511 5	103.7
Liquors and tobacco	6	207.9	202.2	164 8
Sundries	7	210.1	200.8	155.6
All	17	280 2	274.1	218.8
All commodities	†262	*263 5	*258.7	*.17 3

*Preliminary figures. ‡Revised. †Nine commodities off the market, fruits, vegetables, etc. One line of spelter was dropped in 1915.

PUBLICATIONS RECEIVED

Insurance.—Annual number of the "Continental Life Line." Published monthly by the Continental Life Insurance Company, Toronto.

Labor.—One of a series of lectures of the "Employment Department and Employee Relations" in systematic course. By F. C. Henderschott, of the New York Edison Company.

Investment.—A brief summary, based on the authentic statistics of the current state of business in Canada. Published monthly by Greenshields and Company, of Montreal.

Annual Report.—The forty-eighth annual report of the Royal Bank of Canada in book form. Besides containing the usual directors' and auditors' reports, there is included a "Roll of Honor" of members of the staff who have enlisted for overseas service, also a summary of Dominion statistics for the past year.

Finance.—Monthly financial report. Published by Lloyds' Bank, Limited, London, Eng.

Canadian estimates for the fiscal year ending March 31st, 1919.

Pamphlet entitled, "Let's Choose Executors and Talk of Wills." Published by the Standard Trusts Corporation, Winnipeg.

Municipal.—The Municipal Year Book for 1918, compiled by Mr. Hubert Groves, director of the Municipal Intelligence Bureau, has just been issued. It contains a description of the city, its extent, population, assessment, parks, wards, schools, churches, courts, banks, libraries and theatres. It deals with such matters as the Canadian National Exhibition, the Hydro-Electric power system, the Harbor Commission, and the leading manufacturing and trade associations. It gives practical information regarding the city's government, and contains a story of Canada's part in the war.

The Municipal Hand Book is published by the Municipal Intelligence Bureau, Toronto. Price, $1.

COUNTY OF LINCOLN SELLS BONDS

Messrs. Wood, Gundy and Company, of Toronto, have been awarded a block of $50,000 5 per cent. 10-year bonds. The issue was sold at 94.64.

Why Risk Your Savings?

This is no time to guess about the ability and integrity of your broker.

You can make sure of sound advice and a square deal by consulting Members of the Toronto Stock Exchange. They are financial specialists and will gladly advise you on your investments without any charge.

Any Member of the Toronto Stock Exchange can buy or sell any security for which there is a market anywhere in the world.

Toronto Stock Exchange

Established Seventy Years Ago.

Merchants Casualty Co.

Head Office: Winnipeg, Man.

The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Deoartments. Embracing the entire Dominion of Canada.

SALESMEN NOTE

Our accident and health policy is the most liberal protection ever offered for a oremium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.

Good Openings for Live Agents

Eastern Head Office...1 Adelaide St. E., Toronto
Home Office .. ...Electric Railway Chambers, Winnipeg, Man.

The Imperial Guarantee and Accident Insurance Company of Canada

Head Office, 46 King St. W., TORONTO, Ont.

IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital - - -	$200,000.00.
Authorized Capital - - -	$1,000,000.00.
Subscribed Capital - -	$1,000,000.00.
Government Deposits - -	$111,000.

LONDON GUARANTEE AND ACCIDENT COY.

Limited

ESTABLISHED 1869

Head Office for Canada: TORONTO

Employer's Liability　Personal Accident　Sickness
Elevator　Fidelity Guarantee　Court Bonds
Contract　Internal Revenue　Teams and Automobile

AND FIRE INSURANCE

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance　Sickness Insurance　Plate Glass Insurance
Burglary Insurance　Automobile Insurance　Guarantee Bonds

The Oldest and Strongest Canadian Accident Insurance Company

Toronto　Montreal　Winnipeg　Calgary　Vancouver

P. R. REED, President.　T. B. REDDING, Vice-President.　B. M. WHITLEY, Secretary-Manager

Canada Security Assurance Company

HAIL DEPARTMENT

CALGARY - ALBERTA

DOMINION SAVINGS BANKS

BANK	Deposits for Feb. 1918	Total Deposits	Withdrawsls for Feb. 1918	Balance on Feb. 28th, 1918.
	$ cts.	$ cts.	$ cts.	$ cts.
Manitoba:—				
Winnipeg	3,599.00	520.468.41	12,474.57	507,993.84
British Columbia:—				
Victoria	20,921.87	1,110,949.55	14,065,64	1,096,883.91
Prince Edward Island:—				
Charlottetown	21.113.00	1,813,113.98	19.812.62	1.823,301.36
New Brunswick:—				
Newcastle	410.00	244.373.58	6.406,93	237,966.65
St. John	41,760.26	4.653.631.28	62,099.04	4,591,535.24
Nova Scotia				
Amherst	....	....	....	....
Barrington	44,00	102,356.08	233.89	102,122.1
Guysboro'	221.00	96 149.52	1,142.49	95,007.03
Halifax	8,213.18	2.357,579.56	28,986.68	2.328,592.88
Kentville	2,294.00	239.186.72	1.632 49	237,554.23
Lunenburg	7,041.00	411.107.31	5.483.57	435.643.74
Pictou	....	....	....	....
Port Hood	200 00	72.538.92	1,138.47	71,400,45
Shelburne	843.97	221.804.61	3,269.72	218,534.89
Sherbrooke	2,290.00	79.522.80	733.99	78,788,81
Wallace	....	....	....	....
Totals	129.010.28	11,982.785.32	157.460.10	11.825.325.22

POST OFFICE SAVINGS BANKS

DR. JANUARY, 1918			CR.
Balance in hands of the Minister of Finance on 31st Dec., 1917	$ cts 10,478,123.47	**Withdrawals** during the month	$ cts. 1,521,038.12
Deposits in the Post Office Savings Bank during month	843,317.29		
Transfers from Dominion Government Savings Bank during month:—			
Principal			
Interest accrued from 1st April to date of transfer...	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	6,360.76		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month	13,832.26	**Balance** at the credit of Depositors' accounts on 31st Jan., 1918	39,820,625.66
	41,311,663 78		41,311,663 78

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended April 17th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........com.	39	43.50	Can. Mortgage & Invest..	....	83	Imperial Trust..........	....	40	National Telephone...5's	50	55.50
Alberta Pac. Grain..pref.	87	93.50	Can. Oil............com.	35	....	Harris Abattoir.......6's	94	100	Nova Scotia Steel 6% deb.	85	92
Atlantic Sugar......com.	5	10	Can. Westinghouse......	103	118	Home Bank............	59	63.50	Ont. Pulp Bonds........	74.50	79
" " ......pref.	21	27.50	Cockshutt Plow.....pref.	67	75	Imperial Oil............	260	285	People's Loan...........	80	90
Belding Paul........com.	10	13.50	Consumers Cordage pref.	70	85	Inter. Mill ....pref.	82	87	P L. Robertson Screw..	....	40
" " ......pref.	73	77	Collingwood Ship.....6's	....	92	Lambton Golf Club..	365	400	Rosedale Golf Club......	....	340
Black Lake............6's	20	25.50	" " ..com.	....	30	London Loan & Savings.	95	115	Sovereign Life...........	11	18.50
Brantford Roofing.......	95	...	Dom. Explosives	....	25	Maritime Coal & Ry...5's	68	....	Sterling Bank.	....	84.50
Brand-Henderson...com.	45	52	Dom. F'dry & Steel 8% pf.	85	91	Massey Harris...........	115	131	Sterling Coal........com.	10.50	15
" " 6's	93	....	Dom. Fire	19	23	Matthew-Blackwell com.	43	50	" " ......bonds	69.50	73.50
Can. Cereal & Flour.. 6's	....	.90	Dom. Glass ....pref.	79.50	85.50	Matthew Laing.......6's	94	....	Toronto Paper........6's	85	90
Can. Cons. Felt.....pref.	29	....	Dom. Iron 5's. 1931.......	73	77.50	Milton Pressed Brick....	25	35	Toronto York Rad.....5's	90	96
Can. L. & P. ....5's	40	45	Dom. Linseed Oil	70	....	M'Donald ....pref.	74	80	Trust & Guarantee..... .	....	85
Can. Fairbanks .....pref.	83	87	Dom. Power .. ..5's	81	85.50	Morrow Screw........6's	85.50	92	West. Assurance	6.75	....
Can. Marconi............	1.30	2.10	" " ....pref.	90.50	96.50	Mississauga Golf.........	40	65	Wt. Can. Flour. 6's (1931)	94	98
Canada Machinery....6's	74	77.50	Eastern Car...........6's	90	94.50	National Life............	30	....	" " " ....com.	100	115
" " com.	11	14.50	Ford Motor of Canada...	190	215	National Potash.........	....	1.25	....	....	....
" " pref.	45	50	....	...	....	....	....	....	....		....

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members. Toronto Stock Exchange, 103 Bay Street Toronto:—

April 17th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	83	8.45
Canada Cement	7	91	7.69
Canada Steamships	7	76	9.21
Mackay Companies	4	63	6.34
Maple Leaf Milling	7	92	7.60
Penmans	6	82	7.31
Steel of Canada	7	90	7.77
Common:			
Bell Telephone	8	128	6.25
B. C. Fishing and Packing	5	48	10.50
Canada Cement	6	60	10.00
Canadian Locomotive	6	58	10.34
Canadian General Electric	8	102	7.85
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	60	13.33
Maple Leaf Milling	10	92	10.87
Canadian Pacific Railway	10	137	7.30
Penmans	6	75	8.00
Dominion Steel Corporation	5	59	8.50
Steel Co. of Canada	6	58	10.35
Mackay Companies	6	76	7.89
Toronto Railway	4	58	6.89
Twin City	4	50	8.00
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	97	6.18
Canada Steamships	5	80	6.25
Canadian Locomotive	5	85	7.12
Penmans	5	87½	5.72
First War Loan, 1925	5	93½	6.10
Second War Loan, 1931	5	92½	5.80
Third War Loan, 1937	5	92	5.70
Victory Loan, 1937	5½	98⅞	5.58
....	....	....	....
....	....	....	....

WESTERN TRUST COMPANY

The annual meeting of the Western Trust Company was held recently at their head office in Winnipeg, and the annual report for the year ended January 31st submitted. The profits for the year amounted to $82,499, being a small increase over the profits for the previous year.

Dividends at the rate of 5 per cent. per annum were paid during the year, amounting to $50,250. The sum of $25,000 was again transferred to reserve against investment in subsidiary company, and the balance transferred to profit and loss account, to the credit of which there is now $56,336. Most of the company's assets are invested in real estate mortgages.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railroads for the first two weeks of April:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
April 7	$2,830,000	$2,984,000	+ $134,000
April 14	2,833,000	2,935,000	+ 102,000

Grand Trunk Railway.

April 7	$1,215,768	$1,359,291	+ $143,523
April 14	1,103,119	1,414,538	+ 311,419

Canadian Northern Railway.

April 7	$ 736,200	$ 913,600	+ $177,400
April 14	881,600	932,600	+ 51,000

CONFEDERATION LIFE
ASSOCIATION

Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:
W. D. MATTHEWS, ESQ.
Vice-President
SIR EDMUND OSLER, M.P.

John Macdonald, Esq.
Joseph Henderson, Esq.
Lt.-Col. A. E. Gooderham
Thos. J. Clark, Esq.
Gen. Supt. of Agencies,
J. TOWER BOYD

Lt.-Col. J. F. Michie
Peleg Howland, Esq.
Lt.-Col. The Hon. Frederic Nicholls
John Firstbrook, Esq.
Actuary, V. R. SMITH, A.A.S., A.I.A.
Secretary, J. A. MACDONALD.

Medical Director:
ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)

HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION!

The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED	INCREASE 166%
ADMITTED ASSETS	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds	$ 66,500,000	Investments under Canadian Branch, over	$ 16,000,000
Deposited with Canadian Government and Government Trustees, over	7,000,000	Revenue, over	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

SAFETY FIRST
Governs in investments of the
London Life Insurance Co.
LONDON ... ... Canada
POLICIES "GOOD AS GOLD." 3

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE • TORONTO, CANADA

"Representing The Mutual Life of Canada"

Efficient representatives of our Company will be found in every important centre in the Dominion and in the Island of Newfoundland. Their motto is "Service" and they will gladly furnish any needed information regarding Life Insurance in general and Mutual Life Insurance in particular. The Company issues policies on every approved plan—including Endowment Policies, Monthly Income Policies, and Policies designed for the protection of Business Enterprises. It has been the aim of the Mutual Life of Canada to introduce into its contracts every modern privilege that is compatible with safety, but the distinguishing feature of the Company is Mutuality. Under this system all profit from whatever source reverts to the Policyholders and so reduces the cost of protection. We furnish—
The largest amount of protection for the least possible outlay.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
Assets $32,165,432 Assurances $123,310,899

THE ANCHOR OF LIFE INSURANCE

"We all need our anchors, and I know of no better one than a Great-West Policy," is the opinion of a prominent Western financier, expressed in a recent letter to The Great-West Life.

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INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Brazilian Traction, Light and Power Company.—While the gross earnings of the company increased during February by 443,000 milreis, the net decreased 320,000 owing to an increase of 763,000 milreis in operating expenses. The gross earnings for the first two months of the year were 15,152,000 milreis, compared with 14,138,000 during the corresponding period of 1917. The net was 7,261,000 and 7,887,000, respectively, a decrease for the two-month period of 626,000.

Northern Ontario Light and Power Company.—The annual report of the company for 1917 shows that the interest charge on the company's first mortgage 6 per cent. sinking fund bonds was earned over 2¼ times. After payment of dividends on the preferred stock and a charge for the depreciation reserve, $50,000 in excess of the amount so charged last year, there was a surplus for the year of about $37,000.

Delivery of power to the Kirkland Lake gold mining district was made early in 1917, and earnings from this source contributed $64,768 to the company's gross returns. The earnings also reflect substantial increases in sales to the Cobalt mines, as well as to the various municipalities served.

The report states that the great demand for silver and its enhanced value offset the threatened strained labor conditions and relieved the mining situation. Higher labor and material costs are reflected in the increased operating expenses over the previous year.

Dominion Linens, Limited.—The financial statement of the company for the year ended December 31st, 1917, shows an increase in earnings of more than 61 per cent. over the previous year. Profits, after deducting cost of management, paying bank interest and writing off bad debts, amounted to $50,578, compared with $31,326 in previous twelve months. Dividends on preferred stock amounted to $16,915; $13,153 was allowed for depreciation of buildings and plant, and $5,000 for depreciation of inventories. After writing off balance of charter and organization expenses, etc., there remained surplus for year of $6,679, which brings profit and loss balance up to $29,767.

Inventories of goods manufactured and raw materials stand at $196,590, compared with $149,997 at the end of the previous year. Real estate, plant and buildings are now valued at $372,386, compared with $376,671, the latter amount including trade marks and goodwill, which are now valued separately at $95,000. Cash on hand and in bank amounts to $14,404, and bills and accounts receivable to $56,975. Current liabilities total $64,106.

National Brick Company of Laprairie, Limited.—At the annual meeting of the shareholders of the company a statement covering the operations of the fiscal year ended February 28th was submitted. No printed statement was provided for the shareholders, and when the president, A. A. Ayer, was asked if a statement would be mailed to the shareholders, replied that the directors had not yet ordered it, and that such action would not be in the best interests of the shareholders. The statement read showed little change from that of the previous year. Operating profits were $22,957 after all writing-off had been done. For the previous year profits were $42,714, from which $20,000 was deducted for plant depreciation. No figures are given concerning depreciation, and as the president compared the past year's earnings of $22,957 as against $22,714 for the previous year, the assumption is that a similar deduction for plant depreciation was made before striking the operating profits. The principal change in the balance sheet is an increase from $11,060 to $23,000, which appears under the head of mortgage in the liabilities. This increase, Mr. Ayer explained, was due to the fact that a mortgage adjoining the Laprairie yard was found to be in the hands of the Quebec Trust Company, as it had not been properly transferred.

Crow's Nest Coal Company.—Net profits of $57,635 for the year ended December 31st last, as against $340,501 in 1916, were shown in the annual report presented to shareholders of the company by President Elias Rogers at the annual meeting, held recently. There was a balance at the credit of profit and loss the previous year of $322,840, and an old account of $896 which had been written off was paid during 1917, so that, with the addition of the profits before mentioned the credit balance at the end of the year was increased to $381,013.

During the year the company spent on improvements and developments in connection with the coal company and its subsidiary companies $125,102.57. This included payment of the Coal Creek Branch Railway, purchased from the Canadian Pacific Railway.

The coal mined during the year amounted to 504,768 tons, as against 910,839 tons mined in 1916, and the coke produced was 146,533 tons, as against 268,989 tons in 1916. The decrease in tonnage was owing to strikes and shortage of labor.

The total of the assets is given as $6,883,871. The mines, real estate, plant and equipment are valued at $5,327,540, after setting aside $952,897 for depletion and depreciation. Securities and shares owned are given a valuation of $972,192. Coal, coke and stores on hand amount to $247,573, accounts receivable to $300,210, and cash on hand and in bank to $28,726.

The paid-up capital stock totals $6,212,666. Other liabilities include $120,232 contingent liability and insurance reserve, accounts payable $141,878, and $28,080 due to bank.

BANK BRANCHES CLOSED

The following is a list of bank branches closed during March:—

Branches Closed—Six.

*Ancienne Lorette, Que.	La Banque Nationale
Kirkland Lake, Ont.	Bank of Ottawa
Limon, Costa Rica	Royal Bank of Canada
*St. Jean Chrysostome, Que. ..	La Banque Nationale
Salvador, Sask.	Union Bank of Canada
*Tetreaultville, Que.	Molsons Bank

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*Sub-branches.

WINNIPEG ELECTRIC RAILWAY COMPANY

The annual report of this company submitted at their annual meeting on March 18th, shows a net income of $151,621.80 less than for last year.

The gross earnings increased slightly, but the operating expenses also increased considerably, through the increase in the price of supplies and of labor. As a result the net income is also less than for last year. However, after paying the fixed charges, and allowing $201,050 for depreciation, a balance of $152,579.65 was transferred to surplus. The amount now at the credit of the surplus account is $1,218,106.58.

The company is still suffering from jitney competition. A permanent settlement of this question is looked forward to in the near future, after which, it is announced, arrangements will be made to carry out certain improvements in the physical properties of the company.

BRITISH COLUMBIA ESTIMATES

The provincial estimates for the year ending March 31st, 1919, were submitted to the legislature of British Columbia on the 3rd inst. Useful improvements in the form of the estimates, both of revenue and of expenditure, have been introduced by the comptroller-general, Mr. A. N. Mouat.

The items of revenue, which were formerly shown collectively, are now grouped under the various departments. A total revenue of $9,900,055.13 is expected for the year, being practically the same as the amount in the estimates for the past year. A yield of $2,215,000 is anticipated from the income tax, $1,700,000 from land taxes and $2,203,050 from the department of lands. The expenditures are similarly grouped according to departments, the total being $11,611,694.08, as compared with $10,800,804.67 for last year; the amount chargeable to capital is $1,953,440. The new form of submitting the estimates shows exactly the expected cost of each office or department, and will therefore afford more direct control over the expenditures of public money and be a guide to more efficient and economical administration. At the same time the separation under different heads makes it possible to show each in greater detail.

New Records

Results secured during the past year re-affirm the position of the Sun Life of Canada as the leading life assurance organization of the Dominion.

It leads all Canadian Companies in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Premium Income, Total Income and Payments to Policyholders.

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SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

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The Travellers Life Assurance Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

LOANS MONOPOLIZE THE FIELD

The capital applications made during the months of January, February and March, according to the quarterly compilation made by the "Economist," London, England, show a total of £475,259,000. Of this figure £472,246,000 represents government borrowing. The total of £475,259,000 compares with £214,362,100 for the previous quarter and £825,925,200 for the first quarter of last year. The applications by quarters for 1916 and 1917 compare as follows:—

Quarter.	1917.	1916.
First	£ 825,925,200	£156,251,200
Second	221,254,300	131,022,500
Third	57,054,400	111,578,000
Fourth	214,362,100	186,584,700
Total for year	£1,318,596,000	£585,436,400

IMPORTANT INSURANCE AMALGAMATION

The speculations which have been current during the past couple of months regarding the company that has made the offer to purchase the shares of the Century Insurance Company, Limited, of Edinburgh, Scotland, are now set at rest by the announcement that an agreement has been entered into between the Friends' Provident Institution and the directors of the Century, whereby the shareholders of the latter company are to receive for their shares £6 5s. each, together with a 2s. final dividend for the year 1917 from the company.

The arrangement come to is of an unique character among insurance fusions, this being the first instance in which a mutual life office has allied itself as partner with a composite office.

The Friends' Provident Institution transacts life insurance alone, while the Century operates practically all other forms of insurance in addition to a progressive life department. Each one will continue operations on its own distinctive lines, while acting in the closest possible co-operation for mutual benefit. The intention is that the general manager and certain directors of the Century shall join the board of the Friends' Provident, and the former company will be similarly represented on the board of the Century. In this and other ways the two businesses will be closely linked together, while the individuality of each will be maintained.

The Century Insurance Company was founded in 1885 as the Sickness and Accident Assurance, Limited, the present name being adopted in 1901 as a more concise and distinctive title in view of the extended operations which had then been entered into and were then contemplated. In 1900 the total assets of the company amounted to 126,000 pounds sterling, while at the end of 1916 this had increased to 1,544,000 pounds sterling, and it is understood that a substantial addition to this sum has been made during the year just closed.

The Friends' Provident Institution was founded in 1832 by members of the Society of Friends for the purpose of mutual life assurance for Quakers and their connections. Throughout its history the Friends' Provident has been noteworthy for the large surpluses realized for its members. Quakers and their family connections are not numerically an important part of the nation, but control or are closely associated with many substantial financial and commercial undertakings in England. The Friends' Provident from this limited but influential class has succeeded in building up funds now amounting to over 3¼ million pounds sterling. About 1915 the members decided that the time had arrived for a broadening out of the field of operations, so far as life assurance business is concerned. This aim was achieved by opening the Institution to the general public in that year, when it was incorporated by special act of parliament.

Mr. Henry Brown, general manager of the Century Insurance Company, Limited, is to be congratulated on this important issue of his long and devoted labors on behalf of the Century Insurance Company. The climax was reached when the Friends' Provident Institution deemed it worth while to pay for the shares of the Century double the market quotation of a few months ago. While the bargain is admittedly one of decided advantage to the Century shareholders, it is also advantageous to the Friends' Provident Institution. Each office will extend its connection under its own name, and with the combined resources of about five million pounds sterling this new amalgamation bids fair to become one of the leading insurance institutions in the British Empire.

The Century Insurance Company, Limited, at present transacts business in Great Britain, India, Australia, New Zealand, United States and Canada, their Canadian manager being Mr. T. W. Greer, of Vancouver, B.C., in which city the head office for Canada is located.

Forty merchants of Brampton have formed a Retail Merchants' Association. The officers are: President, A. H. Milner; vice-president, E. W. Boyle; secretary, W. J. Bartlett; treasurer, C. V. Charters; executive committee, Jos. Dawson, H. McKillop, H. B. Burton.

The Board of Trade figures for March show an increase in imports of £26,090,000 over last year, and a decrease in exports of £8,109,000. The principal increases in imports were: Food, £7,000,000; raw materials, £11,000,000, of which cotton accounted for £7,000,000. The chief decreases in exports were in manufactured articles.

BRITISH COLONIAL FIRE INSURANCE COMPANY

The sixth annual meeting of the British Colonial Fire Insurance Company was held on the 10th inst., in Montreal, Mr. I. L. Lafleur, the president, occupying the chair.

The statement, as presented, showed a total income of $315,599, of which amount net premium income accounts for $261,336. Premium income for 1917 shows an increase of $81,388 over the previous year, while the increase in income from all sources shows an increase of $82,518. Over against this increase there has been an increase in expenditure of $74,060. The cash assets of the company now amount to $285,683 and the ledger assets to $1,176,000, while the liabilities to the public amount to $142,846.

Mr. Theo. Meunier, the managing director, was able to report to the meeting that as a result of his visit to France last year, satisfactory arrangements with regard to re-insurance treaties and the extension of the company's operations in that country had been made, and there was every reason to expect a larger volume of business during the present year. In order to adequately cope with this situation steps have been taken to increase the paid-up capital during the present year. In order also to strengthen the position of the company and in view of the extension policy which has been adopted an advisory board, resident in Paris, will be established. It was also decided to increase the number of French directors by three.

At a subsequent meeting of the directors Mr. I. L. Lafleur was elected president, Mr. J. B. Morrissette vice-president, Mr. J. E. Emile Leonard treasurer, and Mr. Theodore Meunier managing director and secretary.

BANK CLEARINGS

The following are the bank clearings for the weeks ended April 12th, 1917, and April 11th, 1918, respectively, with changes:—

	Week ended Apr. 11, '18.	Week ended Apr. 12, '17.		Changes.
Montreal	$ 94,054,721	$ 58,601,623	+	$35,453,098
Toronto	67,676,368	44,630,470	+	23,045,898
Winnipeg	49,849,166	46,941,249	+	2,907,917
Vancouver	10,546,615	5,036,410	+	5,510,205
Ottawa	6,448,697	4,300,597	+	2,148,100
Calgary	7,024,958	5,756,758	+	1,268,200
Hamilton	5,213,839	3,395,768	+	1,818,071
Quebec	4,394,805	3,612,771	+	782,034
Edmonton	4,140,319	2,392,406	+	1,747,913
Halifax	3,763,674	2,055,245	+	1,708,429
London	2,599,261	1,763,325	+	835,936
Regina	3,887,058	2,306,631	+	1,580,427
St. John	2,472,730	1,680,437	+	792,293
Victoria	2,422,635	1,350,457	+	1,072,178
Saskatoon	2,018,129	1,497,466	+	520,663
Moose Jaw	1,467,023	980,349	+	486,674
Brandon	636,897	492,731	+	144,166
Brantford	903,044	608,688	+	294,356
Fort William	635,801	385,469	+	250,332
Lethbridge	950,760	715,303	+	235,457
Medicine Hat	482,619	517,015	—	34,396
New Westminster	421,146	200,498	+	220,648
Peterboro	685,992	448,410	+	237,573
Sherbrooke	878,929	500,236	+	378,693
Kitchener	664,192	651,214	+	12,978
Totals	$274,239,378	$190,821,535	+	$83,417,843

The Toronto bank clearings for the current week are $66,580,728, compared with $85,120,986 for the same week in 1917, and $43,616,392 in 1916.

Reports from the thirteen leading English banks show a substantial increase in deposits during the past year. It shows a financial condition indicating hopeful prospects for continuing the war to a victorious close. The thirteen banks officially reported held in cash December 31st, 1917, amounting to $1,123,739,566, as compared with $1,074,459,376 held the year before. There has also been a substantial increase as to liquid assets, money at call and bills. The net profits of the thirteen banks aggregated $48,600,000 in 1917, as compared with $43,837,477 for the year 1916 and with $34,050,730 for the year 1915. Proportion of cash to liabilities on December 31st, 1917, was over 19 per cent., showing a good margin of reserves.

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Government Opportunities After the War*

Two Problems Confront Canadian Government With Respect to the British West Indies, Both Involving a Federal Union—Government Ownership of Railways — The Post Office and Possibilities of Aerial Service — Necessity For Deepening St. Lawrence River Between Montreal and Lake Ontario.

By A. T. DRUMMOND, LL.D.

At an early period in our Canadian Confederation Newfoundland was understood to be willing to become one of the provinces of the Dominion, but desired its debt to be taken over by the federation. Unwisely, probably, most people will now think Sir J. A. Macdonald, then the Canadian premier, raised objections and the negotiations were broken off. The amount involved was a relatively small matter to us, but probably then very important to the island colony. At this later day, when the problems of the great war have brought all the scattered sections of the Empire into such closer touch, politically, commercially, and in the realization of a common brotherhood in aims as well as arms, might there not be an opportunity for again approaching Newfoundland with an equitable proposal which would be advantageous to the colony, commercially, and in view of imperial interests, whilst it would complete the Dominion, territorially, from the Atlantic to the Pacific Ocean. Canada's position is now so strong that it could afford to meet Newfoundland in a spirit of not only fairness, but magnanimity.

The British West Indies problem is more complex. Including British Guiana, British Honduras and Bermuda, there are fifteen Crown colonies, none possessing responsible government, but each with its official government, with executive powers, and appointed from London, and each with its separate tariff, debts and laws. Whatever important undertakings are proposed in any colony are subject to the approval of the secretary of state for the colonies. The total population is 2,100,000, of which under 5 per cent. are whites, the remainder being blacks, East Indian coolies and some Chinese, Portuguese and Indians. Under this Crown colony system the people are really in a condition of tutelage, and, as a consequence, have practically had taken from them all incentive to initiative, and even interest, in their own political and larger commercial problems. And yet, there are among them strong, capable men of British stock, long resident in these tropical countries, and, through business, directly interested in their prosperity, who, in their wide knowledge of local affairs and their broad views, are as well—possibly better—fitted to grapple with their countries' problems as the official world presently is, and to whom, later on, after some experience, could be entrusted by the colonial office the reins of government.

Two problems are at present in readiness for consideration by the Canadian government with respect to the British West Indies. The one involves a federal union of the whole of the island and mainland colonies under one government as a new dominion, which would enter into a commercial union with Canada. The other also involves a federal union, but under one local government of a provincial character, for the purpose of entering politically, as such union, into the Canadian federation. Federation with Canada has been advocated in England by sections of the press which had overlooked the black and coolie problems in the West Indies, and the position which these two millions of people would occupy in respect to manhood suffrage, to which they would become entitled, to competition in the labor world of Canada, where workmen of a different race are tolerated with difficulty, and to education, since the tendency in every English-speaking province is to make this compulsory. It would be possible to refuse the suffrage to the blacks and coolies until they had passed a literary test, and that would not be unfair, whilst the differences in climate would probably lead to the vast mass of them remaining by preference in the West Indies, and thus not competing with labor in our more northern country. There is, however, a more immediate difficulty arising from the very large and increasing business which several of these West Indian colonies have with the United States, and which might be seriously disturbed by political union with Canada and by the introduction of its widely different tariff. These considerations have thus suggested that the federal union of these Crown colonies as a new dominion under one government, and, as such, commercial union with Canada, would be more advantageous, as it would leave the black and coolie problems to be dealt with by the new dominion, and, while leaving the almost limitless United States market still open to these colonies, would give them the additional large market here in Canada.

In Great Britain, the board of trade, which largely corresponds to our department of trade and commerce, has been reorganized and its functions greatly expanded to meet the new conditions which, after the war, will be imposed upon it through the greater activities of British interests at home and abroad. Industrial Britain has been rudely awakened by the war's realities, and has found not only innumerable defects and deficiencies in its trade and commerce, which must be remedied, but very many untried enterprises and new markets, which must be established and facilitated, in all of which greater direct interest and helpfulness on the part of the government is an absolute necessity. Following conferences with a small, informal committee of leading business men, the work of the board has been constituted under two main divisions, the more important of which, the department of commerce and industry, has again been subdivided into six sections: commercial relations and treaties, overseas trade, industries and manufactures, industrial property, industrial power and transport, and statistics.

An enlargement in its scope of work seems very suggestive in our corresponding state department. With our new interimperial and foreign trade to be facilitated by commercial treaties and agreements; the numerous transportation problems, both overseas and at home, to be solved; home industries to be developed or encouraged; our natural resources in their relation to trade to be investigated; the intimate bearing of science on industry to be followed up and

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**This is the last of a series of three articles on the above subject to appear in "The Monetary Times."*

aided; our tariffs to be adjusted to help trade; our proper commercial representation at important points within the Empire and in foreign countries to be maintained; and many other subjects directly bearing on the business of the future, all pressing for attention, the department of trade and commerce could become the leading department of the Dominion government. What also has been realized in Great Britain, and is equally important here, is a more intimate knowledge by the department of the various industries and their needs through frequent visits to the business centres and personal conferences with the industrial leaders.

Government Ownership of Railways.

G. H. Roberts, the British minister of labor, and one of the leaders in the labor party, confessed, on January 26th last, that in his propagandist days he thought state machinery the one panacea for overcoming all ills. Experience had taught him that that belief was not very sound. Those who formerly clamored for state control now showed, he found, resentment against it, and were asking for decentralization and the ability to control their own affairs. In Ontario and the western provinces the easily-led public, which so often appears to think only superficially, if at all, over government and municipal problems, has been persuaded by sections of the press and by some ambitious men, who have closed their eyes to past experience, to approve of government ownership of railways That Great Britain and the United States, in taking over control of the railways, have in view only co-ordination of the traffic in the interests of the war, and that there is to be no interference with corporate ownership and enterprise, are now settled. The Canadian government has, however, a different and a difficult problem before it, arising from its own construction and ownership of railways, legacies from the past and financial conditions before, as well as occasioned by the war. It is one of the functions of government to encourage and stimulate individual and corporate enterprise, and not to displace it, or even encroach upon it. That a limited control should be exercised by it in seeing that the public was reasonably served can be at once admitted, but, with conditions as they have long existed under our political systems, it is not possible for governments to plan, construct and operate railways with that single regard for economy in construction and operating, financial returns on the capital expended and future development which characterize private corporations. This has been the invariable experience in Canada with government ownership of railways, whether in case of the Dominion or of the provinces. A suggestive plan for the consideration of the Dominion government would be the leasing of its railways, presently owned, to private corporations under reasonable conditions that will admit of the payment of the operating expenses and maintaining the lines at a high standard, whatever surplus accrues being divided with the government; and, as to the two transcontinental lines now in difficulties, providing by legislation for temporary delay in meeting the interest on their bonds and for the 15 per cent. increase in rates being extended to several years to permit of gradual development of the traffic, and to give these roads that financial strength that will enable them without assistance to raise the necessary funds for renewals and improvements to the permanent way and for more ample rolling stock to meet the expected better conditions of the future in the western provinces.

Other Important Matters.

A great public work of equal interest to Canada, to the American states bordering and west of the Great Lakes, and to the shipping interests and in the food supply of Great Britain, awaits the action of the Dominion government in the deepening of the St. Lawrence River between Lake Ontario and Montreal, thus completing an uninterrupted highway of about 2,000 miles for great ocean steamships from the sea to almost the centre of the continent at the head of Lake Superior. To make each large city on the Great Lakes an ocean port for seven months of the year means for them a vast accession of direct Empire and foreign business.

The post-office department at Ottawa might well take advantage of the new developments in aerial services to have letters, newspapers and parcels carried by aeroplane between the larger cities in the interest of both economy and quick delivery. The automobile would also be a valuable aid in the same business with the smaller towns. Extensive automobile services are projected by the United States post-office department, and even twenty years ago parcels were carried by post-office vans every night in England between certain leading points, reasonably distant from each other, as between Oxford and London.

The opportunity awaits both the Dominion and provincial governments of giving partisan appointments and patronage in government orders and contracts their final death-blow and burial. Let it no longer be a slur on Canadian governments that ability is constantly ignored in order to give party followers a recompense for services, and that, in the issuing of contracts firms of the highest standing here and abroad are passed over because they or their representatives are not on the party patronage lists.

ONTARIO WORKMEN'S COMPENSATION IN 1917

The third year of operation of the Workmen's Compensation Act closed December 31st, 1917. The number of accidents and the amount of compensation show a considerable increase over the prior year.

The total amount of compensation awarded during the year was $2,913,085.81, as against $2,011,468.94 during 1916; the total number of accidents of every kind reported during the year was 36,514, as against 26,092 during 1916.

The increase is partly the result of increased industrial activity and partly of increased rate of wages, which automatically increases the workmen's compensation. The most marked increases in compensation and accidents were in munition manufacturing in schedule 1 and in operation of railways in schedule 2.

The compensation in schedule 1 industries amounted to $2,289,529.44, and the accidents reported numbered 30,701; the compensation in schedule 2 amounted to $623,556.37, and the accidents reported numbered 5,813.

Of the total 36,514 accidents reported during the year, 454 were fatal cases.

The average number of notices of accident received each working day during the year was 126, and the average amount of compensation awarded each day was $9,071.

CANADA'S VICTORY LOAN

The following is a statement made by Messrs. Greenshields and Company, of Montreal, in the April issue of their monthly review:—

"The final instalment on Canada's Victory Loan will fall due on May 1st, and the present understanding is that no new issue will be placed on the market until the autumn.

"It is quite probable that the investment situation could not stand the strain of a major loan operation without the period of recuperation that will intervene on the present plan. Granting that for this and other reasons—chiefly the disturbance to ordinary business which a big loan operation involves—a new issue will be deferred until the autumn, the need for something to keep alive the spirit that animated the Victory Loan campaign is self-evident. Full payment by investors of all but a very small fraction of the Victory Loan will be completed next month. From then until the autumn the danger is real that, so far from further progress being made, habits of thrift and saving developed and encouraged by the Victory Loan will become impaired unless some national effort is made to keep the necessity of such habits constantly before the country."

The opinion is expressed by the review, "that in the interval between the final instalment of the Victory Loan next month and the new loan in the autumn there is opportunity for a successful movement directed along the lines of the thrift campaigns of Great Britain and the United States. Great Britain has raised no less than $1,400,000,000 through sales of war savings stamps and war savings certificates. The United States figures are approaching the billion-dollar mark. Canada's effort along the same lines has been absurdly feeble. The last figures as to sales of war savings certificates showed a few millions. The war savings stamp idea, once announced as part of the government's programme, is never heard of.

"Politicians and the government departments they direct are very busy these days, and it is easy to dismiss suggestions worth while with the plea that there is already too much to do. Outside of political circles there is an army of workers ready to put their best effort into any plan that will further the war. The success of the Victory Loan was made by just such workers. What they need for a new effort, preliminary to and in furtherance of the next war loan, is a little leadership from official quarters."

WORKMEN'S COMPENSATION IN NEW BRUNSWICK

Finding of Commission Which Investigated Operation of Ontario and Nova Scotia Acts

The following is the text of the report presented to the provincial legislature of New Brunswick by a commission appointed for the purpose of investigating workmen's compensation:—

We have the honor to present to you the conclusions at which we have arrived with regard to the operation of a workmen's compensation law in this province.

The order-in-council of January 3, 1917, authorized us to consider the operation of the Ontario and Nova Scotia acts, in their respective areas, in regard to their applicability to this province. This was enlarged by the legislative assembly at its last session, and further power given to us under Chapter 35 of the acts of this province, passed in the present year of his Majesty's reign. The consideration of these acts necessarily led, to a greater or less degree, to the consideration of other acts in Europe, Australia, New Zealand, the United States and South America.

Common Law Liability.

It may be well to explain fully, in express terms, the common law liability, as between the employer and the employee. Under the common law the employer is liable to the employee for certain injuries sustained by him in the course of, or arising out of the employment. This principle of the common law was enforced against the employer, but subject to three defences, which may be stated as follows:—

First, negligence on the part of the employee.

Second, the doctrine of common employment, which, shortly stated, means that if one employee is injured by the act of a fellow-employee, an action would not lie against the employer.

Third, what is called the doctrine of the assumption of risk, wherein the employee was assumed to know the hazard upon which he entered, and therefore, by accepting money for his services he contracted himself out of the liability by the employer. That is the common law doctrine. This, however, was modified by the passing in England of Lord Campbell's act, which was re-enacted in this province and which may now be found in the Consolidated Statutes, Chapter 79. The effect of this act was to vest in the heirs of the injured person the right of action against the employer. At common law the right of action died with the death of the injured man, this statute gave the right to the injured man's heirs to proceed against the employer. There is, therefore, the common law right to consider, which we may discuss in this way; the liability of the employer to the employee, subject to the defences which we have suggested above, and enlarged by Lord Campbell's Act.

In the year 1884 legislation was implemented in Germany by which the common law doctrine of that country was varied, and the Workmen's Compensation Act was passed. This was followed by Norway in 1887, and successively by nearly all the European nations, as time went on.

Principle Widely Accepted.

In point of fact there are 46 nations or peoples in Europe and portions of the British Empire, as well as in South America, which have accepted the principle of workmen's compensation. Turkey is perhaps the one European nation which has not yet passed legislation of this kind. In America and Canada during the last seven years about forty acts have been passed which adopt the principle.

The principle means that there shall be fastened upon the industry in which the workmen is engaged the hazard of that industry. Or 5 per cent. of the assessment, of the workmen to be compensated, and the liability of the employer to pay assessments of some sort in order to meet his liability. So that the modern doctrine would seem to run in this wise, that the industry which has caused loss to the individual, whether it be that of life or otherwise, should pay the loss. Or practically that the statutory law should restore to the individual the loss occasioned by the industry itself, and this proposition we venture to suggest for your honor's careful consideration.

It will probably be found to be true generally, that modern workmen's compensation costs more than the old plan of employer's liability; but, on the other hand, it confers larger benefits upon the employee, while it relieves the employer of a heavy personal liability. The material question to consider is the expense of doing business by way of a government commission. It has been found, broadly speaking, that the commissions have transacted the business at much less cost than the insurance companies, and in this connection it is necessary to say that the government of the province should pay part of the expense of the commission, probably all of its administrative expenses.

In the province of Ontario, where, of course, the income of the commission is large, the cost has only run to about 4½; putting it still more broadly, the right whereas the ratio of expense of insurance companies is probably not less than 35 per cent. It is therefore clear that of the total amount collected by a commission, a much larger amount is returned to the employee than is returned by the systems at present in force. One reason, and probably it is a sufficiently sound one, why the province should contribute to the expense, is that in some cases those who are left behind by the injured workman become a charge upon the public, and the assessment which is made under the workmen's compensation plan upon all industries does away with the possibility of these public charities, and the contribution should, therefore, be made partly by the public. This is true in all the provinces of Canada where the commissions are in force, but on account of the short time they have existed in British Columbia, Manitoba and Nova Scotia it is not feasible to give exact details of cost.

Nova Scotia's Legislation.

The Nova Scotia Act runs in this wise: Fifty-five per cent. of the injured workman's wages is paid when he is incapacitated, and less in proportion to the injury when partially incapacitated. If death ensue, $20 a month to his widow until death or re-marriage, in the latter event two years' annuity and $5 a month for each child but the latter not in all to exceed $20 a month, no matter how many children, until each attain the age of sixteen years.

A certain number of occupations are excluded in Nova Scotia by regulation, on account of the smallness of the number employed, or for some other reason, for those which are so excluded the common law rights are preserved. In cases where the statutory right to collect is given to the employee, the common law right of action and all other statutory rights are taken away.

On the practical side of the question, and accepting the principle of workmen's compensation, we venture to say that the act of Nova Scotia is more nearly applicable to New Brunswick than any other. The acts of British Columbia, Manitoba, Ontario and Nova Scotia, are too drastic to be applied in their entirety in New Brunswick. In fact, in those provinces there is generally assumed liability, ended in some cases only by death of the workman, or his or her dependant, if the latter is a widow. While all of these acts may be open to question at one point or another, yet each has strong features, and after full consideration we suggest that an act along the lines of that of Nova Scotia, modified in some particulars, but enlarged in others, be submitted to the legislative assembly of New Brunswick, strict provision being made:—

Firstly, to limit by way of weekly or monthly payments, the amount payable to any one person, or his or her dependants to $3,500. This suggestion varies radically the other acts, but we believe the limit should be fixed in the public interest.

Secondly, that the Nova Scotia act be again varied by a provision for first medical aid of a character to be determined by the commission itself.

Thirdly, that a system of merit rating be adopted so that the rate of assessment to each employer will be fixed to some extent upon the record of his own particular business. And, therefore, if the record of any particular industry were especially good, it could be noted in a general consideration of all rates.

Fourthly, if it is possible that consideration be given to a scale of specified payments in lieu of the weekly or monthly one as above described in case of certain specified injuries.

Fifthly, that the act only apply to those whose employers have filed their payrolls as may be provided by the act, but that failure to comply shall leave the employer open to action at law, and that he should be placed under heavy penalty as well for such failure.

Sixthly, that in order to keep as close watch over each industry as possible, that the provisions of the Factory Act be extended, so that it will be necessary for each engineer to have a certificate for the special industry in which he is engaged which shall set forth the date of his employment, and notice to be given to the government of the termination of his engagement, in other words the government should know at all times where each engineer is employed.

Seventhly, that negotiations be entered into with the Medical Society of New Brunswick to fix, if possible, fees for first medical aid or for other services which may be rendered under the act.

Eightly, that provision be made to include occupational or industrial diseases.

Ninthly, that the $5 monthly to be paid to each child be not limited to any number.

Tenthly, when an employee is paid more than $1,500 a year the act shall only apply on that basis; to those who are paid less than $6 a week, full wages shall apply.

Eleventhly, that the waiting period be fixed at seven days, no payment to be made for any part of this time, unless incapacitated for that period when compensation shall be paid from date of injury.

Twelfthly, that provision be made to pay burial expenses in case of death of workman, the amount of which shall be limited in the act to a special sum.

Committee's Recommendation.

We therefore recommend that an act be passed embodying the above suggestions; believing that from an economic point of view each industry should carry its own burden, so that every human life which is jeopardized in the process of creating should be paid by the industry affected. In other words, that human life, human thought, human action which have been impaired by injury arising out of, or in the course of employment, should be repaid by the industry which has caused the loss, which therefore would carry the burden of debt to the individual, it would also thereby relieve the employer in many instances of his present heavy liability.

EMPLOYERS' LIABILITY ASSURANCE CORPORATION

The thirty-seventh annual report of the Employers' Liability Assurance Corporation which appears on another page of this issue is without doubt the best in the experience of the corporation. To have brought about an increase in premium income of $4,702,130 over that of 1916 during a period of war is indeed a great accomplishment, and reflects credit upon the management.

The total premium income for the year reached the remarkable total of $16,983,150. As in previous years the greatest increase came from the United States, although in every country in which the corporation does business there was an increase in every class of business.

During the year the corporation paid under policies $7,773,850 on 45.8 per cent., which is 2.8 per cent. lower than the percentage of losses paid the previous year.

The reserve for unexpired risks stands to-day at $6,856,500 as compared with $4,912,000 in 1916. In dealing with the reserve last year, Lord Claud Hamilton, M.P., the chairman, stated, "owing to the unusual amount of excess premiums they might have well reduced this reserve," and the running off of that reserve had more than justified that remark. "The same," he said, "was true of this year, as the increase in premiums was due in large measure to excess premiums, all the liability of which was already earned. In spite of that they had still made the reserve the full 40 per cent. as in respect of the other premiums."

The reserve made for outstanding losses was $5,926,500 compared with $4,529,000 a year ago.

The investments of the corporation, totalling $15,632,761, are of the very highest class of British government securities, municipal securities of the colonies, high-grade foreign municipal and government securities.

Mr. C. W. I. Woodland is general manager of the corporation for Canada and Newfoundland. Mr. Woodland is one of the prominent men in casualty insurance circles in Canada. Under his management the Canadian business reveals a very healthy and vigorous condition notwithstanding the conditions brought about by the introduction of provincial workmen's compensation operations and unsettled business conditions generally.

The fire department of the corporation is under the direction of Mr. John Jenkins, whose work as a capable fire underwriter is recognized throughout Canada.

PERSONAL NOTES

MR. J. W. RUGGLES has been appointed a director of the Standard Chemical Iron and Lumber Company, Toronto.

MR. E. V. CHAPLIN, C.A., has opened offices at 312 Kennedy Building, Winnipeg, the firm of Saul and Chaplin having been dissolved.

MR. ARTHUR BARRY, general manager for Canada of the Royal Exchange Assurance, has returned from England after a two weeks' visit to his head office.

MR. R. HOME SMITH, of Toronto, has been elected president of the Buffalo, Lockport and Rochester Railway, succeeding Mr. Wm. Osgood Morgan, of New York.

MR. C. W. I. WOODLAND, general manager for Canada and Newfoundland of the Employers' Liability Assurance Corporation, has returned to Toronto from the South.

MR. JAMES K. PICKETT has been appointed general manager of the Union Trust Company, of Toronto, succeeding Mr. J. M. McWhinney, who recently resigned. Mr. Pickett has been for some years past manager of the company's office in Winnipeg. In 1898 Mr. Pickett joined the staff of the Imperial Life Assurance Company and remained with that company until he reached the position of general manager of it upon the retirement of Mr. Thomas Bradshaw. In 1914 Mr. Pickett left the Imperial Life Assurance Company and shortly afterwards went to Winnipeg as western manager of the Union Trust Company.

JAMES K. PICKETT.

MR. J. T. WILSON, president of the Dominion Life Underwriters' Association, accompanied by Mr. J. H. Castle Graham, secretary, met a number of Winnipeg life insurance underwriters at a conference and luncheon at the Fort Garry last week. Messrs. Wilson and Graham are making a tour of the Dominion in the interests of the association.

LIEUT. HENRY V. LEMESURIER, of 63 Isabella Street, Toronto, son of Mr. G. G. LeMesurier, manager of the Imperial Bank, Toronto, is reported to have died of wounds. He had been in France for two-and-a-half years and was educated at Upper Canada College and Trinity College School, Port Hope. A brother, Capt. A. B. LeMesurier, has been in France since October, 1914.

MR. J. F. HARPER, manager of the Bank of Hamilton's branch in Vancouver, and at one time manager at Hamilton, has retired from the service on pension. He has been in the employ of the bank over 35 years. Mr. Harper will continue to reside in Vancouver. He is succeeded by Mr. J. W. McCabe, who was formerly manager of the branch at Queen Street and Spadina Avenue, Toronto.

Monetary Times

Trade Review and Insurance Chronicle

of Canada

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THE QUESTION OF AMERICAN CREDITS

The mercantile community here has been looking expectantly to Washington in the hope that the representations made there this week by Finance Minister White will lead to credit arrangements which will make it unnecessary for the Dominion Government to put into force the drastic prohibition of imports suggested a short time ago at Ottawa. Canadian merchants have co-operated heartily with the government in carrying out the various measures designed to make the people more thrifty and economical. They would no doubt acquiesce in the proposed prohibition of imports if that was the only way in which Canada could continue to send war supplies to Europe in the present volume, while at the same time continuing her settlements to the United States for goods imported from that country. But a drastic interference of this kind with trade movements which have been long established, would cause great loss and distress in both countries. When the list of imports was announced, it was explained that Canada's imports of those commodities amounted to $150,000,000 per year. This shows how important are the trades that would be affected. Many of the houses handling these goods have gradually built up great organizations by means of which the merchandise is bought, sold and distributed in the most efficient manner; and it would be a great loss to the country in every way if these organizations were rendered useless.

If the United States government makes direct loans to the Dominion, or it is agreed that a certain limited portion of the proceeds of American loans to Great Britain may be expended in Canada, the necessity for the sweeping prohibition of imports would not be so pressing. It might, perhaps, be deemed advisable to place restrictions or limitations upon the importation of certain items rated as luxuries or near-luxuries, with the object of reducing the expenditures of Canadians upon such articles and also as a means of further improving our exchange position. But the large or main difficulty in regard to exchange would be removed by an arrangement providing for successive credits in New York placed at our disposal by Great Britain or the United States government—the funds coming in either case from the latter party.

According to this week's news from Ottawa, Canada is officially asking the American government for $100,000,000 of war orders, and it is said that there is a good prospect of our receiving orders to that amount. If these expectations are realized, this development also will be such as to lessen the necessity for prohibition of imports. As a matter of fact, if the United States gave us $100,000,000 of war contracts and credits besides, it is difficult to see how our government could go on with the proposed general prohibition of imports. By giving us the orders Uncle Sam would therefore expedite his own military preparations, and also probably ensure to American manufacturers of the important commodities above referred to, the continued existence of their market in Canada.

CANADIAN TRADE AFTER THE WAR

Whether there will be a war after the war or not, lies in the lap of the gods. Free-trade England is not quite so wedded to Cobdenite theory as in ante-bellum days, and is more than disposed to carry on a vigorous economic offensive against the Central Powers after the signing of peace. The United States has within recent weeks taken over alien enemy property of a corporate or business character, including the mines, timber limits, wharves and shipping owned by German corporations and individuals. Both the United Kingdom and France realized too late the hold that German finance had secured on vitally important national enterprises; and in both nations, notably in France, there is a determination that German capital with its programme of "peaceful penetration" must not be given the opportunity to aggrandize itself and place national interests in danger in the future.

Fortunately for Canada, the chief capital investments in this country were made by the United Kingdom and the

United States. From the Motherland and the Republic capital will come in the years succeeding the war according to the Dominion's necessary requirements; and, needless to say, such investments will be welcomed. It is only natural, however, to expect that the Dominion will set its face against any policy of economic penetration that Germany may attempt on this side of the water. Whether the brutality and arrogance of the Central Powers will compel the Allies to create an economic combine against them, in self-defence, has yet to be determined; but it is evident that competition, in any event, will be keener after the war than has ever been experienced before.

Canadian and American manufacturers have yet a great deal to learn from Germany with regard to the efficient marketing of their products. And still in another particular, hardly less important, Germany had surpassed the world in the sphere of industry and commerce. Attention to detail had lifted German industry to a commanding position of world power; and it is that same attention to detail that has permitted the enemy to survive and, indeed, to achieve important results during the course of the present struggle.

It may be admitted that, in the great standardized industries of Canada and the United States, the main economies have been effected; but certain details in achieving economies have been overlooked—economies that may make all the difference between success and failure in the fierce competition that will ensue at the close of hostilities. Intensive cultivation achieved marvellous results in German agriculture; and intensive cultivation gave the key to success in German industry and commerce. It is wise to increase one's economic knowledge, even if the lesson be taught by the enemy.

It is patent that many small economies can be effected, both in shop and office—by the keeping of fewer and better records in the office, by the avoidance of duplication, and by so organizing the work that computations need not be undertaken again and again for the same kind of job. And in the shop, chemical analyses of metals will perform wonders in reducing the costs of manufacture; castings in the foundry may be made smaller and so require less finishing; designs and costs may be worked out with greater detail and care. The truth is that, in many Canadian and American plants priding themselves on their output, only the rudimentary work of organization has been carried on. Filing systems have become obsolete; there is unnecessary and wasteful shifting of men on jobs, the natural breaks in the work, at noon and morning, not being regarded; and, much more, there is no full utilization of machinery.

In many industries there is a "slack" season for both workers and machines, a slowing down in the process that makes for the waste of both capital and labor. By efficient planning it is often possible to carry over jobs for such slack periods, just as the progressive farmer makes work for rainy days. Some managers, in factories turning out standard products, install machinery with a view to its utilization in dull time on other types of work. This is important when markets are narrow for the main output. Moreover, by the use of high-speed tools, by reducing time wasted between jobs, by the full utilization of the equipment, important economies in labor may be achieved.

In other directions savings may be effected by careful inspection of the work turned out; by preventing waste of materials; by careful buying of stock, and the cutting of trade credits. Packages, barrels and boxes may be used a second time—there being at present useless waste in connection with the boxes required in the cigar and tobacco trade and elsewhere. When it is recalled that the Standard Oil Company manufactures 220 grades of kerosene, naphtha, benzine and gasolene from the residuum, and makes 994 different kinds of paraffins, waxes, greases and candles, it will be seen how vitally important are the use of by-products, and the elimination of wastes, for the success of modern industry.

HIGH INTEREST YIELDS

In last week's offering of city of Victoria ten-year bonds at a price to yield investors a full 7 per cent., the interest rate on security issues of large Canadian cities reached a new high spot. Prior to this, the highest yield obtainable on new issues of our leading cities was 6¾ per cent., which rate was first established by the last flotation of the Greater Winnipeg Water District. The city of Montreal loan placed recently by the Bank of Montreal gave a return of about 6½ per cent. A loan made a few months ago by the city of Lethbridge was offered to the public at 7⅛ per cent., but Lethbridge is one of the smaller cities and would not naturally command so favorable a rate as Montreal and Winnipeg. The interest rate on Ontario county bonds has not risen to the high levels reached by some of the large cities. Thus *The Monetary Times* last week announced the sale of $60,000 Essex County 6 per cent. 20-year bonds at 98.399; and of $50,000 County of Lincoln 5 per cent. 10-year bonds at 94.64. These were the prices paid by the bond dealers; and, obviously, the prices subsequently made by the dealers to their clients would not give yields as high as those referred to above. One reason for the lower interest on the county bonds is that their requirements are comparatively small—both of the issues here mentioned were considerably less than $100,000, whereas the city issues often run into the millions.

Even the lowest of these interest rates are decidedly attractive. Three or four years ago, an investor wishing to confine himself to first-class Ontario municipal bonds or farm mortgages, could not get more than, say, 5¼ per cent. on the mortgages and 4¾ or 5 per cent. on the municipals. The higher interest yields have been beneficial to the classes who are obliged to live on the interest of a limited capital, in cases where the parties can convert or invest their funds into the new issues. For example, a widow with the proceeds of a $10,000 life policy can now secure a yearly income of $700 from city bonds, as against an income of but $500 from the same class of investment procurable four years ago. Also, any one with fixed capital invested in bonds now maturing can convert the investments into new securities yielding better returns. But, of course, the man who has his funds tied up in stocks bought at pre-war prices and now quoted far below purchase price, or the man who has low-interest bearing bonds which do not mature for some time to come, cannot take advantage of the present opportunities to the same extent. For those who can take full advantage of them, the increased yields on high-class investments help materially to offset the rise in the cost of living. The exceptionally good returns on these investments should also have a tendency to promote thrift and economy among all classes. Under present conditions, every $1,000 saved represents an increased interest income of about $70 per year. A wage or salary earner, if able to put away $200 in a twelve-month period, can thereby give himself or herself an increase of a dollar a month. Steady repetition of that process soon begins to tell upon the income account, especially if supplemented by occasional increases of regular pay.

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Notice is hereby given that a DIVIDEND OF TWO AND THREE-QUARTERS PER CENT. for the current quarter, being at the rate of ELEVEN PER CENT. PER ANNUM upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the 1st day of June next, to Shareholders of record at the close of business on the 15th day of May next.

By order of the Board,

THOS. F. HOW,
General Manager

The Bank of Toronto, Toronto,
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WHAT ARE NON-ESSENTIAL INDUSTRIES?

No doubt, Canada's main business is the winning of the war, and the bending of every effort both of labor and capital to the attainment of victory. Nevertheless, such a programme, fundamentally important as it is, must not obscure the plain fact that victory will be achieved mainly, if not solely, through our ability to wear out the enemy. And this cannot be accomplished by impairing the industrial power of the nation.

In some quarters it is considered highly unpatriotic to spend on so-called luxuries, on automobiles, silks, and commodities of like nature. In brief, the argument is that reserves of capital and labor should be concentrated on the production of foodstuffs and munitions of war alone—that spending money on comforts and luxuries is entirely reprehensible. This logic is valid only insofar as capital and labor can be employed on war work. Ceasing to spend on automobiles, pianos, gramaphones and other so-called "luxuries" would result merely in causing unemployment, both of labor and capital. Idle labor and closed factories never yet paid taxes, or helped to sustain the productive energy of any nation.

Canadians have been informed that the government will require some $516,000,000 during the current fiscal year on war account alone. It is only from earnings, interest and profits that this vast sum can be procured. Depositing funds in the savings banks is not exactly hoarding; the banks must use these funds for the support of industry or forego profits. If, however, spending on luxuries is curtailed, it will be impossible to find productive use for this capital. The main argument for saving, in the sense of hoarding, in order that Victory Bonds may be bought, is patently absurd. Manifestly, the full employment of the entire reserves of the country's capital and labor is requisite for the support of war loans, and a *sine qua non* for the winning of the war.

Mr. S. Hare, president of the Packard Motor Company, in a speech recently delivered in New York, drew sharp attention to this important subject. He made public for the first time the fact that the Liberty motor, adopted by the United States government for all its aeroplanes, was the invention of the Packard Company. On the perfecting of this motor three years were spent by the engineers in Mr. Hare's employ; and it was a "non-essential" industry that, in this particular at least, saved the situation for the American government. Mr. Hare drew attention to the undoubted fact that there was, after all, a definite limit to the number of men that could be employed upon specific war work; and that so long as shipbuilding, munition-making, and food production did not suffer from lack of labor, there was no logical reason for slowing down those industries engaged in turning out the ordinary products of peace.

The exchange situation between Canada and the United States requires careful investigation and adjustment. It may be necessary to curtail our importations of luxuries; but that fact, arising solely out of the problem of financing our foreign trade, should not lead to confused thinking on spending and saving within Canada itself; for saving, manifestly, can be achieved only through the productive process.

EDITORIAL NOTE

We have received a communication from a valued correspondent, "Britisher," concerning our recent editorial "Financing the Small Farmer." This will be found on page 8 of our issue of last week. Our correspondent takes exception to the assertion that, aside from the chartered banks, little or nothing has been attempted in financing the small farmer in the direction outlined. It is said that we have overlooked the work done in Manitoba in enabling the farmers to purchase livestock under the facilities provided by the Hon. Mr. Winkler, and in Alberta by the Hon. Duncan Marshall.

Insofar as the buying of livestock has been a success under this legislation in the two prairie provinces, something has been done to remedy the situation; but we have no great confidence in the ultimate success of co-operative borrowing, whether for livestock or other purposes. The prosperous farmer, the "big" farmer, has little or no difficulty in securing funds at present, providing he is willing to pay the market rate. Canadian loan companies operating in the West are both able and willing to finance such farmers, at prevalent market rates for funds. It was rather, however, of the small farmer, still in the pioneer stage, of whom we were thinking. We believe that it ought to be possible to encourage the man on the land who has little capital but plenty of grit and ability. As every one knows, this is a real difficulty, and one that has not as yet been really solved—for the co-operative principle does not present the real solution. We are grateful to our correspondent for drawing our attention to what appeared an obvious omission of important factors in the situation. For our part, we believe that private enterprise, both in industry and agriculture, offers the best solution of the problem. Canadian financial institutions have operated fairly, and with scrupulous honesty, in the past; and through their enterprise in attracting capital to this country for agricultural purposes, we must depend, in large measure, for success in the future.

INCREASE IN CANADA'S TRADE

An increase of $315,292,044 in the trade of Canada during the fiscal year ended on March 31st last is shown by the monthly statement issued through the customs department. The statement shows that at the end of the last fiscal year the grand total of Canadian exports and imports was $2,564,462,215, as against $2,249,170,171 at the end of 1917. Domestic merchandise exported from Canada last year totalled $1,540,027,788, while the imports during the same period were $962,521,847. Foreign merchandise was exported to the total of $46,142,004.

Dutiable goods to the amount of $542,319,623 were imported into Canada during the year just ended, and free goods to the amount of $420,202,224. Duty collected during the year totalled $161,588,465, as compared with $147,623,230 in 1917. The imports of coin and bullion during 1918 were $12,279,173, against $28,081,120 in the previous year.

Although the total trade of the Dominion shows a marked increase in the year, the statement shows that there was a falling off in exports and imports in the month of March, as compared with a year ago. In March, 1917, the total trade was $230,722,774, while during the past month it amounted to only $191,737,332. Of this total, $87,255,698 represented merchandise entered for consumption in Canada, and the exports totalled $99,854,987.

Products of Canadian factories to the total of $636,602,516 were exported during the past fiscal year, as compared with $477,399,676 in 1917. Exports of domestic agricultural products reached a total of $567,713,584, and animal products exported amounted to $172,743,081. Products of Canadian forests were sent out of the country to the amount of $51,899,704, and Canadian minerals exported totalled $73,760,502.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital - $4,866,666.66
Reserve Fund - $3,017,333.33

HEAD OFFICE
5 GRACECHURCH STREET, LONDON E.C. 8

Head Office in Canada
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H. B. MACKENZIE, General Manager

ADVISORY COMMITTEE IN MONTREAL:
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W. R. MILLER, Esq. W. R. MACINNES, Esq.

This Bank has Branches in all the principal cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

Savings Department at All Branches

THE MOLSONS BANK

Capital Paid-Up, $4,000,000 Reserve Fund, $4,800,000

Incorporated by Act of Parliament 1855.

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Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

THE BANK OF NOVA SCOTIA

Capital paid-up -	$ 6,500,000
Reserve Fund -	12,000,000
Total Assets over	130,000,000

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BRANCHES IN CANADA

30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
9 in Quebec
14 in Western Provinces

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Brigus
Burgeo
Burin
Carbonear
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Fogo
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Harbor Grace
Little Bay Islands
Old Perlican
St. John's
" East End
Twillingate
Wesleyville

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Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

CONDITIONS IN THE WEST

Wheat Seeding Practically Completed—Trade Situation—Labor Supply Better

(Staff correspondence.)

Winnipeg, April 23rd.

From reports received through our western representative and from other sources conditions in Western Canada could not well be improved on, and the season is easily a month ahead of last year. In many instances wheat seeding is completed and ideal weather prevails.

W. J. Black, Dominion commissioner of agriculture, who has just completed a tour of the western provinces, interviewed by *The Monetary Times* on his return to Winnipeg, said: "I never knew the spring to open so uniformly and favorably as has prevailed this spring. The prospects are good in all the provinces. In British Columbia there is a most hopeful and optimistic tone. The lumber industry is busy, which has a beneficial influence on trade in general. There is a greater interest in fruit-growing, and efforts will be made to better shipping facilities to the prairie provinces so as to develop the growing business in all lines of fruit.

Trade Generally Good.

"Everywhere," said Mr. Black, "conditions are good and the prospects are bright. The ranchers in Alberta are cheerful, and report that the stock came through the winter in prime condition, and in every section the farmers exhibit a fine spirit and are anxious to do their utmost to increase production. There have been good rains at various points and seeding is well advanced."

Reports from Winnipeg wholesale and business houses indicate trade in the west in all lines to be good. Prices in many lines are continually on the increase. Wholesale houses are very busy keeping up with orders.

Winnipeg Board of Trade.

The activities of the Winnipeg board of trade are varied, but in every case are looking to the good of the community. In discussing the transportation problem as it exists in Winnipeg, last week they passed the following resolution:—

"Whereas the operation and development of the Winnipeg Electric Railway has been seriously retarded by the competition of what is known as the 'jitney' service; and,

"Whereas the Winnipeg Electric Railway is recognized as an indispensable public utility, the extension of which should be encouraged and aided in every reasonable manner in the interest of the city at large;

"The council of the board of trade hereby places on record its full approval of the action of the city council and board of control in taking steps to abolish the running of jitneys on streets upon which cars of the Winnipeg Electric Railway operate a regular service, and to place the jitneys (if the service is permitted in any form) under strict regulations;

"But we insist that the Winnipeg Electric Railway Company give a definite guarantee, satisfactory to the city council, that it will furnish a service that will eliminate the possibility of the public having to suffer any inconvenience through the change."

Western Coal Supply.

The western coal operators and miners are urging on the Dominion government that they prohibit the bringing in of any hard coal from the eastern States to anywhere west of the lakes. This would undoubtedly be a hardship, especially to the fuel situation in the city of Winnipeg. The board of trade, with its usual alertness, took action in this matter also at its meeting last week by passing the following resolution:—

"If western consumers must wait until June before they find out where their coal is coming from they will have suffered a serious handicap. Best time of year for bringing coal up the lakes is immediately following opening of navigation. The government should definitely state certain territory, including Manitoba, will be allowed to use coal from eastern States whenever it can get it. Rest of the territory should look to western mines for supply. In any event, arrangement just made is most unsatisfactory, and instead of it we would prefer conditions that prevailed during past winter. A. E. Boyle, secretary."

The wheat acreage has increased remarkably this year. An estimate by the financial editor of the Calgary Canadian is to the effect that the increase will approximate 25 per cent., although later reports indicate that this figure is a conservative one, and that the province as a whole will show a greater increase in acreage for this crop.

Some exceptionally large tracts of ground are being broken in Alberta, working both night and day shifts in breaking ground on a tract of 15,000 acres which he recently purchased. Of this tract, 5,000 acres of that portion broken last fall will go into oats and wheat, 5,000 will be summer-fallowed and 5,000 acres will go into flax for this season. Forty miles a day is being broken.

The labor supply is better than had been earlier expected. The provincial department of agriculture, through its employment bureaus, has distributed approximately 2,500 men. Most of the elevators of the province have closed for a thirty-day period, and the result is that many farmers and their helpers, who would otherwise be engaged in the hauling of grain to town, are now engaged in assisting neighboring farmers to get the crop in.

GRAIN IN CANADA

According to the bulletin issued by the Census and Statistics Office recently, the compilation of returns collected from elevators, flour mills, railway companies and crop correspondents shows that on March 30th, 1918, the quantity in Canada of wheat and wheat flour expressed as wheat was 77 million bushels, as compared with 126 million bushels last year, 197 million bushels in 1916 and 79 million bushels on February 8th, 1915. The total for 1918 comprises 25 million bushels in the elevators, flour mills and in winter storage in vessels, 32 million bushels in farmers' hands and 20 million bushels in transit by rail. Of oats, including oat products expressed as oats, the total quantity returned as in Canada on March 30th, 1918, was 155½ million bushels, as compared with 184 million bushels last year, the total for 1918 comprising 24½ million bushels in elevators and flour mills, 124 million bushels in farmers' hands and 7 million bushels in transit by rail. Of barley, the total quantity in Canada on March 30th, 1918, was returned as 16 million bushels, as compared with 15 million bushels last year, the total for 1918 comprising 4 million bushels in elevators, 11 million bushels in farmers' hands and one million bushels in transit by rail. Of flaxseed, the quantity in Canada on March 30th, 1918, was 2,420,000 bushels, as compared with 5,662,000 bushels last year, the 1918 total consisting of 1,459,000 bushels in elevators, 516,000 bushels in farmers' hands and 445,000 bushels in transit by rail.

The reports of crop correspondents show that out of the total wheat production of 1917, 14 per cent., or nearly 32 million bushels, remained in farmers' hands on March 30th, 1918. This proportion is lower than last year (21 per cent.) and than in 1916 (23 per cent.), and compares with 13 per cent. in 1915. Of the remaining field crops, the proportions and quantities estimated to be in farmers' hands on March 30th are as follows: Oats, 31 per cent., or 123,910,400 bushels; barley, 20 per cent., or 10,944,600 bushels; rye, 13 per cent., or 491,800 bushels; buckwheat, 18 per cent., or 1,251,500 bushels; corn for husking, 12 per cent., or 937,000 bushels; potatoes, 30 per cent., or 24,130,500 bushels; turnips, etc., 14 per cent., or 8,644,100 bushels; hay and clover, 26 per cent., or 3,536,300 tons. The stock of potatoes, viz., 24,130,500 bushels, compares with 15,969,000 bushels last year, with 12,960,800 bushels in 1916, and with 32,310,000 bushels in 1915; flax, 9 per cent., or 515,800 bushels.

The total wheat crop of 1917 (223,007,000 bushels) were of merchantable quality, the proportion being 95 per cent., as compared with only 85 per cent. last year. The proportions per cent. of other crops estimated to be of merchantable quality last year are as follows: Oats 91, barley 90, rye 89, buckwheat 76, corn for husking 50, flaxseed 89, potatoes 77, turnips, etc., 83, hay and clover 87. For corn, the proportion is the lowest on record, and compares with last year's estimate of 58 per cent.

The Saskatchewan fire loss in 1917 amounted to $2,750,000. Over 50 per cent. of this loss was due to carelessness—burning rubbish, burning straw piles, children playing with matches, carelessly throwing down lighted matches, cigar and cigarette stubs, overheated stoves, defective stovepipes, defective chimneys, cleaning clothes with gasoline near stoves and open fire.

THE BANK OF OTTAWA

Established 1874
94 Branches in Canada

Capital paid up - $4,000,000
Rest - - - $4,750,000

A BANK WELL EQUIPPED TO SERVE THE PUBLIC

Drafts, Money Orders and Letters of Credit issued

Interest added half-yearly to Savings Balances

Toronto Branches: Cor. King East & Victoria Sts., Cor. Broadview Ave. & Gerrard St. Cor. Queen St. & Pape Ave.

1

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The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

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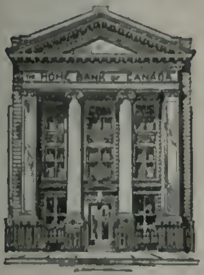

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8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario
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Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

The Standard Bank of Canada

Quarterly Dividend Notice No. 110

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 30th of April, 1918, and that the same will be payable at the Head Office in this City and at its Branches on and after Wednesday, the 1st day of May, to Shareholders of record of the 20th of April, 1918.

By order of the Board,
C. H. EASSON,
General Manager

Toronto, March 23rd, 1918.

THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-np Capital, $7,000,000 Total Deposits (Dec. 1917), $103,000,000
Reserve Funds, 7,421,292 Total Assets (Dec. 1917), 136,000,000

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BRITISH TRADE COMMISSIONER

Monetary Times' Editor, Fred. W. Field, Receives British Government Appointment

Fred. W. Field, who was editor of *The Monetary Times* for eleven years, has been appointed by the Imperial Government as His Majesty's Trade Commissioner at Toronto. Mr. Field was asked last December whether he would accept this appointment, and he resigned his editorial position on the first of this month in order to assume his new duties. He has now opened offices in the Confederation Life Building, Toronto, and is already actively engaged in promoting trade between Great Britain and Canada.

In 1907 Mr. Field succeeded the late Mr. James Hedley as editor of *The Monetary Times*, having previously been assistant editor for one year. Mr. Field came to Canada from England in 1906, and for a few weeks was engaged in "free lance" work for various magazines and newspapers, but before long he accepted the assistant editorship under Mr. Hedley. In England, Mr. Field had been engaged in special assignment work on various newspapers, and for a time also was in the Civil Service. He was born in Twickenham, England, on April 4th, 1884, and was educated at Tiffin's School, Kingston-on-Thames, and by private tutors. He spent a year in France after leaving school and later spent some time in Holland.

As an editorial writer on financial, insurance and economic subjects, Mr. Field earned an international reputation. He is a keen critic, an able statistician and a fluent writer upon a wide range of topics. His work upon the Annual Review and Outlook Number of *The Monetary Times* was exceptionally remarkable. His editorials were very widely quoted throughout Canada, England and the United States.

Mr. Field's series of articles on "Capital Investments in Canada" were reprinted in book form and had a wide circulation, as had also his booklet on "Trade Prospects and Resources of Northern Ontario," prepared for the Toronto Board of Trade.

He was held in high regard by his contemporaries in the newspaper world and by business and financial men generally throughout Canada, being frequently called into important private conferences on trade, financial and other matters.

In his new work Mr. Field is associated with a recently created department of the British Government, namely, the Department of Overseas Trade (Development and Intelligence), of which Sir Arthur Steel-Maitland is the head. The new organization combines the Department of Commercial Intelligence of His Majesty's Board of Trade and the Commercial Department of the Foreign Office. It will control all the foreign services which have to do with commercial matters. Of these there are three kinds. There are the trade commissioners appointed to further the United Kingdom's commercial interests within the British Empire. These, formerly four in number, are now to be sixteen. The commercial attachés of the diplomatic missions to foreign countries are the second class of officers controlled by the department. It is proposed to expand and reorganize this service, and its functions will be to keep the government informed as to the general financial and economic state of foreign countries and to keep a constant watch for the benefit of British trade. This wide commission to the commercial attachés represents a serious attempt to obtain a broad and scientific conspectus of the business field in other countries, both as to the opportunities and the dangers that present themselves. The third class of officers, the consuls, are to discharge the duties hitherto allotted to them in the towns and districts to which they are appointed.

Mr. Field is attached to the first-named group of officers, the trade commissioners in the British Empire, his territory embracing the whole of the Province of Ontario. The governments of the Dominion have been offered by the Imperial Government the facilities afforded by this extended commercial intelligence service, and most of them have accepted the offer in whole or in part. Canada, for example, will make use of the service in countries in which it has not trade commissioners of its own.

BUDGET STATEMENT NEXT TUESDAY

A new domestic war loan is likely to be foreshadowed in the budget speech, which is to be made on Tuesday next, by Hon. A. K. Maclean, acting minister of finance. Estimates as to the amount of the loan vary from one hundred and fifty million dollars to a quarter of a billion.

The financial statement of the Dominion for March as just published shows that the net debt has risen to $1,106,394,023. At the outbreak of war the debt was about $337,000,000. This means an increase of $770,000,000 since August, 1914.

The government is confronted with the problem of securing much additional revenue. At present there is much conjecture as to how it is to be raised. Hence the interest that is being taken in the budget statement to be made next Tuesday.

LARGE AMOUNT OF INSURANCE WRITTEN

The following is an article, referring to the work of the Bureau of War Risk Insurance of the Treasury Department in the United States, which appeared in a recent issue of the Official Bulletin, Washington:—

Complete figures, now available, show that in the six months since October 6, 1917, the bureau has sent out 1,706,330 government cheques for allotments and allowances, death and disability compensation and government insurance. These payments, aggregating $50,403,462.89, were made up as follows: $50,164,986.12 for allotments and allowances, $60,958.60 for death and disability compensation, and $177,518.17 for government insurance payments.

In six months government insurance on upward of 1,700,000 soldiers, sailors and nurses was written for a grand total of approximately $14,000,000,000. The average amount of insurance applied for was close to $8,500, the minimum permitted by the law being $1,000 and the maximum $10,000.

The entire life insurance written in the year 1917 by all the stock and mutual companies, fraternal orders, associations and societies in the United States was approximately $6,000,000,000. The Bureau of War Risk Insurance is thus by several hundred per cent. the largest life insurance concern in the world. At the first climax of the government insurance campaign insurance was sold at approximately a two-billion-dollar-a-week pace. On the record day of the bureau applications for $500,000,000 of government insurance were received.

Government insurance is still being written in large volume. Approximately $400,000,000 was added to the total the last week.

April 12th, 1918, was the last day on which persons who joined the military and naval service on or before December 14th, 1917, could apply for government insurance. Spurred on by the congressional extension of time from February 12th, many soldiers and sailors fell in line with the insurance ranks, eager to make themselves and their families "100 per cent. protected" and the nation's fighting forces "100 per cent. insured."

All new men joining the colors, if they wish the protection of United States government insurance, must make application within 120 days after entry into the service. This time limit is imposed by law. No persons are insured until they have made specific application.

THE STERLING BANK
OF CANADA

The institution which progresses is the one which gives its customers a little more —a little better—SERVICE.

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King and Bay Streets, Toronto 69

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	4,000,000

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LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4

JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)

	AUSTRALIA
PAID UP CAPITAL	$ 19,524,300.00
RESERVE FUND	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

J. RUSSELL FRENCH, General Manager

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COINAGE OF CANADA SINCE CONFEDERATION

History of the Development of the Royal Mint at Ottawa Details of Coins Turned Out

In a recent issue of the Journal of the Canadian Bankers' Association, Dr. James Bonar, Deputy Master of the Royal Mint, Ottawa, writes an interesting article on the work done at the mint.

Historians of currency have shown how the early British settlers in the New World carried with them the memory of British sterling and its kindred shillings and pence, while their very home trade was barter till their dealings with the Spanish possessions supplied them with Spanish dollars. Thus, in the course of the 17th century, dollars invaded the North American mainland, to stay there ever afterwards. After a long series of ratings of the dollar in terms of the English pound, and an unsuccessful attempt to introduce British small change by ordinance (O. in C., 1825) into the colonies generally, it became evident that on the mainland at least the victory lay with the dollar currency.

There had been legal recognition of that currency here as early as 1796, when Lower Canada and Upper Canada, divided in 1791, agreed to give legal standing to the gold eagle, and also to the silver dollar of the United States. The union of the two Canadas, Ontario and Quebec, in 1840, was promptly followed by an act (1841) which, indeed, reasserted the pound as the basis of the currency, but made the eagle and silver dollar of the United States, equally with the British sovereign, legal tender by tale to any amount, with a favorable rating of the silver dollar that made that particular coin the preferred coin and current standard of value. An act of 1853 sanctioned the use of dollars, cents and mills alongside of shillings and pence. An act of 1857, compelled the use of dollars and cents in public accounts.

Canadian Dollar Currency.

From this point, *de facto* dollar currency in Canada begins to be Canadian dollar currency, and not simply borrowed pieces or money of account. The Royal Mint in London, and, under its supervision, the private firm called "the Mint," Birmingham, struck coins for the Canadas, Nova Scotia and New Brunswick, from 1858 to 1864, and for Prince Edward Island as late as 1871. After Confederation had politically united the first four provinces, there was also a monetary union; and, when the Island joined the Confederation in 1873, it made no further attempts to have coins of its own.

The amounts coined for the four from 1858 to 1864, and for the Island in 1871, are recorded in a table printed in the annual report of the Royal Mint for 1908. It was prepared by Mr. John Roe, accountant of the Ottawa Mint, from the figures then accessible. Mr. Roe's researches, when he was on furlough in London, 1911, enabled him to correct those figures by adding two consignments of coin previously overlooked. The following are the corrected totals:—

For Canada, that is to say Upper and Lower Canada—1858—Silver, $350,000; bronze, $100,000 in cents. 1859—Bronze, $95,790, in cents. 1860—Bronze, $1,114, half cents. The silver consisted of 20 cents, 10 cents and 5 cents.

For New Brunswick—1861—Bronze, $10,000, in cents. 1862—Silver, $50,000, 20 cents, 10 cents, 5 cents. 1864—Silver, $45,000 (as before); bronze, $10,000, in cents.

For Nova Scotia—1861—Bronze, $10,000, including $2,000 half-cents. 1862—Bronze, $10,000, in cents. 1864—Bronze, $10,000, including $2,000 half-cents.

For Prince Edward Island—1871—Bronze, $10,000, in cents.

Confederation Issues.

These last were struck at Birmingham, and their mint mark is H, for Heaton, head of the firm. The grand total of pre-Confederation issues is: Silver, $445,000; bronze, $256,904. It will be noticed that the list includes the half-cent, that has disappeared, and the twenty-cent piece, that is disappearing. Even the latest currency act (of 1910) is tender towards the rights of the early pieces. "The silver, copper or bronze coins heretofore struck by authority of the Crown for circulation in the provinces of Ontario, Quebec and New Brunswick, under the acts at the time in force in the said provinces respectively, and such silver, copper or bronze coins as before the passing of this act, have been struck by the same authority for circulation in Canada, under the acts at the time in force in Canada, shall be current and a legal tender throughout Canada at the rates in the said currency of Canada assigned to them respectively by the said acts and under the like conditions and provisions." No other silver, copper or bronze coins than those which the Crown has heretofore caused to be struck or may hereafter cause to be struck for circulation in Canada, or in some province thereof, shall be a legal tender in Canada. As a matter of fact, the only troublesome survivor has been the piece of twenty-cents, a denomination now out of use in Canadian coinage, and, happily, to all appearance passing out of use in Newfoundland. Its likeness to the quarter has been its ruin. The half-cent betrayed a greater parsimony than prevails now; men were careful about small expenses, and needed small pieces by which to reckon them.

Confederation Currency Reform.

At the time of Confederation, currency reform was in the air. The Latin Union of 1865-6, at first including only Belgium, France, Italy and Switzerland, had fixed the standard of fineness, both for gold pieces and for the five-franc silver piece, as nine-tenths; and the International Monetary Conference held in Paris during the exhibition recommended a uniform gold standard of nine-tenths fineness for all civilized countries. The first currency act of the Dominion parliament, 1868, tried to give effect to this last idea by providing that Canadian dollar currency should be of the same value as that of the United States, and, if the United States followed the recommendations of the conference, their example should be followed. It retained the pound as the basis of currency, and restated the rating of it in dollars. But in 1871 the entire currency of the Dominion was made one, the use of dollar currency was prescribed for all accounts, and the gold eagles and double-eagles of the United States were frankly ranked with the sovereign as legal tender, provision being made for possible Canadian gold coins. This act of 1871 gave character to the Canadian currency till it was replaced by the act of 1910.

The coinages under the act of 1871 were as follows: 1870—London, silver, 50 cents, $225,000; 25 cents, $225,000; 10 cents, $160,000; 5 cents, $140,000—$750,000. 1871—London, silver, 50 cents, $100,000; 25 cents, $100,000; 10 cents, $80,000; 5 cents, $70,000—$350,000. 1872—Birmingham, silver, 50 cents, $40,000; 25 cents, $560,000; 10 cents, $100,000; 5 cents, $100,000—$800,000. 1874—Birmingham, silver, 25 cents, $400,000; 10 cents, $60,000; 5 cents, $40,000—$500,000. 1875—Birmingham, silver, 25 cents, $250,000; 10 cents, $100,000; 5 cents, $50,000—$400,000. 1876—Birmingham, bronze, 1 cent, $40,000—$40,000.

Silver and Bronze.

The totals of silver and bronze, respectively, for the following 32 years are: 1880—Birmingham, $400,000; nil. 1881—Birmingham, $450,000; $20,000. 1882—Birmingham, $300,000; $40,000. 1883—Birmingham, $300,000; nil. 1884—London, $25,000; $25,000. 1885—London, $138,000; nil. 1886—London, $300,000; $15,000. 1887—London, $85,000; $15,000. 1888—London, $230,000; $40,000. 1889—London, $136,585 (including recoined 20 cents); nil. 1890—Birmingham, $155,000; $10,000. 1891—London, $200,000; $14,525 (including recoined copper and bronze coin). 1892—London, $298,000; $12,000. 1893—London, $160,000; $20,000. 1894—London, $144,518 (including recoined 20 cents); $10,000. 1895—London, nil; $12,000. 1896—London, $140,000; $20,000. 1897—London, nil; $15,000. 1898—London, $217,000; nil. 1898—Birmingham, nil; $10,000. 1899—London, $398,895 (including worn coin and recoined 20 cents); $24,000. 1900—London, $589,000; $10,000. 1900—Birmingham, nil; $26,000. 1901—London, $420,000; $41,000. 1902—London, $354,000; $30,000. 1902—Birmingham, $420,000; nil. 1903—London, $311,537½ (including worn coin); $40,000. 1903—Birmingham, $334,000, nil. 1904—London, $350,000; $25,000. 1905—London, $450,000; $20,000. 1906—London, $809,460¾ (including worn coin); $41,000. 1907—London, $1,194,000; $24,000. 1907—Birmingham, nil; $8,000.

Grand Totals from Confederation.

The grand totals from Confederation to the last year before the Ottawa Mint are: Silver, $12,109,996; bronze, $607,525. The fractional amounts (.50, 1903; .75, 1906) result from the Royal Mint's practice of accounting for all the metal furnished for outside work to the last cent. The recoining of worn copper and bronze (1891), though unusual, is not unexampled. It occurred on a great scale in London in 1908-1910, and it has happened in Ottawa on a small scale in 1914.

The large amount of silver and bronze provided in 1907 was a prudent insurance against the risk of scarcity. Her own Mint once opened, Canada was to depend on herself for her coin: at the same time the capacities of the new Mint were untested. The precaution was perfectly wise in the circumstances; but the effect was that the first year of the Canadian

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branch of the Royal Mint was not a year of great activity. The issues for the first ten years were as follows:—

1908—Gold, sovereigns, 633; silver, $63,025; bronze, $21,604. 1909—Gold, sovereigns, 16,275; silver, $868,300; bronze, $39,300. 1910—Gold, sovereigns, 28,012; silver, $1,464,000; bronze, $42,020. 1911—Gold, sovereigns, 256,395; silver, $1,391,000; bronze, $54,480. 1912—Gold, sovereigns, 515, Canadian coins, $1,477,490; silver, $1,392,000; bronze, $50,000. 1913—Gold, sovereigns, 3,742, Canadian, $1,890,690; silver, $1,175,000; bronze, $55,600. 1914—Gold, sovereigns, 9,077, Canadian, $1,499,705; silver, $734,002; bronze, $35,100. 1915—Gold, sovereigns, 13, Canadian, $535; silver, $206,000; bronze, $50,400. 1916—Gold, sovereigns, 11,035, Canadian, none; silver, $1,302,000; bronze, $110,700. 1917—For Canada: Gold, sovereigns, 187; silver, $1,862,200; bronze, $116,900. For Newfoundland: Silver, $240,000; bronze, $7,000.

Maximum was Passed.

In the year 1916 the number of pieces struck was 19,640,000. The number estimated in 1907 as the maximum for which the Mint was equipped, was 20 millions. The figure so narrowly approached in 1916 has been passed in 1917, the number struck being 28,650,000, including 2,000,000 for Newfoundland. For obvious reasons pieces struck may be greater or less in number than pieces issued. The discrepancy has been slightly increased for Canadian coin since the Currency Act of 1910, which instituted a Pyx examination of Canadian coins analogous to the London Pyx examination of Imperial gold and silver coin, but held in Canada by assay commissioners from different parts of the Dominion.

The said Currency Act of 1910 involved several other changes. The first, which was hardly noticed, was the important shifting of the emphasis on the sovereign hitherto characteristic of all such acts. Instead of being defined by relation to the sovereign, the currency of Canada is now defined in terms of a gold standard of a stated fineness. The sovereign is introduced as simply one of the gold coins which are to be legal tender at a stated rating in dollar currency. The American gold coins, from the half-eagle to the double-eagle are similarly retained as legal tender. The second change was the introduction of Canadian gold pieces for $20, $10, $5, $2.50. The third change was the sanction of a silver dollar.

Canadian Gold Pieces.

The Canadian gold pieces, after a short popularity, have not entered into active circulation. Gold has, indeed, played a far larger part in the work of the Mint than its founders themselves ever imagined, but it has not been in the form of coined pieces. In the debates in the Dominion parliament (especially on May 15, 1899), which were the prelude to the act of 1901 establishing the Mint, it was suggested that, like the Australian Mints, the Canadian Mint might supply the Empire with sovereigns. This has not been the case; but it was not for lack of gold. Gold came to the Mint to be refined, and it soon appeared that the coining of it, contemplated in the Royal Proclamation of November 2, 1907, was not desired either by the depositors or by the general public. Regulations for the receipt of deposits, framed in 1909 in terms of the sovereign, were recast in 1913 in terms of the dollar, to the general satisfaction. The refinery attached to the Mint was twice enlarged. Begun in 1911, with an equipment for the electrolytic refining of gold, it added, in 1914, the chlorination process practised in Australia, which turns out gold bars with much greater celerity, if not to quite as high a degree of fineness. A change, in progress even before 1914, was precipitated by the war. The amending "act respecting Dominion notes," made express provision for the reception of gold bars into the government reserves. Up to that time bars had figured there only to the value of $222,933.99. It has not been the practice to give full statistics of the production of bars by the Mint in the years of war, or full information as to the quantities and origin of the rough gold received. But of the change in the relative importance of coined gold and gold bars there is no manner of doubt. The habit of turning gold into coin has become a habit of turning it into bars.

The change is partly cause, partly effect, of a new view of the gold standard taken by economists generally. Most economists no longer believe that a gold standard involves a gold currency, or at least such a currency extensively used. The sovereign itself is said to be more extensively used, in proportion to other coins, throughout the land of Egypt than the land of England. In Canada for some time we have had a gold standard without a gold currency. Issues of notes are based upon gold, but, so long as this is known or believed, no ordinary citizen, for the ordinary purposes of life, desires any currency but notes for large sums, silver and bronze tokens for small sums.

Circulation of Subsidiary Coin.

An estimate of the circulation of subsidiary coin—i.e., silver and bronze, is made by the Ottawa Mint every year, and the results are given in the annual report. Take, for example, the estimate given in the report of 1914. It is, for each member of the population, $2.29 silver, 14.4 cents bronze. The Mint arrives at this result (1) by taking the net amount of coin issued during the year, and dividing it by the population, of which the census commissioner furnishes the probable figure; (2) by taking the net amount of coin issued from 1858 onwards, similarly divided. The dividend is in both cases reduced by the worn coin recoined and reissued. There is added, for comparison, the amount of Dominion notes of the smaller values (25c. to $4) in circulation on December 31st; the result is $2.88 per head.

With allowance for the coin of the United States deported by the banks (over one and a half millions in 1914), and the remnant not deported, the estimate for the silver circulation is likely to be fairly accurate. It is the maxim in some quarters that the issues of metallic currency are cumulative; in other words, that what is sent out among the people stays among the people, still playing its part as coin, or is brought back as worn coin. This may be nearly true of silver pieces; it seems otherwise in the case of bronze pieces. In proportion to the number issued, the number collected for recoinage is very small. Though their value as coins, at least before the war, was three or four times their value as metal, their insignificance to a people far from extreme poverty would seem to lead to a mere neglect and waste of them. It is too probable, therefore, that the number of bronze pieces remaining to be divided among the people of 1914 is by no means the sum of the pieces issued from 1858 onwards. The yearly issues fill real gaps, and how the gaps are made is matter for conjecture.

In the case of gold coin, the Mint can form no estimate of circulation per head. The Ottawa Mint is not the only coiner of sovereigns, but has as its rivals the London Mint and the three branch Mints of Australia. The sovereigns of all the five Mints may be, and occasionally are, represented here. There is a general agreement that the total is small.

Circulation of Gold Pieces.

The circulation of the Canadian gold pieces ($5 and $10) is even less. Most of them are now reposing in the vaults of the government as part of the reserve against Dominion notes. The greater part, even of the reserve, is held in the gold coins of the United States, and these coins are probably the chief gold pieces in circulation throughout Canada to-day. The banks of the Dominion, and in some degree the post offices, are the only bodies that can bring us near probability in any estimate of the gold coin in circulation.

TORONTO'S WAR EXPENDITURE

Referring to Toronto's expenditures for war purposes since 1914, Mayor Church stated recently that of the $11,000,000 granted, $4,000,000 was for insurance, $2,750,000 for provincial war tax, $2,250,000 for grant to Patriotic Fund and Red Cross and $1,500,000 to city employees overseas. "The policy for those war expenditures was laid down in the fall of 1914, and the policy was simply continued," said the mayor. "The maintenance charges during the past four years have been stationary, and no debt has been added except the war expenditures. All capital charges except these have been stopped. A pay-as-you-go policy has been adopted, with no overdrafts. Each year there has been a surplus. The tax rate would have been 20 mills had it not been for the fact of the war expenditure and the inability of the city to float any bonds, having to put everything into the tax rate. The heavy annexations of recent years have also been responsible for part of the increase."

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MONEY MARKETS NOW AND AFTER THE WAR

Wisdom and Foresight Necessary to Meet the Situation Brought About by War

In the Railway Age, investment economist section, of April 5th, the following article, by Sir George Paish, appears and contains observations that will interest many readers.

Rarely has there been greater difficulty in coming to any definite conclusions as to the future course of the world's money markets, and were it not that the world's common interest was likely to induce, indeed to compel, everyone to act with great consideration and with a quite unusual degree of wisdom, one would not be so hopeful about the future as the facts of the situation now justify. Actual experience of what has been accomplished during the present war fully warrants one in anticipating that any further difficulties will be safely overcome and that the world's credit system will emerge from the extraordinarily trying ordeal to which it has been subjected not only uninjured but greatly widened and strengthened. On every hand admiration is expressed for the wonderful manner in which money has been provided for war in all the belligerent countries and everyone now recognizes that such things would not have been possible but for the growth of banking and investment which had rendered the credit system prior to the war so powerful and so efficacious in supplying the world with the capital it needed for the development of its natural wealth and manufacturing power, as well as for the provision of the machinery of transportation and of distribution.

No more convincing testimony to the efficiency of the credit system in providing money for war is required than the fact that all the money needed to finance the colossal expenditures of this war has been supplied on the general comment that if so much money can be found for war then why not for improving the condition of the great mass of the people in all countries.

Certainly the credit system has attained a reputation in war which it will not be easy to live up to in peace, and it is partly because everyone now recognizes that bankers and investors in giving credit are able to create wealth that there is some uncertainty about the future. All the old landmarks and tide levels upon which bankers used to rely for guidance have been swept away by the great torrent of credit now sweeping over the world. It is obvious that the credit system of the past was merely a child in comparison with what it will be in future now that in the present emergency it has become fully known.

When one considers how greatly credit has contributed to the expansion of the world's wealth in general and to the well-being of these countries in particular in which it was most highly developed before the war one realizes that after the war is over the well-being of the race will show a rate of progress never hitherto witnessed now that the possibilities of the credit system are so widely recognized; that is, provided that the war is ended by a democratic, clean and good peace.

To appreciate the course of the money market not only during the war, but after the war is over, it is essential to take the experience that is now being gained by the public into account.

The experience gained of war in these days shows that with everyone co-operating and with everything possible being done to facilitate the creation of credit both nationally and internationally there is practically no limit to the amount of money that can be borrowed both from bankers and from the investing public.

Of course, it is essential that we should all realize that at the present time these vast credits are not adding to the permanent wealth of the world and that for the greater part they are pure inflation, forcing up the prices of commodities, wages and profits. Nevertheless they are attaining the end in view, the stimulation of human effort to produce things needed in a great crisis and to enable war to be waged on a scale never hitherto regarded as possible. Nor can it be denied that if the object in view had been the creation instead of the destruction of wealth the world's well-being could have been enhanced in a most remarkable manner by such a vast creation of credit.

And no one can doubt that the world having had such an object lesson in the possibilities of credit will seek to apply its advantages after the war to the production of wealth and that as a result of this wider knowledge and appreciation of the power and the value of credit, wealth will increase much more rapidly in the future when the war is over than it did in the past.

It is the situation thus created that renders any forecast of the future of the money market a matter of very great difficulty.

One thing, however, is clear—that there will be no lack of demand for banking and investment money in all countries, both for the purpose of pursuing the war and, when peace comes, carrying out the work of reconstruction. The proportions of the sum required that will be provided by bankers and investors respectively cannot yet be decided. That depends upon many considerations. Just now investors in Europe are disposed to think that the war has entered upon its last stages and that the economic pressure upon Germany and Austria will at last have the desired result, and are rather more disposed to allow their money to accumulate in the hands of bankers until they can form a clearer idea of how long the war is likely to last. The consequence of this is to bring about a plethora of banking money in London and to cause bankers to reduce the rates of discount and the government its rate for treasury bills. But already a greater attractiveness of government bonds in comparison with bankers' deposit rates and treasury bills is again causing investors to subscribe to the government loans more freely.

Fluctuations of this kind are, of course, inevitable and can be more or less ignored, the essential factors in the situation being the constant need of all the money that can be supplied both by bankers and investors in all parts of the world until the war is over.

After the War Conditions.

In considering the post war situation, account must first be had of the position that the war will leave. First of all, we shall have the fact that the belligerent nations will be heavily indebted to the rest of the world for produce and food supplied during the war, the payment of which they have been allowed to finance temporarily in the countries from which the things have been bought.

Of course, if the countries in which these temporary loans are incurred were to demand immediate payment of the money due to them a very awkward situation would arise. But they are likely to do nothing of the sort. In the past, these countries have obtained very valuable help from France and Great Britain in the shape of immense loans of permanent capital for the development of their resources, and now that the situation is reversed they are likely to act with the same consideration as was shown to them, and to make no demand for payment which cannot be readily met.

What is likely to happen is that these countries which normally are borrowers and not lenders and need to import more goods than they can usually pay for by exports will, after the war is over, again begin to go ahead and will take payment of the loans they have made to other countries during the war in the goods they need for their development. In other words, they will gradually take back the capital which they have accumulated abroad during the war from their great sales of goods and produce and will not need to borrow from other lands until the money due to them is liquidated. In this way the balance of trade against the belligerent nations that has piled up during the war will be gradually adjusted until eventually the effect of the war entirely disappears and the world resumes business as usual.

The inevitable effect of this situation will be to maintain prosperity and the volume of business in the countries that are now greatly adding to their wealth and are in a position to ask for payment after the war for the produce and goods sold to the belligerents during the war. On the other hand, the need to repay these loans will compel the belligerent nations to become both economical and efficient in order to produce the goods they will require to export in order to redeem the debt they have incurred to other nations as speedily as possible.

Maintaining Present Prosperity.

Possibly, but not probably, this temporary debt will be liquidated by sales of securities possessed by the warring countries whose holdings of foreign securities alone amount to some £7,000,000,000 ($35,000,000,000). But inasmuch as the countries to whom the money is due will for the most part need it for new capital expenditures not much of the debt is likely to be liquidated in this manner.

But whatever view is taken it is obvious that the international financial situation after the war will be a very complicated, not to say a delicate one, and will need to be handled with the greatest wisdom and circumspection.

Indeed, the importance of adjusting the financial situation will not be inferior to that of finding a solution of the

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economic situation. In Russia we see that food is plentiful in some parts of the country, while in other parts vast numbers of people are starving because they have not the means of purchasing the food they need. No very great difficulty would have been experienced in adjusting this situation had the rulers of Russia really wished to do so, had given a reasonable amount of thought and good will to the matter, and had applied themselves to adapting the country's financial machinery to its economic needs.

It is of supreme importance that a situation such as that now existing in Russia should not be allowed to arise in the world at large after the war, with consequences as appalling as, or even more appalling than, those that have been witnessed in Russia.

Already suggestions have been made to bring about an understanding between all the nations of the world for the purpose not only of mutual defense and protection against any aggressive country in future but also to deal with the grave economic situation likely to arise after the war when the peoples of the enemy countries will be prepared to bid for food and raw material at any price unless an arrangement has been already reached for distributing the world's supplies of the essentials of life equitably between the nations. And it is obvious that a similar understanding is demanded for dealing with the financial situation not merely for the purpose of dealing with the problems directly arising from the war but in order to provide the poorer nations of the world with the financial assistance they will urgently need in order to enable them to pay for the food and raw material they will want to preserve them from starvation.

STEEL INDUSTRY IN BRITISH COLUMBIA

Establishment Would Bring Prosperity and Development —Iron Ore Plentiful—Coal Situation

(Staff Correspondence.)

Vancouver, B.C., April 20th, 1918.

It has been said that prosperity and development follow the establishment of the steel industry, and more than one instance can be cited in support of the statement. Certain it is that none of the larger industries can get along without steel, and many of the smaller depend in a large measure on an adequate supply of steel and iron. On the Pacific Coast, where steel ships are now being built, the necessity of making the chief requisite material has been brought strongly home. From time to time, the establishment of a steel industry in British Columbia has been agitated, but it has been felt that the market has not been sufficient to warrant the expenditure of the large amount of money necessary to install furnaces and rolling mills. As to iron ore, there is no doubt, for there is plenty, according to government reports, adjacent to both Vancouver and Victoria, at which points the building of steel ships concentrates. That this iron ore can be manufactured into material suitable for the purpose has been demonstrated, for in ships of the United States navy, constructed on the Pacific Coast, is iron mined on Texada Island, one of the larger islands in the archipelago of the Gulf of Georgia. The Vancouver Board of Trade has issued recently a bulletin on "Iron Ore in British Columbia," containing statistics in regard to the supply of iron ore, also the supply of coke.

There then would seem to be good cause for the present movement on foot in British Columbia to secure federal assistance toward the inauguration of a steel industry there. The matter is being spiritedly taken up, and a deputation is about to visit Ottawa in regard to the matter. The British Columbia administration has already passed a law to pay bounties on pig iron manufactured in the province.

Would Mean Steel Shipbuilding.

If a steel industry were established, would it mean the continuation of the building of steel ships on the Pacific Coast after present contracts have been filled? The impression prevails that the great impetus given to shipbuilding will fall off with the cessation of hostilities in Europe, and, if so, would there be enough general business to continue a steel plant in operation If shipbuilding could be continued in British Columbia, it would be a fine thing, not only as far as the industrial situation there is concerned, but also for Canadian commerce, for where ships are owned, maritime trade increases. This is, perhaps, the real primary point to be settled. A steel industry would be of great assistance in marine development, for much big repair work is done in connection with Pacific shipping and more will be done with a drydock on Burrard Inlet, and if steel ships are to be constructed, a steel industry is essential.

Inquiries have been made by towns in Ontario regarding supplies of coal from points as far west as Edmonton. Satisfactory answers have not been received, for the mining of coal in districts contiguous to the Rocky Mountains has not been of such magnitude that supplies are available for what might be called foreign fields. These mines have been developed mostly with a view to filling local demand, local in this instance meaning the prairie provinces.

Large coal companies are operating to capacity in British Columbia and new companies are getting into the field. In addition, there are vast coal deposits ready to be opened, once capital is available and the market is assured. If any coal could be supplied it would be from British Columbia, but even there no more is mined than is sufficient for provincial needs and contract accounts. Government assistance would be necessary if coal were to be brought from the Pacific Coast, even if it were that some could be spared to alleviate the stringency in Ontario, for no ships are available to bring it via the Panama Canal and car shortage and high freight rates deter commercial shipments overland.

From the United States.

Pennsylvania anthracite has been shipped via the Great Lakes and rail to Pacific Coast cities, where it sold for about $18 per ton, about $11 of which was for freight charges. Nanaimo coal on April 16th sold for $5.80 per ton at the pit mouth, so that with freight and handling charges the cost in Ontario would be about $20 per ton. Coal from the Crow's Nest district might come cheaper. This, of course, is concluding that shipment could be effected.

Consumers of coal in Ontario would not be used to the bituminous article which is generally found in British Columbia. It is good as soft coal goes and, while not in the same class as anthracite, it is a very valuable product and could easily be utilized as a substitute As for getting it to the east, lack of tonnage is a drawback that can hardly be overcome and high cost of rail carriage is another deterrent, but the matter has its possibilities in times of great necessity.

Food Production Purposes.

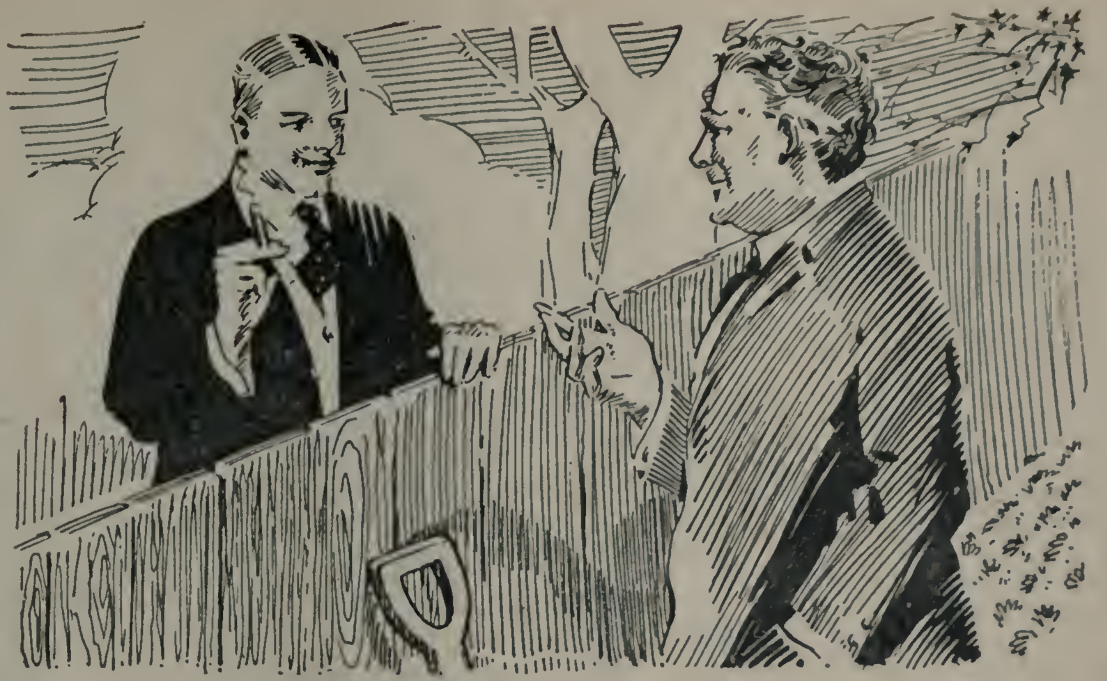
By giving publicity to the experiences of different communities, others are able to learn the most that can be done to increase food production, which is one of the big problems. The British Columbia legislature, which is about to close its annual session, has passed an act conferring upon municipal councils the power to make available for food production purposes any unused land lying within municipal boundaries. The proposal is to give five days' notice, to be posted up in the municipal hall and on the lot or lots, and then the land may be occupied and if the council sees fit it may call for tenders for the use of the property. The bill does away with formality in the matter and if the land is not being used, it is possible to bring it under cultivation at short notice.

In western cities, perhaps, more than in eastern, there are many lots which might be used for food production purposes. In Victoria last year, the city council took up the matter of cultivation of vacant lots, but under the new legislation there is nothing now to hamper any municipality in British Columbia from utilizing to the utmost any land within its boundaries that is suitable for growing some necessary commodity.

In other ways, British Columbia is helping production. This province is not generally counted on as having a great agricultural industry, because with its mountains and forests one more easily thinks of the lumber and mining industries. These are the two principal, but agricultural activity is by no means small and the value of production last year was roundly $30,000,000, compared with $35,000,000 in the lumber industry and $37,000,000 from minerals.

Seed at Cost.

To assist farmers particularly in outlying sections, the government has adopted distribution of seed at cost. Not only will the seed be distributed at as low a price as possible, but cash need not be paid, the farmer's note being good until such times as he can pay off the indebtedness from the proceeds of his crop. In this way, the government is helping to finance the man who needs money to keep his farm going. This is in addition to a loan proposition inaugurated previously, whereby the man on the land gets needful help. In many parts of the country this matter is not given as much consideration as its importance warrants; too much attention cannot be given to it, particularly at a time of year when growth is starting.—R. B. B.



Why Potatoes are $1.90 a Bag in Ontario while they are Rotting in Prince Edward Island

(An Actual Conversation Between Neighbors)

Said a citizen recently, "I don't see why potatoes are $1.90 a bag in Ontario while they are rotting in Prince Edward Island."

His neighbor replied: "The reason is simple. There are no freight cars available to bring potatoes from that market to this. The only way to beat the price, is to grow your own, the same as my wife and I did.

"I don't want to rub it in," he continued, "or say I told you so, but you and I could have equal sized gardens (50 ft. deep by 40 ft. wide). They are right next to each other, so it is fair to assume the soil is equally workable.

"We both have a fair amount of spare time, yet I well recall that last spring you had a lot of quiet fun with me when I was plugging away in the garden getting the ground ready to put in vegetables.

"What has been the result?

"By a little study, and a little work, and a disposition to laugh at our mistakes and forget our disapointments, the wife and I took off that patch all the salad vegetables we needed during the summer, and we were able to put into the cellar enough potatoes, carrots, beets, onions and parsnips to last us until the end of March. Besides which, the wife made pickles and canned tomatoes and corn to last us even longer.

"We made mistakes of course, and we didn't get all we expected out of the ground, but we learned a whole lot, and we feel certain that this year we shall get better results.

"I admit that if you charged up the time we both spent on the job, you might argue that we didn't make a profit, but if we hadn't been working around the garden we should have been loafing anyhow; at any rate we have not yet had to pay $1.90 a bag for potatoes, or buy any other vegetables."

* * * *

This conversation actually took place. One of the parties to it wrote this account of it. Not the man who did the cultivating, but the man who has been convinced by his neighbor that it will be well worth his while to grow vegetables in his garden this year.

The Organization of Resources Committee does not need to harp very much upon the necessity for every man and woman who can, to utilize every piece of ground available to them for growing vegetables.

The farmers of Ontario have been urged to grow more wheat, and to produce more abundantly of the farm products that can best be sent overseas. The people in villages, towns and cities, therefore, are asked to grow food to feed themselves as far as possible, so that overseas supplies may not be drawn on unless absolutely necessary.

We particularly urge you to grow beans, peas, onions, carrots, parsnips, beets, cabbages and potatoes if you have room. Never mind so much about radishes, lettuce, tomatoes and salad vegetables.

Write now for a free copy of the booklet entitled "A Vegetable Garden for Every Home," prepared by the Ontario Department of Agriculture. It is full of helpful practical suggestions, including plans for various sized gardens. You can get a copy by filling out and mailing the coupon below.

Organization of Resources Committee, Parliament Buildings, Toronto

Dear Sirs:

Please send me a copy of your booklet, "A Vegetable Garden for Every Home."

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ORGANIZATION OF RESOURCES COMMITTEE

In Co-Operation with Canada Food Board

NON-PARTICIPATING INSURANCE

Participating Policy More Profitable—Question of Competition—Reduction in Non-Profit Rates

Some years ago, an English actuary, referring to the tendency of life offices to reduce their non-profit rates to a minimum, said, "After the various bases have been decided on for the calculation of office premiums, there remains the question of competition. This question is particularly acute in the cases of whole life non-profit rates, as there is no compensating element of bonus rates to hold before the public. It is evident from the divergence in the actual rates quoted that there are some offices which can obtain business at relatively high rates of premium, for reasons such as: (a) The standing of the office, (b) the persuasive powers of its representatives, (c) the compulsory nature of the assurance (in most 'financial' cases); but the tendency in recent years has been to bring out 'minimum' rates of premium.

"Competition between offices is a good thing in so far as it prevents them from being over-cautious in their estimates in the calculations of premium rates, and it may be that in the past there was a tendency to charge rather higher premiums for whole life non-profit policies than the circumstances required. Naturally enough, when the public began to find that in many offices the participating policies were on the average more profitable to the assured than non-profit policies, the offices commenced to reduce their non-profit rates, and in effect to allow those assured under the revised rates a portion of the profits."

Participating Profits Large.

Among Canadian companies it has generally been found that during the last few years, although the non-participating rates have been reduced to a minimum to meet the competition of certain large American companies, who write only non-participating business, yet, in spite of these low rates, the assured usually found that he was consulting his own interests by taking a participating policy. Owing to the high interest rate, the low mortality experience, the light expense ratios, of the average Canadian company, the profits to participating policyholders have been exceptionally large, and a participating policy need be in force only a few years before the profits to its credit are sufficient to offset the lower premium of the non-profit policy. Moreover, from that point on, the participating policy shares more and more extensively in the profits of the company, whereas the premium of the non-profit one remains fixed in price. The non-profit policyholder, although he may have the satisfaction at the very outset of his policy of knowing exactly what he is going to draw, may yet feel assured that with a good company he has signed away his share in its future profits, and that, in event of his living a few years beyond the issue of the policy, he will have the more expensive contract.

Policyholders' Dividends.

For these reasons, among well-established companies, a small percentage of non-participating business may almost invariably be regarded as a sign of strength that a company has earned a reputation as a profit-payer, and that the public are for that reason more easily persuaded to take the with-profit assurances. The latest Government Blue Book gives the proportion of non-participating and participating insurance carried by each company, and the truth of the above statement may easily be upheld from a consideration of this proportion and the general standing of the company.

The growing discussion on the advisability of Canadian and American life companies reducing their present dividend scales, has brought the matter of the relative merits of participating and non-participating insurance again to the fore. There is no doubt that, if there is a wide-spread and pronounced reduction in policyholders' dividends, the insuring public will begin to evince decided favor for the non-participating contract. This would probably not mean that such reductions would mean less insurance being written, for the public, at the present time, is taking too healthy an interest in insurance and is too well educated in its intrinsic soundness and desirability, to be swerved from its premier investment.

At the same time while there may possibly be a widespread reduction in policyholders' dividends, it would be unwise to look for any pronounced reduction. Life companies are still making large earnings, especially by way of interest returns, which have always been their chief source of profit. This source of profit indeed has been little if at all impaired. In fact, some companies show an actual gain in this source of profit during the last few years. We think, too, that any unforeseen causes operating against the interests of the companies to such an extent as to cause a pronounced reduction in dividends would certainly be accompanied by an increase in the present low, non-participating premiums. For the non-participating business must not be allowed to operate against the interests of the participating. Non-participating policyholders must pay their own way. And if expenses and mortality costs increase to such an extent as to bear heavily upon the savings from excess interest, the present non-participating rates with their slim or negligible loadings must be advanced. The companies will see that the interests of the participating policyholders are adequately protected. The moral is—if there be a moral—that now is the time to insure. Those taking non-participating insurance will be getting guaranteed insurance at bargain rates. Those taking participating insurance will obtain somewhat higher guarantees, and can also rest assured that their future interests will be guarded as sedulously by the strong Canadian companies as have the interests of participating policyholders in the past.

NEW BRITISH TAXATION

Still higher taxes are to be imposed in England, according to the proposals announced the other day by the Chancellor of the Exchequer. There is to be a general increase in the income tax, and the principle of progression receives another application in the large increase in the rates for extensive incomes. The super-tax is now to apply to incomes of £2,500 and over, instead of £3,000 and over.

Postal rates are increased from one penny to one and one-half pence, and the stamp duty on cheques doubled to twopence. The rates on spirits and beer, tobacco and luxuries are also to be raised.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. MORROW & JELLETT, Members. Toronto Stock Exchange, 103 Bay Street Toronto:—

April 24th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	83	8.45
Canada Cement	7	91	7.69
Canada Steamships	7	76	9.21
Mackay Companies	4	63	6.34
Maple Leaf Milling	7	92	7.60
Penmans	6	82	7.31
Steel of Canada	7	90	7.77
Common:			
Bell Telephone	8	128	6.25
B. C. Fishing and Packing	5	48	10.50
Canada Cement	6	60	10.00
Canadian Locomotive	6	58	10.34
Canadian General Electric	8	102	7.85
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	60	13.33
Maple Leaf Milling	10	92	10.87
Canadian Pacific Railway	10	137	7.30
Penmans	6	75	8.00
Dominion Steel Corporation	5	59	8.50
Steel Co. of Canada	6	58	10.35
Mackay Companies	6	76	7.89
Toronto Railway	4	58	6.89
Twin City	4	50	8.00
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	97	6.18
Canada Steamships	5	80	6.25
Canadian Locomotive	5	85	7.12
Penmans	5	87½	5.72
First War Loan, 1925	5	93½	6.10
Second War Loan, 1931	5	92½	5.80
Third War Loan, 1937	5	92	5.70
Victory Loan, 1937	5½	98⅞	5.58
....	....	....	....
....	....	....	....

One of our subscribers is anxious to get hold of a copy of January 15th, 1915, and any subscriber wishing to turn this in to us will have his subscription advanced one month.

"Official permission for the issue of these securities, as required by Order-in-Council (3439) of December 22, 1917, has been duly obtained. Such permission, however, does not constitute an approval of the issue as regards its merits or security in any respect. It signifies merely that the sale of these securities is not considered to be incompatible with the requirements of Canadian war finance."

The subscription list will close on or before April 30th, 1918.

Abitibi Power & Paper Company

LIMITED

Offer of $1,000,000

7% Convertible Mortgage Debenture Stock

Dated December 1st, 1917. Due December 1st, 1932.

Interest payable 1st June and December. Principal and interest payable at Montreal, Toronto, New York and Chicago.

Registered certificates in multiples of $100.

Callable at the Company's option at 110% and accrued interest at any time on or before March 1st, 1921.

Convertible at the Holder's option into Common Stock at par at any time after March 1st, 1921.

Capitalization

Common Stock	$5,000,000*
7% Cumulative Preferred Stock	1,000,000
Funded Debt (including this issue)	6,400,700

**A further $1,000,000 Common Stock has been authorized and is reserved to provide for conversion of this issue of $1,000,000 Convertible Mortgage Debenture Stock.*

This issue of 7% Convertible Mortgage Debenture Stock is secured by Deed of Trust in favor of the Montreal Trust Company as Trustee, and constitutes a direct mortgage and charge on the present and future fixed assets of the Company, subject only to the Mortgages securing Serial First Mortgage Bonds and other prior securities outstanding aggregating $5,400,700.

ROYAL SECURITIES CORPORATION, LIMITED, 164 St. James Street, Montreal, offers for sale the above issue of $1,000,000 Convertible Mortgage Debenture Stock at the price of

87 and Accrued Interest, Yielding over 8½ Per Cent.

payable as follows :—

5%	of the par value on	Application
20%	" "	Allotment
62%	" "	June 15, 1918.
87%		

The right is reserved to allot a portion only of the amount applied. If only a portion of the amount applied for be allotted, the balance of the deposit will be applied towards payment of subsequent installments. Payments may be anticipated in whole or in part at any time. Interest will be allowed on payments at the rate of 7% per annum. Accrued interest will be adjusted upon final payment.

The full prospectus (copies of which we shall be pleased to furnish on request) contains a letter from the President of the Company, from which we summarize as follows:—

1. **Annual capacity of mill** 62,000 tons newsprint paper, 21,000 tons surplus sulphite pulp and 22,500 tons surplus groundwood pulp.
2. **Capacity of water powers** 48,000 horsepower, of which 28,000 horsepower is developed and in operation.
3. **Pulp wood lands** 1,000,000 acres, estimated to contain more than 5,000,000 cords paper-making woods, in addition to which 15,000,000 cords are available in the vicinity of the mill.
4. **Value of properties** estimated by Mr. George F. Hardy, Consulting Engineer of New York, at $13,200,000.
5. **Funded debt** $6,400,700, including this issue of 7% Convertible Mortgage Debenture Stock.
6. **Earnings** for the year ended December 31, 1917, as certified by Messrs. Price, Waterhouse & Company, after deducting all interest charges, amounted to $777,864.02—more than eleven times the annual interest ($70,000) on this issue of $1,000,000 7% Convertible Mortgage Debenture Stock.

Conversion Privilege

This issue is convertible at the holder's option into Common Stock, par for par, at any time **after** March 1st, 1921, unless redeemed **before** March 1st, 1921, by the Company at 110% and accrued interest.

Application will be made to list this issue on the Montreal Stock Exchange.

APPLICATION FORM

Royal Securities Corporation, Limited,
164 St. James Street,
Montreal, P.Q.

Sirs :—

I—We—beg to apply for $..................par value Abitibi Power & Paper Company, Limited, 7% Convertible Mortgage Debenture Stock, due December 1st, 1932, and agree to pay for same, or any less amount that may be allotted to me—us—in accordance with the terms of your prospectus, dated April 18th, 1918.

Name (in full)..
(Mr., Mrs. or Miss)

Address (in full)..

Date.......................... ....

Application should be made on this form and forwarded with a cheque drawn to the order of the Royal Securities Corporation, Limited, for the amount payable on application ($5 for each $100 par value applied for).

ABITIBI POWER AND PAPER COMPANY, LIMITED

On another page of this issue will be found the prospectus covering an offering of $1,000,000 7 per cent. convertible mortgage debenture stock of the Abitibi Power and Paper Company, Limited, at 87 and accrued interest, to yield 8½ per cent. In view of the importance of the Canadian pulp and paper industry, an industry which has the remarkable total of $145,805,000 invested in it, which is more capital than is employed in any other single industry in Canada, and the important place this industry is bound to occupy for many years to come, owing to the natural advantages which Canada possesses both in raw material and water powers, this offering was readily permitted by the government as one that does not conflict with war finance requirements.

The Abitibi is among the largest of the manufacturers of newsprint, sulphite and groundwood pulp. The mill, which is of modern design and construction in every respect, has a newsprint capacity of 62,000 tons per year. The company controls 1,000,000 acres of pulpwood lands, while the capacity of water powers on the property is 48,000 horse-power, of which 28,000 horse-power is developed and in operation.

The new issue is convertible into common stock at par at any time after March 1st, 1921, unless redeemed in the meantime by the company at 110 and accrued interest.

Applications for the stock are being invited by the Royal Securities Corporation, Limited. Subscription lists will close on or before April 30, 1918.

TORONTO'S OUTSTANDING TAXES

A fine index of Toronto's prosperity is afforded by the fact that less than $3,000,000 of taxes are outstanding, although the city levies, in general and local improvement rates, about $20,000,000 per year. Of taxes due in 1917, a little over two million dollars is outstanding—or something in excess of 10 per cent. of the levy. Despite high tax rates, the public has been able to keep up its payments as in peace times, and the regular holding of tax sales has also done much to keep the rolls in good shape. The figures of taxes due at the present date are as follows:—

1915 taxes still due	$ 129,000
1916 taxes still due	698,000
1917 taxes still due	2,165,000
	$2,992,000

On May 1 the city treasurer will proceed to add 6 per cent. per annum to all overdue taxes. The method used is as follows: If $100 was due for 1916 taxes, and was not paid, it was first subject to a straight 5 per cent. (not per annum) addition and became $105. Then on May 1 a year ago, a further 6 per cent. per annum began to be added, and the amount has now become $111.30 if not paid. On May 1 of this year, this sum becomes subject to a further addition at the rate of 6 per cent. per annum, and will be $111.86 by June 1, $112.41 by July 1, and so on. This applies to the 1915 and 1916 taxes in the above. The two millions due for 1917, however, are now being increased by 6 per cent. per annum for the first time.

WAR EFFECTS FELT IN THE UNITED STATES

The New England Letter of the First National Bank of Boston, issued on the 15th of this month, comments upon recent events as follows:—

"The economic disturbances due to the war are becoming more pronounced day by day, yet business on the whole is active and prosperous, and the public suffers chiefly from inconvenience brought about by the necessity of conserving supplies for our army and the armies of our Allies. The volume of business is maintained at as high a level as the shortage of labor permits. The production and distribution of non-essentials have been curtailed, but with few exceptions those who have been engaged in these industries have been able to divert their facilities to the manufacture and distribution of necessities, so that the total volume of business is not curtailed. This is reflected in the figures of bank clearings for March, which were 57.6 per cent. above the average for a period of 16 years, while the excess for the three months to March 31st was 48.8 per cent. Business failures have been materially below the average, so that it is evident that the volume of business is not at the expense of profits, and collections are specially good. The vesting in the War Industries Board of almost complete power over the business of the country is one of the most important steps that has been taken since we entered the war, the object being to coordinate the various activities of the government, and greatly increase our efficiency, both at home and abroad. The shipping situation remains serious, and must continue so, until there has been sufficient time in which to construct the many vessels that are already under way. As a matter of fact, the shipbuilding programme, both as to steel and wooden ships, is in much better shape than wide-spread current reports have indicated. There has been a recent welcome reduction in the amount of tonnage destroyed by submarines, and there is basis for hope that within a reasonably short time the situation may be improved, not only by the fewer sinkings, but by an increase in the new tonnage that will more than cover any losses.

"Basis for optimism is found in the estimates of the winter grain crops. The government's experts estmate an increase of about 142,000,000 bushels in winter wheat over last year's harvest, while private experts figure a larger crop. Winter rye promises to yield materially more than a year ago. Every endeavor will be made to plant a large acreage of spring wheat and corn, as upon our crops depends to a large extent our service in the war. Our Allies look to the United States to supply the food that they have been unable to raise, and upon which success largely depends. The maintenance of the food supplies of the Allied armies is, perhaps, the most important task that has fallen upon the United States, and justifies the restrictions that have been placed upon the domestic consumption of foodstuffs. The country will be fortunate, indeed, if no more stringent regulations are found necessary."

The enormous demands, especially on the part of the government, for iron and steel, wool and cotton, are also referred to. Railroad operating income for January showed a deficit of $2,227,000, as compared with a surplus of $67,000,000 in January, 1917. It is also pointed out that the recent increases in wages will more than offset the 15 per cent. increase in freight rates.

BRITISH COLUMBIA RAILWAY DEAL

The directors and stockholders of the Pacific Great Eastern Railway Company severed their connections with that concern at a formal meeting which took place on April 23rd at the Vancouver headquarters of the company. This meeting has the effect of completely severing the connection that Foley, Welch and Stewart and their assistants had with the Pacific Great Eastern Railway and the Pacific Great Eastern Equipment Company. They still retain an interest in the Pacific Great Eastern Development Company. Under the act which was passed by the legislature the government has two years after the war in which to accept its option to take over all the assets of the concern, and failing to do so, Foley, Welch and Stewart have five years in which to acquire these assets on payment of $50,000.

INCREASE IN BANK CIRCULATION

The monthly bank statement for March has just been issued, and includes the following figures:—

	March, 1918.	Changes during March, 1918.
Note circulation	$ 191,058,404	+ $14,689,108
Reserve fund	114,176,008	+ 12,100
Demand deposits	561,042,236	— 8,224.406
Notice deposits	921,080,803	+ 12,257,815
Total deposits in Canada	1,482,123,039	+ 4,033,400
Deposits elsewhere	196,257,632	+ 13,035,330
Current coin	78,255,033	— 1,748,900
Dominion notes	165,197,554	— 8.603,572
Deposits, central gold reserve	79,420,000	+ 4,650.000
Call loans in Canada	74,257,877	— 2,464,286
Call loans outside	167,296,701	+ 7,057,307
Current loans in Canada	886,995,222	+ 27,632,075
Current loans outside	102,317,679	— 7.360,461
Total liabilities	2,052,899,573	+ 57,664,734
Total assets	2,302,477,611	+ 59,922,013

The most noticeable change is the increase in note circulation, amounting to almost $15,000,000. There has been some decrease in demand deposits, but notice deposits have increased by over $12,000,000. The statement in detail and the usual analysis will be printed in these columns next week.

CLARKSON, GORDON & DILWORTH
Chartered Accountants, Trustees, Receivers, Liquidators
Merchants Bank Building, 15 Wellington Street West, Toronto
E. R. C. Clarkson. G. T. Clarkson.
H. D. Lockhart Gordon. R. J. Dilworth.
Established 1864

Charles D. Corbould
Chartered Accountant and Auditor
ONTARIO AND MANITOBA
806 Sterling Bank Bldg. .... Winnipeg
Correspondents at Toronto, London, Eng., Vancouver

A. A. M. DALE
CHARTERED ACCOUNTANT
WEYBURN SASK.

EDWARDS, MORGAN & CO., Chartered Accountants
Canadian Mortgage Bldg., 10 Adelaide St. E. .... TORONTO, Ont.
614 Herald Building, First Street West .... CALGARY, Alta.
705 London Building, Pender St. W. .... VANCOUVER, B.C.
705 Electric Railway Chambers, Notre Dame Avenue WINNIPEG, Man.
201 Royal Trust Building, St. James Street .... MONTREAL, Que.
George Edwards, F.C.A. Arthur H. Edwards, F.C.A.
W. Pomeroy Morgan W. H. Thompson H. Percival Edwards
Chas. E. White T. J. Macnamara
A. O. Edwards O. N. Edwards J. C. McNab

Established 1882.
HENDERSON, REID AND COMPANY
CHARTERED ACCOUNTANTS
WINNIPEG Manitoba MEDICINE HAT, Alberta.
HENDERSON, REID AND PATERSON
CHARTERED ACCOUNTANTS
ACADIA BLOCK, LETHBRIDGE, Alberta.
W. A. Henderson. J. D. Reid. R. J. Ritchie Paterson

BERT. R. MASECAR
Chartered Accountant
Auditor Accountant Liquidator Trustee
SASKATOON, Sask.

D. A. Pender, Slasor & Co.
CHARTERED ACCOUNTANTS
805 CONFEDERATION LIFE BUILDING
WINNIPEG

RONALD, GRIGGS & CO.
AND
RONALD, MERRETT, GRIGGS & CO.
Chartered Accountants Auditors Trustees Liquidators
Winnipeg Saskatoon Moose Jaw London, Eng.

F. C. S. TURNER WILLIAM GRAY JAMES GRANT
F. C. S. TURNER & CO.
Chartered Accountants
Successors to
LAING & TURNER
Trust & Loan Building, WINNIPEG
McCallum Hill Building, REGINA

R. Williamson, C.A. J. D. Wallace, C.A. A. J. Walker, C.A.
RUTHERFORD WILLIAMSON & CO.
Chartered Accountants Trustees and Liquidators
86 Adelaide Street East TORONTO
604 McGill Building MONTREAL
Cable Address—"WILLCO."
Represented at Halifax, St. John, Winnipeg, Vancouver

ACCOUNT BOOKS
LOOSE LEAF LEDGERS
BINDERS, SHEETS and SPECIALTIES
Full Stock, or Special Patterns made to order
PAPER, STATIONERY, OFFICE SUPPLIES
All Kinds, Size and Quality, Real Value
THE BROWN BROTHERS LIMITED
Simcoe and Pearl Streets - TORONTO

INSURANCE ACT AMENDED

Bill No. 2, which is an act to amend the Insurance Act of 1917, received its first reading April 18th, 1918.

The bill as presented is as follows:—

(1) Subsection one of section fourteen of the Insurance Act, 1917, is amended by inserting after the word "every" in the second line the word "Canadian."

(2) The said section is further amended by inserting immediately after subsection one the following new subsection:—

(1a) Every British and foreign company carrying on the business of fire insurance shall, before the issue of such license, deposit with the minister in such securities the sum of one hundred thousand dollars.

Section nineteen is repealed and the following is substituted therefor:—

19. Subject to the provisions of section one hundred and twenty-five of this act, if it appears from the annual statements or from an examination of the affairs and condition of any company carrying on the business of fire or inland marine insurance that its assets in Canada, including the deposit in the hands of the minister, exceed by less than twenty-five per cent. the reinsurance value of all its risks outstanding in Canada, together with other liabilities in Canada, the company shall be notified by the minister to increase its said assets in Canada by an amount such that the accepted value of its assets in Canada shall exceed by at least twenty-five per cent. its liabilities in Canada as aforesaid, and on its failure to so increase its assets in Canada within sixty days after being so notified, the minister may withdraw its license.

Section one hundred and twenty-five is amended by striking out the word "fifteen" in the sixth line of subsection one thereof and substituting therefor the word "twenty-five."

Winnipeg, Man., board of valuation and revision reports that the rateable assessment for the current year amounts to $252,528,800, of which $161,709,710 is on land at full valuation and $90,819,000 on buildings on a two-thirds basis.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Grand Mere, Que.—Messrs. Champoign and Vennes have been awarded a block of $40,000 6 per cent. 10-year bonds.

Windsor, Ont.—The council has decided to issue $25,000 worth of debentures as extra cost for collegiate, without taking vote of the ratepayers.

Listowel, Ont.—Messrs. A. Jarvis and Company, of Toronto, have been awarded a block of $40,000 6 per cent. bonds, payable in 20 annual instalments.

Niagara Falls, Ont.—Messrs. A. Jarvis and Company, of Toronto, have been awarded a block of $28,500 5 per cent. bonds, payable in 30 annual instalments.

Belleville, Ont.—The Oxford Securities Corporation of Toronto has been awarded a block of $50,000 6 per cent. 10-year debentures. The proceeds will be used for patriotic purposes.

Mimico, Ont.—At the council meeting on April 22nd, a debenture by-law was passed amounting to $16,460.36 for sewers, and $11,910.96 for water mains. These amounts were for work completed last year.

Victoria, B.C.—The city has awarded a block of $1,000,000 6 per cent. 10-year notes to a syndicate, comprising the Dominion Securities Corporation and the Housser, Wood Company of Toronto, and Messrs. Greenshields and Company, of Montreal.

Hamilton, Ont.—On April 17th, the parks board had before it a recommendation from the board of control that a resolution be passed instructing the city council to authorize an issue of debentures of $37,034, to be known as park fund debentures, and to be used for the cleaning up of the Beckett Drive, Mountain Park and east end purchases. Mr. F. E. Waddell, K.C., city solicitor, advocated the passing of the resolution asked for. The council will assume payment of the principal and interest.

Victoria, B.C.—The corporation of the city offers for sale, in amounts of $100, upwards, the following debentures:—

Due date.	Amount.
15th September, 1918	$ 3,350.00
15th October, 1918	30,000.00
15th September, 1919	3,350.00
15th October, 1919	30,000.00
15th September, 1920	3,350.00
15th October, 1920	30,000.00
15th May, 1921	1,000.00
15th September, 1921	3,350.00
15th October, 1921	30,000.00
15th May, 1922	3,000.00
15th September, 1922	3,350.00
15th October, 1922	30,000.00
15th September, 1923	3,350.00
15th October, 1923	30,000.00
15th September, 1924	3,350.00
15th October, 1924	30,000.00
15th September, 1925	3,350.00
15th October, 1925	30,000.00
15th September, 1926	3,350.00
15th October, 1926	30,000.00
15th September, 1927	1,140.63
15th October, 1927	12,884.18
	$318,174.81

These debentures are a direct obligation of the city of Victoria and are in denominations of $100, $250 and $500, bear interest at the rate of 5 per cent. per annum, payable half-yearly, and are payable as to both interest and principle at the office of the Bank of British North America in either London, New York, Montreal, Toronto, or Victoria at holder's option. They are free from taxation as personal property by the province of British Columbia, and they bear the certificate of the inspector of the municipalities for British Columbia.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from April 2nd to April 12th, 1918:—

School Districts.—Valley City, $2,000 20-years not ex. 8 per cent. annuity; L. L. Brown, Fiske. Viewland, $2,300 10-years not ex. 8 per cent. annuity; Chas. Diebel, Grenfell. Beblo, $1,500 10-years not ex. 8 per cent. annuity; Jas. Carson, Ebeneger Valley.

Rural Telephone Companies.—Tessier, $2,500 15-years not ex. 8 per cent. annuity; G. H. Johnson, Tessier. South Girvin, $1,000 8-years not ex. 8 per cent. annuity; S. J. Stewart, Girvin. Fern Glen, $10,600 15-years not ex. 8 per cent. annuity; H. Daniels, Tisdale. North Forres, $5,700 15-years not ex. 8 per cent. annuity; L. A. Moore, North Forres. South Flaxcombe, $8,400 15-years not ex. 7½ per cent. annuity; G. R. Langrish, Flaxcombe.

The following is a list of debentures reported sold from April 2nd to April 12th, 1918:—

School Districts.—Rippowan, $2,000, Oak Hill, $900; Canada Landed and National Investment Company, Winnipeg. Cavendish, $1,500; Great-West Life Assurance Company, Winnipeg. Morris, $2,500, Petain, $2,200, Melaval, $2,800; Waterman-Waterbury Manufacturing Company, Limited, Regina. Battrum, $450; Saskatchewan Life Assurance Company, Regina. Madison, $2,500, Edenview, $2,000; Kerr, Fleming and Company, Regina

Rural Telephone Companies.—Southcote, $1,650; Nay and James, Regina. Naseby, $11,000, Heron, $1,100, Sylburn, $9,400, Zelma, $8,100, Lanigan, $1,500, Rugg, $11,500; W. L. McKinnon and Company, Regina. Vawn, $11,300, Strongfield, $2,100; J. A. Thompson, Winnipeg. Hafford, $13,200; Great-West Life Assurance Company, Winnipeg. Colgate, $1,600; Bond and Debenture Corporation of Canada, Winnipeg.

Rural Municipality.—Frontier, $7,500; Nay and James, Regina.

COBALT ORE SHIPMENTS

The following is a list of the shipments of ore, in pounds, from Cobalt Station for the week ended April 19th, 1918:—

Coniagas Mines, 93,000; McKinley-Darragh Mines, 63,693; Dominion Reduction Company, 131,000; Buffalo Mine, 307,385. Total, 595,078 pounds, or 297.5 tons.

The total shipments since January 1st now amount to 6,111,386.8 pounds, or 3,055.7 tons.

ADVERTISING EXPENDITURES AND PRODUCTION

It would appear that accountants appointed by the government in England to ascertain the profits earned by concerns there whose output has been commandeered for war purposes have taken the ground that expenditures for advertising cannot be regarded as a prime business cost.

The Associated Accountants' Journal, which is the official journal of the Central Association of Accountants, takes exception to the position taken by the government accountants by saying: "It will be interesting to learn how government accountants, who have disallowed the reasonable cost of advertising as a prime business cost, will reply to the strong case put forward in this booklet by the Association of British Advertising Agents.

"To lay down an arbitrary rule that advertising expenditure cannot be taken into consideration when arriving at cost of production is bound to work grievous injustice in the case of those firms whose costs of production have been brought to their present low figure because outlet was assured to their output through the power of advertising.

"These firms have been in the habit of treating their advertising upon the same basis as other costs of production, and, as such, the advertising accounts have hitherto not only been audited and passed by leading accountants all over the kingdom, but it has been the practice of these accountants to insist upon this course being adopted. All the weight of evidence, therefore, shows that any attempt to differentiate between this and other prime business costs would place a stranglehold upon businesses, dissipate goodwill in the markets of the world, and reduce firms from the position of makers of a 'brand' accepted everywhere by the public as a guarantee of good quality, to the level of manufacturers of unknown, non-guaranteed goods."

The sixteenth annual meeting of the Dominion Association of Chartered Accountants will be held this year in Montreal on the 18th, 19th and 20th of September. Committees of local members are now at work on the arrangements.

Exempt from Dominion Tax

It is good business to increase your holdings of **Victory Loan Bonds,** because the security is of the highest quality, the income return attractive, and you are not required to pay Dominion Income Tax.

Price, 98⅞% and Interest

Wood, Gundy & Company

Montreal Toronto Saskatoon

6½ to 8½

—%—

You can obtain this interest return with assurance that your money is safely invested in sound mortgage securities of established value.

Particulars on request.

SAFE INVESTMENTS

ROYAL SECURITIES CORPORATION LIMITED

164 St. James Street

MONTREAL

6% Public Utility Bonds

TO YIELD OVER

6½%

Write us for Attractive Offerings

Standard Bond Corporation, Limited

Maritime Trust Building - - HALIFAX, N.S.

FREE FROM TAXATION

We offer all maturities of Victory Loan at 98⅞ and accrued interest.

R. A. DALY & CO.

BANK OF NOVA SCOTIA BUILDING

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Representatives: Wood, Gundy & Co., Toronto

BROKERS AND BANKS

Payments May Be Recovered in Bankruptcy for Benefit of Creditors—Voidable Preference

BY M. L. HAYWARD, B.C.L.

When a party in business becomes painfully and financially embarrassed he enters the populous and popular state of bankruptcy, and when he does so the law provides that his assets shall be paid the creditors rateably and proportionately, and in order to arrive at a fair and equitable division, the bankruptcy law further declares that payments already made by the bankrupt under certain conditions may be recovered by the trustee in bankruptcy from the person to whom they were paid for the benefit of all the creditors, on the ground that the payment made by the bankrupt was what is called a "voidable preference."

Now, if A. makes a certain payment to B. and then goes into bankruptcy, the question whether the payment is a "voidable preference" which B. will have to hand back to A.'s trustee in bankruptcy, or whether B. can retain the payment for his own use, is one of vital importance to B., and to a lesser extent, to the other creditors as well. This point frequently arises in connection with dealings between bankrupt stockbrokers and the banks, and in this connection two cases decided by the United States Supreme Court are of considerable importance, as, while there is no bankruptcy law in Canada, there is in the United States, and Canadian stock dealers on a large scale generally resort to the American markets to buy and sell. These United States cases will therefore repay a careful perusal and lay down some important principles.

Clearance Loan.

In the first case, the National City Bank of New York vs. Henry D. Hotchkiss, a firm of New York brokers had been in the habit of getting money from the National City Bank on what is known in New York as a "clearance loan." These loans are explained by the United States Supreme Court as follows:—

"Brokers need large sums to 'clear' or pay for the stocks that they receive in the course of the day, and as the stocks must be paid for before they are received and can be pledged to raise the necessary funds, these sums are advanced by the banks. They are returned later on the same day by making deposits to the borrower's account and drawing a check to the order of the bank."

The other facts of the case taken from the records of the Supreme Court illustrate the uncertainty of a broker's life, as the court goes on to say that "at 10 o'clock on January 19th, the brokers had assets exceeding their liability by nearly half a million dollars. These assets consisted largely in the stock of coal and iron company in which there was a pool. Before 12, there was a break in the market, the stock went down, and at about noon the suspension of the firm was announced. A petition in involuntary bankruptcy was filed at 10 minutes after 4 on the same day. At about 10, the bank made a clearance loan to the bankrupts of $500,000 in the usual way, to enable them to meet their current obligations and to get the stocks deliverable on that day, the bank receiving demand notes, and both parties acting in good faith. The sum was credited in the deposit account of the firm, in addition to $54,319.98 already there, and soon after the bank certified and subsequently paid checks amounting to $535,920.74. During the day the firm made deposits which are not in question, but there remained due upon the loan $166,166.69."

"Voidable Preference."

Naturally, the bank was rather disturbed by this state of affairs, and, the court says, "noticing the drop in the stock, officers of the bank went to the firm, demanded payment or securities to make good the obligations to the bank, and were told of the suspension and that a petition in bankruptcy would be filed. After two hours' discussion some securities were delivered to the bank between 2 and 3 p.m.; and some of the securities bore no relation to the clearance loan; others, and it may be assumed for purposes of argument, most, had been released by the money thus obtained."

Then the trustee in bankruptcy of the bankrupt brokers brought suit against the National City Bank for the return of the securities delivered to the bank by the brokers under the above circumstances, claiming that it was a "voidable preference," and the Supreme Court of the United States held that it was such a preference and that the bank could be compelled to return the securities.

"In the present case," said the court, "it is agreed that it was expected and understood that no portion of the clearance loan was to be used for any purpose other than to clear securities. But, on the other hand, by consent of the bank, as it seems, the loan was put into the general deposit account, which was drawn upon for general purposes; at least, to the extent of the balance above the loan; the securities released were not kept separate, but were used like any other; and no separate account was kept of money received from deliveries of stock so released. What happened as between these parties was simply that all moneys received in the course of the day, from whatever source, went into the firm's deposit account with the bank. So that, even if we were to take it, as a corollary of what was understood, that the use of the clearance loan was expected to enable the firm to repay the loan, it does not appear to have been expected that the proceeds should be appropriated specifically to that end, but simply that the addition of such proceeds to the general funds of the firm would enable the latter to pay within the time allowed."

Trust Moneys.

As a further reason why the bank could not hold the securities, the court laid down that "a trust cannot be established in an aliquot share of a man's whole property, as distinguished from a particular fund, by showing that trust moneys have gone into it. On similar principles a lien cannot be asserted upon a fund in a borrower's hands, which, at an earlier stage, might have been subject to it, if, by consent of the claimant, it has become a part of the borrower's general estate. But that was the result of the dealings between these parties, and it cannot be done away with by a wish or intention, if such there was, that along side of this permitted freedom of dealing on the part of the bankrupts, the security of the bank should persist. It is not like the case of property wrongfully mingled with general funds and afterwards traced. All that the parties agreed, either expressly or by implication, was that the debt incurred at 10 o'clock should be paid by 3. Some banks seem to have required the dealing to be conducted on the footing of a fund identified and subject to a trust at every step; but between these parties there was no attempt to follow a specific fund through a series of changes until it was returned.

"As all trace of the bank's money was lost when it entered the stream of the firm's general property, there can be no right of subrogation. Neither can a claim be upheld on the ground that there was no diminution of the bankrupt's assets, or that the transaction should be regarded as instantaneous and one. The consent to become a general creditor for an hour, that was imported, even if not intended to have that effect, by the liberty allowed to the firm, broke the continuity and established the loan as part of the assets. No doubt many general creditors have increased a bankrupt's estate by their advances, but they have lost the right to take them back. Time sometimes can be disregarded when it is insignificant. But in this case half the time between the loan and the transfer of securities sufficed to change the position of the borrowers from a fortune of half a million to a deficit of double that amount."

The result of the decision, therefore, was to lay down the principle that after a bank makes a "clearance loan" to a broker and credits it to his general deposit account, which loan is to be used to clear securities and to be repaid later in the day, and the bank does not require the securities cleared to be kept separate or that any separate account be kept of the moneys received from the sales of the cleared stock, and the bank demands and receives from the broker securities against his account without regard to their source and with notice at the time of the broker's bankruptcy, the bank is obtaining a "voidable preference," and may be compelled to return the securities.

Securities Might be Sold.

Another interesting point arose in the same case, because after the bankruptcy of the brokers it was agreed between the parties that the securities which had been handed over to the bank and which the trustee in bankruptcy claimed might be sold by the bank "at the best price obtainable and at such times as may seem best to the officers of the bank," and that the proceeds realized from the sale should be dealt with by the court in the same manner as the securities themselves.

The bank, however, did not sell under this agreement; after the date of the agreement there was a heavy decline in the value of the securities on the market, and the trustee in

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bankruptcy claimed that instead of taking the securities he was entitled to the value of the securities at the time of the agreement instead of the securities themselves which were then of much less value; but the court held that as it was in the discretion of the bank to sell or not to sell, and the bank in its judgment had decided not to sell, all that the trustee was entitled to was the securities and to nothing by way of damages.

Broker and the Clearance Loan.

In the other case mentioned, Mechanics & Metals National Bank of New York vs. Dudley P. Humphrey, arose under somewhat similar circumstances. In this case the Mechanics Bank had made a clearance loan of $400,000 to a firm of brokers, crediting it to their deposit account on which there was already over $36,000. This clearance loan was made about 10 o'clock, and by noon the bank had certified or paid checks against the brokers' account for over $276,000. Between 11 and 12 the cashier heard that there was trouble in the stock market and that the brokers were in difficulties, and gave orders that no more checks were to be certified. He went further and called on the brokers who gave him an evasive reply as to the financial condition of the firm, and who, when reminded by the cashier that they had made no deposit that day, told him that a deposit of $54,000 was then on its way, which deposit was paid in to the bank after the cashier's order to stop payment. The cashier then pressed the brokers for some securities against their account, which he got and returned to the bank. At forty minutes past 12 the brokers gave notice to the exchange that they were unable to meet their obligations, and a petition in bankruptcy was filed against them shortly after three.

To Recover Securities.

The trustee in bankruptcy then brought action against the bank to recover the securities which the cashier had received from the firm, and also to recover the amount of the deposit made by the brokers after the cashier had forbidden the payment of cheques against the deposit account and a few hours before the petition in bankruptcy.

Acting under the decision in the former case, the Supreme Court held that the trustee was entitled to the securities delivered to the bank; but then the question arose as to the right of the bank to hold the so-called deposit of $54,000. On this point it was held that the bank could not set-off against the $54,000 deposit, the amount which the brokers owed the bank, and that it had to be paid to the trustee of the bankrupt broker.

"The co-called deposit," said Mr. Justice Holmes, "of $54,000, was paid in after the cashier had forbidden the payment of checks against the deposit account, and therefore rightly was held to be a payment and a preference. A set-off properly was denied."

LETTER TO THE EDITOR

MORTGAGE LOANING SITUATION

Sir,—Referring to your issue of the 12th inst., and to an article on page 8 under the heading of "Mortgage Loaning Situation," being a contribution from Mr. S. R. Tarr, editor of the Canadian Finance, Winnipeg, it is made to appear that the government of Manitoba has recently paid as high as 7¾ per cent. for money on short-term borrowing. This is a mis-statement, as the province of Manitoba has not on any occasion paid any such rate for money.

I should feel greatly obliged if you would give publicity to this correction.

Yours truly,
Edward Brown,
Provincial Treasurer.

Winnipeg, Man., April 17th, 1918.

The announcement is made from Montreal that the Royal Bank of Canada intends opening a branch in Barcelona, Spain, in charge of Mr. F. D. Dever, a native of Canada, and for some years supervisor of the bank at Havana. The branch is intended to form a link in the development of Spanish-American business throughout Central and South America, where the bank is well represented.

CONDUCT OF FINANCIAL INVESTIGATIONS

Classes Brought About by Changes of Proprietorship, Admission of Partner and Sale or Purchase of Business

In the course of an address on the above subject before the Incorporated Accountants' Students' Society of London, recently, Mr. F. W. Priest, said: "I propose to divide the subject under three heads as follows:—

(1) Investigations Generally.
(2) Preliminary Considerations.
(3) Practical Points.

Investigations Generally.

"The matters which are submitted to professional accountants for investigation have considerably increased during the last 20 years. They cover a fairly wide range of practice, and have become an important branch of professional work. The classes of investigation which occur most frequently are those brought about by changes of proprietorship, admission of a partner, or the purchase or sale of a business. No prudent business man would put capital into a strange concern without first obtaining the opinion of an expert accountant as to its state of affairs and a general report on the business. Perhaps the best proof of the wisdom of this is that quite a large percentage of such investigations result in negotiations falling through, and generally as a consequence of the investigating accountant's report thereon.

"It is somewhat disappointing to one's own client when matters terminate so, but it is better for him to know that his loss is limited to the amount of his accountant's fee than risk his money in a concern which is not sound.

"Another class of investigation which, before the war, happened quite frequently, was for the purpose of certifying the profits of concerns about to be converted into limited companies.

"Then there are investigations in regard to income tax matters, amalgamations, defalcations; also those arising from shareholders and debenture holders being dissatisfied with the results of the trading or management.

"Meetings of creditors, friendly societies, beneficiaries under wills, board of trade and many others provide work for the investigating accountant.

"Investigations in regard to general office, and even works organizations and costing systems, are occasionally met with.

"Since the war many accountants have been occupied on investigations of businesses under the 'Trade with the Enemy Act.' These are instituted by the board of trade, and are for the purpose of ascertaining whether the proprietors (generally of German or Austrian extraction) have been, directly or indirectly, trading with enemy countries since the outbreak of war.

Preliminary Consideration.

"It is important to clearly understand in whose interests one is acting, the nature of the certificate or report, and for what purpose it is required. The period of investigation will, of course, depend on circumstances and instructions.

"It is not unusual for accountants to be consulted on this point, in which case the object in view and nature of the business must be considered. Also, whether the books have been properly kept and balanced, and if balance sheets and trading and profit and loss accounts have been regularly made up; if so, by whom, and whether they have been audited. Also, whether the accounts have been properly drawn up for the occasion.

"With a knowledge of these particulars it may be possible to decide whether the work will entail much or any checking or preparation of accounts.

"Another important factor is time. It sometimes happens that a report is wanted quickly, and it is left to the accountant to satisfy himself by testing and verifying figures as best he can. All these points have to be borne in mind, and also that the period should terminate at the latest possible date.

"The scope of the work will necessarily vary in different cases, even though the period be the same. Much depends on the state of the books.

"In cases of defalcations and falsifications of accounts the period and scope of the work can only be ascertained by ac-

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tual examination of the books and consideration of any special circumstances attaching to each individual case.

"Suppose, for example, an investigation on behalf of a client who is about to purchase a business or a partnership where the goodwill is to be or has been valued on the basis of a number of years purchase of net profits. We will assume that accounts have been prepared, and your instructions are to examine the books and make a general report.

"The trading accounts should be thoroughly tested for the periods under review by applying percentage tests to all items on the debit side making up the turnover, or, in the case of a manufacturing concern, the output also, and it is a good plan to prepare a comparative statement of the percentages, so that each year under review can be studied, and any variations revealed, and, if deemed necessary, explanations sought for.

"The last year or period should receive particular attention, and if any substantial increase in the rate of gross profit be shown, the stock and sales must be closely scrutinized. The stock prices at the end period should be compared with the prices of the previous year's stock, and a few actual invoices here and there examined in order to test the valuation. Also note if a fair allowance has been made in respect of any old stock.

The Manufacturing Concern.

"In the case of a manufacturing concern particulars should be taken of any oncost added to own manufactured stock and work in progress, and compared with the cost accounts if any are kept. Note if any goods on approval have been included in stock, and also how such transactions have been dealt with in the books. I have known instances where goods on approval have been included in the stock, and also in the book debts. This should be guarded against by inspecting the approval book and ledger accounts to satisfy oneself that double value has not been taken. In some cases it is arranged that the stock be valued by an outside expert valuer.

"The sales should be examined, and, if thought necessary, checked to the personal accounts in the sales ledger, with a view to satisfying oneself that the transactions are all *bona fide*. Goods sold just prior to the ending date should receive attention as to whether they were delivered before stocktaking; if not, see that any such goods are not included in the stock. It is quite easy for a mistake of this kind to be made.

"It is also as well to examine the return books to ascertain if any substantial items have been credited to customers' accounts since the date of the last period. Explanation must be obtained for any such items. Fictitious inflation of sales is sometimes adjusted by fictitious credit for returns.

"It should be noticed if all trade discounts have been provided for and a comparative statement of sales is also useful.

Profit and Loss Account.

"The profit and loss account must be examined in detail and note made of any variation in the administration expenses, and that all proper charges have been included in the accounts, whether paid for or outstanding. The question of proper provision for bad and doubtful debts must be gone into. To do this it is advisable to examine the ledger accounts and ascertain the dates when all debts outstanding over a certain amount, according to the magnitude of the business, were made, and note any that in your opinion should be reserved. It is also a good plan to examine the bad debt account, and to note the percentage of bad debts on the turnover. Note whether proper depreciations have been written off.

"Adjustments may have to be made in certain circumstances, where, for instance, the premises are owned by the proprietors and no rent is charged in the accounts, in which case the schedule A assessment on the premises is usually added. And, where partners' salaries or drawings have been charged, these should be deducted from the expenditure, although it may be necessary to substitute a sum for management.

"The average credit given and received should be ascertained, and it is as well to obtain the number of customers on the books, and if the business done is well distributed over the connection.

The Balance Sheet.

"The balance sheet, if it is a matter of proposed partnership, should receive attention as to the financial position and the margin of working capital in the business, and whether there are sufficient realizable assets available to meet the liabilities at their due dates. The effect of any proposed new capital in regard to financial position should be noted. These are important features, as many firms with quite substantial surplus of assets over liabilities are continually and sometimes seriously embarrassed by the surplus not being sufficiently liquid. No business can be considered as in a satisfactory financial position unless there are sufficient liquid assets to provide for the discharge of liabilities as they fall due. Every effort must be made to ascertain that all liabilities have been disclosed; if any doubt on this point, it is advisable to obtain a formal declaration, and in some cases it may be necessary for a declaration as to private liabilities.

"Always make a point of substantiating transactions by documentary proof where possible, and never be put off the scent of something you may suspect by any plausible explanation of some interested party.

"Trading With the Enemy."

"As regards investigations under the trading with the enemy act, these are for the purpose of ascertaining whether the concerns selected by the board of trade for your attention have been trading, directly or indirectly, with enemy countries, or whether any cash has been remitted since the outbreak of war. These inquiries, or inspections, as they are termed, involve a searching examination of correspondence, as well as the books, invoices, statements, cheques, contracts and any other documents.

Correspondence and Invoices.

"Special attention should be directed to the correspondence and invoices, and the books inspected for suspicious transactions, missing pages and erasions. Sometimes a very trifling matter will lead to important disclosures. It is really the small clues that one should be on the alert for, and it is very unlikely that transactions of any magnitude would be openly dealt with in the books.

"When making a report on an investigation, study well your instructions, and always be most careful to state exactly what you have done, setting out clearly what adjustments you consider necessary to the accounts and your reasons, and if you have not been able to satisfy yourself on any particular points they should be mentioned. Any statements made in a report of this kind should be, as near as possible, statements of facts.

"Always be courteous, tactful and cautious in the conduct of your work, and be careful of not being led into premature expression of opinion. It is not necessary to discuss matters with the parties whose books you are examining except for the purpose of obtaining information for your report, subject, of course, to any special instructions. When the work is finished it is your client who is entitled to receive your opinions first hand.

"Investigation work constitutes a very severe test on the abilities of the accountant. All knowledge of affairs are needed in a greater degree than in ordinary audit work. It is not a case of merely checking, vouching and balancing accounts. To be a really expert investigator one needs a wide business experience, with a thorough technical knowledge of how to read and criticize balance sheets and accounts. To one possessing such qualifications this branch of work is intensely interesting."

FIRE LOSS IN BRITISH COLUMBIA FORESTS

The fire season of 1917 was an unusually severe one in British Columbia. Reports made to the provincial forest branch show that, exclusive of the railway belt, a total of 986 fires occurred. In fighting these fires the forest branch expended $88,246. The total area burned over was 136,186 acres, of which only 2,825 acres was merchantable timber land; 16,226 acres contained valuable reproduction, and 159,386 acres were classified as cut-over, old burn not restocking, or unmerchantable mature timber. The total damage done is estimated at $291,726.

SASKATOON CUSTOM RETURNS

Custom returns for the Saskatoon district, which included the Battlefords, totalled $1.167,377 for the fiscal year ended March 31st. These figures show a gain of $497,075 over the figures for the year ending March 31st, 1917, which totalled $670,302. The highest figures for any one month during the year were those of May, 1917, which totalled $171,926, and the lowest was the total of $64.324 in January of this year. The figures for March, 1918, were $116,922, as compared with $77,171 in March, 1917.

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BANK CLEARINGS

The following are the bank clearings for the weeks ended April 18th, 1918, and April 19th, 1917, respectively, with changes:—

	Week ended Apr. 18, '18.	Week ended Apr. 19, '17.		Changes.
Montreal	$ 89,295,123	$102,897,713	—	$13,602,590
Toronto	66,580,728	85,120,986	—	18,540,258
Winnipeg	47,947,794	71,518,849	—	23,571,055
Vancouver	9,992,358	8,748,581	+	1,243,777
Ottawa	6,339,462	6,542,517	—	203,055
Calgary	7,013,980	7,897,954	—	883,974
Hamilton	5,501,924	6,055,560	—	553,636
Quebec	4,330,335	4,564,711	—	234,376
Edmonton	3,517,745	2,923,866	+	593,879
Halifax	4,903,513	3,286,652	+	1,616,861
London	2,481,765	2,970,385	—	488,620
Regina	3,362,658	3,217,536	+	145,122
St. John	2,075,157	3,082,509	—	1,007,352
Victoria	1,890,320	1,910,762	—	20,442
Saskatoon	1,697,522	2,073,720	—	376,198
Moose Jaw	1,261,124	1,260,625	+	499
Brandon	625,912	586,101	+	39,811
Brantford	994,457	975,535	+	18,922
Fort William	553,652	589,603	—	35,951
Lethbridge	825,289	1,014,388	—	189,099
Medicine Hat	584,219	754,173	—	169,954
New Westminster	393,669	421,940	—	28,271
Peterboro	765,765	778,919	—	13,154
Sherbrooke	925,135	754,515	+	170,620
Kitchener	693,453	718,200	—	24,747
Totals	$264,553,059	$320,675,300	—	$56,122,241

The Toronto bank clearings for the current week are $60,564,704, compared with $67,181,431 for the same week in 1917, and $88,128,675 in 1916.

DIVIDENDS AND NOTICES

BANK OF MONTREAL

Notice is hereby given that a Dividend of Two-and-One-Half per Cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, also a Bonus of One per Cent., both payable on and after Saturday, the First day of June next, to Shareholders of record of 30th April, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
Montreal, 23rd April, 1918. General Manager.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 125.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 31st May, 1918, together with a bonus of one per cent., and that the same will be payable at the Bank and its Branches on and after Saturday, 1st June, 1918. The Transfer Books of the Bank will be closed from the 17th to the 31st of May next, both days inclusive.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 19th April, 1918.

THE NORTHERN CROWN BANK

HEAD OFFICE—WINNIPEG

DIVIDEND No. 19.

Notice is hereby given that a Dividend at the rate of 5% per annum on the paid-up Capital Stock of this Bank has been declared for the six months ending May 31st, 1918, and that same will be payable at its Banking House, in this city, and at all its Branches, on or after the first day of June next to shareholders of record at the close of business on the 16th day of May, 1918. The Transfer Books of the Bank will be closed from the 17th day of May to the 31st day of May, both inclusive.

By Order of the Board
ROBERT CAMPBELL,
Winnipeg, April 17th, 1918. General Manager.

DETROIT RIVER TUNNEL CO.

Detroit, Mich., April 2, 1918.

Notice is hereby given that the Annual Meeting of the Stockholders of the Detroit River Tunnel Company, for the election of Directors and the transaction of such other business as may be brought before the meeting, will be held at the Head Office of the company, in the City of Detroit, Michigan, on the First Thursday after the First Wednesday (being the 2nd day of May) of May, 1918, at 10 o'clock a.m., Standard Eastern Time.

DWIGHT W. PARDEE,
Secretary.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers	Sellers	Counter
N.Y. funds	1 ⅞	1 15-16	....
Mont. funds	par	par	¼ to ¼
Sterling—			
Demand	$4.84.40	$4.84.70	$4 8[illegible]
Cable transfers	$4.85.40	$4.85.75	$4 88

Rate in New York, sterling demand, $4 75½.
Bank of England rate, 5 per cent.

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Montreal Stock Exchange

NEW INCORPORATIONS

A Steamship Company and a Bridge Company Receive Charters, Both With Capitalization of $1,000,000

The two largest companies incorporated during the past week were: Webster Steamship Company, Limited, $1,000,000, Quebec, Que., and the Manitoba Bridge and Iron Works, Limited, $1,000,000, Winnipeg, Man.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are provisional directors:—

Three Rivers, Que.—St. Arnaud Biron and Company, Limited, $99,000; E. St. Arnaud, Joseph E. Biron.

Campbell's Bay, Ont.—The Campbell's Bay Milling Company, Limited, $50,000; Samuel Burrows, Raoul Leger, Pat. Mousseau.

Harold, Ont.—Rawdon Threshing Company, Limited, $5,000; William John Jeffrey, Daniel Sarles, Stanley McMurray.

Ottawa, Ont.—Superior Sales Company, Limited, $500,000; Charles Murphy, Stanley Gardner Metcalfe, Stanley Metcalfe Clark.

Kitchener, Ont.—Riverside Garbage Disposal Company, Limited, $20,000; Archibald B. Campbell, Maggie Campbell, William Frank Balge.

St. Catharines, Ont.—National Rubber Heel Company of Canada, Limited, $200,000; John Michael Ferguson, Joseph Patrick Walsh, Charles Joseph McLaughlin.

Quebec, Que.—Steamer Eric W., Limited, $10,000; M. M. William-Quarrier Stoba, Herbert-Cecil Thorn, Cyril-St. John Griffis. The Webster Steamship Company, Limited, $1,000,000; Messrs. Lorne; Campbell Webster, William Stoba, Herbert-Cecil Thorn. L'Aqueduc Adouard Ruel, Limited, $190,000; Dame Dessanges Blais, Elmire Ruel, Edouard Ruel. Sterling Securities and Agencies, Limited, $18,000; L. J. Adjitor Amyot, Henri Bray, Chausse-gros de Lery. Lauzon Engineering, Limited, $300,000; Joseph Gosselin, Senior, Joseph Gosselin, Junior, Emile Herve Dion.

Winnipeg, Man.—The Manitoba Bridge and Iron Works, Limited, $1,000,000; Thomas Russ Deacon, Hugh Buxton Lyall. Realty Assets Company, Limited, $5,000; Robert S. Ewing, Wayne F. Rondabush, Theodore H. Simpson. The Riding Mountain Cattle Company, Limited, $100,000; John Ames, John Tully, Francis Albert Johns. Utilities Sales, Limited, $5,000; Arthur Lawrence, Anthony Joseph Costigan. Emerson Manufacturing Company, Limited, $50,000; Clarence A. Paulson, Walter M. Paulson. Western Collectors, Limited, $5,000; Alexander William Lewis, Neir Apphouse Cain. William Stanley King.

Toronto, Ont.—Canadian Overseas, Limited, $40,000; Thomas Robinson, Benjamin Harrison Marshall, Richard William Craft. Dominion Mineral Resources, Limited, $40,000; Arthur Lewis McEwen, Percy Garniss Ebbutt, Irene Rouse. The Dyrob Steel Tools, Limited, $100,000; Charles Joseph Eaguley, Thomas Dunlop, Samuel McDiarmid Robertson. National Shoe Manufacturing Company, Limited, $40,000; Bartle Edward Bull, James Shaw, Joseph Montgomery. Toronto Cabinet Company, Limited, $40,000; Armond Whitehead, Robert James Smyth, Mary Agnes Gallagher. Universal Coal Company, Limited, $100,000; Reginald Holland Parmeter, William Symon Morlock, Samuel Davidson Fowler.

Montreal, Que.—La Compagnie des Derves de Goudron du Canada, Limitée, $30,000; Joseph Lebel, Alfred Goyer, Blanche Goyer. La Compagnie de Glace de Cartierville, $20,000; Joseph-Antoine Lalande, Edouard Cousineau, Emery Legault. Laiterie Ville-Marie, Limitée, $49,000; Joseph A. Chenevert, Maurice-K. Carroll, Madame Edouard Langstaff. Quality Dress and Waist Company, Limited, $50,000; Samuel Medine, Charles Abraham Kaplan, Louis Shlakman. The Interprovincial Manufacturing Company, Limited, $200,000; Edouard Fabre, William Langley, Elizabeth May Silver. R. and W. Gelinas, Limited, $49,000; Raoul Gelinas Wilbrey, Gelinas Adelard Lamy, Freddy Gelinas. P. B. Lamarre, Limited, $99,000; Pierre-Basile Lamarre, Louis-Yvon Lamarre, Frederic Etienne Breard. Tivoli Studios, Limited, $9,000; Jacques Lax, Michael-G. Cockels, Speros-T. Prahale. Compagnie des Placages Canadiens Incorporée, $150,000; Arthur-Pierre Beaupre, Victor Martineau, Arthur Jodoin. Lumiere, Limited, $10,000; Samuel-Gerald Tritt, Saul Tritt, Nicholas Swan. P. Pastene and Company, Limited, $100,000; Aubrey Huntingdon Elder, Felix Winfield Haskett, Darley Burley-Smith.

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, Limited

LONDON, ENGLAND

EXTRACTS FROM THE DIRECTORS' REPORT

The Directors submit to the Shareholders their Thirty-seventh Annual Report, together with the Audited Accounts to 31st December, 1917.

The premiums for the year are $16,983,150, against $12,281,020 for the year 1916.

REVENUE ACCOUNT, 1st January, 1917, to 31st December, 1917

($5 = £1 Sterling)

JANUARY 1ST—		
AMOUNT OF INSURANCE FUND AT THE BEGINNING OF THE YEAR:—		
Reserve for Unexpired Risks	$ 4,912,410.00	
Total Estimated Liability in respect of Outstanding Losses	4,529,410.00	
		$ 9,441,820.00
DECEMBER 31ST—		
Premiums	$16,983,153.94	
Adjustment of Exchange	81,939.25	
Transfer Fees	205.62	
		17,065,298.81
		$26,507,118.81

DECEMBER 31ST—		
Payments under Policies, including Medical and Legal Expenses in connection therewith	$7,773,850.75	
Commission	3,469,638.27	
Expenses of Management	1,276,171.55	
Contribution to Fire Brigades	8,758.25	
Bad Debts	1,239.35	
		$12,529,658.17
AMOUNT OF INSURANCE FUND AT THE END OF THE YEAR:—		
Reserve for Unexpired Risks	$6,856,547.98	
Total Estimated Liability in respect of Outstanding Losses	5,926,950.00	
		12,783,497.98
Balance transferred to Profit and Loss Account		1,193,962.66
		$26,507,118.81

Dr. BALANCE SHEET, 31st December, 1917 Cr.

LIABILITIES

SHAREHOLDERS' CAPITAL—		
100,000 Shares, $50 each, $5,000,000.00.		
To Capital—100,000 Shares, $10 paid		$ 1,000,000.00
" Amounts due to other Companies and Agents	$ 730,443.90	
" Unclaimed Dividends	512.50	
" Outstanding Commission	819,539.85	
" Outstanding Expenses	158,515.79	
" Loss Deposit Accounts	216.67	
		1,709,228.71
" Provision in Profit and Loss Account for Final Dividend, 1916		375,000.00
RESERVES—		
For Unexpired Risks	$6,856,547.98	
" Outstanding Losses	5,926,950.00	
Investment Reserve	1,337,235.56	
General Reserve	4,174,618.31	
		18,295,351.85
		$21,379,580.56

ASSETS

By Mortgages on Property within the United Kingdom	$ 20,000.00
INVESTMENTS—	
British Government Securities	2,030,307.88
Bank of England Stock	57,721.83
Indian & Colonial Governm't Securities	524,427.27
Indian & Colonial Provincial Securities	174,729.06
Indian & Colonial Municipal Securities	365,456.54
Foreign Government Securities	2,385,266.54
Foreign Provincial Securities	161,489.58
Foreign Municipal Securities	4,251,140.65
Railway and other Debentures and Debenture Stock—Home and Foreign	5,161,881.45
Railway and other Preference and Guaranteed Stocks	82,110.83
Railway and other Ordinary Stocks	76,854.08
House Property	341,375.73
	$15,632,761.44
" Branch and Agency Balances	4,409,196.75
" Interest and Rents accrued	185,150.41
" CASH—In hand and on Current Account	705,298.96
" Amounts due from other Companies	447,173.00
	$21,379,580.56

CANADA BRANCH OFFICES: TORONTO AND MONTREAL

C. W. I. WOODLAND, General Manager for Canada and Newfoundland

JOHN JENKINS, Fire Manager

Montreal and Toronto Stock Transactions

Stock Prices for Week ended April 24th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks		Asked	Bid	Sales
Abitibi	com.	50	48	350
Ames-Holden	com.	....	....	....
"	pref.	....	....	....
Asbestos Corporation		....	....	....
" "	pref.	....	....	....
Bell Telephone		....	....	17
British Columbia Fishing & Packing		....	....	20
Brompton		50	19½	814
Brazilian		34½	33½	153
Canada Car	com.	30	29⅝	375
"	pref.	73	72	1090
Canadian Converters		43	....	....
Canada Cement	com.	60½	60	1435
"	pref.	91	90	53
Canada Cottons		....	60	166
"	pref.	76	....	73
Canadian Con. Rubber	pref.	....	....	....
Canadian Pacific Railway		....	....	....
Canadian General Electric		....	....	75
Canadian Locomotive		55½	....	190
Canada Steamship Lines	com.	40¼	10	515
" " "	pref.	76½	76	195
" " "	(Voting Trust)	....	....	....
Civic Investment		....	....	....
Civic Power	com.	....	....	....
Cons. Mining and Smelting		25	....	177
Consumers Gas	com.	....	....	....
Dominion Bridge		....	....	....
Dominion Canners		21¾	24¼	115
Dominion Iron	pref.	91	....	25
Dominion Steel Corporation	com.	59¾	59½	985
Dominion Textile		89	88½	1377
"	pref.	....	100	5
Goodwins Ltd.		11	....	....
Illinois Traction	com.	....	....	....
"	pref.	80	....	....
Lake of the Woods Milling	com.	130	....	20
" " "	pref.	....	....	2
Laurentide Co.		165	163	1015
Lyall Const.	com.	75	74	280
Macdonald		15	....	40
Mackay Cos.	com.	....	....	5
" "	pref.	....	....	....
Maple Leaf Milling	com.	97¾	....	150
Montreal Tramway		....	....	....
" "	deb.	72¾	....	17200
Montreal Telegraph		....	....	....
Montreal Cotton	com.	55	50	10
"	pref.	....	....	....
Nova Scotia Steel	pref.	66	....	....
Ogilvie Flour Mills	com.	....	107	101
Ontario Steel	com.	....	....	170
"	pref.	71	70	....
Penmans		76	75	330
"	pref.	....	82	....
Price Bros.		....	....	50
Riordan Paper		118½	117¾	400
"	pref.	....	94½	....
Quebec Railway, Light, Heat & Power		18	17	85
Shawinigan Water & Power		....	....	291
" " "	rights	....	....	....
Spanish River	com.	....	11	60
"	pref.	....	....	....
Smart Woods		....	....	....
Steel Co. of Canada		58¾	58½	2107
" " "	pref.	....	....	71
St. Lawrence Flour Mills	com.	64½	63½	90
" " "	pref.	....	....	....
Toronto Railway	com.	60	....	....
Wayagamack		....	...	15
Bank of British North America		....	....	....
Bank of Commerce		185	....	31
Bank of Montreal		210	....	234
Bank of Ottawa		201	....	....
Bank of Toronto		....	....	....
Bank d'Hochelaga		110	....	....
Banque Nationale		....	....	....
Bank uf Nova Scotia		248	....	2
Dominion Bank		202	....	....
Merchants Bank		167	....	8
Molsons Bank		....	179¾	....
Quebec Bank		....	....	....
Royal Bank		208	....	....
Standard Bank	com.	....	....	....
Union Bank		....	149	40

Montreal Bonds		Asked	Bid	Sales
Asbestos		....	68	....
Bell Telephone		....	....	....
Canadian Car.		97¼	....	....
Canada Cement		....	....	....
Canadian Converters		....	....	....
Canada Felt		....	....	....
Cedars Rapids		....	....	3000
Dominion Coal		....	85	....
Dominion Cotton		96½	....	....
Dominion Iron and Steel		....	....	....
Dominion Textile	A	....	....	....
" "	B	97	95	....
" "	C	...	....	....
" "	D	....	....	....
Lake of Woods Milling		100½	....	....
Laurentide		....	101	....
Lyall Construction Co.		....	....	1000
Montreal Light, Heat & Power		....	....	....
Montreal Tramways		....	....	....
National Breweries		....	....	8000
Nova Scotia Steel		....	....	....
Ogilvie	A	....	100	1000
"	B	....	100	....
"	C	....	100	....
Penmans		....	....	....
Price Bros.		....	....	....

Montreal Bonds (*Continued*)	Opened	Closed	Sales
Quebec Railway, Light and Power	57	....	....
Riordan Paper	....	....	....
Steel of Canada	....	....	....
First Dominion War Loan	....	91¼	11500
Second Dominion War Loan	....	92⅜	65100
Third Dominion War Loan	....	92¼	26600
Wabasso Cotton	84	....	15
Wayagamack	....	....	2200

Toronto Stocks		Asked	Bid	Sales
Ames-Holden		11½	....	....
"	pref.	50	....	...
American Cynamid		32	29	....
Bell Telephone		....	....	5
Barcelona		9¾	9½	305
British Columbia Fish		50	18½	...
Brazilian		34	33½	587
B. C. Packers		....	....	....
Canada Bread		17	16	60
"	pref.	....	....	8
Canadian Car & Foundry		31	30	....
" " "	pref.	....	....	....
Canadian Canners		....	....	60
"	pref.	....	....	....
Canadian General Electric		102½	101	12
" " "	cum div. pref.	...	....	....
Canada Landed & National Investment		148¾	....	....
Canadian Locomotive		....	....	50
"	pref.	....	82¾	25
Canadian Pacific Railway		159½	156½	....
Canada Permanent		16.½	....	26
Canada Steamship		39¾	39½	415
" "	pref.	76¼	76	15
Can. Salt		...	...	....
Cement	com.	60	59¼	36
"		....	....	....
City Dairy		....	31	....
"	pref.	....	75	....
Coniagas		300	290	150
Confederation Life		....	....	...
Consumers Gas		141½	....	13
Crows Nest		....	....	....
Dome		810	800	100
Dominion Canners	pref.	25½	24¼	....
Dominion Iron	com.	....	...	...
Dominion Steel Company		60	59¼	300
Dominion Savings		....	....	....
Duluth Sup		41	....	....
F. N. Burt		....	67½	....
"	pref.	....	81½	....
Hamilton Provident		....	135	...
Huron & Erie	com.	....	201	4
Lake of the Woods	com.	....	....	...
La Rose	com.	56	52	....
Mackay Companies		....	75½	40
"	pref.	....	64	166
MacKinley Darragh	com.	....	....	....
Maple Leaf Milling		97¾	96½	210
" " "	pref.	93½	92	25
Monarch		43	39	....
"	pref.	80	....	7
Nat. S. Car		11	9	111
"	pref.	36	....	50
Nipissing		900	850	430
Nova Scotia Steel		65	....	....
" " "	rights	....	....	....
Prov. Paper		55	....	....
"	pref.	....	....	....
Penmans	com.	75	73½	....
Petroleum		1412	1350	50
Riordon		119½	117¼	....
"	pref.	....	....	...
Rogers	com.	....	....	....
Russell Motor		58	54	....
"	pref.	71	69	10
Sawyer-Massey		15	....	....
"	pref.	40	....	....
Smelters		....	....	105
Spanish River		14	13	....
"	pref.	50	....	....
Cons. Smelters		24⅜	....	....
Standard Reliance Loan		....	....	....
Standard Chemical		....	....	....
" "	pref.	57	....	....
Steel Company of Canada		59	58¼	645
" " "	pref.	91	90	255
Toronto General Trust		....	200	35
Toronto Paper		....	70	20
Toronto Railway		58	....	3
Trethewey S. Mines	com.	17	15½	....
Tucketts		19	....	....
"	pref.	....	....	....
Winnipeg Electric		48	....	....
Twin City		49	48	148
Bank of Commerce		....	185	14
Bank of Ottawa		201	....	...
Bank of Hamilton		....	184	21
Bank of Montreal		210	....	...
Bank of Nova Scotia		248	....	2
Bank of Toronto		187	....	....
Dominion Bank		202	....	3
Imperial Bank		....	185	25
Merchants Bank		....	....	....
Molsons Bank		....	....	....
Royal Bank		208	....	...
Standard Bank		200	....	41
Union Bank		....	150	15

Toronto Bonds		Asked	Bid	Sales
Canada Bread		....	....	3000
"	pref.	....	....	7
Canada Locomotive		....	85	...
Penmans		....	85	....
Sao Paulo, 1929		. ..	....	....
Steel Company of Canada		....	92	....
First War Loan		94¼	94	4900
Secund War Loan		92⅜	92½	8[illegible]0
Third War Lóan		92¼	92	10600

COMPUTATION OF TIME ON LIFE POLICY

Incontestable Clause — Limitation of Time for Action — Observance of Military and Naval Provisions

BY M. L. HAYWARD, B.C.L.

Some interesting points frequently arise in connection with the computation of time on insurance policies, and there are a number of cases, dealing with it decided by the Canadian and American Courts. A leading case is the North American Life Assurance Company vs. Elson, decided by the Supreme Court of Canada in 1903 and reported in Volume 33 of the Canada Supreme Court Reports on page 383 and, is, or should be, familiar to every person interested in life insurance.

In this case the facts were that, by a policy of insurance dated the 27th day of September, 1894, the North American Life Assurance Company insured the life of one, George Elson, for $1,000, and on the day of its date the policy was mailed by the company to their agent at Winnipeg, to be forwarded by him to Elson in British Columbia. The Winnipeg agent forwarded the policy to Elson on October 1st, 1894, and in the ordinary course of the mail Elson would not receive the policy until October 7th.

The policy in question contained the so-called "incontestable clause" in the following words:—

After being in force three years, the only conditions which shall be binding upon the holder of this policy are that he shall make the payments hereon as herein provided, and that the provisions as to military and naval service, proofs of age and death, and limitation of time for action or suit shall be observed. In all other respects after the expiration of the said three years the liability of the company under this policy shall not be disputed.

There was also a provision endorsed upon the policy, which was made expressly a part of the contract, stating that "if, without a permit the insured engages as an occupation in employment on a railroad, steamboat or other vessel, or reside elsewhere than in Canada, Newfoundland, Europe or the United States; or between the 15th days of June and November in any year reside in any part of the United States south of the 26th degree of North Latitude, or in Europe south of the 42nd degree; this policy shall thereupon become and be null and void, and all payments made upon it shall be forfeited to the company."

Decision on Time.

Elson, the insured, paid the premium up to and including the 27th day of September, 1897, but about five months before this date he had, without a permit from the company, engaged in employment upon the Canadian Pacific Railway, which was one of the hazardous employments prohibited by the policy. While working on the railroad Elson was killed on September 30th, 1897, and in an action brought on the policy the insurance company refused to pay.

The question for the decision of the Court then, was when the three-year period named in the incontestable clause began; for, if it began on September 27th, 1894, then the company was bound to pay, while if it did not begin until the policy was received by the Winnipeg agent on October 1st, 1894, or by Elson on October 7th, Elson was not entitled to the benefit of the incontestable clause, and the insurance was not binding.

The Supreme Court of Canada decided that the three years began on September 27th, 1894, so that the decision of the Court was that the company was bound to pay.

"A question was raised," said Judge Davies, "and argued as to the date when the policy came in force and we were of the opinion on the hearing (and in fact the respondent's counsel was stopped on the point) that the policy went into operation and took effect from, at any rate, the date when it was posted by the company in Toronto, 27th September, 1894, for transmission to the insured. If, therefore, the 'incontestable clause' covers breaches of the conditions committed during the three years the policy was in force, the company would be liable, the insured not having been killed until the 30th September, 1897, two or three days after the expiration of the three years."

The decision of the Court, therefore, was that the contract of insurance was completed at least as early as the date of the policy, when the policy was mailed from Toronto, but it is to be noted that the date of the policy and the date of the mailing thereof were the same.

Suppose, however, that the policy had been dated on September 27th, but had not been mailed until October 4th. In that case would the Court have decided that the contract of insurance was completed on the date of the policy, or on the date of the mailing?

This point the Supreme Court of Canada was not called upon to decide, but, in this connection it is interesting to compare with the Elson case the case of Meridan Life Insurance Company vs. Mary C. Milam, recently decided by the Kentucky Court of Appeal. In this case, the policy of insurance was dated on June 8, 1914, and by one of those peculiar coincidences which sometimes happen in real life, the insured actually died on June 8th, 1915.

The policy contained the following provision:—

"This policy shall not be in force until the first premium has been paid thereon, and the policy duly delivered during the lifetime and the good health of the assured.

"In case of death after one year from the date hereof this policy shall be incontestable, except for non-payment of premium."

The application for the insurance, which was made a part of the contract, also provided "that death by my own hands, or occasioned by my own act, within one year from the date of any policy issued hereunder, shall invalidate the insurance and forfeit the payment to the company."

In an action brought on the policy the company set up the following defence:—

(1) That, while the policy was dated on the 8th of June, 1914, it was not actually delivered until June 13th, 1914.

(2) The insured committed suicide on June 8, 1915, which was within one year from the date of the actual delivery of the policy, and would, therefore, render it invalid.

(3) That, even if the one year were to be reckoned from the actual date of the policy, the death of the insured on June 8, 1915, was still within one year from the date of the policy, and that, by the terms of the application, all liability under the policy was annulled on account of the suicide of the insured.

On the first two points the Court decided against the company, holding that the one year in question was to be counted from the date of the policy and not from the date of its delivery.

"We see no merit in this contention," said the Court. "While it is true that insurance companies frequently, and we believe usually, do not deliver a policy upon the day of its date, nevertheless, all the provisions of the policy as to payments of future premiums, its maturity if it runs for a term, and similar provisions, are calculated from the day of its date. Of course, the insured can contract for a policy to be dated on any date after the date of his application; but, as a matter of routine business, policies are usually dated either according to the date of the application, or of its execution, and are subsequently delivered without any question being made upon that subject. But the rights of the parties to the contract are determined by the date, and all future premiums are to be paid accordingly.

Not Lapsed for Failure.

"If Milam had died on June 12, 1915, without having paid his second premium due on June 8, 1915, could it be said that his policy had not lapsed for failure to pay the premium when due, according to the terms of the contract? Under such a state of case would the company concede that his policy was in force on June 12, 1915, and that Milam had until that day to pay the premium? We think not. Furthermore, the policy, by its terms, provides that the period of incontestability shall be calculated 'from the date' of the policy, not from the date of its delivery. So, by the very terms of the policy, the one-year period of incontestability began to run on June 8, 1914."

On the third point, as to whether the death of the assured on June 8, 1915, was or was not within a year from the date of the policy, the Court said:—

"So speaking concretely, the case resolves itself to this: Was June 8, 1915, the day of Milam's death, within or after one year from June 8, 1914?

"The rule in regard to the computation of time is well settled, and is this: When the computation is to be made from the act done, the day on which the act is done must be included; but, when the computation is to be made from the day itself, and not from the act done, then the day on which the act is done must be excluded from the computation.

"In the case at bar, therefore, the year of incontestability must be computed from the dating of the policy, which was an act done on June 8, 1914. Manifestly, therefore, June 8, 1914, must be included in the computation, and the first year of the policy expired on June 7, 1915.

"Otherwise the year would have contained 366 days, instead of 365."

DOMINION SAVINGS BANKS

BANK	Deposits for Mar. 1918	Total Deposits	Withdrawals for Mar. 1918	Balance on Mar. 30th, 1918.
	$ cts	$ cts.	$ cts.	$ cts.
Manitoba :—				
Winnipeg	4,077.00	512,070.81	3,807.20	508,263.61
British Columbia :—				
Victoria.	26,103.81	1,122,987.72	21,036,55	1,098,951.17
Prince Edward Island :—				
Charlottetown.................	27,152.00	1,850,753.36	30,311.93	1,820,441.43
New Brunswick:—				
Newcastle	1,864 00	239,820.65	7,977,83	231,852.82
St. John	57,835.41	4,649,370.68	71,534.82	4,577,835 86
Nova Scotia				
Amherst	....	....	....	....
Barrington	145.00	102,267.19	404.85	101,862.34
Guysboro'..	1,311.00	96 318.03	1,165.67	95.152.36
Halifax	51,113.02	2,379,705.40	35,775.22	2,343,930.68
Kentville	3,149.00	240,703.23	6,013.62	234,689.61
Lunenburg	3,072.00	438 715.74	10,292.81	428,422.93
Pictou	....	....	. .. .	....
Port Hood...........	541 00	71,941 45	25.00	71,916,45
Shelburne	1,360 86	219,895.75	2,745.12	217,150.63
Sherbrooke	289.10	79,077.91	661.68	78,413.23
Wallace	....	....	....	....
Totals.....................	178,313.23	12,003 638 45	194,755.30	11,808 883.15

POST OFFICE SAVINGS BANKS

DR	JANUARY, 1918		Cr.
	$ cts		$ cts.
Balance in hands of the Minister of Finance on 31st Dec., 1917..	40,478,123.47	**Withdrawals** during the month..........	1,521,038.12
Deposits in the Post Office Savings Bank during month.......	843 317.29		
Transfers from Dominion Government Savings Bank during month :—			
Principal.........			
Interest accrued from 1st April to date of transfer...	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	6,360.76		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month.....	13,832.26	**Balance** at the credit of Depositors' accounts on 31st Jan., 1918..........	39,820,625.66
	41,341,663 78		41,341,663 78

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended April 24th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........pref.	80	....	Canada Machinery..pref.	45	50	Frost & Wood.......pref.	....	92	National Life............	30	....
" ...7 % deb.	.. .	87	Can. Mortgage & Invest..	....	83	Imperial Trust...........	....	37.50	National Telephone...5's	51	57
Alberta Pac. Grain..com.	105	....	Can. Oil...............com.	30	....	Harris Abattoir........6's	94	100	Nova Scotia Steel 6% deb.	85	92
" " " pref.	90	95.50	Can Salt.............. 6's	92.50	....	Home Bank..............	60	64.50	Ont. Pulp Bonds........	74	79
Atlantic Sugar.........6's	78	84	Can. Westinghouse......	100	115	Imperial Oil...............	265	285	People's Loan...........	80	90
" " ......pref.	22	27.50	Cockshutt Plow.....pref.	67	75	Inter. Mill ....pref.	83	87	Rosedale Golf Club......	....	330
Belding Paul....... com.	10	13.50	Collingwood Ship. cnm..	....	30	Lambton Golf Club......	360	400	Sovereign Life..........	11	18.50
" " ......pref.	73.50	77	Dom. F'dry & Steel 8% pf.	85	91	London Loan & Savings.	95	112	Sterling Bank.... .xd, 1½	....	81.50
Black Lake............6's	20	25	Dom. Fire	19.50	23	Maple Leaf Con. Milk pf.	50	....	Sterling Coal........com.	12	16
Brand-Henderson...com.	45	52.50	Dom. Glass ....com.	32.50	....	Maritime Coal & Ry...5's	68	72	" " ......bonds	70	74.50
" " 6's	93.50	...	" ....pref.	77.50	83.50	Massey Harris...........	112	131	Toronto Carpet..........	85	....
Can. Crocker Wheeler...	80	86	Dom. Iron 5's. 1931.......	73.50	77.50	Matthew-Blackwell com.	43	50	Toronto Paper........6's	85	90
Can. Cereal & Flour.com.	....	.70	Dunlop Tire.... . 6's	95	100	Matthew Laing.......6's	94	....	Toronto York Rad.....5's	90	96
Can. L. & P...........5's	40 50	46	Dom. Power... ......5's	82	85.50	Mexican Northern....5's	10	14	West. Assurance	6.75	8
Can. Pairbanks .....pref.	83	88.50	" " ....pref.	91	96.50	M'Donald...........pref.	73.50	79.50	Wt. Can. Flour. 6's (1931)	95	99.50
Can. Marconi............	1.25	2.00	Eastern Car...........6's	89	94.50	Morrow Screw........6's	85	92	" " " ....com.	100	115
Canada Machinery....6's	73.50	77.50	Ford Motor of Canada...	190	215	Mississauga Golf.........	40	65	....	....	....
" " cnm.	12.50	...	....	...	....	....	....	....	....	....	....

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Cape Breton Electric Company, Limited.—A semi-annual dividend of $3 per share on the preferred capital stock and a dividend of $1.50 per share on the common capital stock of the company, have been declared, both payable May 1, 1918, to stockholders of record at the close of business April 20, 1918.

Western Power Company of Canada, Limited.—The company report for the month of February, 1918, shows operating revenues of $34,270, an increase of 7.2 per cent. compared with February, 1917, and net earnings of $24,035, an increase of 8 per cent., compared with February, 1917. For the twelve months ended February 28th, 1918, the company shows operating revenues of $449,767, an increase of 15 per cent. over the same period in 1917, and net earnings $328,178, an increase of 20 per cent. over the same period in 1917.

Abitibi Power and Paper Company, Limited.—A new issue of $1,000,000 7 per cent. convertible mortgage debenture stock of the company is being offered by the Royal Securities Corporation, at 87 and accrued interest, yielding over 8½ per cent.

The Abitibi Company is one of the largest companies engaged in the production of newsprint paper and sulphite and ground wood pulp. Its mills are located at Iroquois Falls, and have an annual capacity of 62,000 tons of newsprint paper, 21.000 surplus tons of sulphite pulp and 22,500 surplus tons of groundwood pulp. The company controls under lease over 1,000,000 acres of pulpwood lands, with water powers approximately 48,000 horse-power The new issue is convertible into common stock at par any time after March 1, 1921, and is callable at the company's option at 110 per cent. and accrued interest at any time on or before that date.

Dominion Glass Company, Limited.—Another Canadian industrial has entered the list of dividend payers, the directors of the company having declared an initial payment of 1 per cent. on the $4,250,000 common share capital. The dividend is payable July 1st to shareholders of record June 15th, and is described as being for the quarter ending June 30th next. It is not specifically stated whether the dividend inaugurates a 4 per cent. per annum rate, but it is so presumed from the fact that the declaration is for a given three months' period. That period represents the third quarter of the company's current fiscal year, so the outlook is that the shareholders will receive 2 per cent. for the current year, with their stock on a definite 4 per cent. basis as the company turns into its next fiscal year on October 1st next.

The company's recent earning record is generally believed to be satisfactory, and combined with that as a basis for dividend action is the fact that its financial position is known to be strong.

Canadian Car and Foundry Company.—The annual statement of the company shows that the profits, after depreciation, are $2,105,000, being almost double those of last year. After interest charges and adding the surplus from the previous year, the surplus at September 30, was $2,840,000, or twice the amount of the previous year. The following is the profit and loss statement compared with 1915 and 1916:—

	1917.	1916.	1915.
Profits	$2,572,883	$1,292,104	$ 321,839
Depreciation	467.609	350,000	325,000
Balance	$2,105,273	$ 942,104	*$ 3,160
Interest	692,265	588,848	555,311
Net profit	$1,413,008	$ 353,255	*$ 558,471
Previous surplus	1,427,054	1,073,798	1,632,269
Surplus	$2,840,063	$1,427,054	$1.073,798

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*Deficit.

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Head Office, 46 King St. W., TORONTO, Ont.
IMPERIAL PROTECTION
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A STRONG CANADIAN COMPANY
Paid up Capital - - - $200,000.00.
Authorized Capital - - $1,000,000.00.
Subscribed Capital - - $1,000,000.00.
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Canada Security Assurance Company
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CALGARY - ALBERTA

POWER AVAILABLE AT QUEBEC

Quebec Railway, Light, Heat and Power Company Offers Facilities to Industries

Power shortage is so prevalent throughout the country on account of fuel problems, difficulty in financing new private power projects, and late deliveries and high prices of machinery, that it is rather surprising to find a power company advertising for customers. The Quebec Railway, Light, Heat and Power Company, is soliciting correspondence with manufacturers who want an assured and continuous supply of power at reasonable prices, a good labor market, railway and water facilities and no lack of room for housing schemes for employees.

The company is now developing about 22,000 horse-power at five plants. At St. Feriol, or Seven Falls, on the St. Anne River, 10,000 horse-power is now developed and another 10,000 horse-power could be supplied upon short notice. On the Montmorency River, 2,000 horse-power more can be developed at Montmorency Falls, where 5,000 horse-power is now installed, and at Natural Steps, where 2,000 horse-power is now developed. At St. Gabriel, near Valcartier Camp, on the Jacques Cartier River, the company's plant now develops 2,000 horse-power, but little or no more power can be produced at this particular plant. At Chaudiere, where 3,500 horse-power is now developed, another 2,000 horse-power is obtainable. Taken altogether, including power now developed but not yet under contract, and power which could readily be developed if demanded, the company has upwards of 20,000 horse-power available.

Sites at Montmorency and St. Gabriel.

At Montmorency, the company owns or controls an extensive tract of land which is supplied with water service and served by the company's own railway, connecting at Quebec with the Canadian Pacific Railway, Canadian Northern Railway and Canadian Government Railways. Near the company's land are the towns of Montmorency and St. Louis de Courville. At Montmorency is located the second largest plant of the Dominion Textile Company, employing 1,500 skilled textile workers.

At St. Gabriel, adjacent to Valcartier Camp, the company owns land served by the Canadian Northern Railway. Arrangements for water and land can readily be made with the company by power users, either at Montmorency or at St. Gabriel.

Among the companies which, in 1909, were merged into the Quebec Railway, Light, Heat and Power Company, are the oldest public utilities in Quebec or their successors, including the old Quebec and Levis Electric Light Company, which developed power at Montmorency Falls in 1886, and the Quebec Jacques-Cartier Electric Company, which operated a steam-driven plant in Quebec for many years.

Unrestricted Rights on Rivers.

The company has a franchise to supply light and power in almost every municipality in its district. It has main transformer stations at Quebec, Levis, St. Anne's, Lorette and Beauport. It supplies 64-cycle alternating current, the main transmission lines being operated under from 10,000 to 44,000 volts pressure, which is stepped down to 2,300 volts for the distribution systems. The company has unrestricted rights to use the full flow of all the rivers upon which it is developing power, so that in case of a power shortage at any time in years to come, it has merely to build more extensive storage systems to increase considerably its continuous power output.

W. J. Lynch is general manager of the company, R. A. Wilson treasurer, Arthur Le Moine secretary, and L. Burran electrical engineer. The directors are: Sir Rodolphe Forget, president; Lorne C. Webster, vice-president; Chas. A. Lavigne, L. J. Tarte, Arthur Picard, Paul Galibert, L. G. Morin and Charles Donohue. The last annual statement shows assets amounting to $23,671,347.

Mr. W. A. Rowlands, who, for the past seven years has been in the service of the Union Trust Company, will become manager of the Winnipeg office of that company, succeeding Mr. James K. Pickett, who has succeeded Mr. J. M. McWhinney as general manager of the institution.

CARRIERS BY WATER

Will Be Brought Under Government Control for Statistical Purposes

The new Railway Act, which has been before parliament since 1914, and is being pressed to a third reading this session, will bring carriers by water under government control for statistical purposes, and also, it appears probable, as respects freight tolls. In other words, they will be placed in the same position as are the railways. The Dominion Marine Association has assented to the provisions of the measure as regards statistics, but has asked for modifications with respect to the jurisdiction of the Railway Commission. Until the bill is passed it would be imprudent to predict the result.

It will be of definite value to obtain authentic information with regard to our transportation interests in the inland waters of Canada. At this juncture it is uncertain whether or not ocean carriers will be brought within the scope of the act. Be that as it may, public judgment will approve of the facts being ascertained in relation to capitalization, the number of vessels in operation, earnings and operating expenses, employees, and so on, as to which there is absolutely no data available under existing conditions. The application of a sound and comprehensive statistical system would throw light on a situation which is just now very much in the dark.

On the Great Lakes.

Business on the Great Lakes has been good beyond precedent since the outbreak of war. Canal statistics for 1916—the last edition available—show surprisingly high rates for the moving of wheat from Fort William and Port Arthur during the past two seasons of navigation. For example, there was an increase in the rate to Montreal from 4.58 cents per bushel in 1914 to 7.55 cents in 1916. There has been a tendency in recent years, however, to ship an increasingly rising volume by way of the Georgian Bay ports and Buffalo, not because of lower rates, as might be supposed, but because of the demand for despatch. During the high-pressure months of November and December, when haste is the prime consideration, practically all of the grain goes out by those routes. The average rate last year for the whole season to Georgian Bay was 4.10 cents, as compared with 1.46 in 1914.

The movement to Port Colborne, at the eastern end of Lake Erie, and also to Buffalo, reveals an anomaly in transportation—an anomaly, by the way, which teaches a lesson to those who assume that distance is a controlling factor in determining freight charges, either by water or rail. It is some 380 miles further to Port Colborne than to Port McNicol or Depot Harbor, and yet the average rate per bushel last year to the first-named port was 3.68 cents as against 4.10 to Georgian Bay. To Buffalo, strange to say, the rate was 4.27. This situation is caused in some measure by the value attaching to return cargo. Vessels going to Port Colborne and Buffalo pick up coal for the west, while those unloading at Georgian Bay ports return in ballast. At one time the rates were practically the same, as the value of a quick return to the loading port was regarded as an offset to the return cargo of coal, which paid a low rate of about 30 cents per ton.

Carrying Trade.

There have been exceedingly lean years, however, in the Great Lakes carrying trade. Wheat has been carried to Montreal for as little as three cents per bushel, and for odd cargoes at even less. It has not risen above two cents to Buffalo for a whole season, and for many millions of bushels three-quarters of a cent was all that could be got. In such years the vessel owners went without dividends. During 1917 the highest rates in the history of the trade were paid, although the official figures have not yet been published, and the assumption is warranted that compensation has been found for the deficits of bad seasons. Five cents to Buffalo and eight to ten cents to Montreal are very profitable rates, and yet they were obtained during the rush period last year. Such prosperity will probably be reflected in additions to the operating fleet and larger and better boats. Competition may be relied on to restore the rates to a normal basis.

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AGENTS' ATTENTION!
The Western Life Assurance Company
made (among others) the following remarkable increases in 1917:
NEW BUSINESS RECEIVED. .... INCREASE 146%
ASSURANCES, NEW AND REVIVED .... INCREASE 147%
NEW PREMIUMS RECEIVED... .... INCREASE 166%
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The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh
Established 1825. Head Office for Canada: MONTREAL, Que.
Invested Funds.........$ 66,500,000
Deposited with Canadian Government and Government Trustees, over............... 7,000,000
Investments under Canadian Branch, over...$ 16,000,000
Revenue, over............... 7,900,000
Bonus declared 40,850,000
Claims paid 151,000,000
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POLICIES "GOOD AS GOLD."

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THE CONTINENTAL LIFE INSURANCE CO.
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Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
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HEAD OFFICE • TORONTO, CANADA

The Secret of a Wonderful Success

The rise and progress of The Mutual Life of Canada has been one of the romances in the history of Canadian Finance. Less than half-a-century ago a small group of men in an obscure Ontario town determined to establish a Life Insurance Company that would give the public the maximum of service at a minimum of cost. That being the aim it was resolved that the organization should be purely mutual. Five hundred prospective policyholders were gathered and formed the nucleus of the Company. From this small beginning in 1870 the Company has gone forward steadily with more regard to security and mutual serviceableness than big business. The result is that the Company to-day is enjoying a popularity that is phenomenal, writing during the past year more than $20,000,000 paid for assurances.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
Assets $32,165,000 Surplus $4,761,299 Assurance $123,511,314

EDUCATIVE LITERATURE

There is no department of finance of such importance to the average man as Life Insurance, and none, generally speaking, of which he knows less

To those wishing to investigate the possibilities of Life Insurance, the extraordinarily liberal provisions of modern Policies, the CERTAINTY of the protection afforded, the comparative advantages of various Plans, the value of Insurance as an investment, and so forth, The Great-West Life Assurance Company will be pleased to send fully explanatory pamphlets in which the various phases of Life Insurance are clearly referred to. The Company will, at the same time, be pleased to give personal advice and information, and these explanations will be none the less freely given though the applicant has no immediate intention of insuring.

The Great-West Policies are widely known for their liberality and value. Rates are low, and the profit returns to Policyholders remarkably high.

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BRITISH COLUMBIA'S INDUSTRIAL POSITION

The Hon. John Hart's Budget Speech in the Legislature—Progress of Agricultural Enterprise

(Staff Correspondence.)

Vancouver, B.C., April 18, 1918.

Discussing the progress of agricultural and industrial enterprise in the province during the past year, Hon. John Hart, in his first budget speech in the legislature, was able to announce some encouraging figures. Mining alone showed a decrease from the value of 1916, when it was $42,290,462, compared with $37,182,570 in 1917. It must not be taken from the difference between these totals that there has been any decline in the mining industry itself, the explanation being found in the cumulative effect of adverse influences on the industry as a whole. These may be summarized as industrial troubles, reduced prices for metals in the last part of the year, less demand for lead and zinc for munition purposes, and economic conditions which severely handicapped the production of gold. A very good feature in connection with the mining was the net increase in coal production of 76,324 tons (2,240 lbs), bringing it close to the pre-war figure. A new record was made by the collieries on Vancouver Island, the production being 1,698,236 tons, as compared with 1,492,761 tons in 1916, and an increase over the previous record year of 1910 of 72,305 tons. Big metallurgical companies are developing on a large scale, so that record figures may be looked for.

The value of agricultural production in 1917 is placed at $1,750,000 more than in 1916, the increase being largely due to enhanced prices of nearly all the products of the farm. Nevertheless, this is a good showing, considering the large number of men from the rural districts who are at the front.

Fishery Products.

Fishery products of the province for the fiscal year ended March 31, 1917, totalled $15,311,954, a gain over the previous year of $773,634. The total value of the fishery products of the entire Dominion for that fiscal year was $39,208,378, a gain of $3,347,670 over the previous year, and of the total value British Columbia produced 39.30 per cent. The province again, as in recent years, leads all the provinces in the value of its fishery products. The salmon pack was the largest in the history of the industry, notwithstanding that the sockeyes did not run to the Fraser River in comparable numbers with former years. Halibut, owing to increased prices, had a gain of $1,016,962; cod had an increase of $254,000, while whaling products doubled, with a total of $318,015.

Products of the forest were valued at $48,913,115, as compared to $35,528,000 in 1916. This is a very large increase, and it is expected that the returns of the present year will show an increase over even that large figure. The following comparative table shows where gains were made:—

	1916.	1917.
Lumber	$21,075,000	$28,225,000
Pulp	3,520,000	7,447,000
Shingles	4,500,000	6,900,000
Boxes	1,833,000	1,611,000
Piles and poles	650,000	467,695
Mining props and posts	1,000,000	546,883
Miscellaneous	1,150,000	1,425,815
Woodworking industries	1,650,000	2,145,880
Lath	150,000	142,282
	$35,528,000	$48,913,115

Paper and Shipbuilding.

The manufacture of paper showed an increase of 22½ per cent.; pulp, 85 per cent.; shingles, 21 per cent.; and lumber 22½ per cent. With new and large pulp and paper plants coming into operation, further increases may be looked for.

The minister made little reference to the big shipbuilding industry, except to refer to it as creating a strong demand for material from the forests. He confined himself to the great lines of production from provincial resources. The aggregate figures of production for 1917 will show an increase of between 30 and 40 per cent. over 1916. Furs are not mentioned in this report, although this nets close to two million dollars a year to trappers.

This showing is particularly good, when it is remembered that shipping tonnage is very scarce. When this is to be had and the world's markets are again available, British Columbia should enter into a great era of productive activity.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Belleville, Ont.—April 20—Two large barns and many bales of hay, owned by Mr. H. E. Fairfield, were destroyed. Estimated loss, $2,500.

Corbyville, Ont.—April 14—Distillery plant, grain elevator and large stock of grain and malt were damaged. Estimated loss, $100,000. The following companies are interested: Royal, $355,000; Phœnix of London, $267,800; Glens Falls, $62,200; Guardian, $250,000; Union, $175,000; North America, $135,000; Hartford, $150,000; North British, $150,000; Royal Exchange, $150,000; Northern, $150,000; Norwich Union, $150,000; Commercial Union, $125,000; Liverpool and London and Globe, $100,000; Western, $100,000; Yorkshire, $150,000; Employers, $100,000; Continental, $100,000; Globe and Rutgers, $75,000; Rochester German, $50,000; Phenix of Hartford, $50,000; Westchester, $50,000; Alliance, $50,000; Acadia, $50,000; Providence Washington, $50,000; Alliance of Philadelphia, $40,000; Caledonia, $25,000.

Fredericton, N.B.—April 20—Ten homes in section known as Sandyville were destroyed. Estimated loss, $30,000.

Goderich, Ont.—April 15—Storehouse, owned by Mr. Crystal and occupied by Peter McEwen, was destroyed. Estimated loss, $1,000. Insurance carried, $450.

Hantsport, N.S.—April 13—Shipbuilding plant of Messrs. Fanquier and Porter was damaged. The following companies are interested: Ætna, $1,400; Hartford, $1,400; St. Paul, $1,400; North British and Mercantile, $1,400; North American, $1,500; British-American, $1,500; Ocean, $1,500; New York Underwriters, $1,500; Continental National, $1,500; Palatine, $1,500; Guardian, $1,400. Total, $16,000. Loss, about 90 per cent.

Kingston, Ont.—April 16—Barn and stock of Thomas Sigsworth were destroyed. Estimated loss, $2,500.

Kitchener, Ont.—April 10—The Lion Brewery of Chris Huether was damaged. Estimated loss, $2,000.

Laurier, Man.—April 16—New elevator and stock of wheat were destroyed.

Moncton, N.B.—April 15—Canadian Government Railway yard and train make-up office were destroyed.

New Liskeard, Ont.—April 20—Residence of John Peckrover was destroyed.

Otter Lake, Que.—April 19—The blacksmith's shop of Romeo Dagenais was damaged.

Ridgetown, Ont.—April 18—Basement of Disciples' Baptist Church was damaged. Estimated loss, $2,000.

Sarnia, Ont.—April 16—Mill of Lindsay-Thompson Flax Company was destroyed. Estimated loss, $10,000.

Stratford, Ont.—April 18—Schoolhouse No. 10, Gore of Downie, was destroyed.

Winnipeg, Man.—April 20—Premises of the Globe Bedding Company on King Street were destroyed. Estimated loss, $23,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Saskatoon, Sask.—Fire Chief Heath submits the following report for the month of March to *The Monetary Times*:—

Amount of damage to stock and buildings was $387,442. The insurance carried was $620,307.

The following is a description of property destroyed or damaged: Storehouse and automobiles, dry cleaner's store, barn, frame shack, hardware wholesale, saddlery wholesale, automobile, dwelling-house, public hotel.

The following are the causes reported: Overheated stove 1, gasoline dryer explosion 1, hot ashes piled against building 1, smoking in bed 1, unknown 1, from adjoining building 1, backfiring 1, smoking pipe in bed 1, smoking cigarette butt thrown on couch 1.

Solid Growth

UP-TO-DATE business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

To-day, they exceed by far those of any Canadian Life Assurance Company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE
PROSPECT BUREAU
BULLETIN SERVICE,
ADVERTISING and
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YOU { Travel without expense,
Are better equipped for the journey,
Sure of getting there, with the

CANADA LIFE
ASSURANCE CO.
Home Office - Toronto

CROWN LIFE

The guarantee of a fixed income when you are too old to work, would be a mighty comfortable thing to have, wouldn't it? A Crown Life Monthly Income Policy gives it to you.

The interest earned on our Investments is alone proving more than enough to pay all death claims.

Crown Life Insurance Co., Toronto

Agents wanted in unrepresented districts 59

War Conditions — Liberal
Premiums — Recently Reduced
Agency Contracts — Profitable

AGENTS WANTED

Gresham Life Assurance Society
LIMITED
Head Office for Canada ∴ MONTREAL
Established 1848. Funds Exceed $50,000,000

Orders for the new Issue of H. M. P. Eckardt's
Manual of Canadian Banking
are now being received
Postpaid anywhere - $2.50
The Monetary Times Printing Company, Toronto, Ont.

The Travellers Life Assurance Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

BANK OF MONTREAL AND B.N.A. UNION PROCEEDS

The holding of a meeting of shareholders of the Bank of British North America in London, England, on April 23rd was preparatory to the final meeting which will be held next month for the closing up of the deal with the Bank of Montreal, according to the local officials of the bank in Toronto. The amalgamation of the two banks under which the Bank of Montreal is purchasing the Bank of British North America will not be finally completed for about two months, in view of certain formalities which have to be carried through in Canada as well as in England, said one official. "At present the bank is doing business as usual. The name of the Bank of British North America will not disappear until the amalgamation is completed some time this summer," he added. The meeting held in London was marked by the presence of only seven shareholders, eight directors, and three reporters, and the president explained that in the long history of the bank it had never been necessary to use proxies at meetings, which, however, are necessary at the final meeting to approve of the sale.

AGRICULTURAL CONDITIONS IN ONTARIO

Wintering Crops—Increased Production—Labor and Wages—Live Stock

Although most farmers who grow winter wheat had intended to increase their acreages last fall, the late harvest and the scarcity of help kept the area sown to about that of the preceding year. Considerable of the crop had hardly enough top to enter the winter satisfactorily, although otherwise the young plants appeared to be vigorous. After the snow cleared off, the nights continued very cold, and the crop suffered from the alternate freezing and thawing of the unprotected fields. The present appearance of the young wheat is not encouraging, most of the fields being more or less brown and patchy, and all of them standing in need of good spring rains, as the latter part of March and the early days of April were cold and clear with practically no rain, while frequent winds helped to make the ground exceedingly dry for the season. A few good warm showers may yet help the crop to pick up, but the general opinion is that a good deal of drilling in of spring grains will be necessary, and also some plowing up of portions of the fields, in fact some reseeding has been done already. In those counties in Eastern Ontario where fall wheat is raised it has done better relatively than in the western counties where the crop is more largely grown.

Winter rye has also suffered injury by the trying spring weather, but not to so great an extent as the wheat.

Clover, however, has come through better than either wheat or rye. While some heaving has been reported, and while looking sick in places, the general appearance of the fields is encouraging, considering the rather unfavorable spring for young crops wintering over. As correspondents reported, the crop was needing rain in order to receive a good spring start.

Orchards and Live Stock.

Unusually low temperatures during the winter injured some of the buds on tender varieties of peach trees, and froze back a portion of the young wood on some grape vines, but the total amount of damage is not serious. There are complaints of girdling of young fruit trees by field mice and rabbits. The general condition of fruit trees, however, is favorable.

Horses are plentiful, and drivers and undersized general purpose animals are selling cheaply, but heavy working horses are more in demand, and are commanding good prices.

Cattle are in good general condition, although not so many beef animals are being fed owing to the high price of grain and mill feeds. Many dairy cows are falling off in milk from the same cause, and owners are eager for early grass.

The swine industry is at high mark. More brood sows are kept than ever before. What is known as "The Hog Campaign" has been pushed widely and vigorously for several months past, and farmers generally are raising all the young pigs they can feed, considering the discouragingly high prices of all classes of feed and the comparative failure of the corn crop. A Wellington County correspondent states to the Department of Agriculture, "I have raised already 200 sucking pigs, and could sell 400 more if I had them at $7 each." There will likely be a steady increase in the number of hogs from now on, although animals ready for the bacon market are at present relatively scarce.

Sheep are increasing in popularity in various sections of the province. There has been a good lamb drop already, and the prospects for developing this long-neglected class of farm animals are brightening.

Fodder Supplies.

There has been more than a sufficiency of hay, but there is a danger of too much of it being sold. There has also been an abundance of straw, much of which is now being fed. The corn crop, on the other hand, was the poorest for years both for husking and silage. Much of what went into the silo was frosted, making inferior feed, and owing to the early cold weather considerable standing corn was caught in the field and had to remain out all winter. The cereals are so dear that grain is being very sparingly fed. However, there is a good supply of field roots on hand. The bulk of the reports indicate that most farmers have the necessary supplies on hand to make fairly well balanced rations, but that careful feeding must be the order of the day until pastures are ready.

A Brant correspondent to the department describes the general farm attitude when he says: "Most farmers would like to increase their acreage for field production if they could depend upon procuring sufficient labor." However, despite the probable lack of help, an endeavor is being made by many farmers to extend the area of spring crops. A considerable number are about to try spring wheat for the first time, or increase their former acreage. More barley will also be sown. With the unusually dry weather so far prevailing, farmers have been able to get upon the land early, and already a considerable area of spring grains has been put in in the southwestern counties. Complaints are being made as to scarcity of good, well tested seed corn.

The dearth of experienced farm workers continues, and much of the help this season will have to be more or less untrained. A number of organizations, official and voluntary, are now at work to help to supply the need as fully as possible. Correspondents declare that farmers will have to exchange work more than ever and use more horses and larger implements. Wages for married men run from $400 to $500 a year, with free house, garden and cow pasture. By the month good men get from $35 to $50, with board, and in York County as high as $60 is being paid for high-class men.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railroads for the first three weeks of April:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
April 7	$2,830,000	$2,984,000	+ $134,000
April 14	2,833,000	2,935,000	+ 102,000
April 21	2,708,000	3,016,000	+ 308,000

Grand Trunk Railway.

April 7	$1,215,768	$1,359,291	+ $143,523
April 14	1,103,119	1,414,538	+ 311,419
April 21	1,085,031	1,358,972	+ 273,941

Canadian Northern Railway.

April 7	$ 736,200	$ 913,600	+ $177,400
April 14	881,600	932,600	+ 51,000
April 21	765,600	929,500	+ 163,900

The following are the Grand Trunk Railway system reports for January:—

	1918.	Increase.
Grand Trunk Railway:		
Gross receipts	£665,000	*£113,400
Expenses	833,000	106,750
Net deficit	£168,000	£310,150
Grand Trunk Western:		
Gross receipts	£130,450	*£ 6,700
Expenses	169,600	30,800
Net deficit	£ 39,150	£ 37,500
Detroit, Grand Haven and Milwaukee:		
Gross receipts	£ 43,600	*£ 1,950
Expenses	58,600	900
Net deficit	£ 15,000	£ 7,850

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*Decrease.

Mr. A. S. Muirhead, of Toronto, has been elected vice-president of the Buffalo, Lockport and Rochester Railway.

Three important sessions of the Fire Insurance Commission will be conducted by Mr. Justice Masten at the Parliament Buildings, Toronto, on April 29, 30 and May 1. The question of fire protection will be gone into thoroughly.

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JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Increased Business in March

Bank Circulation Increased $10,000,000—Further Loans to Municipalities—New Savings Deposits—Decline in Demand Deposits, Call Loans in Canada and Current Loans Elsewhere.

	March, 1917.	February, 1918.	March, 1918	Year's Inc. or dec.	Month's Inc. or dec.
Deposits on demand	$448,151,528	$569,266,642	$561,042,236	+25.2	— 1.5
Deposits after notice	888,765,698	908,822,988	921,080,803	+ 3.7	+ 1.4
Current loans in Canada	843,054,466	859,363,147	886,995,222	+ 5.1	+ 3.1
Current loans elsewhere	83,551,225	109,678,140	102,217,679	+18 1	— 6.4
Loans to municipalities	29,877,911	43,535,628	50,652,061	+72.4	+16.3
Call loans in Canada	76,478,708	76,722,163	74,257,877	— 2.6	— 2.6
Call loans elsewhere	161,616,735	160,239,494	167,296,701	+ 3.7	+ 4.4
Circulation	148,265,140	181,695,542	191,328,665	+20.1	+ 5.5

THE above are the principal changes in the bank statement for the month of March. One of the most important features is the gain in circulation of almost $10,000,000 which makes up for most of the decline of the previous month. Bank loans to municipalities continue to increase, the reason no doubt being the difficulty of securing funds in the investment market.

The following table gives record of deposits for the past thirteen months:—

	Deposits payable on demand.	Deposits payable after notice.
1917—March	$448,151,528	$888,765,698
April	471,312,285	874,948,724
May	443,839,847	892,562,657
June	449,689,670	900,510,552
July	450,849,356	929,442,340
August	443,317,275	806,774,687
September	451,749,532	965,393,541
October	495,058,449	985,790,850
November	538,869,362	1,008,657,874
December	569,441,871	995,978,013
1918—January	559,777,237	900,314,256
February	569,266,642	908,822,988
March	561,042,236	921,080,803

Demand deposits continue to maintain their high level, although there is some decline as compared with February. Savings deposits, however, show an increase of over $12,000,000, in spite of war loan payments; this indicates the large number of subscriptions that were paid in full, and also that the country will be able to raise another, and even larger, war loan. It will, nevertheless, be some time before the total savings deposits of over $1,000,000,000 of last November is again reached.

The course of the deposits account during the past six years is shown in the following table:—

March.	On demand.	After notice.	Total.
1913	$357,756,659	$630,434,708	$ 988,191,367
1914	345,590,642	646,143,604	991,734,246
1915	339,514,286	676,875,790	1,016,390,076
1916	389,165,388	738,169,212	1,127,334,600
1917	448,151,528	888,765,698	1,336,917,226
1918	561,042,236	921,080,803	1,482,123,039

Total deposits show an increase of $4,000,000 over February, and constitute a new record. In spite of the fact that most of the cost of two war loans has been paid during the past year, bank deposits have increased by almost $150,000,000.

The trend of the Canadian loans account for the past thirteen months is shown in the following table:—

Loans.	Current in Canada.	Call in Canada.
1917—March	$843,054,466	$76,478,708
April	880,523,897	82,737,417
May	844,890,589	78,514,708
June	839,355,782	76,085,220
July	829,560,700	71,376,788
August	836,429,670	71,204,351
September	855,306,953	72,421,187
October	883,986,860	71,653,719
November	868,973,714	72,178,345
December	858,533,298	71,779,020
1918—January	855,506,506	76,239,201
February	859,363,147	76,722,163
March	886,995,222	74,257,877

The increase in current loans for the month is therefore about $27,500,000, and a new high record is set; during the month of March, 1917, however, the increase was $30,000,000 or over 3½ per cent. as compared with 3 per cent. for this year. Call loans in Canada declined by $2,500,000 and are slightly less than last year.

The following table shows the call loans abroad in March as compared with previous returns:—

	1915.	1916.	1917	1918.
January	$ 85,706,641	$134,248,552	$155,747,476	$132,687,066
February	89,890,082	130,138,651	162,344,556	160,239,494
March	101,938,685	141,880,080	161,616,735	167,296,701
April	121,522,971	147,146,443	150,156,054	
May	136,098,835	163,400,650	168,602,675	
June	124,604,875	182,757,015	159,309,133	
July	117,821,174	177,121,733	151,875,676	
August	120,607,677	171,380,353	176,610,625	
September	135,108,412	173,877,586	166,480,004	
October	120,681,624	180,246,216	151,018,747	
November	135,530,562	183,250,380	130,832,552	
December	137,157,860	173,878,134	134,483,482	

Chartered Banks' Statement to the

	NAME OF BANK	Capital Authorized	CAPITAL STOCK		Amount of rest or reserve fund	Rate per cent. of last dividend declared	Notes in circulation	Bal. due to Dom. Gov. after deducting advances for credits, pay-lists, etc.	Balances due to Provincial Governments	Deposits by the public, payable on demand in Canada	Deposits by the public payable after notice or on a fixed day in Canada	Deposits elsewhere than in Canada
			Capital Subscribed	Capital Paid Up								
		$	$	$	$		$	$	$	$	$	$
1	Bank of Montreal	25,000,000	16,000,000	16,000,000	16,000,000	10	28,938,262	6,011,739	1,407,799	111,713,491	147,833,984	72,094,846
2	Bank of Nova Scotia	10,000,000	6,500,000	6,500,000	12,000,000	14	12,884,598	3,618,950	65,923	23,830,806	54,402,276	18,451,583
3	Bank of British North America	4,866,666	4,866,666	4,866,666	3,017,333	8	6,305,097	2,185,170	79,083	15,570,413	30,228,072	4,986,523
4	Bank of Toronto	10,000,000	5,000,000	5,000,000	6,000,000	11	5,898,470	2,684,222	123,187	25,402,913	36,318,423	....
5	The Molsons Bank	5,000,000	4,000,000	4,000,000	4,800,000	11	6,556,698	6,899,958	208,687	11,763,280	32,030,581	....
6	Banque Nationale	5,000,000	2,000,000	2,000,000	2,000,000	9	4,441,185	4,220,945	143,455	5,002,302	20,858,569	1,464,300
7	Merchants Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	10	13,097,138	3,772,577	3,262,159	36,928,618	59,642,281	877,266
8	Banque Provinciale du Canada	2,000,000	1,000,000	1,000,000	750,000	7	1,192,003	2,309,283	243,007	3,153,879	12,137,172	....
9	Union Bank of Canada	8,000,000	5,000,000	5,000,000	3,400,000	9	10,281,182	2,820,459	4,533,005	40,618,129	54,059,440	2,842,371
10	Canadian Bank of Commerce	25,000,000	15,000,000	15,000,000	13,500,000	10	24,595,054	21,234,280	2,533,712	95,735,084	116,646,960	23,068,142
11	Royal Bank of Canada	25,000,000	12,911,700	12,911,700	14,000,000	12	27,756,735	8,872,738	957,184	70,422,217	112,143,928	72,055,047
12	Dominion Bank	10,000,000	6,000,000	6,000,000	7,000,000	12	8,445,732	4,342,257	6,838	27,372,411	49,305,239	417,554
13	Bank of Hamilton	5,000,000	3,000,000	3,000,000	3,300,000	12	5,536,056	2,708,947	122,642	16,177,974	32,419,969	....
14	Standard Bank of Canada	5,000,000	3,475,700	3,468,075	4,468,075	13	6,076,508	2,805 913	279,824	18,153,416	34,692,925	....
15	Banque d'Hochelaga	10,000,000	4,000,000	4,000,000	3,700,000	9	6,219,562	650,835	99,987	9,317,661	24,892,751	....
16	Bank of Ottawa	5,000,000	4,000,000	4,000,000	4,750,000	12	6,082,540	8,699,313	464,665	11,014,995	31,575,604	....
17	Imperial Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	12	10,255,984	6,346,046	2,354,092	20,971,324	44,020,576	....
18	Home Bank of Canada	5,000,000	2,000,000	1,947,363	800,000	5	1,931,440	3,077,037	980,130	3,482,953	8,561,296	....
19	Northern Crown Bank	6,000,000	1,431,200	1,431,200	715,600	5	2,984,895	600,895	1,258,833	9,102,739	10,924,257	....
20	Sterling Bank of Canada	3,000,000	1,266,600	1,216,768	300,000	6	1,207,475	668,186	141,134	3,657,343	7,174,419	....
21	Weyburn Security Bank	1,000,000	643,200	385,920	175,000	5	371,790	76,849	10,984	1,420,288	1,212,081	....
	Total	189,866,666	112,095,066	111,727,692	114,176,008	....	191,058,404	89,606,599	19,275,830	561,042,236	921,080,803	196,257,632

ASSETS

	NAME OF BANK	Current Gold and Subsidiary Coin			Dominion Notes			Deposit with Minister of Finance for security of note circulation	Deposit in central gold reserves	Notes of other banks	Cheques on other banks	Loans to other bks. in Canada, secured, including bills rediscounted	Dep'sits made with and bal. due from other banks in Canada	Due from banks and banking corres-pond'ts in the United King.	Due from bks. and banking corres-pond'nts else-where than in Canada and U.K.
		In Canada	Else-where	Total	In Canada	Else-where	Total								
		$	$	$	$	$	$	$	$	$	$	$	$	$	$
1	Bank of Montreal	16,938,833	3,734,689	20,673,528	54,983,244	22,938	55,006,182	790,000	13,000,000	2,349,992	16,788,521	......	....	4,329,461	11,296,986
2	Bank of Nova Scotia	7,801,596	1,835,436	9,637,032	6,750,521	2,861	6,753,382	323,353	7,000,000	2,914,569	5,934,604	....	28	2,620,738	2,086,016
3	Bank of Brit. North America	803,061	166,095	969,156	4,312,949	68	4,313,017	245,822	2,420,000	507,251	3,203,306	....	6,671	119,105	2,343,977
4	Bank of Toronto	955,804	....	955,604	9,365,308	....	9,365,308	262,273	1,000,000	637,130	3,736 261	....	....	....	1 684,851
5	The Molsons Bank	539,612	....	534,612	2,510,962	....	2,510,962	217,000	1,500,000	521,361	2,651,195	......	32,770	24,838	1,492,650
6	Banque Nationale	282,966	1,226	284,192	1,456,574	123	1,456,697	100,000	1,900,000	449,840	1,309,406	....	2,508	....	555,683
7	Merchants Bank of Canada	3,880,768	1,002,831	4,883,600	4,347,237	....	4,347,237	355,000	6,000,000	1,036,019	5,184,554	....	11,032	66,975	1,493,130
8	Banque Provinciale du Canada	108,772	....	108,772	221,224	....	221,224	64,286	....	379,692	1,255,201	....	1,835,737	22,855	159,165
9	Union Bank of Canada	967,467	12,414	979,682	7,566,325	....	7,586,325	260,000	5,500,000	881,079	8,848,753	......	79,451	1,439,666	1,373,881
10	Canadian Bank of Commerce	8,397,569	9,535,368	17,932,938	15,649,898	12,647	15,662,545	831,173	10,000,000	2,629,912	13,446,585	....	7,976	374,160	7,306,726
11	Royal Bank of Canada	3,787,226	8,833,344	12,620,570	19,174,925	1,847	19,176,772	645,585	14,000,000	8,495,058	12,614,428	....	8,193	479,258	13,486,849
12	Dominion Bank	1,930,112	199	1,930,311	12,072,418	....	12,072,418	306,750	3,300,000	1,166,884	4,274,997	....	8,937	141,035	2,470,172
13	Bank of Hamilton	872,964	....	872,964	3,157,420	....	3,157,420	157,000	2,500,000	572,406	2,351,308	....	284,334	....	741,965
14	Standard Bank of Canada	1,543,085	....	1,543,085	5,570,564	....	5,570,564	175,000	2,800,000	478,926	2,964,016	....	....	233,741	545,618
15	Banque d'Hochelaga	373,605	....	373,605	1,745,515	....	1,745,515	200,000	2,200,000	927,963	1,756,135	....	956,728	15,022	767,035
16	Bank of Ottawa	1,016,219	....	1,016,219	2,672,033	....	2,672,033	210,000	1,700,000	517,985	2,189,080	....	393,491	203,359	1,534,773
17	Imperial Bank of Canada	2,561,732	....	2,561,732	10,710,380	....	10,710,380	372,449	3,000,000	819,796	3,441,316	....	515,144	424,662	6,126,383
18	Home Bank of Canada	120,565	....	120,565	1 037,379	....	1,037,379	105,000	....	191,358	446,583	....	112,395	96,055	361,952
19	Northern Crown Bank	172,311	....	172,311	632,629	....	632,629	75,500	1,600,000	276,529	1,366,985	... ...	1,559,216	129,563	336,725
20	Sterling Bank of Canada	61,980	....	61,980	1,041,156	....	1,041,156	62,994	....	177,870	538,576	....	5,000	30,176	325,640
21	Weyburn Security Bank	17,180	....	17,180	158,409	... ..	158,409	17,705	....	27,949	15,559	....	632,881	....	146,681
	Total	53,133,427	25,121,602	78,255,033	165,157,070	40,484	165,197,554	5,776,690	79,420,000	25,959,569	89,319,869	....	6,452,492	10,750,669	56,636,658

Of the deposit in Central Gold Reserves $19,210,000 is in gold coin; the balance is in Dominion Notes.

The increase in the amount of call loans abroad, noted in the February statement, was continued in March, although to a lesser degree.

The following table shows the course of the principal loan accounts during recent years:—

March.	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
1913 ..	$890,513,446	$ 38,277,672	$70,731,030	$109,227,927
1914 ..	823,490,422	53,279,411	69,088,240	145,218,223
1915 ..	769,138,883	41,745,737	68,245,261	101,938,685
1916 ..	770,139,526	52,705,827	81,747,512	141,889,989
1917 ..	843,054,466	83,551,225	76,478,708	161,616,735
1918 ..	886,995,222	102,317,679	74,257,877	167,296,701

The present amount of current loans in Canada closely approaches the figure of five years ago, and the call loans in Canada are the largest of any year with the exception of 1916. Current and call loans outside of Canada are at their highest level for the period.

COBALT ORE SHIPMENTS

The shipments of ore, in pounds, from Cobalt station for the week ending April 26th were as follows:—

Right-of-Way, 83,954; La Rose, 65,999; Tretheway, 86,659; Nipissing, 217,495; Buffalo Mine, 132,000. Total, 586,107 pounds, or 293 tons.

The total shipments since January 1st now amount to 6,697,493.8 pounds, or 3,348.7 tons.

Dominion Government---Mar., 1918

LIABILITIES

Loans from other banks in Canada secured, including bills re-discounted	Deposits made by and balances due to other banks in Canada	Due to banks and banking correspondents in the United Kingdom	Due to banks and banking correspondents elsewhere than in Canada or the U.K.	Bills payable	Acceptances under letters of credit	Liabilities not included under foregoing heads	Balances due to the Imperial Government	Total Liabilities	Aggregate amount of loans to directors, and firms of which they are partners	Average amount of current gold and subsidiary coin held during the month	Average amount of Dominion Notes held during the month	Greatest amount of notes in circulation at any time during the month	
$	$	$	$	$	$	$	$	$	$	$	$	$	
......	3,844,001	......	604,807	717,560	1,594,535	2,282,016	......	377,043,044	510,291	30,261,996	57,099,745	28,938,282	1
......	324,526	123,541	1,907,049	......	483,218	230,100	......	118,322,576	625,945	9,682,451	6,560,669	12,884,598	2
......	9,546	41,054	2,297,331	548,970	1,669,349	2,967,934	......	66,888,544	......	1,259,159	5,597,684	6,305,097	3
......	254,230	568,811	658,373	......	648,626	3,619	......	72,560,878	212,581	959,350	9,195,786	6,030,600	4
......	372,695	325,672	226,385	......	1,124,016	148,723	......	59,656,698	456,864	559,867	2,865,550	6,556,698	5
......	2,730	5,504	3,135	......	38,000	......	......	36,180,127	521,482	282,722	1,507,522	4,441,885	6
......	992,130	66,008	1,366,206	......	683,451	2,447	......	120,710,286	687,377	5,992,975	11,237,760	13,097,138	7
......	68	......	......	......	......	137,046	......	19,172,460	......	109,215	245,366	1,206,513	8
......	472,718	609,262	1,333,927	190,950	7,942,704	12,770	......	120,718,921	699,173	980,599	8,805,364	10,281,182	9
......	93,187	1,484,166	9,471,013	187,428	3,798,825	19,017	......	298,866,875	964,674	21,919,000	20,987,000	24,595,055	10
......	1,632,412	172,449	6,941,345	377,255	6,910,332	21,919	......	308,263,566	464,429	12,538,493	19,606,541	27,756,735	11
......	338,251	65	1,716,392	158,280	153,531	412,941	......	92,668,995	1,880,222	1,933,000	11,262,000	8,445,732	12
......	44,903	589,549	1,265,615	......	161,242	......	......	59,026,900	456,855	873,358	3,203,827	5,536,056	13
......	1,016,114	602,079	750,213	......	273,949	......	......	64,650,945	163,650	1,488,075	5,370,020	6,142,198	14
......	......	21,712	453,113	......	42,239	......	......	41,697,863	163,900	380,392	2,005,899	6,219,562	15
......	121,013	4,538	324,409	......	22,473	52,808	......	53,392,362	392,155	1,016,258	2,932,239	6,082,540	16
......	419,497	1,963	627,081	......	96,000	......	......	85,092,566	259,671	2,566,526	11,032,625	10,255,984	17
......	5,198	......	583,299	......	......	20,507	......	18,621,863	227,584	121,680	939,860	1,931,440	18
......	4,159	......	10,603	......	717	85,368	......	24,972,469	408,804	177,065	777,795	3,031,145	19
......	207,100	......	......	......	3,019	4,099	......	13,262,779	362,351	60,579	925,058	1,207,475	20
......	......	......	......	......	......	38,862	......	3,130,856	32,090	16,432	172,346	362,770	21
......	10,154,480	4,636,373	30,520,296	2,160,443	20,646,226	6,440,176	......	2,052,899,573	9,490,098	93,181,192	182,330,656	191,328,865	

ASSETS

Domin'n Government and Provincial Government securities	Can. municipal securities, and Brit., foreign and colonial public securit's other than Can.	Railway and other bonds, debentures and stocks	Call and short loans in Canada on st'cks debentures and bonds (not exceeding 30 days)	Call and short loans elsewhere than in Canada (not exceeding 30 days)	Other current loans and discounts in Canada	Other current loans and disco'nts elsewhere than in Canada	Loans to the Government of Canada	Loans to Provincial Governments	Loans to cities, towns, municipalities and school districts	Overdue debts	Real estate other than bank premises	Mortgages on real estate sold by the bank	Bank premises at not more than cost, less amounts (if any) written off	Liabilities of customers under letters of credit as per contra	Other assets not included under the foregoing heads	Total Assets	
$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
11,133,953	43,352,163	12,816,876	......	93,671,726	97,225,663	8,767,736	......	810,950	15,296,230	424,961	58,417	56,814	4,000,000	1,594,535	3,852	413,448,550	1
5,732,027	14,671,116	3,846,632	4,135,945	13,307,546	45,505,592	5,584,340	......	30,890	1,876,576	252,370	89,600	2,650	2,950,656	483,218	71,553	135,810,444	2
2,050,000	9,678,334	125,031	2,696,125	5,004,336	29,323,769	5,769,003	......	6,233	3,676,750	501,007	32,028	7,485	2,415,026	1,669,349	264,371	77,567,152	3
4,779,061	9,232,998	840,417	2,334,756	1,000,000	42,606,681	......	......	......	1,973,910	200,149	......	......	5,510,884	648,626	......	84,969,115	4
3,054,932	8,822,346	1,040,147	4,348,308	......	34,591,266	......	......	......	3,725,064	33,252	96,379	4,787	2,295,900	1,124,016	447,184	69,073,978	5
4,282,000	1,511,505	1,082,685	2,268,595	......	22,827,104	250,000	......	......	545,417	29,251	397,983	212,658	1,199,443	38,000	44,346	40,747,321	6
5,472,507	14,108,219	3,859,962	4,645,281	3,348,859	72,947,835	322,346	......	263,626	1,356,578	241,386	309,972	265,004	4,983,635	683,451	94,147	136,280,364	7
678,868	3,307,987	1,295,334	3,029,599	......	7,492,336	......	......	......	324,969	78,901	150,173	21,548	331,866	......	198,074	20,956,594	8
4,691,344	24,192,716	2,933,212	6,496,885	5,524,660	53,550,853	3,753,481	......	478,064	1,768,877	301,160	369,871	96,017	1,199,858	2,942,704	45,213	130,295,965	9
12,658,359	27,573,068	6,137,903	14,973,958	19,775,679	142,847,412	19,327,377	......	3,252,437	3,804,581	186,501	1,133,889	211,714	5,435,107	3,798,825	108,218	329,417,050	10
9,944,819	25,100,280	14,100,331	10,484,529	21,533,531	98,589,856	57,378,196	......	531,821	3,300,196	479,817	1,095,475	......	6,570,513	6,910,332	126,295	337,672,514	11
4,572,961	12,797,637	3,356,239	5,160,619	3,530,358	45,322,499	248,987	......	......	399,489	136,163	23,480	23,743	5,324,460	153,531	......	106,721,683	12
2,570,761	7,446,856	673,437	3,406,085	600,000	34,402,347	665,000	......	16,312	2,119,157	171,969	407,522	50,017	2,145,699	161,242	255,283	65,929,053	13
3,003,591	7,731,078	894,017	2,478,670	......	42,196,861	......	......	......	512,706	243,294	18,836	1,085	1,344,434	273,949	43,768	73,053,246	14
2,314,447	6,530,169	251,618	1,868,192	......	23,960,710	......	......	......	2,402,232	343,964	547,793	125,384	2,128,523	42,239	408,745	49,896,049	15
7,485,653	13,187,075	586,459	2,003,017	......	24,739,851	......	......	......	1,594,794	309,647	208,919	43,273	1,814,891	22,473	103,648	62,536,643	16
5,383,034	13,200,246	893,269	2,471,059	......	40,547,667	......	......	514,290	5,404,864	367,374	417,324	515,823	3,032,104	96,000	85,543	100,900,466	17
2,791,108	1,369,385	790,815	1,005,084	......	11,211,232	31,213	......	......	286,438	60,159	75,093	73,225	878,913	......	61,570	21,105,530	18
6,226,082	2,665,061	1,424,806	267,975	......	9,468,625	......	......	......	204,542	187,367	110,801	81,909	354,967	717	58,001	27,402,343	19
2,307,582	3,029,365	585,662	183,195	......	8,157,188	......	......	......	50,079	17,215	......	......	307,985	3,019	170,163	15,054,852	20
295,000	515,139	16,900	......	......	1,479,875	......	......	......	28,612	47,837	16,810	7,461	163,971	......	52,719	3,640,894	21
101458112	250422761	57,551,752	74,257,877	167,296,701	886,995,222	102317679	......	5,904,623	50,652,061	4,613,544	5,560,368	1,800,597	52,388,793	20,646,226	2,642,683	2,302,477,611	

T. C. BOVILLE, *Deputy Minister of Finance.*

PLANS TO TILL VACANT LANDS

Reports that large areas of vacant land were not being cultivated in the vicinity of Toronto this year, have resulted in action being taken by the Department of Agriculture, of the Province of Ontario, Mr. C. F. Bailey, deputy minister of the department, has made a personal survey of the country surrounding Toronto with a view to having all the land possible cultivated this season. However, it was found that much of the vacant land had been surveyed for real estate purposes, staked out and divided into small parcels, thus making it impossible to cultivate it in a big way. Then, too, the soil was not suitable in some instances.

One large tract of land, however, containing about 100 acres, was located by the department north of Armour Heights, just west of Yonge Street, and reaching nearly to Bathurst Street. It is owned by the Dovercourt Land Company, and is known as the Wallace Farm. Because of the lateness of the season immediate action was necessary if this land was to be used. Consequently, the department itself is undertaking to plant it with flax, the need for which is very great at this time to supply material for airplane wings. Two tractors have been at work on the property, and as much of the land as can be broken in the next two weeks will be planted.

Flax must be planted by May 10th or 15th at the latest. That leaves very little time for this large area to be put in shape for planting. An average crop of flax is about one and a-half tons to the acre. The object of the department in undertaking the work is twofold. The planting of this land will not only aid production, but it will test whether or not it is practicable to till these vacant lots.

APRIL FIRE LOSSES

Total Almost Double Losses for Previous Month—Highest for 1918

The Monetary Times' estimate of Canada's fire loss during April, 1918, is $3,240,187, compared with the March loss of $1,682,286, and $1,317,714 for April, 1917. The following is the estimate of the April losses:—

Fires exceeding $10,000	$2,692,500
Small fires reported	125,050
Estimate for unreported fires	422,637
Total	$3,240,187

The Monetary Times' record of the past three years and this year to date, shows the following monthly losses:—

	1915.	1916.	1917.	1918.
January	$ 1,249,886	$ 1,649,217	$ 1,918,660	$ 2,688,556
February ...	1,019,556	3,275,600	2,009,953	2,243,762
March	1,632,696	1,406,501	2,050,650	1,682,286
April	1,463,747	1,460,437	1,317,714	3,240,187
May	881,855	1,850,205	1,163,110	....
June	1,157,156	494,557	1,184,627	....
July	773,269	3,039,634	1,101,734	....
August	403,693	1,057,109	1,230,183	....
September ..	1,116,109	981,703	1,301,700	....
October	1,290,325	1,077,815	704,605	....
November ...	1,087,980	923,235	959,049	....
December ...	1,595,255	3,271,496	5,144,100	....
Totals ..	$13,671,527	$20,487,509	$20,086,085	$ 9,854,791

The fires reported in April, at which the losses amounted to $10,000, and over, were:—

Elgin, Man., April 1, the Elgin Hotel, $26,000.

Vancouver, B.C., April 1, the Orpheum Theatre, $15,000.

Toronto, Ont., April 2, slips and sheds of the Thor Iron Works, $300,000.

Toronto, Ont., April 3, plant of the Chemical Products Company, $40,000.

Hamilton, Ont., April 4, warehouse of the Eagle Spinning Mills Company, $110,000.

Toronto, Ont., April 6, plant of the Galena-Signal Oil Company, $130,000.

London, Ont., April 7, show case works and saw mill of the D. H. Giles Company, $13,000.

Winnipeg, Man., April 7, garage owned by A. E. Woods, $60,000.

Winnipeg, Man., April 7, the Arris Block, $12,500.

Ethelbert, Man., April 9, town destroyed, $100,000.

Sydney, N.S., April 10, store of A. N. McDonald.

Vermilion, Alta., April 11, business block, $500,000.

Hantsport, N.S., April 13, shipbuilding plant of Messrs. Fanquier and Porter, $16,000.

London, Ont., April 13, building of the Ontario Garage and Motor Sales Company, $12,000.

Corbyville, Ont., April 14, distillery plant and grain elevator, $100,000.

Toronto, Ont., April 15, plant of the Harris Abattoir Company, Limited, $1,000,000.

Sarnia, Ont.. April 16, mill of Lindsay-Thompson Flax Company, $10,000.

Montreal, Que., April 19, store of J. Eidlow, $25,000.

Fredericton, N.B., April 20, ten homes in Sandyville, $30,000.

Winnipeg, Man., April 20, premises of the Globe Bedding Company, $23,000.

Saanich, B.C., April 23, the Burnside Hotel, $10,000.

Chesley, Ont., April 26, munition plant of the Canada Beds, Limited.

St. Mary's, Ont., April 27, mill of the A. L. McCredie Company, $25,000.

Winnipeg, Man., April 27, the Parrish Building, $25,000.

Structures Damaged or Destroyed.

Among the structures damaged or destroyed last month were: Barns, 10; breweries, 3; church, 1; flax mills, 2; grain elevator, 1; hotels, 3; houses, 23; manufacturing plants, 7; munitions plant, 1; office buildings, 3; official buildings, 4; oil plants, 1; saw mills, 3; shipbuilding plants, 2; school, 1; stores, 7; theatre, 1; warehouses, 4. These figures do not include any estimates for the large fires which destroyed the town of Ethelbert, Man., and the business section of Vermilion, Alta.

Among the causes reported last month were: Defective chimneys, 4; defective wiring, 3; spontaneous combustion, 1; hot box in windmill, 1; overheated engine, 1; spark from passing railway engine, 1; explosion of resin pot, 1; rupture of gasoline tank on motor car, 1; overturned lantern, 1; explosion of coal oil stove, 1.

Total of Fatalities Drops.

The following is a list of fires at which fatalities occurred last month:—

Calgary, Alta., April 3	Trapped in burning house .	1
Mimico, Ont., April 6	Trapped in burning house .	2
Kingsville, Ont., April 10 ..	Trapped in burning house .	1
Toronto, Ont., April 11	Trapped in burning house .	2
Toronto, Ont., April 26	Explosion of coal oil stove .	1
	Total	7

The following table, compiled by *The Monetary Times*, shows deaths caused by fire during April, 1918, as compared with previous returns:—

	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.
January	27	27	14	26	3	10	21	28
February ...	12	11	21	18	11	23	19	87
March	18	24	22	27	23	23	20	34
April	20	15	11	22	14	6	15	7
May	28	18	33	8	5	14	12	..
June	13	6	18	12	2	6	9	..
July	110	9	9	8	13	268	19	..
August	22	16	29	3	14	30	12	..
September .	13	6	27	9	27	6	21	..
October	17	21	15	9	7	39	23	..
November ..	20	22	24	14	12	12	21	..
December ..	17	28	13	19	11	94	15	..
Totals ..	317	203	236	175	142	531	207	156

EDMONTON FINANCES

Important changes have recently been introduced in the municipal taxation system of Edmonton. Until a short time ago, about one-half of the city's revenue was provided from the land taxes, that is, about $1,500,000. Tax arrears were continually growing. Efforts were made to secure loans against these arrears, and tax sales had to be resorted to.

A recent departure has been made from the single tax, and three other sources are to be used to a considerable extent. These are the business tax, the income tax, and the tax on building and improvements, all of which were sanctioned by the provincial legislature at its last session. Power of imposing additional forms of taxation were also granted to other Alberta cities, and the present year will probably see many experiments in the way of new forms of revenue in order to remedy the serious financial position in which many of the western cities find themselves.

The power of taxing businesses and buildings and improvements has been granted indefinitely to Edmonton, but the power of taxing incomes extends only for the years 1918 and 1919. The taxes are to come into force at once. As regards income tax, it is to be collected where possible at the source, and stringent measures are being prepared to secure as full a return as possible in all cases. The other taxes will be collected in the usual way.

These new sources of revenue are expected to make up for the failure of the land tax. Last year the total tax levy was levies. Present conditions have made it necessary to resort ing that the land tax for the current year yields about the same amount, the anticipated revenue from the new source, that is, $1,500,000, will make up the balance. It will be remembered that about a fortnight ago the city of Vancouver gave up the project of the single tax and provided for other levies. Present conditions have made it necessary to resort to any source of revenue which would appear to be productive, and this experience may be general among the cities which have endeavored to apply a single tax.

Building permits of the city of Chatham for April amounted to $16,435, or an increase over those for the same month last year. The permits for the first four months of the year also show an increase over those of the same period last year.

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OUR UNITED STATES INVESTMENTS

It has been pointed out from time to time that the peculiar situation of the exchange market tends to discourage Canadian purchases of United States goods and to encourage sales of Canadian products in the United States. The high premium on New York funds, which passed above the 2 per cent. level in the latter part of April, makes it necessary for our importers to include the premium on exchange with the freight, customs and other costs incidental to bringing in the foreign goods; and the abnormal exchange rate would necessitate a higher selling price for the goods in the Canadian market or perhaps a diminution of the importer's profits. On the other hand, the exporter gets the benefit of the premium when he negotiates his draft on the United States consignee. In his case this means that he can pay higher prices in Canada for the produce exported, and perhaps in some instances he gets an additional or unexpected profit.

Market reports of the last week or two indicate that the high premium on United States money has induced a number of Canadian holders of United States securities to sell them and transfer the funds to Canada. The adverse exchange affects the international trading in securities in the same way as it affects the movement of commodities. Canadians who purchase United States stocks or bonds, remitting funds to New York to pay for them, are heavily penalized, while Canadian sellers of United States securities may receive a premium or bonus. As the bonus results from the depreciation of Canadian currency as compared with the United States, it is in that sense more apparent than real; but those who are taking advantage of the present opportunity doubtless consider that the currencies of the two countries may be placed practically upon an equality in the course of a few months by means of new credit arrangements entered into by London, Washington and Ottawa.

Notwithstanding the liquidation that has taken place in three and a half years of war, it is said that there is still a considerable amount of high-grade United States investment stocks held in the Dominion. Before the war, the business in Wall Street stocks transacted by Montreal and Toronto brokers probably exceeded the business done in Canadian stocks. Many Canadian capitalists and financiers were accustomed to carry considerable lines of United States stocks; also the wealthy Americans resident in Canada, and the highly paid executive officials of large United States branch industrials located in this country, naturally leaned towards United States securities in making their investments. The penalty involved in remitting Canadian money to New York, along with the very attractive yields obtainable on high-class Canadian bonds, would have a tendency to keep this investment money in the Dominion and to induce realization of United States securities for the purpose of buying here. Another point is that a United States investor sending money over here for investment in our municipal and provincial securities, because of the premium on New York funds, can get a higher yield on Canadian securities than the home investors obtain. A $10,000 cheque on New York sent over here to buy Canadian securities, with exchange around present rates, would probably count for $10,150 or $10,175 in the settlement; and the gain in exchange in case of a 5-year bond would represent an addition of more than ¼ per cent. per annum in the interest yield.

LIQUIDATING THE GRAIN CREDIT

The March return of circulation and specie issued by the Department of Finance shows for that month another substantial reduction in the amount of Dominion notes outstanding against deposits of approved securities under the Finance Act, 1914. These special issues of Dominion notes are understood to have been made in connection with the special grain credit of $100,000,000 granted by the banks to the British Government. The banks advanced the money to the agents of the Imperial Government, to enable them to pay cash for the grain delivered by Canadian farmers; then, as these loans had to be carried a certain time, the banks proceeded to lodge approved securities with the Receiver-General and he turned over to them in exchange newly issued Dominion notes—

thus enabling the bankers to continue discounting paper as usual for their ordinary customers.

The extra issues of notes commenced in September, 1917, with an output of $11,450,000. As the crop was marketed in October and November, they mounted rapidly —to $91,000,000 on November 30th and $98,270,000 on December 31st. That proved to be the high point. In January, 1918, the total fell to $92,820,000; in February, to $81,070,000; and now the March statement shows a further reduction to $76,665,000. Thus, in the three months the reduction has amounted to nearly $22,000,000, probably indicating that the banks have effected a reduction of a similar amount in their loans to the Wheat Export Company under the special grain credit. In this connection it is likely that the liquidation of the grain credit will proceed more rapidly with the opening of navigation on our interior waterways. Large shipments have been sent down the lakes in the latter part of April, and in the present month the movement will attain greater dimensions; so it is reasonable to expect that the returns for April and May will show considerable further liquidation.

In view of the contingency that the banks may be required to grant another special grain credit in the fall of 1918, it is important that the 1917 credit be cleared off. Although grain prices were very high last fall, the harvests were comparatively light in Western Canada. This year, owing to the greatly increased acreage and the improvement in general crop conditions, we may conceivably have the combination of a bumper yield and high prices. If so, it will take a considerably increased amount of currency and bank credits in other forms to finance the harvests. For example, a 300,000,000-bushel wheat crop at $2 per bushel would have a total value of $600,000,000; and if 200,000,000 bushels come forward to market between August and the end of December, that would necessitate the turnover of $400,000,000. It is to be expected that the financial arrangements for handling the 1918 crop will provide for cash payments to our banks as the shipments reach the seaboard. The amounts involved are so enormous that they would not be able to carry a large proportion of the prospective crop in the form of a steady loan without serious curtailment of ordinary accounts. Probably the arrangements made between Great Britain and the Washington government will include a plan whereby Britain may pay us with United States funds as soon as we put our grain on board ships at the Atlantic coast.

CONTROL OF PUBLIC EXPENDITURES

Hon. W. S. Fielding was quite correct in his contention, made during the recent debate in the House of Commons on the financing of Canadian Government Railways, that the expenditure of public moneys without the approval of the representatives of the people was a distinct menace to the principle of representative government. We are ready to admit that during war times it is quite proper to expend public funds without the sanction of parliament, providing the emergency is acute. On the other hand, it is dangerous practice to place in the hands of the administration power to make great outlays of public funds that have never been appropriated by parliament.

The Hon. Mr. Maclean, in this particular instance, offered the explanation that the funds to be expended were to come out of railway receipts; and that to include in the budget estimates amounting to a huge total on railway account, without also including in the estimates as counterbalancing items railway revenues, would give a wrong impression of the financial condition of the country. In this case, appropriations are to be made out of railway earnings, and manifestly—especially during these difficult days—such earnings cannot be accurately forecasted. Nevertheless, it strikes us as dangerous practice to permit public moneys to be appropriated and expended by any department merely by government sanction. And the case in point is not by any means an isolated one.

In recent years the practice has become all too common, both in provincial as well as in federal administration, to make large expenditures of the people's money that have never been appropriated for those specific purposes by the legislatures or by parliament. In the case of the provinces, receipts and expenditures have been growing at an accelerated rate; the expenditures increasing in response to popular demands for enlarged government service—for the building of roads and bridges, the construction of public buildings, and more ambitious undertakings. Some of the moneys expended have never been appropriated by parliament, but have been paid out under warrants. In all the provinces the major part of special war expenditures were incurred through the use of orders, or governor's warrants. This is not a violation of constitutional practice, to be sure; but it is a violation of a sound principle underlying both private and public finance—that the people who ultimately pay should control through their designated representatives.

Warrants are issued, under the approval of the governor-in-council, upon a report being made by a department that appropriations are exhausted and that additional funds are required for a particular undertaking; or the cabinet may authorize the issuing of warrants on the plea that such expenditures are "for the public good." Plainly, both these practices can be justified only when the need is imperatively urgent.

We are not disposed to find fault idly during these hard and difficult times; but the provincial and federal administrations will act most wisely in cutting to the lowest level all expenditures that have not received the direct sanction of the people's representatives. The control of taxation and public expenditures is of the essence of democratic government.

A DESERVING CAUSE

Although Canadians are at present faced with the certainty of much heavier demands on their resources, to meet the financial needs of the government, voluntary work should not on that account be neglected. Among the many organizations which have contributed real and useful assistance in the present exigency, none deserves more commendation than the Y.M.C.A. With the British troops in France and Belgium, in Italy, in the East, and in Africa, its representatives are to be found.

The Canadian branch, which is maintained by the National Council of the Y.M.C.A. for Canada, has been officially recognized by the Dominion government, and accompanies the Canadian troops both at home and abroad. The work is a work of service, in material, mental, moral, and religious well being. The closeness with which the Y.M.C.A. work is associated with the men in the actual fighting is illustrated by the fact that in the recent British retreat, the loss sustained by the Y.M.C.A. was about $500,000.

The organization is supported almost entirely by voluntary giving, and the expenses are necessarily large at the present time. A request for contributions is now being made. Public requests are not often resorted to by this organization, and it is to be hoped that the public will welcome this opportunity of assisting the commendable work.

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INCORPORATED
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Notice is hereby given that a DIVIDEND OF TWO AND THREE-QUARTERS PER CENT. for the current quarter, being at the rate of ELEVEN PER CENT. PER ANNUM upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the 1st day of June next, to Shareholders of record at the close of business on the 15th day of May next.

By order of the Board,

THOS. F. HOW,
General Manager

The Bank of Toronto, Toronto,
April 24th, 1918.

ESTABLISHED 1875

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THE MANAGER, BOND DEPARTMENT,
TORONTO 62

Dominion Budget for 1918

Super Taxes to be Added to Incomes Over $6,000—New Taxes on Tea and Coffee will Touch all Households—Specified Non-essential Articles to be Taxed—$980,000,000 Required for the Current Fiscal Year—Canada's Financial Position is Solid Despite Nearly Four Years of War.

THE central feature of the new taxation proposals announced by Hon. A. K. Maclean, the acting minister of finance, in his budget speech on Tuesday, is the increase of the income tax. It has been generally expected that the exemption limit would be lowered; and the government's action in this respect conforms with that recently taken by the United States government in last year's revision of the United States law. Originally, the income tax, as applied in the neighboring country, affected married persons with incomes over $4,000 and unmarried persons with incomes over $2,000. Last fall the exemption limits were lowered to include married persons with incomes over $2,000 and unmarried persons with incomes over $1,000. As enacted last year, our own law applied to married persons with incomes of $3,000 and over and unmarried persons receiving $1,500; while the new law will reach all incomes in excess of $2,000 in case of married persons and in excess of $1,000 in case of unmarried.

New Taxation Affects Smaller Means.

This is quite an important development of our taxation policy, and it will bring within the purview of the tax commissioners a considerable number of people formerly not liable for direct Dominion taxation. In consideration of the fact that the increased cost of living presses hardly on the citizens receiving the smaller incomes, the rate of taxation on incomes thus newly brought into the scope of the act is fixed at 2 per cent., which is half the normal rate paid under the original law. In case of married taxpayers, the special exemption of $200 income for each child under sixteen years of age will occasion considerable relief. Thus, if there are three children under sixteen, the exemption limit is virtually $2,600 per year. Super-taxes are now to be added to the incomes in excess of $6,000. Last year's act fixed gradually rising rates upon incomes in excess of this figure, and now to those special rates is to be added a graded super-tax. The super-tax amounts to 5 per cent. in case of incomes from $6,000 to $10,000 and 10 per cent. for incomes from $10,000 to $100,000. Also, the regular taxes on incomes above $50,000 are revised upwards. It is calculated by the Toronto Globe that an income of $5,000 would yield $80 under the old tax and $100 under the new tax. A $7,000 income, which was formerly liable for $180 per year, will now be required to pay $250. The tax on a $10,000 income is increased from $360 to $580; that on a $15,000 income rises from $810 to $1,530; and on $30,000 the impost will jump from $2,460 to $4,680. With these additions our taxes on large incomes will be quite equal to the United States taxes, and in some cases the tax here will be heavier than in the United States. However, both the United States and Canadian taxes on incomes up to $150,000 per year are still below the British income tax. In the United Kingdom a relatively larger part of the burden is placed upon the moderate incomes.

Corporation Income Tax Raised.

The raising of the corporation income tax rate from 4 per cent. to 6 per cent. represents an increase of 50 per cent., and will mean a substantial addition to the burdens of the companies. As this corporation tax comes out of the funds available for dividends or extra distributions to stockholders, the owners of corporation stocks are not required to pay taxes a second time on the dividends received by them, excepting in cases where the stockholder is liable for supertaxes.

Our taxation proposals resemble those set forth in the recent British budget, in that they do not provide for further pressure upon the excess profits of industrial and mercantile concerns. Chancellor Law stated in his budget speech that an increase of the excess profits tax rate would not yield more revenue, and our government, too, apparently recognizes the inadvisability of repressing productive effort and repelling foreign capital by unduly exploiting the excess profits tax. There has been criticism of the existing tax because it laid no impost on businesses with less than $50,000 capital. A step in the direction of meeting such criticism is now taken through including companies having invested capital of $25,000 and over, whether incorporated or not. In case of these smaller companies, with capital from $25,000 to $50,000, the tax is to be 25 per cent. of all profits in excess of 10 per cent. on capital invested. Under the old tax the incorporated companies with capital of $50,000 and over are required to pay 25 per cent. of profits in excess of 7 per cent. on capital, 50 per cent. of profits in excess of 15 per cent. on capital, and 75 per cent. of profits in excess of 20 per cent. on capital.

Tea and Coffee to be Taxed.

The new taxes on tea and coffee will touch all households, and an impost of this kind bears especially upon the poorer classes. However, apart from these items, the budget gives evidence of having been framed with especial care to avoid laying heavier burdens on the poor—there are no general tariff changes to increase the cost of articles in general use throughout the country. Also it is to be noted that the tax of one per cent. on all transactions, forecasted recently by some of the Ottawa correspondents, did not materialize. This suggestion was not favorably received, and if the government had any intention of imposing it, such intention has apparently been abandoned. We follow in Britain's footsteps also in regard to placing special taxation on luxuries. The British budget contained an announcement of a new tax of two pence in the shilling on luxuries, along the same lines as levied in France. Our tax on certain specified non-essential articles—automobiles, jewelry, gramophones, piano and organ players and records—is to be 10 per cent. on the selling value, the tax to apply whether the goods are imported or manufactured here. The British tax on luxuries amounts to 16⅔ per cent., and presumably it will apply to a wider range of articles; the French rate apparently is the same as ours, namely, 10 per cent. Results of this tax will be watched with special interest. The government has been urged to apply such a tax as a means of enforcing economy upon the people; and in cases where this does not suffice to prevent expenditures on non-essential items, the tax is expected to divert to the national treasury a goodly share of the money which people insist upon expending in this way. As a result of the provision that the tax is to apply to the selling value of the items specified, it would appear that the dealers are likely to mention the tax specifically when rendering their bills. If this is the practice, the tax will be all the more effective in promoting economy.

The finance minister estimates that he will be required to raise during the current year, ending March, 1919, almost a billion dollars—$980,000,000, as given in the budget speech. Our own expenditures on the war, according to the estimate, will account for $425,000,000; loans to Great Britain in connection with British purchases of war supplies here will absorb $325,000,000; and the ordinary expenditure on account of consolidated fund is placed at $230,000,000. During the fiscal year just ended the war expenditure amounted to $345,000,000; the ordinary working expenses of government were $173,000,000; and the capital expenditure, $30,000,000. It will be observed that the war expenses are increased because of recent and prospective additions to the Canadian armies; and the ordinary expenses are increased largely because of the huge additions to our national debt, which additions involve an increased annual outlay for interest. The net debt is now $1,200,000,000, as against $336.000 000 at the beginning of the war.

Requirements for the Year 1918.

The $980,000,000 required for the current fiscal year will be provided as follows: First, there was available on April 1st, (the beginning of the year), a balance of $130,000,000, representing the unexpended balance of Victory Loan proceeds. Next the revenue is expected to reach $270.000.000—the revenue for the year just ended was $258.000.000; and in

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view of the income tax payments falling due in June, and the new taxes imposed by the budget, the estimate of a $12,000,000 increase of revenue seems conservative. Then, Great Britain will advance $300,000,000 to cover cost of maintenance of Canadian troops overseas; and, finally, it will be necessary to borrow $280,000,000 here in Canada, or elsewhere if possible.

It will be seen that the revenue for the fiscal year ended March, 1918, was sufficient to provide for all ordinary and capital expenditure, with a balance or surplus of $55,000,000 to be applied on our war costs. Hon. Mr. Maclean also stated that up to the end of last March there was a net balance of $100,000,000 in Canada's favor in the open account transactions between Britain and Canada. That is to say, the amounts loaned by our government to Britain in connection with British purchases here, have exceeded by $100,000,000 the amounts loaned to us by England for maintenance of our troops overseas. As estimated in the budget for 1918-1919, there will this year be a further surplus of $25,000,000 accumulated by us in this connection—our loans to England are placed at $325,000,000, while the British loans to Canada will amount to $300,000,000.

Canada's Financial Position Sound.

The budget speech sets out clearly the fact that Canada's financial position is solid and strong despite 3½ years of war. The amounts raised by taxation are sufficient to ensure that the charges of the war debt will be fully covered; and the taxes, though onerous, are not so heavy as to prevent continued progress and development. Moreover, all classes of the people, convinced of their necessity, will accept them without complaint.

Canadian Budget Speech

National Debt Now $1,200,000,000—Almost Billion Dollars Required for Coming Year—Increases in Income Tax, Excise Taxes, and Customs Duties on Luxuries.

THE revenue of Canada for the fiscal year ended March 31st was $256,000,000, or $26,000,000 more than the revenue for the preceding year. Expenditure on revenue account was $173,000,000, and on capital account $30,000,000. This left a surplus of $55,000,000 to be applied to war expenditure. The war expenditure for the year was $345,000,000, and the total war expenditure so far was $878,000,000. The national debt is now $1,200,000,000, as compared with $336,000,000 before the war.

It is estimated that $980,000,000 will be required for the current fiscal year. This includes $230,000,000 for the civil budget, $425,000,000 for war expenditure, and $325,000,000 for financing, in part, British war orders in Canada. There remains unexpended $130,000,000 of the Victory Loan, and revenue of $270,000,000 is counted on. The cost of maintenance of Canadian troops overseas is to be financed by Britain to the extent of $300,000,000, and for the balance of $280,000,000, loans will be necessary.

Important new taxation was outlined in the budget speech. The question of protection was not touched on, the tariff changes taking the form of increased imposts on luxuries. The duty on tea is to be ten cents per pound, and an excise duty of ten cents per pound on all stocks now in dealers' hands is also to be levied. British preferential duty on green coffee and chicory is made five cents per pound, and intermediate rate seven cents, as compared with two and one-quarter and three cents formerly. Temperance drinks which require malt, rice or corn in their manufacture will now have to pay a customs duty of 40 per cent. ad valorem instead of 25 per cent. ad valorem. The customs duty on moving picture films is made five cents per foot.

The excise on tobacco, cigars and cigarettes manufactured from foreign leaf is to be doubled, and five cents per pound imposed on home-grown raw leaf. There is also to be levied one cent per hundred on matches and eight cents per package of playing cards. Taxes on sleeping-car berths are made 10 per cent. of the price paid for each berth, with a minimum charge of 25 cents; on parlor car seats the tax is increased from five to ten cents. There is also to be a special war excise of 10 per cent. on the selling value of automobiles, jewellery, gramophones, piano and organ players and records when imported into or manufactured in Canada.

Increases in Income Tax.

The following changes are outlined in the income tax: tured from foreign leaf is to be doubled, and five cents per sons in excess of $1,000, and of married persons in excess of $2,000; the minimums were formerly $1,500 and $3,000, respectively. The tax on the smaller incomes is, however, to be only 2 per cent. per annum, and there is to be a special exemption of $200 for each child under sixteen years of age. Taxes on higher incomes are to be raised still further, a super tax of 5 per cent. being now to apply on incomes from $6,000 to $10,000, and of 10 per cent. on incomes from $10,000 to $100,000, with increases for larger incomes.

The corporation income tax is raised from 4 per cent. to 6 per cent. The business profits tax of the last three years is renewed and made applicable to companies having an invested capital of $25,000 or upwards, compared with the former minimum of $50,000. It is to be applicable to all companies, whether incorporated or not.

Economy Required.

The Dominion budget speech was delivered on Tuesday, the 30th April, in the space of about an hour, by the Hon. A. K. Maclean, acting minister of finance. Hon. W. T. White, minister of finance, is absent in New York.

Mr. Maclean dealt briefly with the present financial position and the requirements for the coming year. The details are summarized above. The necessity of economy in imports was emphasized, in order to remedy the adverse trade balance between Canada and some countries. "We must learn," he said, "to dispense with luxuries, and possibly with some of the things which we have hitherto regarded as necessities. In order to reduce this class of imports it may be necessary later on to control the same by the licensing system."

Regarding further loans, Mr. Maclean said: "If we are to continue our part in the war and maintain our overseas trade at its present dimensions, the people of Canada must loan to the government the money to accomplish that end." Another loan, it was intimated, is already being arranged.

From the figures given by Mr. Maclean in regard to the balancing up of our war account with Great Britain, it is evident that the United States will be called upon to play a very large part in furnishing credits for Great Britain on Canadian account. Although it is estimated that our exports to Great Britain this year will total approximately eight hundred millions, the budget figures set down only three hundred and twenty-five millions as the amount which Canada would have to advance for financing the British purchases. On the other hand, Great Britain is relieving Canada of the necessity for making cash payments for the maintenance of Canadian troops overseas. Mr. Maclean said that the government was relying on this belief to the extent of three hundred million dollars, thus almost balancing up our credits advanced here to Great Britain.

As had been generally expected, Mr. Maclean kept clear of all tariff controversy. The duty on agricultural implements was not even mentioned by him. The only tariff changes were in the nature of direct taxation not affecting in any way the protective principle.

Coming to trade, the minister said that our exports as the war progressed are showing a greater increase over our imports. In 1913 imports exceeded exports by nearly $300,000,000. This condition has been so completely reversed that the exports exceed the imports by about $625,000,000, and our total trade, which passed the billion mark in 1913, exceeded

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Capital (Authorized by Act of Parliament)	$5,000,000.00
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Reserve Fund and Undivided Profits	4,534,863.63

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Reserve Funds,	7,421,292	Total Assets (Dec. 1917),	136,000,000

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35

the 2½ billion mark in 1918. The increase, he said, is largely attributable to war conditions. Last year our exports to Great Britain were about $850,000,000, while our imports amounted to $81,000,000. Our exports to the United States reached the sum of $440,000,000, while our imports amounted to $790,000,000.

Mr. Maclean informed the House that in the past three years immigration had reached a total of 202,985, despite the war. Of this total number, 169,640 came from the United States and 20,124 from the British Isles. An important factor in connection with this immigration is that it is very largely composed of experienced farmers.

American Exchange.

Referring to the question of exchange, Mr. Maclean said that this had become an acute problem in Canada. The high rate which has prevailed on remittances of funds to the United States has imposed a severe tax upon importers and the public, and if it continues must diminish imports or add to their cost. Were we able to sell securities in the United States, the rates of exchange might have been adjusted or normalized, but Canadians were not permitted to do so. The government did not require during the present year to borrow in the United States, even if it were permitted to do so, and, consequently, by such an operation it was not convenient or practical to correct the exchange situation.

"To redress the adverse rate of exchange with the United States," said Mr. Maclean, "we must lessen our imports from that country, or the United States must buy more from us, or we must sell securities across the border to the extent of a very substantial proportion of our adverse trade balance.

"The government has been very diligent in its endeavors to bring about such financial arrangements with the governments of Great Britain and the United States as would materially relieve our people of the burden of the present high rates of exchange. I hope that very shortly we shall be in a position to announce the successful conclusion of negotiations which have in view this end. In connection with the exchange problem, it might be of interest to state that for the first three months of this calendar year our imports from the United States have decreased below that of the corresponding period of last year by over $36,000,000, while our exports have increased in the same comparative period by about $20,000,000."

Balances of Trade.

In considering more in detail the matter of financing the war and trade, the minister said that there is a very direct connection between our domestic loans and the financing of our war operations, and also with our productions and our overseas export trade. All are acquainted with the fact, he said, that the war has disturbed the natural currents of trade, rendering impossible the settlement of international trading accounts in the normal manner. Prior to the war Canada had a favorable trade balance with Great Britain, but this had changed. Circumstances had compelled Great Britain to purchase heavily of war supplies and foodstuffs on this side of the Atlantic. Great Britain has become chiefly a purchasing nation, and is no longer a loaning but a borrowing country. In 1917-18 we had a favorable merchandise trade with Great Britain of about $790,000,000, while with the United States it was unfavorable to the extent of $350,000,000. Normally, we would settle our unfavorable United States trade balances with the moneys receivable from Great Britain for her liberal purchases of our high-priced commodities. However, owing to the enormous purchases Great Britain was obliged to make for herself and some of her Allies, and so great has been the drain upon her liquid resources in the first three years of the war, that in July last she was obliged to secure loans or dollar credits for her Canadian purchases, otherwise she would be obliged to practically cease purchasing here. In that event commercial disaster would have overtaken Canada and we would have had difficulty in financing our war expenditures.

Opposition's Criticism.

Mr. A. R. MacMaster, K.C., of Brome, who followed as the chief financial critic of the Opposition, had no serious criticism to offer of the new taxation proposals, but vigorously contended that the most serious omission from the budget was the failure to consider a reduction of the duties on agricultural implements. The loss in revenue would be only two million dollars, which was not worth considering in view of the advantages which would accrue from increased agricultural production and a stimulation of farm settlement. Mr. MacMaster contended that a real, rigid economy on the part of the government would result in reducing in war time the expenditure for the ordinary purposes of administration to one hundred millions, the figure of the old Laurier days, instead of one hundred and thirty-three millions, as it was at present. Commenting on the enormous fixed expenditure to which Canada was now committed, he noted that the annual taxation after the war could not be less than two hundred millions per year, or twenty-five dollars per capita. He urged that any further measure of direct taxation should be placed upon the shoulders of the rich, who benefited from the continued policy of high protection, which the Liberals in the government still seemed to be standing for.

The debate on the budget is likely to last for the balance of the week at least, some thirty members having signified their intention of placing their views on Hansard.

BANK CLEARINGS

The following are the bank clearings for the weeks ended April 25th, 1918, and April 26th, 1917, respectively, with changes:—

	Week ended Apr. 25, '18.	Week ended Apr. 26, '17.		Changes.
Montreal	$ 81,436,674	$ 90,980,586	—	$ 9,543,912
Toronto	60,564,704	67,181,431	—	6,616,727
Winnipeg	48,006,878	71,825,875	—	23,818,997
Vancouver	9,751,679	8,024,202	+	1,727,477
Ottawa	6,299,434	5,707,057	+	592,377
Calgary	6,147,717	7,653,637	—	1,505,920
Hamilton	5,293,585	4,783,505	+	510,080
Quebec	4,891,278	4,887,089	+	4,189
Edmonton	3,011,023	2,662,949	+	348,074
Halifax	3,935,834	3,196,784	+	739,050
London	2,309,368	2,095,503	+	213,865
Regina	3,502,674	2,832,776	+	669,898
St. John	2,386,873	2,231,026	+	155,847
Victoria	2,443,480	1,668,413	+	775,067
Saskatoon	1,577,262	1,802,134	—	224,872
Moose Jaw	1,187,344	1,259,637	—	72,293
Brandon	465,571	558,892	—	93,321
Brantford	910,059	811,942	+	98,117
Fort William	545,030	491,089	+	53,941
Lethbridge	820,333	995,620	—	175,287
Medicine Hat	478,659	791,506	—	312,847
New Westminster	356,827	321,588	+	35,239
Peterboro'	666,388	629,379	+	37,009
Sherbrooke	687,599	638,932	+	48,667
Kitchener	683,373	620,884	+	62,489
Totals	$248,359,646	$284,652,436	—	$36,292,790

The Toronto bank clearings for April are $276,705,355. compared with $263,225,159 for April, 1917, and $186,270,192 for April, 1916.

The Toronto bank clearings for the current week are $68,684,677, compared with $63,528,236 for the same week in 1917, and $55,697,519 in 1916.

CARBORUNDUM

At the recent meeting of the Niagara Falls Board of Trade, a paper on Carborundum was read by Mr. Francis R. Bowman. He described the discovery of the substance and its importance as a manufacture. The first plant of the Carborundum Company was located at Monongahela, Pa. During 1893, its first year of operation, the total output was 15,000 pounds. In 1895 it was decided to remove to Niagara Falls, on account of the possibilities of unlimited electric power to be secured there. A contract was accordingly made with the Niagara Falls Power Company for 1,000 horse-power. He also pointed out how the confidence of the promoters has been justified, as the present plant covers 19 acres of floor space, is equipped to handle 25,000 horse-power, and upwards of 1,500,000 pounds of carborundum are made each month.

The annual general meeting of the shareholders of the Toronto Paper Manufacturing Company, Limited, will be held Friday, May 17th.

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Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
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RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

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GERMANY'S INDUSTRIAL EFFORTS

Kaiser Wilhelm Society—Union of Technical and Scientific Societies—Special Efforts in Iron and Steel Industry

The warring nations all feel the desirability of building up a foreign trade after the war, and recognize the fact that competition will be keener than ever before. Germany, however, is still in the lead in government promotion of industry, and this policy has recently received further extensions.

The other nations have a number of institutions for carrying on industrial and scientific research; Germany not only possesses a multitude of these organizations, but has also a society for founding them. This is the Kaiser Wilhelm Society, founded in January, 1911, by the initiative of Kaiser Wilhelm II., for establishing and maintaining in a scientific manner independent institutes for research in the sphere of physical science. This society has assisted in the foundation of the institute for chemistry; institute for experimental therapy; institute for coal research; institute for labor physiology; and in 1914 it projected the biological institute and the institute for aerodynamics and hydrodynamics. Half of the members are elected, and the other half nominated by the Emperor and the committee of management. The election by the senate and confirmation by the Emperor carries with it the obligation of a contribution of $5,000 with an annual contribution of $250.

Prior to the war, one of the principal aims of this institution, and its off-shoots, was to promote trade abroad. War conditions, and more particularly the blockade of the sea, have since remodelled the foundations of German economic life, and prevented the pursuit of this policy. Attention has been forced towards economic solidarity, the production of her own raw materials and food, the utilization of waste materials and the production of substitutes. It must now be admitted that her success has been beyond all our expectations, and quite contrary to many of our predictions. Whether this is because of, or in spite of, government encouragement, is another question.

A War Science Trust.

Statements of Germany's recent activities along this line have been prepared by Sir Robert Hadfield. A "Kaiser Wilhelm Trust for Promotion of War Science" has been founded. The aim of the trust is to further the development of scientific and technical aids to warfare, by uniting the scientific and the military forces of the country for work together. The scientific work is to be divided among special committees devoted to the various branches, such as chemical war materials, metals, aeronautics, etc.

Present efforts are not, however, confined to the science of war; a broader foundation is being laid for the promotion of industry in general. A "German Union of Technical and Scientific Societies" has been organized. Just as the War Science Trust aims to co-ordinate scientific activities with the war, so does this union aim at a closer co-operation between the scientific brains of the nation, and its industries. First of all, a number of technical societies, devoted to different industries, united for closer co-operation, early in 1917. In April of that year it was stated in an article in a German newspaper that the managing committee of the union had decided to create an intermediate agency between the technical world and scientific institutions for the carrying out of scientific and technical research work, so that industry not equipped for experimental work, especially smaller concerns, might be afforded an opportunity of having problems solved through the aid of the union.

Technical Union.

The first general meeting of the union was held in November, and the proceedings are reported as follows:—

"The 'German Union of Technical Scientific Societies,' which has recently been formed by the combining of thirteen associations and unions, held its first general meeting this morning on the premises of the Association of German Engineers in Sommerstrasse, where the chairman, Privy Councillor Busley, after welcoming those present—among whom the Imperial government offices, the federal council and legislative bodies were represented by members—explained the purpose and aims of the union.

"Herr Busley said that their object was to establish a balance between science and practice. Many a technical task could not be carried through without participation and collaboration of several branches of science; the metallurgist required the co-operation of the technician, the architect that of the engineer, etc. An influence was also to be exerted on technical instruction and education, and towards ensuring that the academically trained technician should be admitted to all administrative departments of the federal states. The technical world ought to be represented, more than was hitherto the case, in the legislative bodies. The union had also applied to the authorities with a view to being consulted in the preparatory work of drafting regulations or enactments. Unfortunately, hitherto, the Imperial treasury alone had availed itself of their advice, in the preparatory work for the taxation of coal and sources of energy. Finally, the speaker stated that a desire had been expressed that an Austrian and Hungarian section should be attached to the union, as to which resolutions were still to be passed.

"Professor Dr. Wiedenfeld (Halle) then spoke on 'Economics and Technics During and After the War.' The speaker showed, in a very exhaustive manner, how, in former days, Germany could manage well with her own production, how subsequently she became more and more dependent on foreign countries owing to the increase of her population, and was then subjected, by the blockade of the sea, to the necessity of remodelling all the foundations of her economic life, of producing from her own resources, raw materials and food. Technical science could only meet these new requirements by fundamentally disregarding the question of cost price, which formerly, in competing with other countries, was necessarily one of the foremost considerations. Disregarding all considerations as to the possibilities of the market and the risk involved, substitutes were produced by calling in the aid of new modes of production and devoting thereto all human powers. Although not all of these new conditions and products can be carried over into times of peace, nevertheless the old economic conditions cannot be reverted to.

Methods Adopted.

"What has been will never return, nor would this be even desirable. He said that technical science had been endeavoring to come to the aid of economic life in a threefold manner.

"1. By procuring the raw materials formerly obtained from abroad partly by the re-establishment of industries which had become unremunerative (production of manganese, increase of the production of iron, production of sulphur, intensification of agriculture).

"2. By promoting the technical tendency, already existing in pre-war times, towards increased utilization of waste products. The term "non-utilisable substance" has been eliminated by the war. The speaker emphasized in this respect obtaining lubricants from coal tar, and supplying clothing requirements by utilization of waste material.

"3. By producing substitutes, such as, for instance, nitrogen from the air, and the production of substances by synthetic processes, where the natural way is no longer available, as, for instance, the cattle food produced from straw.

"The speaker recalled a dictum of His Excellency Professor Fischer: 'I cannot imagine any substance for which a substitute could not somehow be found.' In the speaker's opinion too much regard had been paid, during the early part of the war, to the quality of production, which, however, became impossible with the continued duration of the war. The speaker also found fault with the multiplicity of government authorities controlling construction, which had already manifested itself in peace times to the prejudice of German production. With a view to the projects, the speaker demanded that even after the war we ought to aim at a reduced utilization of certain raw materials. Production would assume an unfavorable aspect in certain departments owing to the high expense for industrial war installations. In this respect amortization during the war of these expenses for war installations would be necessary. Further, wherever materials produced wholesale are in question, the speaker would be in favor of monopolies, though not necessarily state monopolies. He held that it would only be by strictly regulated syndicates that steadiness in the movement of prices could be established, and an assurance of remunerativeness, favorable to the display of technical science, and consequent brisk investment of capital, obtained. The speaker concluded by attempting to lay down guiding principles for the collaboration of technical science and enterprise, which cannot do without each other.

"Finally Dr. Taaks, Dr. Eng., spoke on 'Technical Academic Study After the War.'"

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Speaking before the Women's Advertising Club of Chicago, Robert J. C. Stead, of Calgary, Alberta, advertising manager of the Department of Colonization and Development of the Canadian Pacific Railway, defended the greatly increased immigration of well-to-do American farmers into western Canada, by showing how the development of Canadian lands and resources was feeding the market for American goods.

"We actually go after the American farmers; we want them for settlers," he said, "but the advantage is not all ours. The Dominion of Canada is your second best customer. We buy more goods from you than does all South America. When an American comes to Canada, he continues to buy American goods and in all probability he will be able to buy more than before.

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"A man had some 80 acres of land in Iowa. He sold these 80 acres and with this money went up to Saskatchewan where he bought 640 acres and had $3,000 left out of the price of his Iowa farm. Your government is advertising that 'Food will win the war.' Now this man will not only be able to produce eight times as much food for the Allies, but he will have eight times as much money to spend, and his demand for American made goods of all kinds is increased accordingly. At the same time the Iowa farm will still be producing, for the man who bought it is farming it. You have simply increased the world's food resources and you have a good customer who will continue to buy from you and will come down here to spend his winters among you and try to induce you to come up. The circle is fairly complete.

Vast Unsettled Territory.

"The province of Alberta alone has a territory nearly equal to the five states of Illinois, Iowa, Wisconsin, Indiana and Missouri. We have every extreme of scenery from the rolling plain to the wildest mountains, and from treeless prairies of southern Alberta to the dense forests in the north. We have in the province of Alberta a timber reserve of 13,000,000 acres—one of the largest forest reserves on the continent. We have considerable coal. The Dominion government has estimated the coal resources at about one thousand billion tons. Not many prairie regions have that much coal. It is not uncommon to see farmers hauling their coal from the nearest river bank, where they have only to dig it from the outcrop. Where local miners have put up shanties and mine coal for sale they do a thriving business, selling at $3 a load.

Natural Gas for Fuel.

"We have very extensive reserves of natural gas. Medicine Hat, where the weather is made, is the centre of the region. They have been using it now for fuel for 20 years and the pressure is just as great now as it was 20 years ago. It is supplied there for manufacturing purposes at as low as two cents a thousand feet. In my own city of Calgary we use natural gas for fuel, piping it 180 miles.

"It is furnished at 30 cents a thousand feet, and is supplied for manufacturing purposes at 15 cents a thousand feet. You can stand on the hills overlooking the city any day and see almost no smoke rising from it.

Some Comparisons.

"There are 105,000,000 acres in the province that can be cropped without requiring any reclamation work. That is, if you were to take the entire wheat crop of the United States from Maine to California, from Florida to Washington—the entire oat crop, the entire barley crop, the entire tobacco crop, and rice crop, and the potato crop of the whole United States—and if it were possible to transplant them, acre for acre, you might plant them all in Alberta.

"There is one thing I hope to see come out of this war—there are many things, of course—but I want to see this, too, and that is that the United States and Canada should each appoint a commission to get together and agree upon some of the facts that shall be taught in the schools. The time is past when we must minimize the facts and deal in prejudice. We should recognize our common obligation to a fair interpretation of the historical relations of the two countries."

SOME LIFE INSURANCE QUESTIONS

Surplus, Premium Rates, Safety, Amortization, Interest Rate, Mortality, Mutual Companies

Q.—What would you consider the most important source of surplus to a life insurance company?

A.—There are three main sources of surplus to a life insurance company, viz., savings in expenditure, gain from light mortality, and excess interest earnings. The interest rate is, without doubt, the most potent of these three sources. In the early years of a policy's duration the profit from loading for expenses and from mortality lighter than the expected will be greater than that derived from a high interest rate. But as the duration advances and the reserve increases the profit from the two former sources becomes constantly less, while that from interest becomes constantly greater. Where the interest rate is very high, the time arrives when the profit therefrom might almost be said to dwarf that from any other source.

To give yourself somewhat of an idea as to the importance of a high interest rate to any company, accumulate a $100 premium for twenty years at 6 per cent., then at 4 per cent. and contrast your results.

Premium Rates.

Q.—Is there much difference in the premium rates charged by life insurance companies? Is it advisable to insure with those companies charging the lowest rates?

A.—Paradoxical as it may seem, the dearer plans are sometimes the cheaper, and similarly, those companies which charge a slightly higher scale of premiums may yet, by more liberal surplus returns, make the net cost of insurance much lower than those companies charging the lowest rates at the outset. Occasionally, you will find the poorest companies issuing policies at very low rates, they having no other favorable features sufficient to recommend their policies to the insuring public. For example, take some of the assessment and fraternal societies which have been charging rates absolutely inadequate to cover the risk assured. As soon as the initial favorable selections has worn off and their mortality reached a normal point, they find it increasingly difficult to meet claims as they fall due, and the long list of failures in the annals of fraternal insurance bears striking witness to the folly of charging inadequate premiums and neglecting to retain a proper reserve.

The rates of Canadian companies on participating business are, as a rule, lower than those of the United States. At the same time, their actual results are, as a rule, better, and as between the average Canadian and the average United States company, we believe the former should have the preference. Most of the Canadian companies charge the same premium rates, those drawn up by the Association of life Managers. A few of the companies, however, refused to adopt this standard and have placed their rates on a basis in many cases only a few cents lower than those in common use.

The gist of the above arguments is that your selection of a company should not be made on the consideration of the office premium charged, but on the probable net cost of the insurance as shown by the company's actual results in the past and future rate of progress.

Any difference there may be in rates is usually inconsequential, and, as we said before, some of the weakest companies employ the lowest rates, this being, in their case, an acknowledgment of such weakness. Base your judgment of a company's merits on its earning power, present and potential, having regard, in particular, to such important factors as interest, expense and mortality ratios.

Of course, in respect to a non-participating policy, select that company that has the lowest rates, provided the company is well established. In our opinion, however, a participating policy in a good company will in the end prove much cheaper than a non-particpiating one.

Strength of Companies.

Q.—Why do life companies claim to afford policyholders such absolute safety? One sees advertisements, "Strong as Gibraltar," "Safe as the Bank of England," etc.

A.—While some of these claims may seem far-fetched, we can assure you that in the case of a well-established life insurance office the possibility of failure has reached a vanishing point. As De Morgan has said, "There is nothing in the commercial world which approaches, even remotely, the security of a well-established life insurance office." This

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Comparing the competence of an individual with that of an administrative organization, does it not seem reasonable to assume that a Corporate Executor, such as the Toronto General Trusts Corporation, with experts in every Department, should be preferred as Executor of your Will?

We would gladly discuss the matter with you or mail you booklet on request.

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Established 1882

Head Office TORONTO

Branches: Ottawa Winnipeg Saskatoon Vancouver

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

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OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

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Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

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THE average human being is very much averse to making a Will; and yet it is absolutely necessary that it be done, if we would dispose of our Estate as we would wish, instead of leaving it to the disposition of the Law.

The making of a Will TODAY will not accelerate death a single instant, but rather tend to make us satisfied with an act timely and properly done.

The Corporate Executor is the only ideal Executor. Consult with us as to the making of your Will. Will Forms Free

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AN ADDITIONAL SAFEGUARD

A client who holds one of our Guaranteed Trust Investment receipts takes no chance of payment being made to anyone but himself. Payments on this plan are made by cheque, and only to the owner of the receipt or his order.

This is a subsidiary point but noteworthy to anyone comparing the safeguards of this plan with those of other investments.

Write for Booklet "Guaranteed Trust Investments"

National Trust Company Limited

Capital Paid-up, $1,500,000 Reserve, $1,500,000

18-22 KING STREET EAST, TORONTO,

statement is explained from a consideration of the nature of the life insurance business. It is based on the law of averages, on the mortality of a vast group of lives spread over a vast area of country. While nothing is more uncertain than the duration of life of any given individual, yet statistics have shown that the expected mortality of a large number of lives can be gauged with very close approximation. An insurance company, unlike a bank, is in no danger of having any sudden and violent demands upon its resources, no "runs" on the bank, so to speak. Its reserves, required by the government, are sufficient to offset the risk under each policy held by it; its investments are under sensible government restrictions; its expenses, if the company is well-established, are proportionally light; its premiums are always based on conservative and adequate assumptions; and its safety is attested from the fact that there has never yet been a failure of a well-established old-line company.

"Amortization" of Values.

Q.—Will you be good enough to explain briefly the meaning of the term "amortized value," or "amortized book value," which occurs so frequently in recent years in the annual statements of life insurance companies?

A.—Most life insurance companies, perhaps all, include government, municipal and corporate bonds among their investments. The price at which bonds or securities of any kind can be purchased vary constantly, according to prevailing financial conditions. This is true of real estate mortgages as well as of government, municipal or corporate bonds. In a time of great financial stringency the best mortgages, as well as bonds of the highest class, could be sold only at a discount, if at all. The life insurance companies, however, buy securities of any kind for the sole purpose of permanent investment, with the idea of holding them until maturity for the sake of the income they will yield. Their cost, their value at maturity and the income to be derived from them are all fixed, and, as no occasion can arise requiring their sale, it is immaterial to the company what their so-called "market value" may be at any time. The practice, therefore, of listing such assets at their supposed value, indicated by the market quotations at the close of the year, as formerly required by the New York law, and still the rule in some States, is necessarily misleading. Such figures fluctuate constantly, and rarely, if ever, represent the real value of the investment. Where this method is in use, precisely the same securities may be valued one year above and another year below par, even though their real value as investments may have never changed. In buying bonds in the market a life insurance company must sometimes pay more than par value, while able in other cases to buy them at a discount, depending in each instance upon the rate of interest called for, the time to run, and prevailing financial conditions. A high-class bond of $1,000, bearing 4½ per cent. and running twenty years, would ordinarily cost more than par, say, for example, $1,050. As the bond will be worth only par at maturity, the transaction will involve an apparent loss of $50. It would not be proper to charge the whole of that loss in the first year, nor to defer the entry until maturity. Accordingly, the amount is "averaged" or scientifically apportioned throughout the period, and the proper sum is deducted each year from the book value in such manner as to bring the latter to exactly par at maturity. The balance thus ascertained is entered as the "amortized" book value. In like manner a bond may be bought in some instances at less than par, say, $980. As it will be worth $1,000 at maturity, there will be an apparent profit of $20. This gain, however, does not rightly accrue in the first year, nor in the last. It is, therefore, apportioned in some manner as before throughout the period, and the proper amount is added each year so as to bring the amortized book value to exactly par when the bond becomes due and payable.

Interest Rate.

Q.—Kindly explain to me the formula used by the life companies in arriving at the interest rate earned on the invested funds.

A.—The correct formula for finding the interest rate earned on a company's funds—and that employed by the government—may be denoted by $\frac{2\,I}{A\ B\text{-}I}$, where

I denotes the interest income for the year, increased by the interest due and accrued in the year over the interest due and accrued in the preceding year.

A denotes the net ledger assets at beginning of the year.

B denotes the net ledger assets at the end of the year.

Other formulas are sometimes employed, but they are incorrect, and do not take into account the proper adjustments, e.g.: The Chronicle has used the formula $\frac{2\,I}{A+B}$, by which the interest earned in the year is added to the principal as earned instead of being left in the interest account until the end of the year. They thus obtained what is called the force of interest instead of the rate of interest. Probably the above explanation would be clearer to you if we worked out the rate from some hypothetical figures:—

$ 191,965.07	Interest income, 1917.
109,502.58	Interest due and accrued, 1917.
$ 301,467.65	
84,334.41	Interest due and accrued, 1916.
$ 217,133.24	I (the interest earned in 1917).
$2,680,827.17	Ledger assets, 1916.
54,604.16	Overdraft.
$2,626,223.02	A (the net ledger assets, 1916).
$3,074,831.84	Ledger assets, 1917.
129.523.54	Overdraft.
$2.945,308.30	B (the net ledger assets, 1917).
$2,626,223.02	A.
2,945,308.30	B.
$5,571,531.52	A B.
217,133.24	I.
$5,354,398.08	A B-I.

$$\text{Interest rate} = \frac{21}{A\ B\text{-}I} = \frac{\$\ 434,266.48}{\$5,354,398.08} = 8.11 \text{ per cent.}$$

What ratio do you consider as the most important in showing the actual or relative standing of a life insurance company?

We believe that the rate of surplus earned on ledger assets is the most important single comparison that can be made, as it serves to focalize all other important ratios on the supreme point of earning power. This ratio, like others, however, should not be used indiscriminately, but many other factors should be taken into account, e.g., size of company, rate of progress, method of surplus distribution, etc.

Mortality.

Q.—What is meant by saying a life company has had an actual mortality of a certain percentage of expected?

A.—Life assurance premiums are based upon a certain average rate of mortality, deduced from the actual experience of a large number of life assurance companies extending over many years. A mortality table thus framed is known as a Standard Table of Mortality, and there are several in existence. One of the most recent and reliable is the OM table, deduced from the experiences for a series of years of a large number of English and Scotch companies, and this is the table usually employed by Canadian companies. It is customary for life assurance companies to compare their actual mortality experienced each year with the expected according to some standard table. Owing to the careful selection of risks exercised by most of our companies it is found that almost invariably they show an actual mortality considerably lighter than that expected by the standard table employed. Large gains are the natural consequence, and policyholders reap appreciable benefit when their company can show a saving in mortality of a goodly percentage of that expected.

Mutual Companies.

Q.—I am being canvassed by two agents for life insurance. One of these represents a mutual company, and claims particular merit on that account. Do you think this should influence my decision?

A.—Candidly, we do not, and for the following reasons: There are three classes of life assurance companies doing business to-day—stock, mutual and mixed companies—and each system is heralded by its adherents as the "best." Naturally, every system has its advantages, or it would not be in use, but it is just as natural that one system should

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds ..	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance*. Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

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Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE President D. M. CAMERON, Treasurer

Canada Permanent Mortgage Corporation

TORONTO STREET - - TORONTO

Established 1855

President – W. G. Gooderham. First Vice-President—W. D. Matthews. Second Vice-President – R. S. Hudson. Joint General Managers—R. S. Hudson, John Massey. Assistant General Manager—George H. Smith.

Paid-up Capital	$6,000,000.00
Reserve Fund (earned)	5,250,000.00
Unappropriated Profits	197,977.41
Capital and Surplus	$11,447,977.41

Associated with the above Corporation, and under the same direction and management, is **The Canada Permanent Trust Company**, incorporated by the Dominion Parliament. This Trust Company accepts and executes Trusts of every description, acts as Executor Administrator, Liquidator, Guardian, Curator or Committee of the estate of a lunatic, etc. Any branch of the business of a legitimate Trust Company will have careful and prompt attention.

Reasonable Fees

Individual Executors are invited to write for a quotation covering our services as agent in managing estates placed in their care.

Many executors have relieved themselves of full responsibility by employing our services in a co-operative capacity.

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Branch Offices:

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Capital Paid-Up $1,000,000 Reserve Fund $550,000

THE ONTARIO LOAN & DEBENTURE CO.

LONDON INCORPORATED 1870 **Canada**

CAPITAL AND UNDIVIDED PROFITS .. $3,750,000

5½% SHORT TERM (3 TO 5 YEARS) DEBENTURES YIELD INVESTORS 5½%

JOHN McCLARY, President A. M. SMART, Manager

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

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WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

One of the best AUTHORIZED investments for TRUST FUNDS is our

5½% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,412,566.31
Reserve	756,580.13
Assets	7,163,537.29

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY,
EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
EDINBURGH, Scot.

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 **51 YONGE ST., TORONTO**

Paid-up Capital, $1,250,000 Rest, $850,000 Total Assets, $4,855,944

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

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THE COMMERCIAL LOAN AND TRUST CO.

Head Office · WINNIPEG

THOS. D. ROBINSON, President C. W. N. KENNEDY, Vice-President

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. HANNATYNE, Manager. R. T. HERON, Asst. Manager.

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00
Total Assets, $3,111,491.68
President, WELLINGTON FRANCIS, Esq., K.C.
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Debentures issued to pay 5% a Legal Investment for Trust Funds
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Loans made on improved Real Estate on favorable terms.

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present greater advantages to the policyholder than the others.

A stock company is a purely business enterprise, conducted by stockholders for their own benefit. A mutual company is a body of men joined together on equal terms to provide mutual protection. If there is a profit, these men (the policyholders) share therein; if a loss, they have to make good the deficiency.

A mixed company is one organized by stockholders, but in which they only receive a certain proportion of the profits, the balance belonging to the policyholders. To this class belong most of the Canadian companies, and such a company is, in our opinion, that "happy medium" which will produce the best results for policyholders.

A capital stock to a life assurance company is like ballast to a ship—both act as "steadiers." In life assurance it secures what is most essential to the success of any business or enterprise—continuous management. The shareholders, with their large financial interests at stake, have the greatest desire to achieve success, and will take the greatest precaution to see that the management is good, sound and progressive. On the other hand, while under the mutual system, each policyholder is supposed to have a voice in the management of the company's affairs, it has been found that in practice this is an absolute impossibility, and that a mere handful, outside of the officers of the company, ever attend its meetings or vote on its affairs.

Capital stock, moreover, forms an additional reserve fund for the security of policyholders, a security obtained at very small cost to them, as the shareholders receive a minimum of the profits. Also, the fact that the small percentage of profits paid to shareholders is dependent on those paid to policyholders, naturally makes them, if only for the sake of self-interest, zealous in the interest of their policyholders.

When a mutual company is well-established, however, there should not be much to choose between it and the average "mixed" company. Actual results should be your guide, not an involved discussion of the stock and mutual feature.

GRAND TRUNK STAFF CHANGES

The following appointments have been made in the Grand Trunk Railway Company, in effect May 1st:—Mr. H. E. Whittenberger, general superintendent, western lines, with headquarters at Chicago; Mr. C. G. Bowker, general superintendent, Ontario lines, with headquarters at Toronto; and Mr. W. R. Davidson, general superintendent, eastern lines, with headquarters at Montreal.

Mr. Whittenberger entered the railway service as a brakeman, and has been general superintendent of Ontario lines since 1913. Mr. Bowker has been in the railroad service for thirty years, starting his career as a telegraph operator, and Mr. Davidson commenced with the Grand Trunk as a trainmaster.

CROP PROSPECTS IN THE WEST

Ample evidence that the farmers in the great grain growing areas between the Great Lakes and the Rockies are responding whole-heartedly to the government's appeal for increased production, is contained in a detailed report of farming operations in Manitoba, Saskatchewan and Alberta received at the head office of the Canadian Northern the other day.

It is pointed out that the late fall in 1917 and the early spring of this year have compensated largely for any shortage in farm labor at this critical time. Recent reports to the Canadian Northern indicated that the new breaking along its lines would be between three-quarters of a million and a million acres, and that sufficient fall ploughing had been done to facilitate early operations this year. The report just in from 235 points, shows that up to the week ending April 17th, there was pronounced activity throughout all districts served by the lines of the Canadian Northern in the west. The condition of the ground was given as good, there being not a single complaint in respect to the state of the soil.

The indications are, from this report, that there will be a substantial increase in the acreage sown to wheat along the lines of the Canadian Northern Railway in the three prairie provinces. Some estimate this increase as high as 25 per cent., and the lowest percentage given is 10 per cent. Generally, it would appear that the operations for the crop of 1918 have commenced auspiciously.

EXPANDING BUSINESS ACTIVITY OF JAPAN.

No nation at the present time seems to be more keenly alive to the trade opportunities than is Japan, and probably no other nation is in as favorable a condition to promote it. Not only has her home market been utilized, but efforts are being made to introduce lines of goods specially suited for foreign trade, such as scientific instruments, jewelry, etc.

In line with this action is the plan to extend Japanese banking abroad. A Japanese banking commission has just completed a tour of South America, and it has been decided to establish banks in the following places:—Santiago and Valparaiso, Chile; Montevideo, Uruguay; Buenos Ayres, the Argentine; Rio Janeiro, Sao Paulo, Para, Pernambuco, Bahia and Manaos, in Brazil. These banks, it is understood, will not compete with Japanese commission houses or exporters, as American banks have done.

THE CANADIAN NEWSPRINT QUESTION

The newsprint section of the Canadian Pulp and Paper Association held a meeting the other day at the Ritz Carlton Hotel in Montreal, and dealt with the charge recently made by the American Newspaper Publishers' Association, that some of the newsprint exported from Canada was going to unfriendly alien newspapers. The Canadian manufacturers point to the fact that newsprint is exported from this country only under license from the Trade Board of Canada, which of itself is sufficient guarantee.

A reply to the memorial of the American Newspaper Publishers' Association was drafted, as follows:—

"The newsprint section of the Canadian Pulp and Paper Association, comprising the principal manufacturers of newsprint in Canada, notes with astonishment a resolution purporting to have been passed by the American Newspaper Publishers' Association, at their annual convention in New York, to the effect that a substantial percentage of present exports of newsprint paper from Canada and the United States is going to newspapers unsympathetic with the interests of the Allies, and demanding that the War Trade Board of Canada prohibit exports of newsprint paper from this country to other than allied countries.

"The manufacturers refrain from commenting upon the unusual circumstances of an organization of business men in a foreign country undertaing to control through the government of Canada any part of the export trade of this country, but would point out that so far as the export of Canadian newsprint is concerned, it is all done under licenses, issued by the War Board of Canada, which is a sufficient guarantee that none of these exports are sent to unfriendly alien countries.

"The shortage in the supply of newsprint paper, about which the American Newspaper Publishers' Association is justly concerned, is due, in a large measure, to the ill-advised attempts of the newspaper publishers to obtain their supplies of newsprint paper at a price inconsistent with the cost of its production. These attempts have led to prolonged government investigations in both the United States and Canada. In the United States some of the mills formerly devoted to the production of newsprint have found it more expedient and more profitable, as a result of this interference, to divert their mills to other uses. In Canada, where the industry has been under investigation for over a year, the result has been to imperil our foreign market; to undermine confidence in the future of the industry to the extent of rendering it inexpedient to invest new capital in its expansion and development; to provoke unrest and dissatisfaction among the labor employed in the industry, and generally to exercise a demoralizing effect upon the industry and to contribute to the difficulties and uncertainties with which newsprint manufacturers, in common with others, are confronted as a result of war-time conditions. Its ultimate effect, if persisted in, must be one of serious and lasting injury to the industry, of financial loss to those engaged in carrying it on, as well as of national economic detriment.

"Attempts to fix an arbitrary price for newsprint paper have had the effect that such attempts usually meet with, that of restricting production. Had the Canadian manufacturers of newsprint paper been left free to develop their business unmolested, in the same way that other Canadian industries have been left free, the industry would have made much greater progress in the last eighteen months. New mills would have been installed and the production increased to such an extent that the present complaints of a serious shortage would have been in large part, if not altogether, rendered unnecessary."

"Woe unto you that are full, for ye shall hunger."

Luke 6 : 25.

Not spiritually (although even the penalty of remorse may follow your neglect of this national warning) but ye shall hunger in the trying physical sense in which hunger now grips the peoples of Europe.

We know "it is difficult to talk to the belly which hath no ears," and it is just as difficult to persuade a person who has a full dinner before him to-day that he may want for food next month.

But you may as well let this fact sink into your mind—*the last people that Canada and the United States will allow to suffer for want of food are our fighting men,* and if a sufficient exportable surplus of food cannot be raised and saved by voluntary efforts, then very drastic rationing measures will be enforced.

It may astonish you to learn that in 1917 Ontario did not grow enough wheat for its own needs. Consequently every Ontario farmer whose land is suitable, has been urged to sow 5 acres more spring wheat this year so that Ontario's demand for wheat shall not be met at the expense of that portion of the Western crop that should more rightfully be shipped overseas.

For this same reason every householder who has a garden or a piece of vacant land is being urged to grow vegetables, because the more vegetables that are grown and eaten in Ontario, the less wheat and meat there will be consumed, and that being so, the Ontario wheat crop should then be sufficient to feed our own people, and leave more Western wheat and other foods available for export.

If you have not yet decided to plant a vegetable garden make up your mind to do so now. You will not regret it. There is still lots of time. Potatoes and beans may be planted up to June 1st and these are the best substitutes for wheat and meat.

For good, practical advice upon how to lay out and cultivate a Vegetable Garden, write for a free copy of the booklet entitled: "A Vegetable Garden for Every Home." This has been prepared by the Ontario Department of Agriculture for the guidance of citizens who will respond to this call for increased production.

Mail

This Coupon

NOW

Organization of Resources Committee, Parliament Buildings, Toronto 5

Dear Sirs :

Please send me a copy of your booklet "A Vegetable Garden for Every Home."

Name ....

Address ....

ORGANIZATION OF RESOURCES COMMITTEE
In Co-Operation with Canada Food Board

ONTARIO ONTARIO

Earn and Give Campaign for Boys

Six thousand Canadian older boys are invited to earn and give at least Ten Dollars ($10) to the Red Triangle Fund. That means $60,000 in all! Splendid! Five thousand dollars will be used for boys' work in India and China; another $5,000 for the National Boys' Work of Canada, and $50,000 to help the big brothers in khaki. Ask your local Y.M.C.A. representative for information and pledge card. When you have subscribed one or more units of Ten Dollars, you will receive a beautifully engraved certificate.

They Must Not Look in Vain!

AN officer was missing. His brother crept out and found him in a shell hole. He bore him back to the lines—dead. "Are you not sorry you ventured all this?" asked the commanding officer. "No," because when I found him he looked up into my face, smiled and said "I knew you would come!"

What could more fittingly illustrate the work of the "big brother to the soldiers"—the Y.M.C.A.! No danger is too great to be risked for the sake of the physical, mental and spiritual welfare of those dauntless heroes of Ypres, St. Julien, Vimy Ridge, Passchendaele! Everywhere he goes the Y.M.C.A. follows—faithful to the limit of its resources.

Y.M.C.A.

Red Triangle Fund

$2,250,000, May 7, 8, 9

Canada-Wide Appeal

Think of the inspiration to the Canadian Soldiers in this tremendous Campaign of 1918 as they learn that the folks at home are heart and soul behind them, showing it by a magnificent response to the Red Triangle Fund appeal—the worth while way!

Help the Y.M.C.A. to increase its helpfulness. Help it far as possible to measure up to the boundless need! Help with your money, that more and ever more soldiers can say, "I knew you would come!"

Many people are located at points where one cannot get into touch with any canvassers working in aid of the Red Triangle Fund. If you are so situated, send your money direct. Remit by cheque, money order or registered letter to Thomas Bradshaw, National Treasurer, Red Triangle Fund, 120 Bay St., Toronto. Make your contribution as large as possible, but whether large or small it will be welcome.

Can Need be Measured?

Referring to the Y.M.C.A. huts, Francis B. Sayre says in Harpers: "I have seen the halls so crowded on the occasion of some religious talks that after the benches were all filled and the standing room taken, soldiers kept crowding in through the windows to sit on the floor of the platform, and others remained outside to listen to the speaker through the windows."

A Village Without Y.M.C.A.

Here is the same writer's picture of a French village *without* a Y.M.C.A.: "With only evil ways in which to spend money burning in their pockets, with nothing to relieve the dull monotony of idle evenings, many of them began to get lonely and homesick, or to drift along dangerous paths.

"It was not many days before officers began to send hurry calls for the Y.M.C.A.: 'For God's sake come down before it's too late and do something for my men.'"

National Council, Young Men's Christian Association

Headquarters: 120 Bay Street, Toronto

John W. Ross, (Montreal)
National Chairman of
Red Triangle Fund Campaign

G. A. Warburton, (Toronto)
National Director of
Red Triangle Fund Campaign 24

Morale!

British Staff Officer Defines It —How Y.M.C.A. Enhances this Great Factor of Victory

"IS VICTORY always on the side of the biggest battalions?" was asked of a British staff officer, as recorded by Dr. John R. Mott in the "Ladies' Home Journal."

"It is and it isn't," he replied. "There's something else. You cannot chart it, you cannot weigh it, you cannot express it in any military figures. But Napoleon knew what it was and he called it 'morale.'

How Morale is Created

"I cannot define for you exactly what morale is, but I can tell you it comes in many different ways. I have known morale to be found in a cup of hot coffee. That sounds unromantic. But think what that means to a man who has had ten hours consecutive shelling.

"I have seen morale created by a man's taking a big risk; I have seen it sustained by a man's merely writing a letter home just before he went into action. You can describe morale," he continued, "in a score of ways, little and big.

"It may come from faith in a future life or from the thought that one is protecting the loved ones at home. *But if you want an easy and short definition of morale, you will find a good one in the four letters 'Y.M.C.A.'* "

Strengthening Morale

And he took his questioner to the window and showed him men trooping into a Y.M.C.A. hut.

"Those are men," he said, "who will be going up to the front line to-morrow. Some of them will be playing games, others will be writing home, others will be attending divine service, but each in his own way will find a strengthening of his morale in the comradeship of his fellows beneath the symbol of the Red Triangle and the inspiration for which it stands.

Y.M.C.A. Playing Big Part

"All this is a thing which I cannot show on my charts. But it is also a thing which is going to turn the balance in our favor. Go back and tell the people at home that a dry soldier, concerned alone with military calculations, believes that the Y.M.C.A. is playing a far bigger part in winning the war than any mere civilian can recognize.

"I do not speak to you as a philanthropist. That is not my job. But I want to see the end of this horrible business, and if a soldier's words have any weight, tell them at home to help the Y.M.C.A. to carry on its work."

25

SUITS AGAINST SHAREHOLDERS

Partially Paid Stock Subscriptions—Case Where Shareholder is Also Creditor

BY M. L. HAYWARD, B.C.L.

According to English, Canadian and American law, a subscriber or stockholder in a corporation can be sued by the corporation and compelled to pay for his stock or for any unpaid balance thereon. Such an action for unpaid stock is properly brought in the name of the corporation; but if the corporation becomes insolvent the capital stock and property of the corporation are regarded as a trust fund for the payment of its debts, so that the creditors have a lien upon the corporation funds for the payment of their claims in preference to the claims of the shareholders.

It follows, then, that if a corporation becomes insolvent the assignee or receiver of the corporation may bring action against a stockholder for unpaid stock for the purpose of having the money paid into the funds of the corporation to satisfy the claims of the creditors.

All this is very elementary law, but in this connection a point arises that apparently has not yet been passed upon by the Canadian courts.

The point referred to arises where a shareholder has a claim against the insolvent corporation, which arose before the insolvency, for services, money lent, or any other valid debt, and when sued by the assignee or receiver he claims that he has a right to "set off" the debt from the corporation to him against his debt to the corporation for the unpaid stock. Is this set off allowable?

The American courts, practically without exception, hold that the shareholder cannot do this on the ground that the capital stock of the corporation is a trust fund for the payment of its debts, and that the debt due by him to the trust fund and the debt due from the corporation to him are not in the same right.

Capital Stock is a Trust Fund.

"It is too firmly established," says the Maine Supreme Court, is a case on the point, "at the present day to be questioned that the capital stock of a corporation is a trust fund for the payment of its debts. It is a substitute for the personal liability of the individual members of private copartnerships, and those who deal with the corporation have a right to rely upon its capital stock for their security. Unpaid stock is as much a part of the assets of the corporation as the money that has been paid in upon it. Creditors have the same right to insist upon its payment as upon the payment of any other debt due the corporation, so far as it is necessary to the satisfaction of debts due from the corporation. During the existence of the life of the corporation it is a trust to be managed for the benefit of the stockholders; but in the event of its dissolution, or insolvency, it becomes a trust fund for the benefit of its creditors. If in such case the assets are not sufficient to pay all its debts in full, each creditor is equitably entitled to receive a ratable share of the assets which remain. Hence it follows that where proceedings have been instituted to obtain a general distribution of the assets of an insolvent corporation among its creditors, the shareholders cannot at common law, when sued for the amount due upon their unpaid stock, set-off debts due to them from the corporation."

The same principle has been laid down by the New Jersey courts in the following words:—

"The debts are not substantially the same. They are not in the same right. The capital stock of the bank is a trust fund for the security and payment of the creditors, and it is the duty and legal obligation of the stockholders to pay it in according to their agreement, in order that it may be applied to the payment of the debts. A stockholder is not relieved from that duty and obligation by the fact that he is a creditor. To permit him to set off the debt due him would, where the corporation is insolvent, manifestly give him a preference as a creditor. To this he is not entitled. It is the right of the other creditors to have him pay in the money due from him for stock as part of the fund for the payment of the debts."

Following out the above line the United States courts have also established the principle that a creditor of an insolvent corporation who has reduced his claim to judgment may proceed against a stockholder for his unpaid stock, either to satisfy the judgment creditor, or to render the amount liable for the claims of all the creditors who join in the action. In such a case is the stockholder entitled to set off a debt due to him from the insolvent corporation?

The rule which has been laid down by the majority of the American courts is that the stockholder is not entitled to do so. If he could it would be manifestly unjust, as, if the stockholder owed $1,000 on his stock, and the corporation owed him $1,000, and he could set off one claim against the other, he would get his claim in full while the ordinary creditors might be able to collect but a few cents on the dollar.

Debt Due Stockholder Not Superior.

"It is a fundamental principle," says the Iowa Court, "that the capital stock of a corporation is in the nature of trust property held for the benefit of creditors. As there is ordinarily no individual liability of the stockholder in excess of his obligation to pay in full for his stock, it appears to us manifestly unjust to allow him to set off his claim as a creditor against his liability as a stockholder. If permitted to do so, his claim as a creditor might be paid in full while the other creditors would receive only part of the amount due them. It is true a stockholder has a right to deal with a corporation the same as any other person, and if sued by the corporation for unpaid instalments on his stock, he may have the right to set off debts due to him from the corporation. But as against the claim of a mere creditor, who has the right to demand that the capital stock shall be kept unimpaired for the payment of creditors, it is apparent that the rights of the parties are quite different. The debt due to a stockholder ought not to be held as superior to the claims of creditors."

The following quotation from the South Carolina Court is to the same effect:—

"Suppose, every stockholder of an insolvent corporation had a claim against it equal to the amount of his unpaid subscription, and that there were other creditors holding claims to a much larger amount than those held by all the stockholders. If the stockholders could set off their claims against the amounts due by them upon their unpaid subscription, no other creditor would get a cent upon his claim. This would give a preference to those whose acts caused the insolvency of the corporation over those who had no control in its management and in no respect chargeable with its failure."

The same rule has been followed by the United States Federal Courts and by the Colorado, Michigan, Nevada, New Jersey and Pennsylvania courts, in addition to the Iowa and South Carolina courts already referred to.

In New York and Missouri, however, the courts hold that where a judgment creditor attempts to collect the unpaid stock subscription to apply it to the payment of the creditor's own judgment, and not for the benefit of all the creditors of the corporation, the stockholder may set off his debt in the ordinary way.

The following quotation is from the Missouri Court:—

"The argument of those who deny the equity belonging to the relation of a stockholder as a creditor starts with the proposition that all capital and obligations for unpaid capital constitute a trust fund for creditors—a proposition which everyone in this country will admit. It is next argued that if a stockholder is permitted to bring forward his claims against the company as an offset against his liability to creditors, he would in this manner obtain payment of his demand in preference to other creditors. Accordingly he is entirely excluded by this course of reasoning as a creditor, and the trust fund in dispute is handed over entirely to the suing creditor, who thereby obtains full preference and satisfaction of his demand, thus obtaining the advantage which was denied to the other creditor, merely because he was a stockholder. It is difficult to perceive on what principle one creditor should be preferred to another. The injustice of the inequality is as apparent when it is suffered by one as by the other. A stockholder has the same right with a stranger to become a creditor of the company. Neither is there anything illegal or reprehensible in the mere fact of his being indebted to the company for unpaid stock. It may be that he has paid all calls which have been made upon him, and that he is not delinquent in any respect. Be this as it may, his unpaid stock constitutes assets of the company in like manner as if paid up, and creditors along with himself may be regarded as contracting with the company on the faith of this unpaid stock, in like manner as if paid up. It constitutes the same amount of assets in whatever form it may be. The defendant, notwithstanding he is a stockholder, has the right as a creditor to a share in this fund."

It is submitted, however, that the majority rule of the United States courts and not the New York rule expresses the true principle and that it would be followed in Canada.

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ALBERTA COAL

According to a booklet recently issued by the Coal Operators of Northern Alberta, 3,000,000 tons of coal are annually imported into Western Canada from the United States. At the same time the mines of Alberta are running at less than their full capacity, and are, if necessary, capable of supplying all the needs of the West, and thus releasing a large quantity of coal which might be used to advantage in the United States and Eastern Canada.

While the further use of local coal in the West is to be desired, the freight situation there is so serious that government action would in all probability not be effective in remedying the situation. The labor involved in increasing the production might be more profitably used in transportation. It is no satisfaction to the citizens of Brantford, who have offered $40 a cord for wood, to know that Alberta mines are unable to obtain sufficient coal orders at $3 per ton.

LIBERTY LOAN PAMPHLET

Spencer, Trask & Company, New York, have issued for gratuitous distribution a timely and informative pamphlet giving in concise form the salient features of the Six Liberty Loans which will be outstanding when the present Third Liberty Loan 4¼'s will have been issued.

Sir Herbert S. Holt, president of the Royal Bank of Canada, who returned on April 25th from his trip to Cuba, where he inspected the bank's branch system, stated that business conditions were wonderfully prosperous there. The boom in sugar has stimulated development to a wonderful extent, he said, and with settled conditions politically, the island is going ahead very fast.

APRIL MUNICIPAL BOND SALES

Largest for the Month Since 1915—Montreal Catholic Schools Sells Issue

The municipal bond sales in Canada during April totalled $3,968,995, compared with $9,191,643 in March and $1,182,974 in April a year ago. The April records of municipal bond sales at home for the past nine years are as follows:—

April.	Municipal bond sales in Canada.
1910	$6,805,078
1911	3,910,288
1912	927,160
1913	3,693,857
1914	2,847,953
1915	8,603,094
1916	1,979,852
1917	1,182,974
1918	3,968,995

The following are the details of the April sales:—

British Columbia.

Municipality.	Rate %.	Term (years).	Amount.
Courtenay	6	20	$ 20,000
Revelstoke	5½	10	8,500
Victoria	6	10	1,000,000
			$1,028,500

Saskatchewan.

Municipality.	Rate %.	Term (years).	Amount.
Moss Bank	.	..	$ 3,000
Saskatoon	5	30	100,263
Frontier	.	..	7,500
			$ 110,763

Alberta.

Municipality.	Rate %.	Term (years).	Amount.
School Districts	7	10	$ 17,480
School Districts	7	7	2,000
			$ 19,480

Quebec.

Municipality.	Rate %.	Term (years).	Amount.
Verdun	6	5	$ 450,000
Sherbrooke	6	5	150,000
Grand-Mere	6	10	40,000
Montreal Catholic Schools	.	..	1,650,000
			$2,290,000

Ontario.

Municipality.	Rate %.	Term (years).	Amount.
Bradford	6	30	$ 15,600
County of Lincoln	5	10	50,000
County of Essex	6	20	60,000
Niagara Falls	5	20	20,000
Niagara Falls	5	30	6,152
County of Wentworth	6	5	150,000
Listowel	6	20	40,000
Niagara Falls	5	30	28,500
Belleville	6	10	50,000
Kingston	6	30	100,000
			$ 520,252

The following table summarizes the above details:—

Province.	Municipal bond sales, April, 1918.
British Columbia	$1,028,500
Saskatchewan	110,763
Alberta	19,480
Quebec	2,290,000
Ontario	520,252
	$3,968,995

The following table shows the sales of municipal bonds, in Canada only, during the past three years and this year to date:—

	1915.	1916.	1917.	1918.
January	$ 1,784,947	$ 1,909,441	$ 1,969,256	$ 561,000
February	3,047,011	1,419,909	458,874	5,243,279
March	2.572,357	2,027,741	229,013	9,191,643
April	8,603,094	1,979,852	1,182,974	3,968,995
May	3,464,281	2,649.000	1,375.039	....
June	2,395,744	3.043,283	1,642,003	....
July	1,618,422	1,521,525	3,814.489	....
August	1,087,415	852,447	4.637,836	....
September	2,768,484	960,435	440.268	....
October	1,245,874	1,361,665	398,771	....
November	1,645,892	1,246,480	917,191	....
December	1,676.693	669,000	890,000	....
Totals	$31,910,214	$19.640,778	$17,955,714	$18,964,917

The sales of Canadian municipals in the United States market during the past three years, and this year to date, compare as follows:—

	1915.	1916.	1917.	1918.
January	$ 340,000	$ 3,183,215	$ 2,454,000	$ 10,000
February	6,471,000	899,500	485,725	300.000
March	6,543,947	595.000	120,440	Nil
April	7.100,825	2,158.306	1,563.200	Nil
May	600.000	7.219,000	Nil	....
June	Nil	3.393,243	80,000	....
July	890,000	3,631,200	1.530.000	....
August	750,000	97.300	Nil	....
September	6.748.342	200.000	Nil	....
October	1.589.000	Nil	Nil	....
November	4.000,000	7,894.000	Nil	....
December	450,000	3,065.000	Nil	....
Totals	$35.483.114	$32,335.764	$ 6,233,365	$ 310.000

MUNICIPAL BOND MARKET

Province of Ontario.—Messrs. Macneill and Young, of Toronto, have been awarded a block of $500,000 6 per cent. treasury bills.

Tweed, Ont.—Messrs. Macneill and Young, of Toronto, have been awarded a block of $10,000 6 per cent. bonds, payable in 20 annual instalments.

Montreal, P.Q.—The city council authorized the city clerk to prepare a by-law authorizing a temporary loan of $2,000,000 in anticipation of revenue.

Kingston, Ont.—City awarded a block of $100,000 6 per cent. 30-year bonds, to yield 6.10 per cent., to Messrs. A. E. Ames and Company, Toronto, in joint account with Messrs. Wood, Gundy and Company, Toronto.

Brampton, Ont.—Messrs. Brent, Noxon and Company, of Toronto, have been awarded a block of $60,000 6½ per cent. bonds, payable in 30 annual instalments for High School purposes, and a block of $35.000 6½ per cent. 10 and 30-year local improvement bonds.

Montreal, Que.—The date for receiving subscriptions for the Montreal Catholic School Commission debentures has been extended from May 1st to May 15th. Up to April 29th, $1,650,000 had been subscribed and it was expected that the whole amount would be taken by May 15th.

Victoria, B.C.—The city has awarded a block of $1,000,000 6 per cent. 10-year notes, of which $525,000 went to Messrs. Macneill and Young, Housser, Wood and Company, Morrow and Jellett, Toronto, and Greenshields and Company, of Montreal; $250,000 to the Dominion Securities Corporation, and Wood, Gundy and Company, Toronto; $150,000 to the Oxford Securities Corporation, Limited, Toronto, and the balance to a western bond house. The information given in last week's issue regarding this matter was not quite correct.

UNITED STATES CREDIT FOR CANADA

Sir Robert Borden, and Sir Thomas White have succeeded in arranging a credit of $40,000,000 in Canada, for the British government. The latter, it is understood, is to purchase the entire exportable surplus of Canadian cheese, and the credit has been established for this purpose.

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THE WESTERN OUTLOOK

Crop Conditions Favorable—Money Plentiful in the West —The Loan Situation

(Staff correspondence.)

Brandon, April 28th.

The west, as far as seeding and spring operations are concerned, got off to one of the best starts in many years, and the outlook is promising. At Portage la Prairie and on the Portage Plains, where there has never been a crop failure, the season is exceptionally well advanced. Wheat seeding was completed a week ago, the soil being in splendid shape to receive it. High winds, causing drifting of the soil, have been somewhat bad this spring, but in the Portage district the soil is very heavy and no serious results are expected from this cause. Little increase in acreage has been sown.

In the Brandon district and western Manitoba similar conditions prevail. Wheat seeding is completed, and under the most favorable conditions.

In discussing the outlook with *The Monetary Times*, a large dealer in farm lands in Brandon said:—

"Brandon city is digging itself in more firmly than ever before. It is on a firm foundation. First, we have no failures to report in business. Second, we have a large number of prosperous merchants, who are doing a larger cash trade than ever before. Their very windows seem more cheery and inviting. The masses are adopting the system more than ever of carrying home their parcels from the stores. This is in itself a wonderful saving; it enables the merchant to put more goods in the parcel.

"In place of standing still during this terrible war, stores are being built on Tenth Street. A modern office building has just been completed by Mr. Patterson, opposite the Cecil Hotel, a beautiful building for financial and mercantile purposes. There is also some outside money being invested here. A modern apartment building is just being completed. There are also a number of cottages being built around the city. Messrs. Bartlet and Beaubier are erecting two fine stores on Tenth Street, leases for which have already been signed for a term of years. The demand for good homes is increasing.

"From the agricultural viewpoint, this district is going in still more for live stock. There is also a great demand for milk, butter and eggs, and, with high prices prevailing, the farmers everywhere are prosperous. At least 70 per cent. of the seeding is done at this date. Farmers are sowing more rye and coarse grains than ever.

"Land is higher and in greater demand than has been the case for some time. One half-section sold for $67 per acre, three miles from the city; another sold for $55 per acre, six miles from the city, and another brought $50 per acre. This is a sample of the prices being paid for good farms here.

"A sight worth seeing in Brandon on Saturday afternoons and evenings is the farmers' cars standing at the shopping centre. Farmers are right up to date, and are the most prosperous members of the community."

Mortgage Loan Situation.

Mr. J. R. Stone, a prominent loan man of Brandon, general agent for Manitoba and Saskatchewan of the Hamilton Provident and Loan Society, said to *The Monetary Times*:—

"During the past year this society's maturing mortgage instalments, both of principal and interest, were exceptionally well met. The yield from the 1917 crop was in some cases only moderate, but the high prices for all grains enabled farmers to meet their liabilities to probably a greater extent than ever before. Not only the prices secured for their grain enabled them to do this, but we note a marked tendency towards economy among the farming population. There is a decided tendency to refrain from purchasing anything that they cannot see clearly how they are going to pay for and a strong desire to reduce their present liabilities. For the past two years there has been but a very small demand from farmers to borrow on farm mortgage loans, and but a very limited demand for farm lands. There is in the last few months a very decided change, and dealers in farm lands all report a good demand. This society have a large farm mortgage business in both Manitoba and Saskatchewan, and have not an acre of farm land on hand. The labor situation has been a cause of worry to many farmers, but the early spring, coupled with the almost perfect condition of the soil, has enabled numbers of farmers, even though short of help, to complete wheat seeding at an earlier date than they were able to start on the land last year. The seed is being sown under the best of conditions, and all present indications point to an increased acreage."

Regina, April 30th.

District Business Good.

Crop conditions are well advanced in the Regina district, and reports indicate that Saskatchewan will show a considerable increase in acreage over last year. In discussing the situation with Hon. A. C. Dunning, minister of finance in the Saskatchewan government, who has had charge of the Greater Production campaign, he told *The Monetary Times* that the prospects at the present time for a record crop were never better, the labor situation was satisfactory, and little hardship for the spring work in this connection had been felt. Mr. Dunning pointed out, however, that the new Military Service Act would undoubtedly work a hardship on the western farmers, taking up, as it would, all the young men. He felt that the situation would have to be met by other means, and that the present war situation demanded sacrifice from everyone.

The seed in the Regina district has gone in under very favorable circumstances, with plenty of moisture to give it a good start. Wheat seeding is, in many instances, completed, and is easily several weeks ahead of last year. General conditions in Regina are very good. There is not a house or an apartment to be had, and rents have advanced considerably, five-room suites easily bringing $50 a month. Wholesale houses report a good volume of business. One prominent wholesale grocer told *The Monetary Times* that they never had as little credit on their books as this year, and that their outstandings were less than they had been for several years. Implement dealers have done splendid business this spring, mostly on a cash basis. The farmers, as a whole, have money in the bank and are not asking for credit.

Opportunities for Investment in Regina.

There are splendid opportunities for investment of funds in Regina at the present time in apartment blocks, wholesale houses, or in retail stores. The immediate need for these was pointed out to *The Monetary Times* by L. T. McDonald, the energetic secretary of the Regina board of trade. Funds invested in any of the above would show excellent returns. The T. Eaton Company have started work on their large mail order house at Regina, which is to be rushed with all possible speed to take care of the fall trade. The Robert Simpson Company report splendid business from their Regina branch.

If the telegraph business is a fair criterion, business conditions generally throughout the west are excellent, according to W. M. Marshall of Winnipeg, assistant general manager of Canadian Pacific Railway telegraphs.

Mr. Marshall states that business men had accepted war conditions, and were extending their businesses in all directions, the result being a very marked improvement during the past few months in commercial telegraph traffic.

Another indication that the country is financially prosperous, in Mr. Marshall's opinion, is the large sums which are being donated in individual subscriptions to the Red Cross fund and other war and patriotic funds.

MORTGAGE AND TRUST COMPANIES' ASSOCIATION OF BRITISH COLUMBIA

The annual general meeting of the Mortgage and Trust Companies' Association of British Columbia was held in the board room of the Mainland Fire Underwriters' Association, on Tuesday, the 16th day of April, 1918, at 3 p.m. Present, the president, Mr. G. L. Smellie, in the chair, and 18 representatives. Mr. John Appleton, secretary-treasurer of the Dominion Mortgage and Investments' Association, of Toronto, was also present and addressed the meeting.

The report of the executive committee, outlining the work done during the year, which was read and adopted, drew attention to the fact that the association had asked the government to make certain amendments to the "War Relief Act," the "Land Registry Act," the "Trustee Act," and also in land registry office regulations.

The membership of the association now comprises thirty-one representative financial houses.

The election of officers resulted as follows:—President, G. L. Smellie; vice-president, J. R. Waghorn; secretary-treasurer, Geo. L. Schetky; executive committee, Messrs. A. C. Stirrett, R. Kerr Houlgate, A. E. Plummer, H. M. Forbes, G. H. Dorrell and J. L. Kerr.

A more detailed report of the proceedings will appear in a subsequent issue of *The Monetary Times*.

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THE COMING REVOLUTION

Increased Importance of Organized Labor — Great Changes Impending

BY MR. J. L. PAYNE.

Charles M. Schwab is alleged to have said that inside of a relatively short time labor will control the principal nations of the world. There is some controversy as to what Mr. Schwab actually said, and still more as to what he meant; but the preponderance of opinion is in favor of assuming that he predicted a dominating position for organized labor, as distinct from labor in the broadest sense. It is not worth while to pause and debate the value of Mr. Schwab's prophetic instinct as against the judgment of any other man with open eyes and a clear head. The immediate point of interest is that Mr Schwab anticipates a vast and vital revolution—economic, political and social in character—and that he may be within the realm of probability.

Mr. Schwab does not stand alone in his view of probabilities. Everybody who observes and thinks is convinced that great changes are impending. It appears impossible anything else can happen than that out of the welter and woe of the war will emerge a new world. Will it be a better world? If not, then the crushing thought is unavoidable that all the slaughter and sacrifice, on the battlefield and in the homes of millions, will have been in vain.

What will be the trend of the approaching revolution as it develops? What forces may be expected to give direction to the upheaval? In other words, what changes will be sought, and what agencies will be likely to co-operate in bringing them about? Such questions open up a field of speculative thought so expansive and perplexing that one not only shrinks from invading it, but lays himself open to the reproach of immodesty in offering a forecast.

Democracy Secure.

No special prescience is required to foresee the first demand of stricken and suffering humanity. Wars must cease. The clash of nations in battle must be made impossible. That means the establishment of a firm and enduring democracy the world over; for the true cause of the present Armageddon, as in the case of all preceding conflicts, will be found to rest in autocracy. The common people have had no voice in the matter. We Britons may say that monarchies of the German type will disappear in the coming revolution, and ought to. We live under the broadest and most flexible democracy in the world, and can sing "God Save the King" with a clear conscience. The people of other countries will insist on having corresponding freedom, and that is what President Wilson meant when he said "the world must be made safe for democracy." The last trace of kingly prerogative over the will of the people must go. Then by agreement war could be made impossible.

Upon this foundation of a triumphant democracy many new structures will be built. Others will be begun and abandoned, since it has been a common characteristic of all recorded revolutions that the wildest spirits in the community have been heeded first. Their unsound creations have perished, however, under the pressure of riper judgment. History will probably repeat itself. Be that as it may, we may look for an early effort to settle relative rights of capital and labor. Mr. John D. Rockefellor, Jr., has recently announced the only hopeful basis of a permanent settlement. He believes that misunderstanding has been the chief cause of nearly all conflict, and that the moment the mutuality of capital and labor is recognized by both sides all danger of trouble will be removed. Unrest, suspicion and hostility will disappear, and co-operation, with a reasonable share to labor of the profits of production, will succeed to the plan now in vogue.

Capital and Labor.

In my humble judgment, a reform of even more sweeping significance will be attempted, and should succeed, if the lessons of the war have been learned—and that is a sane and scientific treatment of the production, distribution and sale of food. This will involve the recognition of the rights of both producer and consumer. Their interests are just as mutual as are those of capital and labor; yet under the existing system, if it can be said there is anything whatever in the nature of an organized plan, these two classes—in either of which every soul in the country belongs—have never come together for the purpose of even talking over their business relations. The middleman has controlled the situation, and he has not always been just to either. He has very often thriven at the expense of both, and he has, more than all other causes combined, been responsible for the flight of prices since 1893. He need not be eliminated. In fact, he is necessary; but he can be controlled, just as one of the other agents in the scheme of distribution, the railway, is now absolutely controlled. This is a very big question, which touches everybody, and it simply must be settled. Up to this moment there has not been the slightest effort to regulate the huge business of producing and selling food, and, when the matter is calmly examined, there is no reason in the world why a practicable plan should not be worked out. No greater benefit of an economic character could accrue to mankind; for food prices lie at the foundation of all prices.

Something will probably be done to limit the wealth of individuals; and, as collateral to such an untried measure, we may look for the permanent application of the principle which is crystallized in our present income tax and surplus business profits tax. The two things would run together. Of perhaps larger importance would be the attempt to set up a definite plan for the operation of public utilities, to which will be linked an extension of state ownership. That is to say, a sharper line will inevitably be drawn between the duty of the state and the rights of corporations, or individuals, to operate certain enterprises. Large problems are at once suggested. Going one step further, it is not impossible that the radicalism of the new and vitalized democracy will declare against the private ownership of land, and provide for the gradual return to the state of all rights in that regard. Such a scheme has for twenty-five years been in process of execution in New Zealand; so that it is by no means novel. Thus, in two paragraphs, has been sketched a series of changes, all of them possible and some of them probable, which would create practically new foundations for the economic life of the nation.

The Moving Force.

What forces might be expected to come into play for the development and execution of these revolutionary measures? Precisely the forces which have started and carried out all revolutions—the more or less submerged, hitherto inarticulate, but nevertheless powerful, common people. They have long felt the inequalities of the existing order. They have been steadily rising to a sense of their power in combination. There is no need, however, for alarm. The two greatest revolutions in history, the French in 1789 and the Russian in 1917, were evolved out of conditions essentially different from those which prevail in America and Great Britain. Relief from autocracy and despotism were the primary objects sought, and both movements were in the hands of men wholly unfitted to govern. The chasm between the ruling classes and the masses was wide and deep. Neither on this side of the Atlantic nor in Great Britain do these conditions obtain. In France, as in Russia, 80 per cent. of the revolutionists were illiterate. A mighty safeguard in Anglo-Saxon countries is the ability of the proletariat to read and write. We invested wisely when we set up compulsory education. The means of getting together, which is the secret of harmony by co-operation, are at hand. This will undoubtedly prevent spasmodic and half-digested efforts at reform; but, since we are all agreed that the world is in the melting pot, the smouldering desire of the masses for changes is certain to burst into flame as soon as the war is out of the way.

Wider Social Changes Also.

There will also be a social revolution. We hear the first rumblings of discontent in the demand that hereditary titles shall not be planted on our soil. Under any circumstances, ten years hence, the real aristocracy will be made up of those who have done something of real value in the war. We see a rapidly and peacefully developing movement for the larger recognition of women in our scheme of government. The question is being asked as to whether or not the Christian Church as an organization has not given first place to creed rather than to service, and in the answer lies the possibility of far-reaching changes in the relationship of religion to the every-day life of the people. Unless the principles taught by the Divine Master are made the foundation of all that is either attempted or done, the world will not find a permanent solution of its problems nor a real betterment of conditions. There is a consensus of judgment among thinking men and women that the bitter discipline of war was needed to check the saturnalia of extravagance which had grown out of two decades of unprecedented prosperity. The basic unit of the state—the home—had been imperilled by this madness. What greater blessing could come to us than a swift return to simplicity of life? The war has given effect to a levelling

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process in society. Men and women have been co-operating in a great many ways without regard to ordinary social distinctions, and all that must have a more or less permanent effect. Moreover, it is impossible that the spirit of genuine service which has been created can perish. It will take other useful forms of demonstration when the guns have been silenced in Flanders. In a word, in our social relations, as in every other relation, the practical recognition of brotherhood would cure all our ailments.

One closing word. No apology need be offered for the foregoing observations. The writer may be astray in some aspects of his diagnosis and in some of his predictions based thereon. But he has not gone outside the realm of possibility. Sound thinking at this stage will pave the way for that co-ordination of sagacity and effort which alone can ensure safety when the day of settlement comes. Enough has been suggested to arouse those who sleep.

STEEL INDUSTRY IN BRITISH COLUMBIA

Bill Introduced in the Provincial Legislature Granting a Bonus on Pig Iron Production

(Staff Correspondence.)

Vancouver, B.C., April 25, 1918.

Iron ore deposits in British Columbia and the value of a bounty to encourage and assist iron and steel manufactures were discussed by Hon. William Sloan, provincial minister of mines, in connection with the proposal before the British Columbia legislature to grant a bonus on pig iron produced in the province. Figures given by him will be of further interest because a committee from the coast has been at Ottawa seeking federal aid to develop the steel industry in a section of Canada where ore is abundant and where steel is more and more needed.

It was pointed out by Hon. Mr. Sloan that in attempting to give any idea of the iron ore deposits of the coast of British Columbia, the fact is apparent that none of the known deposits have been worked other than superficially, and few have received any further development than very shallow open cuts, tunnels or shafts. It is estimated that for Vancouver Island and Texada Island alone, the actual and probable ore totals over five million tons, which would be sufficient to supply the requirements for 25 years, if the raw material necessary for a blast furnace is placed at 200,000 tons of ore a year, which is equivalent to 100,000 tons of pig iron. One engineer has given an estimate of the magnetic iron ore on the southern coast of the province, as far as he examined it, of 10,500,000 tons.

As to coal available for coking purposes, there is no supposition, as British Columbia mines have an established reputation. In 1916, the value of the product of the collieries was $8,900,675, and in 1917, $8,518,784. In 1916, coke produced amounted to 267,725 tons, valued at $1,606,350, and last year 159,554 tons of coke brought $957,324. In submitting these figures, Hon. Mr. Sloan did not refer to the difficulties in 1917 of maintaining the coal and coke output. At present the manufacture of coke is but an incidental, and most of it is produced at the Crow's Nest Pass Collieries, while a small amount is made at Union Bay, Vancouver Island. This industry is but in its infancy, and within the year the output will be increased by the inauguration of a coal mining and coke manufacturing industry by the Granby Company. With a demand for fuel for smelting purposes, there is no question but that it will be forthcoming.

Federal Bounty as Precedent.

The bounty granted by the Dominion government was referred to to show that the policy of offering a bonus on the production of iron is not an experiment. In 1894, the Federal government offered a bounty of $2 a ton on pig iron and steel, which was raised in 1897 to $3 a ton. In 1899, the bounty was graded down, and in 1903 a bounty of $3 a ton was placed on wire rods; $3 a ton on structural steel and the same on rolled plates. These bounties were extended to 1907. Pig iron manufactured from Canadian ore from 1907 to 1910 was allowed a bounty of $2.10 per ton in 1907 to 90 cents per ton in 1910. On pig iron manufactured from foreign ore during the period extending from 1907 to 1910, there was a bounty graded from $1.10 per ton in 1907 to 40 cents per ton in 1910. On puddled iron bars, it was placed at $1.65 per ton in 1907, and graded down, until in 1910 it was 60 cents per ton. Bounties were also given on rolled round iron bars. The two companies which derived the greatest advantage from this policy were the Nova Scotia Iron and Coal Company and the Dominion Iron and Steel Company. That this policy proved beneficial, one has but to refer to the present standing of either of these concerns, which were extended a helping hand until able to care of themselves. While government assistance was a vital element in getting a steel industry started in British Columbia, it would also require application of intelligent, energetic and courageous management. It is important, Hon. Mr. Sloan pointed out, that when capital is ready to take up the task and able men with a thorough knowledge of what they are undertaking are prepared to enter into it, the government adopt a policy that will guarantee reasonable aid and assure them of stable conditions insofar as it is possible for a government to do.

The bill granting a bonus on the production of pig iron has been introduced in the British Columbia legislature in view of the fact that there is iron ore of good quality in the province, and that not only is there a market for steel that warrants a start being made in its manufacture here, but that some such action is necessary in the national interests as well as a provincial necessity.

DOMINION INCOME TAX

There have been a number of booklets prepared relative to the Canadian income tax, but one of the most instructive is a digest by Mr. R. Easton Burns, C.A., which gives the entire act, and also shows the discussions in the house on each of the sections. The debates on the questions of minimum income, exemptions, and the application of the tax to partnerships and corporations, are thus clearly shown.

Mr. Burns summarizes the outstanding features of the act as follows:—

"It is a new departure in Canadian methods of raising money for Federal purposes.

"It affects all incorporated companies, associations, partnerships, trustees and persons, whether male or female, having an income of fifteen hundred dollars in the case of unmarried persons and widows or widowers without dependent children, and three thousand dollars in the case of all other persons.

"There is a normal tax of four per cent. on the net earnings of all incorporated companies in excess of three thousand dollars. Companies do not pay a supertax. Partnerships, as such, are not assessed, but each partner pays on his share of the net earnings of the partnership. Profits are assessable whether divided or distributed or not. The normal tax having been paid by a company an allowance is made to the shareholder of four per cent. on the dividends he receives.

"In addition to the normal tax there is a supertax on all incomes in excess of six thousand dollars, varying from two per cent. on incomes between six thousand and ten thousand dollars to twenty-five per cent. on incomes exceeding one hundred thousand dollars. For the purpose of the supertax the undistributed profits held by companies must be included in the returns made by the shareholders. The tax applies to incomes in 1917. In the case of companies which might be assessed for the year 1917 under the Business Profits War Tax Act, 1916, an assessment will be made under whichever act will produce the greater revenue for the government.

"The operation of the act will be under the direction of the minister of finance, to whom considerable discretionary power is given. Returns must be made by all persons liable to be taxed on or before February 28th in each year, beginning in 1918. Every company must make a return of its shareholders and of dividends paid. The finance department will scrutinize these returns and compare the returns made by the shareholders.

"All employers must make a return of their employees in receipt of sufficient income to render them liable to taxation.

"Accumulated profits earned prior to the operation of the act are, in the opinion of the minister of finance, assessable as income for the year in which they are distributed to the shareholders or partners."

In an effort to meet the difficulties caused by the reduction of staff through enlistments, and to release every eligible man possible for oversease service, the King and George Street (Toronto) branch of the Bank of Nova Scotia has been merged with and the business transferred to the Queen and Church Street branch.

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DIVIDENDS AND NOTICES

BANK OF MONTREAL

Notice is hereby given that a Dividend of Two-and-One-Half per Cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, also a Bonus of One per Cent., both payable on and after Saturday, the First day of June next, to Shareholders of record of 30th April, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
Montreal, 23rd April, 1918. General Manager.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 125.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 31st May, 1918, together with a bonus of one per cent., and that the same will be payable at the Bank and its Branches on and after Saturday, 1st June, 1918. The Transfer Books of the Bank will be closed from the 17th to the 31st of May next, both days inclusive.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 19th April, 1918.

THE NORTHERN CROWN BANK

HEAD OFFICE—WINNIPEG

DIVIDEND No. 19.

Notice is hereby given that a Dividend at the rate of 5% per annum on the paid-up Capital Stock of this Bank has been declared for the six months ending May 31st, 1918, and that same will be payable at its Banking House, in this city, and at all its Branches, on or after the first day of June next to shareholders of record at the close of business on the 16th day of May, 1918. The Transfer Books of the Bank will be closed from the 17th day of May to the 31st day of May, both inclusive.

By Order of the Board
ROBERT CAMPBELL,
Winnipeg, April 17th, 1918. General Manager.

THE ROYAL BANK OF CANADA

DIVIDEND No. 123.

Notice is hereby given that a Dividend of Three per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this Bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the first day of June next, to shareholders of record of 15th May.

By Order of the Board.
C. E. NEILL,
General Manager.
Montreal, Que., April 16, 1918.

Mr. Stanley Mann has opened an office in the McKinnon Building, Toronto, with the intention of conducting a stock and bond brokerage business. Mr. Mann was formally connected with Æmilius Jarvis and Company and Mackenzie and Company, of Toronto. He served with the colors and received his discharge from the army about a month ago.

Mr. B. M. Parr, provincial manager for Saskatchewan of the Monarch Life, who termed it, when speaking to *The Monetary Times* representative "as the most productive province in the world," said that his agency has practically doubled the business written in the first four months of 1918 as compared with the same period in 1917, and it was considered a bumper year.

NATIONAL FIRE PROTECTION ASSOCIATION

Many Changes Will Be Recommended by Various Committees at Annual Meeting This Month

The twenty-second annual meeting of the National Fire Protection Association is to be held in Chicago on the 7th, 8th and 9th of May. Advance copies of the reports of the various committees have been issued already, so that they may be fully discussed at the meeting. There will also be an address from Mr. W. E. Mallalieu, general manager of the National Board of Fire Underwriters, on "The Public Service of the Fire Underwriter in War-Time," and round table discussions on "Planning Hotels and Apartment Houses for Safety" and "Building Code Essentials."

The following are the committees from which reports will be received: Membership committee; public information; State fire prevention association; Canadian committee; work in fire prevention; fire and accident prevention day; electrical; private fire supplies from public mains; fire pumps; nomenclature; hydrants and valves; field practice; high-value districts; tanks; manufacturing risks and special hazards; explosives and combustibles; protection of openings in walls and partitions; safety to life; fire-resistive construction; uses of wood in building construction; laws and ordinances.

Special Committee Reports.

The committee on fire pumps will recommend certain changes in the regulations for steam, rotary and centrifugal pumps. The report of the committee on nomenclature is not materially different from the report of last year. Definitions which called forth special comment at the annual meeting have been reconsidered. An endeavor has also been made to secure uniform phraseology throughout. The use of words and their definition is considered with special relation to the purposes of fire protection, and the definitions submitted, therefore, are such as will suit the terminology of fire protection rather than the general or popular use of the words or terms. Changes are also to be suggested in the specifications for valves and hydrants. At the 1917 annual meeting the report relating to gate-valve control, then submitted, was referred back to the committee for further investigation. Since that time there have been some notable inventive developments in local supervising devices, based upon the former recommendations of the committee. From several reliable sources there are indications that practical solutions of devices and methods to control this evil are being perfected, and that, sooner or later, something satisfactory will be forthcoming. First aid and fire protection is also to be dealt with, including the questions of area, distribution, placing, recharging and maintenance, and hazard of freezing.

Explosives and Combustibles.

This committee will submit changes in their regulations for acetylene for welding and cutting. The question of the use of kerosene oil for household purposes, which has become more important on account of the shortage of coal, will also be dealt with. Many new stoves and heaters using oil have been thrown upon the market, and in some instances hazardous conditions have been brought about. A code of regulations has accordingly been provided to govern the use of kerosene and fuel for lighting, heating and cooking. Another question will be that of motion picture films, regulations for their protection, storage and handling having been prepared.

Safety to Life.

At the last meeting of the association the report of this committee was accepted, and it was asked to continue its study of the important and complex problem, with the hope that at the 1918 meeting it would be possible to adopt an association standard on methods of establishing the number of persons that could with reasonable safety be permitted in buildings of various types of construction and occupancy, and equipped with varying forms of egress and methods of protection.

The present report is framed accordingly, but for the present at least the regulations are to be applied only to factory buildings, as the problem of the mercantile building, the office building, the school and the place for public assembly differ materially. A plan for establishing number of occupants allowed in factory buildings has been formed, based on the capacity of the stairs and certain other conditions.

This committee, realizing the immense importance of having their establishment as nearly as possible in harmony with the ideas of investigators in this line of work, decided to attempt the assembly of a joint conference of as many technical bodies interested in the suggestion as possible. Two conferences have accordingly been held, at which the following organizations were represented: Committee on Fire-resistive Construction, National Fire Protection Association; Committee on Fireproofing, American Society for Testing Materials; National Bureau of Standards; National Board of Fire Underwriters; Underwriters' Laboratories; Association of Factory Mutual Fire Insurance Companies; American Institute of Architects; American Society of Mechanical Engineers; American Society of Civil Engineers; Canadian Society of Civil Engineers; American Concrete Institute.

Among the objects accomplished at these conferences was an agreement that fire-resistive materials and construction should be classified into three or more grades, based upon the degree of protection which they would afford when measured by the fire test conducted in accordance with a standard time-temperature curve. The adoption of a tentative standard time-temperature curve to control the conduct of the fire tests of materials and construction was also approved.

The committee will also make certain recommendations regarding emergency housing. This is aimed especially at meeting the war emergency situation existing in many industrial centres and to prevent the spread of fire in such structures as may be erected. Regulations are to be discussed for the use and construction of chimneys and heating appliances, dividing partitions, stairways connecting corridors, enclosed courts, etc.

A consolidated and revised report of this committee for the years 1913 to 1917, inclusive, has also been prepared. This report summarizes general definitions; specifications for construction of a standard building; classifications of building according to occupancy; grading of buildings and fire test specifications; specifications for construction of places of amusement; specifications for construction of hotels, apartment hotels and clubhouses; specifications for construction of a department store and of private residences.

GRAND TRUNK RAILWAY PROTEST

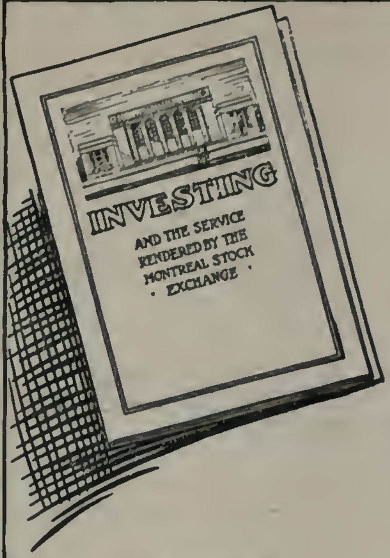
Discussing the Grand Trunk meeting, the "Financial News" says the contrast between the nursing of the Canadian Pacific and starvation of the Grand Trunk, which are among the most striking cases in Canadian railway history, renders more unseemly the suggestion that the government should take advantage of the Grand Trunk's distress to acquire it on break-up terms. Sir Robert Perk's resolution protesting against unjust treatment, his admonitions not being confined solely to the Canadian government, should not be lost on the ground of Canadian financial and commercial interests.

DEATH OF MR. GEO. WEGENAST

Mr. George Wegenast, managing-director of the Mutual Life Assurance Company, of Canada, and well-known in Canadian insurance and financial circles, passed away at the Kitchener-Waterloo Hospital, on Wednesday, May 1st, after a brief illness. He underwent a serious operation the day before, but his run-down condition proved a handicap in surviving the shock.

He was a native of Waterloo, being born there in 1860. He was a past president of the Life Insurance Officers' Association of Canada, and a member of the Actuarial Society of America. He was a member of the Methodist Church. He was chairman for the county during the Victory Loan campaign, and a trustee of the Kitchener-Waterloo Hospital Board. During 1914-15 he was reeve of the town, and chairman of the finance committee. He is survived by his wife, Hattie Snyder, daughter of the late John B. Snyder, and one brother, Isaac Wegenast, of Woodstock.

Mr. Thos. F. How, general manager of the Bank of Toronto, has just completed 42 years' service with that institution. During the course of his connection with the bank, begun when a boy of sixteen, he has acted as manager at Gananoque, Brockville, London and Montreal. He assumed the general managership in 1911.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Montreal and Toronto Stock Transactions

Stock Prices for Week ended May 1st, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi com.	....	48	165
Ames-Holden com.	19	18¾	396
" pref.	58	57¾	1512
Asbestos Corporation	....	....	....
" " pref.	....	....	....
Bell Telephone	130	....	....
British Columbia Fishing & Packing	63	49	....
Brompton	51	49	1036
Brazilian	34	33½	365
Canada Car com.	32	31¾	1191
" pref.	79	78	1631
Canadian Converters	....	....	...
Canada Cement com.	....	....	253
" pref.	....	90	66
Canada Cottons	61	59	75
" pref.	....	....	12
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	....	138	....
Canadian General Electric	....	....	....
Canadian Locomotive	60	....	....
Canada Steamship Lines com.	39¾	39⅜	1020
" " " pref.	....	....	15
" " " (Voting Trust)	....	....	....
Civic Investment	....	....	399
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	100
Consumers Gas com.	....	....	....
Dominion Bridge	....	....	....
Dominion Canners	29½	29	228
Dominion Iron pref.	91	..	41
Dominion Steel Corporation com.	61	59⅜	600
Dominion Textile	88½	88	267
" pref.	....	....	....
Goodwins Ltd.	10	....	....
Illinois Traction com.	....	....	....
" pref.	....	....	....
Lake of the Woods Milling com.	128	....	35
" " " " pref.	....	....	....
Laurentide Co.	163	161	115
Lyall Const. com.	76	74	593
Macdonald	14	13½	30
Mackay Cos. com.	....	....	....
" " pref.	....	....	5
Maple Leaf Milling com.	98	96½	15
Montreal Tramway	....	....	....
" " deb.	....	....	....
Montreal Telegraph	....	....	....
Montreal Cotton com.	....	50	25
" pref.	....	....	....
Nova Scotia Steel pref.	....	....	....
Ogilvie Flour Mills com.	....	....	10
Ontario Steel com.	28	....	....
" pref.	....	....	....
Penmans	76	74½	45
" pref.	....	..	....
Price Bros.	....	....	....
Riordan Paper	117½	117½	120
" pref.	....	.	....
Quebec Railway, Light, Heat & Power	18	16	45
Shawinigan Water & Power	....	....	22
" " " rights	....	....	....
Spanish River com.	15	11	....
" pref.	....	....	....
Smart Woods	60	58	....
Steel Co. of Canada	58¾	58⅝	839
" " " pref.	....	....	....
St. Lawrence Flour Mills com.	64½	63½	40
" " " pref.	....	....	....
Toronto Railway com.	....	....	....
Wayagamack	....	....	....
Bank of British North America	....	....	....
Bank of Commerce	185	....	173
Bank of Montreal	210	....	4
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	140	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	248	....	....
Dominion Bank	....	....	....
Merchants Bank	167	....	3
Molsons Bank	179⅞	....	3
Quebec Bank	....	....	....
Royal Bank	208	....	24
Standard Bank com.	....	....	....
Union Bank	151	....	13

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	68	....
Bell Telephone	....	....	....
Canadian Car.	....	....	....
Canada Cement	....	....	....
Canadian Converters	....	....	....
Canada Felt	....	....	....
Cedars Rapids	....	84	....
Dominion Coal	....	85	....
Dominion Cotton	....	....	1500
Dominion Iron and Steel	85	84	3000
Dominion Textile A	....	....	....
" " B	....	....	....
" " C	...	....	....
" " D	....	....	....
Lake of Woods Milling	....	....	3000
Laurentide	....	101	....
Lyall Construction Co.	....	....	7000
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	3000
National Breweries	....	....	....
Nova Scotia Steel	....	....	....
Ogilvie A	....	100	....
" B	....	100	....
" C	....	100	1000
Penmans	....	....	....
Price Bros.	....	....	....
Quebec Railway, Light and Power	....	....	1000
Riordan Paper	....	....	....
Steel of Canada	...	...	1000
First Dominion War Loan	91⅞	91⅝	17200
Second Dominion War Loan	....	92½	19300
Third Dominion War Loan	....	92⅛	7700
Wabasso Cotton	81	....	....
Wayagamack	....	....	2500

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	19½	18½	....
" pref.	54	52	60
American Cynamid	34	30	....
Bell Telephone	....	....	10
Barcelona	9¾	9½	25
British Columbia Fish	50	49	20
Brazilian	33¾	33½	378
B. C. Packers	....	....	....
Canada Bread	17	16	20
" pref.	....	....	15
Canadian Car & Foundry	33	32	35
" " " pref.	....	78	150
Canadian Canners	....	....	....
" pref.	....	....	....
Canadian General Electric	102½	102½	....
" " " cum div. pref.	....	....	10
Canada Landed & National Investment	....	....	....
Canadian Locomotive	....	....	...
" pref.	....	82¾	....
Canadian Pacific Railway	140	....	20
Canada Permanent	....	....	158
Canada Steamship	39¾	39½	455
" " pref.	76	75½	46
Can. Salt	....	....	....
Cement com.	59¾	59½	261
"	....	....	....
City Dairy	....	31	....
" pref.	....	75	8
Coniagas	....	295	300
Confederation Life	375	....	....
Consumers Gas	144½	....	46
Crows Nest	....	....	....
Dome	750	735	100
Dominion Canners pref.	....	....	140
Dominion Iron com.	....	...	....
Dominion Steel Company	59¾	59½	125
Dominion Savings	....	....	...
Duluth Sup	44	....	10
F. N. Burt	....	64	....
" pref.	....	85	4
Hamilton Provident	....	...	...
Huron & Erie com.	....	....	....
Lake of the Woods com.	....	....	...
La Rose com.	52	18	...
Mackay Companies	77	75½	32
" pref.	66	64½	128
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	97½	96¾	123
" " " pref.	93	91	20
Monarch	43	39	....
" pref.	80	....	...
Nat. S. Car	11	9	....
" pref.	36	....	....
Nipissing	900	890	105
Nova Scotia Steel	65	....	86
" " " rights	....	....	....
Prov. Paper	55	....	....
" pref.	....	....	....
Penmans com.	75	73½	...
Petroleum	1100	1300	25
Riordon	119½	118	....
" pref.	....	....	...
Rogers com.	....	....	....
Russell Motor	....	55	....
" pref.	70	69	76
Sawyer-Massey	15	....	...
" pref.	40	....	...
Smelters	....	....	...
Spanish River	11	13	....
" pref.	50	....	....
Cons. Smelters	24⅜	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	59	58¼	165
" " " pref.	91	90	62
Toronto General Trust	....	....	....
Toronto Paper	....	70	....
Toronto Railway	58	....	5
Trethewey S. Mines com.	17	16	....
Tucketts	19	....	....
" pref.	....	....	....
Winnipeg Electric	48	....	5
Twin City	48½	47½	82
Bank of Commerce	....	185	3
Bank of Ottawa	201	....	...
Bank of Hamilton	188	....	63
Bank of Montreal	210	....	4
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	....
Dominion Bank	202	....	14
Imperial Bank	....	185	3
Merchants Bank	....	....	....
Molsons Bank	....	....	....
Royal Bank	208	....	....
Standard Bank	200	....	....
Union Bank	....	150	10

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	3500
" pref.	....	....	....
Canada Locomotive	....	85	..
Penmans	...	85	....
Sao Paulo, 1929	. .	....	....
Steel Company of Canada	...	92	....
First War Loan	94⅝	94⅜	10900
Second War Loan	93	92⅞	13900
Third War Loan	92⅜	92⅛	129700

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Bancroft, Ont.—April 26—Brick residence, owned by Mr. D. L. Kavanagh, was damaged. Loss, $3,000. Insurance, $1,500. Cause not stated.

Chesley, Ont.—April 26—Munition plant of the Canada Beds, Limited, was destroyed. Loss not stated. Cause, spontaneous explosion of resin pot.

Fredericton, N.B.—April 25—City hall was damaged. Damage, $500. Cause, defective chimney.

Georgetown, Ont.—Printing plant of the Georgetown "Herald" was completely destroyed. Loss on plant, $5,000; on building, $3,500. Cause not stated.

Hamilton, Ont.—April 22—Drug store owned by F. W. Mills was badly damaged. Loss, $2,000. Cause unknown.

London, Ont.—April 22,—Store and warehouse of the Smith Furniture Company was damaged. Loss, $2,000. Cause unknown.

Montreal, Que.—April 18—Drug store of J. Eidlow was damaged. Loss, $25,000. Fully insured. Cause, defective wiring.

New Westminster, B.C.—April 22—House owned by Mrs. Mercer was completely gutted. Loss not stated. Insurance, $3,000. Cause, spontaneous combustion.

Quebec, Que.—April 27—Stable owned by Mr. Donald Atkinson was totally destroyed. Loss, $3,000. Cause not stated.

Retlaw, Alta.—April 23—Oil warehouse and store of the Retlaw Hardware Company, and stores belonging to H. W. McNabb, druggist, and Campbell and White, butchers, were destroyed. Loss not stated. Fully insured. Fire started in oil warehouse.

St. Mary's, Ont.—April 27—Flax mill owned by A. L. McCredie was destroyed. Loss, $25,000. Partly insured. Cause not stated.

Toronto, Ont.—April 26—House on Mutual Street was damaged and a woman received burns from which she died. Damage, $1,000. Cause, explosion of coal oil stove.

April 27—Storage buildings of the Hortop Milling Company, Riseburg and Jackson and the North Toronto branch of the Western Canada Flour Fills. Loss, $9,200. Cause, spark from passing railway engine. Brickmaking plant of the James Lochrie was damaged. Loss, $500. Cause, grass fires.

Vancouver, B.C.—April 23—Burnside Hotel was destroyed. Loss, $10,000. Partly insured. Cause unknown.

Victoria, B.C.—April 24—One of the dormitory buildings of the Military Convalescents' Hospital was damaged. Loss, $2,500.

April 25—Dwelling owned by Mr. Milden was gutted and two adjoining dwellings were damaged. Loss, $1,000. Cause unknown. Dwelling owned by Mr. L. Smith was destroyed. Loss, $3,000. Cause, defective chimney. House owned by Mr. W. H. Coy and the Baptist Emmanuel Church were damaged. Loss, $6,000.

Winnipeg, Man.—April 27—The Parrish Building, Donald Street. Damage, between $25,000 and $30,000. Fully insured.

SOUTHERN CANADA POWER COMPANY

Gross earnings of the Southern Canada Power Company and its subsidiaries for the month of March were $34,314, being an increase of $3,883. The net earnings were $14,447, being an increase of $1,790. For the six months ended March 31, gross earnings were $187,657, being an increase of $45,292. The net earnings were $91,257, an increase of $12,965.

CANADIAN CAR AND FOUNDRY COMPANY

The output of the Canadian Car and Foundry Company for the month of March was $5,250,000, according to the president, Hon. N. Curry. He also stated that most of the business was the regular line, although they were doing some munitions work. Operations in the Fort William shipbuilding plant were going on satisfactorily. Mr. Curry also said that it is their intention to declare a dividend of 7 per cent. on the preferred stock at the directors' meeting in July. This is equal to a full year's dividend on that issue.

CANADIAN PACIFIC RAILWAY

Lord Shaughnessy Reviews History of Road—Company Has Spent Much for Immigration

The annual meeting of the Canadian Pacific Railway Company was held in Montreal on May 1, and the report of operations for the year ended December 31, 1917, was presented. The chairman also supplemented the report by a review of the company's financial policy and progress up to the present time.

The contract made in 1880 between the syndicate and the government of Canada, provided for a grant to the company, in addition to the uncompleted sections of the road, of $25,000,000 in cash, and 25,000,000 acres of land. A few years afterwards it was found necessary to issue $35,000,000 of 5 per cent. first mortgage bonds, and $65,000,000 of ordinary stock, the latter yielding to the company only about 46 per cent. of its face value. As late as 1895, after several years of operation of the road, shares were sold in the market at 33.

The Companies' Lands.

The land grant was treated at some length by the chairman. For many years it was a drag on the company's development. Interest had to be met on $15,000,000 of bonds which had been issued on this security, and land sales were disappointing, in spite of millions spent in encouraging immigration. The prices were at first necessarily low, sometimes only $1.50 per acre.

Policy of the Management.

Up to date, 14,000,000 acres of the original land grant have been sold, yielding approximately $94,000,000, or an average of $6.72 per acre. After deducting the expenditure on immigration, etc., the net return is less than $5 per acre.

Lord Shaughnessy also pointed out that the prudent and conservative policy of the directors had limited the dividend rate to 10 per cent. While the capital of the company is $623,000,000, the system represents an outlay of $818,000,000 altogether, or $61,000 per mile. The conservative policy of the directors is illustrated by the fact that the net earnings per mile required to meet the annual interest charges on the Grand Trunk, Canadian Northern, Grand Trunk Pacific and National Transcontinental, would cover the annual interest charges, dividends on the preference stock, and 7 per cent. on the common stock of the Canadian Pacific.

Extraneous investments, such as steamship lines, unsold lines, coal mining and other properties, were appraised at $253,000,000. This, the chairman said, was substantially below the market value.

ST. THOMAS STREET RAILWAY

At a meeting of the city council at St. Thomas, held on May 1st, it was suggested that the operation of the street railway be given up for the time being. The road has been run by hydro-electric power, and recently the demands on this power have been more than the supply. Many of the factories have been using steam power to some extent. As the population of St. Thomas is just about 16,000, the street railway can be given up without any serious handicap.

TRUST & GUARANTEE CO. TO HANDLE SYNOD OF HURON FUNDS

A meeting of the executive committee of the Diocese of Huron, was held on Monday in London, Ont., to consider the administration of the funds for the next five years. Tenders were received from eight institutions as follows:—

Trust and Guarantee Company, Charter Trust and Guarantee Company, Sterling Trust Corporation, Western Canada Bond Company, National Trust Company, Huron and Erie Loan and Savings Company, Canada Trust Company, Bond and Debenture Company and Fidelity and Trust Company. The tender of the first mentioned, offering a rate of 6 3-10 per cent., was accepted, being the most favorable. The Trust and Guarantee Company has handled the business of the Synod for the past ten years, and will, therefore, have charge of the funds, which total about $600,000, for the next five years.

ALBERTA CROP ACREAGE

Mr. J. D. McGregor, Member of Food Board, Discusses Question With Lethbridge Board of Trade

"On North America and particularly on Canada depends the food situation of the allies. It is our ability to produce and our proximity to the allied armies that places us in such a strategic position. And there is no place in the world where production can be so rapidly increased as in Canada, and no place in Canada where such a great percentage of increase can be obtained as south of the main line of the Canadian Pacific Railway in Alberta."

This remarkable statement was made to the general meeting of the Lethbridge board of trade on April 23rd by J. D. McGregor, one of the three members of the Canada food control board. It brought applause from the members of the board who were present, and it amounts to an exhortation to the farmers of Southern Alberta to lead the way in production of food stuffs for the allies that the war may be won. Mr. McGregor said he knew what he was talking about when he talked of Southern Alberta's ability to produce, for he is a farmer himself and he has farmed in Southern Alberta.

Mr. McGregor dealt first with his connection with the board. Mr. Hanna, when food controller, had called him to Ottawa to organize the campaign for greater hog production. At first he was inclined to look at the whole food control programme as if it were more or less of a joke, but on reading secret telegrams from Lord Rhondda, British food controller, he saw that he was mistaken. He saw that a shortage of bacon, one of the most-needed foods at the front, was threatened, and he took hold, with the result that eastern Canada was organized right down to the township lines within a few days, while the west was well organized shortly afterwards. He said the farmers were more than willing to feed high-priced grain to hogs when they learned the need. He then told of the difficulties surrounding the commercial side of the enterprise. The bacon produced must be taken away. In this connection he said Canada had been much more successful than the United States, owing chiefly to the fact that the Canadian railways had never once failed to deliver goods to the seaboard when ships were available. In the United States there was a surplus of bacon because the railways had not accomplished this. It was a great tribute to the Canadian railways. Answering the question why the use of bacon in Canada was not stopped altogether, he said there was no need for hysteria. If the bacon were all needed, its use by Canadians would be stopped, but there is always a certain amount of what is called domestic bacon, which it would be unprofitable to ship, and this must be used at home. "If the people of Canada will live up to the regulations now in force there will be no need to go further at present."

School and Indian Reserve Lands.

At a preceding meeting the board had unanimously decided that the government should do something to prevent school and Indian reserve land, which may be marketed in future, from falling into the hands of speculators. It was thought that the government should require the cultivation of at least a portion of the land sold to each party within a reasonable time after purchase. The matter was taken up with the United Farmers of Alberta, and the suggestion met with hearty approval of the executive. This question again came up for discussion, with the result that the following memorandum was passed and will be sent to Premier Borden and ministers of the Crown, to provincial premiers and ministers and to other organizations interested:

It is desirable that school lands and Indian reserve lands sold to the public should be placed under cultivation within reasonable periods after sale.

If this is not arranged for, the governments may actually become parties to the very reprehensible condition of maintaining such lands out of cultivation, and yet outside of governmental control.

A striking instance of the evil resulting from such a condition is that disclosed by the fact that considerable areas of land at Chin, near Lethbridge, had to be excluded from a desirable project for extending the added benefits that irrigation water brings towards mixed farming in the areas of light rainfall in the southern parts of Alberta and Saskatchewan. Auction sales of these school lands near Chin were made in 1909. In 1915 it was found that, on the areas that would have fallen under the Taber Irrigation District as then proposed, the amount that had been paid in principal was only some $20,000 while the accrued interest alone had mounted up to some $27,000. The title to the lands remained, of course, with the school lands authorities, but neither they nor the ostensible owners had proper authority to deal with the lands; and, in consequence, not only were these lands precluded from sharing in the proposed extension of irrigation facilities, but the whole plan for the district was held in abeyance.

It was suggested that the Dominion government should immediately take steps to ensure that the sale conditions of school lands and Indian reserve lands should require as essential conditions that certain acreages of such lands sold shall be put under cultivation within certain specified times, and requiring otherwise that such sales may be cancelled.

Conditions requiring actual residence on the lands might also be included, it was added.

GERMAN WAR FINANCE

The subscription books for the Eighth German War Loan closed on the 18th April. The objective was 15,000,000,000 marks, or $3,570,000,000, while the amount subscribed was 14,550,000,000 marks, or $3,462,900,000. There were also certain small subscriptions not reported at the time this announcement was made, and conversions of previous loans, so that the total will no doubt be easily reached.

The total reached by war loans is now 87,321,600,900 marks, or $20,782,541,013. The war credits voted in the Reichstag amount to almost thirty billion dollars, the difference having been made up by floating indebtedness in various forms. As the German Empire was almost free of debt in 1914, this may be regarded as the total of her national liabilities. The annual interest charge involved is about $1,500,000,000, and when amortization, pensions, and other legacies of the war are added, the annual expenses will be much larger. The savings of the German people in the year 1912, which was a prosperous year in Germany, amounted to about $2,000,000,000; it would appear, therefore, that all of the savings of the nation will be required to maintain the national debt, and make some provision for repaying it.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended May 1st, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........com.	46.50	49.50	Can. Mortgage & Invest..	....	82	Eastern Car..........6's	89	94.50	Morrow Screw........6's	85	92
" ....pref.	80	....	Can. Oil............com.	30	...	Ford Motor of Canada...	190	215	National Telephone...5's	51.50	57
Alberta Pac. Grain..com.	105	....	Can Salt............ 6's	92.50	....	Goodyear Tire............	170	195	Nova Scotia Steel 6% deb.	85	92
Amer. Sales Book..pref.	.. .	90	Can. Westinghouse......	100	115	Harris Abattoir........6's	94	100	Ont. Pulp Bonds........	74	79
Atlantic Sugar.........6's	78	84	Carter Crume.......pref.	...	68	Home Bank..............	60	65	P. L. Robertson Screw..	....	40
" " ......pref.	26.50	32.50	Chapman Ball Bearing..	20	30	Imperial Oil..............	268	285	Rosedale Golf Club......	....	325
Belding Paul.......com.	10.50	14.50	Chinook Coal............	....	30	Imperial Trust..........	....	37	Sovereign Life..........	11.50	18
" " ......pref.	73.50	77.50	Cockshutt Plow.....pref.	68	76 50	Inter. Mill..........pref.	82	87	Sterling Bank.... .xd, 1½	....	81
" " ....5's	75	80	Collingwood Ship. com..	15	30	Lambton Golf Club......	360	390	Sterling Coal........com.	13.50	16.50
Black Lake............6's	20	25	Continental Life.........	16	25	London Loan & Savings.	95	112	" " ......bonds	70.50	74.50
Brand-Henderson.....6's	95	....	Dom. Fire..............	19	23	Maritime Coal & Ry...5's	68	72	Temple (Allen) Thea.com.	....	75
Brantford Roofing.......	90	...	Dom. Glass ....pref.	76.50	83	Massey Harris..........	112	131	Toronto Carpet.....com.	85	....
Can. Cereal & Flour.com.	....	.65	Dom. Iron 5's. 1931.......	73.50	77.50	Matthew-Blackwell com.	43	50	Toronto York Rad.....5's	91	96.50
Can. Fairbanks ... .pref.	82.50	88.50	Dom. Linseed Oil........	70	....	Matthew Laing.......6's	94	...	West. Assurance	7.25	8.75
Canada Machinery....6's	74	81	Dom. Power... ......5's	81	85.50	M'Donald...........pref.	73.50	79.50	Wt. Can. Flour. 6's (1931)	95	100
" " com.	13.50	....	" " ....pref.	91	96.50	Milton Pressed Brick....	25	35	" " " ....com.	100	115
" " pref.	46	52	Dunlop Tire..... 6's	95	100	Mississauga Golf.........	40	59	....	....	....
Can. Marconi............	1.25	2.00	....	...	....	....	....	....	....	....	. .

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Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

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INDUSTRIAL PREPARATION IN UNITED STATES

Has Benefited by Experience of Other Nations—Fallacy of "Business as Usual" Realized

Mr. Harold G. Moulton, of Chicago, deals with the industrial situation of the United States in a recent booklet entitled "Unusual Business not Business as Usual," published by the Union League Club of Chicago. He considers the question whether the necessary supplies can be secured by merely speeding up production in existing factories and workshops, or if the character of industry must be transformed, the non-essential eliminated and productive energy diverted more largely into war channels.

"When the war began," he said, "it was generally assumed that the first of these alternatives would be adequate to meet the requirements of the situation. We assumed that the production of war supplies could be undertaken as an extra—that we could speed up our factories and our workers sufficiently to meet all war demands. We did not understand how utterly insatiable are the demands of modern warfare. The notion that war production can be carried as an extra is, however, no longer held in government circles. It is now conceded that we must resort to the second method.

What the Government is Planning.

"The government of the United States is, as already indicated, now fully aware of the necessity of such an industrial mobilization. It is important, therefore, that we all understand what developments are in store for us, to the end that we may co-operate in fullest measure with the government in its efforts.

"First, the government is urging us to save as never before; and to save with a view to the elimination of non-essential industries.

"But the government is not to rely exclusively on voluntary saving as a means of bringing about industrial changes. It is also developing agencies of central control. In September, a priority committee was established in Washington with power to decide what industries should be given prior claims in the matter of raw materials. This committee has drawn up a classification, as follows: Class A comprises war work. That is to say, orders and work urgently necessary in carrying on the war, such as arms, ammunition, ships, etc., and the materials required in the manufacture of same. Class B comprises orders and work which, while not primarily designed for the prosecution of the war, yet are of public interest and essential to the national welfare, or otherwise of exceptional importance. Class C comprises all orders and work not embraced in Class A or Class B.

"There are various subdivisions of these classes, indicated by a suffix number, thus: A1, A2, etc., B1, B2, etc.

"All orders and work in Class A shall take precedence over those in Class B, and those in Class B shall take precedence over those in Class C.

"When rigidly applied to such fundamental materials as iron, it will be readily seen that this priority system reaches into nearly every branch of industry, and that people who wish iron and steel for ordinary industrial requirements will be forced to wait—and wait indefinitely, since the demands of the war industries are certain to be simply insatiable.

Business Readjustment.

"The task of bringing about the necessary reorganization with the minimum of loss and suffering is so tremendous that the machinery for its accomplishment is as yet far from being perfected. While the details cannot be given in this paper, it is generally known that the government is now developing the machinery for transferring laborers with a minimum of loss or suffering to the jobs in war industries for which they are adapted. Plans are also being matured which will provide for adequate housing facilities in the vicinity of war industries. Various financial policies are also being worked out which will insure that investments shall be diverted from the non-essential industries, and that businesses which transfer to war work will be given adequate financial support and a guaranty of adequate profits.

"It should be added here that the rapidity with which this readjusting may be accomplished largely depends upon the developments in shipping. The materials and supplies for war must pass through a narrow-necked bottle on the way to Europe, and the rate at which this neck expands will determine the rate at which we can effectively mobilize our resources for war purposes. Now, to increase our shipping capacity as rapidly as is required involves not only speeding up the work in existing yards, but also enlarging our shipbuilding facilities by diverting labor and capital from less essential work. It means that parts of ships must be manufactured by industrial plants wherever readjustment for such work is practicable. It means, further, that imports and exports of non-essentials must be curtailed in many instances to the end that tonnage may be released for war business. And the restrictions of these imports and exports in turn necessitates readjustments in the domestic industries dependant upon such trade; the labor and capital employed in such industries must be diverted to the production of forms of war materials to which they may be adapted. In short, the problem before us is nothing less than the organizing of all the productive resources of the United States of America with a single end in view—that of building a bridge of ships across the Atlantic and sending across that bridge in minimum time a maximum of troops and supplies. The task we are undertaking is thus one gigantic business proposition, in comparison with which the largest individual business ever known is utterly insignificant. To carry such a stupendous task to successful completion will require not only the best organizing ability the nation possesses, but infinite patience and willing self-sacrifice on the part of those whose ordinary occupations are inevitably to be disarranged.

Effect of Campaign for Saving.

"It goes without saying that American business men are anxious to assist in every possible way in effecting these industrial readjustments with a minimum of loss. Patriotic impulse alone will lead every American business man to do his part. He merely needs to be shown how he can help most efficiently. But quite apart from patriotism or the possibility of a curtailment of raw materials or transportation facilities, there is another reason which should lead business men to make readjustments wherever possible just as quickly as they can. It is inevitable that the non-essential industries will shortly have greatly reduced sales; indeed, in many cases there is already a serious falling off in sales. The reasons why this is inevitable may be briefly indicated.

"In the first place the perfect barrage fire of argument as to the necessity of saving that has been hurled at the American public in recent months is bearing fruit. It is now regarded as unpatriotic not to save as never before in our history.

"In the second place it is impossible for the rank and file of the American people to buy Liberty bonds and spend as usual. If they buy bonds it must be at the sacrifice of accustomed luxuries. Moreover, we are now looking forward to the payment of taxes, and we are making our preparations for this by economizing in our normal purchases. It must be borne in mind in this connection, also, that at a time when the future is so uncertain a great many people are saying: 'I had better save all I can now, because there is no telling whether it will be possible for me to save anything in the next few years.'

"Finally, it must be noted that the rapid rise of prices in nearly every line is forcing rigid economy among the masses. Statistics just published by the government show that retail prices of foodstuffs in the United States are now 57 per cent. higher than they were in 1914, while general wholesale prices are 81 per cent. higher. Students of the question are unanimous in the belief that prices will continue to rise here throughout the war, just as they have in the nations of Europe. It will, therefore, shortly be impossible for the masses of our people to devote much of their earnings to the purchase of non-essentials. They will count themselves fortunate if they are able to purchase enough of the necessities of life to sustain themselves in a state of normal efficiency. Already in many cases the pinch of war prices is beginning to mean real privation.

The Constructive Side.

"In the light of the situation which we have been discussing it is obviously imperative that business be readjusted to a war basis wherever practicable and as soon as possible. The great problem is, How? There are two attitudes which business men may assume. One is that of 'watchful waiting'; the other that of active and constructive effort directed toward conversion of their plants to war manufacture. The former leads to bankruptcy and to neglected opportunity for service to the government; the latter is the avenue to participation in profits and to effective assistance to the nation in its hour of need. A large number of concerns have already been forehanded enough to divert a portion of their plants to war work; and it is hoped that the facts about these may soon be made generally available. In the meanwhile, it may

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Deposited with Canadian Government and Government Trustees, over	7,000,000
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Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

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There is no department of finance of such importance to the average man as Life Insurance, and none, generally speaking, of which he knows less.

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prove suggestive to present here a very brief statement of some of the adjustments that have been made in England. Instead of gramophones, the gramaphone company now makes fuses and delicate shell parts; instead of cloth for ordinary clothes, the woolen factory makes khaki; instead of motor cars, the motor-car maker makes shells; glaziers make cartridge clips; music-roll plants make gauges; infant-food plants make plugs for shells; advertising agencies make shell adapters; watchmakers adjust fuses; baking-machinery plants make six-inch high-explosive shells; jewelry houses make periscopes; cream-separator factories make shell primers; and textile machinery firms make field kitchens.

"The outstanding need of the time is for the managers and staffs of technical experts in non-war industries everywhere to be studying the problem with the greatest care in order to discover in what ways their plants may be adapted to war production. They should, moreover, actively co-operate with the agencies in Washington, which, under the appointment or approval of the government, are wrestling with the problem of industrial readjustments. On the manufacturing side there is the Bureau of Manufacturing Resources of the Council of National Defence, which is giving its attention to the problem of plant conversion. On the commercial side there is the Commercial Economy Board of the Council of National Defence, which 'has undertaken to co-operate with business men. . . in eliminating needless uses of men, materials, equipment and capital in all lines of commercial business.' Business men who desire to place themselves in line with this movement may very properly enter into correspondence with these agencies. Such correspondence may well have the double result of proving helpful both to the business interests and to the governmental committees themselves. There is opportunity here for some really constructive co-operation.

"I think it is not putting it too strongly to say that the outcome of the greatest struggle in history for the rights of a common humanity very largely depends upon the rapidity and the effectiveness with which American business rises to the task before it."

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. MORROW & JELLETT, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

May 1st, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	83	8.45
Canada Cement	7	91	7.69
Canada Steamships	7	76	9.21
Mackay Companies	4	63	6.34
Maple Leaf Milling	7	92	7.60
Penmans	6	82	7.31
Steel of Canada	7	90	7.77
Common:			
Bell Telephone	8	128	6.25
B. C. Fishing and Packing	5	48	10.50
Canada Cement	6	60	10.00
Canadian Locomotive	6	58	10.34
Canadian General Electric	8	102	7.85
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	60	13.33
Maple Leaf Milling	10	92	10.87
Canadian Pacific Railway	10	137	7.30
Penmans	6	75	8.00
Dominion Steel Corporation	5	59	8.50
Steel Co. of Canada	6	58	10.35
Mackay Companies	6	76	7.89
Toronto Railway	4	58	6.89
Twin City	4	50	8.00
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	97	6.18
Canada Steamships	5	80	6.25
Canadian Locomotive	5	85	7.12
Penmans	5	87½	5.72
First War Loan, 1925	5	93½	6.10
Second War Loan, 1931	5	92½	5.80
Third War Loan, 1937	5	92	5.70
Victory Loan, 1937	5½	98⅞	5.58
....	....	....	....
....	....	....	....

Mr. Robert Meek, secretary of the Oddfellows' Relief Association, died in Kingston on Wednesday, the 1st inst. For many years he was connected with papers in Kingston, Belleville and St. Catharines, and was for some time editor-in-chief of the "Kingston Whig."

RADICAL TAX REFORM

To make the state the only landlords, and allow the land to be taken by those who desire it, and in return to charge them a rental to cover the social services of the state, was the statement Mr. Herman made to the Tax Reform League. He declared that such a measure would encourage thousands of people who are now in non-productive occupations to go back on the land, and would greatly stimulate food production. "The Great Adventure," as the movement is called, is a most radical tax reform measure which is being conducted in California. The speaker urged that one should not be taxed for what one did for one oneself, but only for such things as came from the community. If the project carried and was successful in California, he had great hopes for its general adoption.

The plan was voted on at the last election, and while defeated, received over 360,000 votes. Strong opposition was encountered from the millionaire landowners, who had banded themselves together in a strong anti-single-tax association.

INCREASE IN HOUSE RENTS

Following upon the fixing of Toronto's tax rate at over thirty mills, numerous cases of rental increases have been reported, sometimes exceeding the increase in the taxes on the property. Co-incident with the rise in taxes is the scarcity of houses. Population has continued to flow into Toronto, and the rise of prices has made the building of new houses almost prohibitive. The result has been congestion, and scarcity of houses for rent, although many are available for purchase. Landlords have been availing themselves of the opportunity afforded by the increase in the tax rate, to raise their rents, and it is claimed that hardship has been the result in many cases.

The rise in rents has accordingly been attributed to the higher taxes. The fact is overlooked that quite apart from the increased expenses falling on property owners, the general rise in interest rates would entitle them to raise their rents, so as to maintain the relative position of returns upon investments in real estate.

As a matter of fact, however, neither of these factors is the one which determines rental values. It is rather the fact previously referred to, that the demand for dwellings is considerably in excess of the supply. Custom necessarily has much influence in preventing changes in rentals, and they have not advanced in proportion to market condition. The effect of the increase in taxes is merely to awaken property owners to the necessity of obtaining the highest possible yield from their investments, and the prudent landlord will not fix his price so high as to preclude renting. That hardship should result in some cases is inevitable, and while in individual cases the owner may have been over-zealous, generally speaking, the blame is not to be placed on the shoulders of the landlord, who is being pinched between the millstones, and as the tax rate is beyond his individual power, he naturally turns to the other direction for relief.

As regards the cases where the rents were raised by more than the increase in taxes, the indication seems to be that, generally speaking, the rates have been too low in the past. The owner endeavors to obtain the highest price he can, and no tenant need expect for long to occupy premises at a less rental than might be obtained by re-letting.

If this is the case, how is it that houses may be purchased without much difficulty? In the first place it must be remembered that the prices are just as high and in fact higher than formerly. Then, as interest rates have risen, and from 5½ per cent. to 7 per cent. may be secured on good investments in securities, the property owner naturally feels inclined to transfer his investment unless he can obtain a corresponding increase in the return from his property. The probability of still further increases in taxation is also being discounted, and there is not much desire apparent, to sink money in real estate as an investment.

The movement has not been so accentuated in other cities, as, generally speaking, tax rates have not been subject to such a sudden increase as has been the case in Toronto. There is no doubt, however, that the phenomenon is fairly general. The remedy seems to be still further economy in space, and the holding down of this item in the family budget at least to its present level: there is no prospect of early relief in the way of new construction, although it is possible that the high cost of living in the cities may force population to the towns, villages, and rural districts.

Solid Growth

UP-TO-DATE business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

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THE PRUDENTIAL has a large force of Canadian employees at work in every large city in the Dominion selling Gibraltar-like life insurance policies and industriously paying death claims in afflicted homes day after day. The Prudential has throughout the United States and Canada Fifteen Million Policies in Force, equal to nearly twice the population of the Dominion, and indicating the popularity of this big American Company.

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ENORMOUS FIRE LOSS

Provincial Inspectors Should Be Appointed—Regulations for Overtime Work—Too Much Over-insurance

The sittings of the Fire Insurance Commission were resumed this week and much new evidence presented. Monday's session was chiefly devoted to the question of fire prevention. Mr. E. P. Heaton, provincial fire marshal, said that the municipalities should enforce by-laws dealing with general fire protection, and the removal of rubbish and litter, the inspection of stove pipes, the safe storage of gasoline and regular and systematic inspection of fire fighting equipment. Mr. Heaton also recommended that a number of field men or inspectors be appointed to visit the municipalities of the province and induce them to enforce the by-laws which they have the power to pass.

Manufacturers Bear Over Time Risk.

Mr. F. W. Wegenast, on behalf of the Canadian Manufacturers' Association, asked the commission to investigate the proposed action of the Canadian Fire Underwriters' Association, in raising the premium rates of manufactures who worked overtime from 10 p.m. to 5 a.m. The result, he pointed out, was that if a fire broke out at five minutes after ten, the manufacturer would lose his insurance.

Heavy Fire Losses.

In 1917 the total loss was $10,365,539, caused by 9,601 fires. The insurance loss was $7,897,447, and the loss not covered by insurance was $2,468,092. In the first three months for 1918 the loss was $3,194,300 from 2,583 fires, insurance loss $2,624,318, and loss not covered by insurance $559,992. In 1917 the loss had been $4 per capita, while $3 was considered an excessive amount. "It is usually thought that the continuance of such a strain means bankruptcy," said the fire marshal.

In the last six months there had been 3,835 fires. Of this number, 2,167, or 56 per cent., he said were due to the following fire causes: Chimneys, lightning, matches, smoking and stoves and furnaces. Ten per cent., or 435 fires, causing a loss of $100,000, had been due to matches, and Mr. Heaton recommended that no matches should be allowed to be used, except safety matches which could only be struck on match-boxes.

Over Insurance Blamed for Fires.

Mr. G. F. Lewis, deputy fire marshal, said that there were too many agents in the field for the amount of insurance available, and that there should be some method of ascertaining the actual value of the property that was insured, in order that it would not be over-insured. There were, he stated, many cases near Hamilton and Niagara, of shacks being erected, over-insured, and then burnt.

An extensive report, prepared by Mr. John A Robertson, secretary of the Canadian Fire Underwriters' Association, was also submitted. According to this report, the losses in peace times in Europe, usually run from 5 per cent. to 20 per cent. of the losses in this country. The figures are: For Canada, $3.58 per capita; United States, $2.32; England, 67 cents; France, 63 cents; Germany, 17 cents; Ireland, 39 cents; Italy, 37 cents; Norway, 48 cents; Spain, 15 cents; and Sweden, 54 cents. The amount of property destroyed in the United States and Canada each year, according to Mr. Robertson's report, is estimated at $250,000,000, of which Canada's share ranges from $20,000,000 to $25,000,000.

With regard to any suggestions, Mr. Robertson refers to a regular inspection of all mercantile and manufacturing buildings, electrical inspections by some independent body, the danger of shingle roofs, prohibition of the sale of any kind but safety matches, and the education of children.

Press Influence.

"The press, also our great educative force, does not seem to have grappled with this problem of fire waste," stated the report. "In the daily papers there is occasionally a perfunctory reference to insurance matters, but generally their remarks bear heaviest upon the iniquities of insurance companies in insisting that they must be paid for the risks they run. Even those professing to guide the public on these matters and who frequently furnish valuable information bearing on insurance questions, appear unable to see any further into the subject than the interest of the man who has had a fire. It is little wonder, therefore, if the patient public, which looks to the legislature, the courts and the press for guidance, is misled and fails to appreciate that every loss by fire is a loss to itself and for which it must pay."

NEW BRANCH BANK OF HAMILTON

The Bank of Hamilton expects to open within the next few days a branch in Winnipeg, which will be known as the Portage and Garry branch. It will be under the management of Mr. G. V. Pearce, formerly manager at Port Arthur, and will be in the quarters which have been occupied temporarily by the main office while alterations to the main Winnipeg building were being made.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 19-32	1⅝	....
Mont. funds	par	par	⅛ to ¼
Sterling—			
Demand	$4.83	$4.83.25	$4.85½
Cable transfers	$4.84	$4.84.25	$4.84½

Rate in New York, sterling demand, $4.75 1-16.
Bank of England rate, 5 per cent.

PRICE INVESTIGATIONS ARE EFFECTIVE

Mr. W. F. O'Connor, K.C., late High Cost of Living Commissioner for Canada, in addressing the Toronto Press Club recently, stated that the effect of the investigations of the department would be a saving of $15,000,000 a year, and that this effect would last for at least ten years. This does not include the amount saved by the prevention of abnormal inflation of prices. Of 110 cold storage businesses which Mr. O'Connor and his staff have investigated, he found that there were only three upon which he could place the stamp of respectability.

BUILDING OWNERS & MANAGERS' ASSOCIATION OF ONTARIO

At a meeting held recently in the Excelsior Life Building, the managers of the leading down-town office buildings formed an association, the members of which are to be the owners or those engaged in the management of buildings in Ontario. The objects as set forth in the constitution are the mutual benefits to be derived from the corporation and association of members, and the advantages to be secured through the exchange of ideas, and the discussion of matters of interest in the construction, maintenance and operation of buildings, including legislation, taxation and insurance. The officers for the first year have been elected as follows: Chas. P. Muckle, Excelsior Life Building, president; G. A. Hodgson, superintendent of property, Dovercourt Land and Savings Company, first vice-president; F. A. Kent, Kent Building, second vice-president; W. C. Dawson, Royal Bank Building, secretary-treasurer.

DRYDOCK IDLE

The concluding session at Prince Rupert of the International Fisheries Commission was held on Wednesday, the 1st inst., the commissioners leaving shortly afterwards for Ketchikan.

The assertion made in Seattle that the Booth Fishing Company had been refused a cold-storage site in Prince Rupert was denied by the Grand Trunk Pacific, who said the company had been given every opportunity to secure a site.

Hon. J. D. Hazen, in adjourning the sessions, said he had been through the drydock and was astonished to realize that such a huge and finely equipped plant was not running at full blast. He could say nothing then about building of ships, but on his return to Ottawa, he would at once take up with the chairman of the Munitions Board and the ministers the necessity of immediately operating the big machine shops of the plant in turning out badly needed war munitions.

Secretary of Commerce Redfield, of the United States, spoke briefly, emphasizing the fact that the interests of the Americans and Canadians were mutual.

FIDELITY (FIRE) UNDERWRITERS

OF NEW YORK

HENRY EVANS - - President

Policies Assumed half by the Fidelity Phenix Fire Insurance Company and half by the Continental Insurance Company of N.Y.

COMBINED ASSETS EXCEED $56,766,800

W. E. BALDWIN,
Manager

Head Office for Canada and Newfoundland:
17 St. JOHN ST., MONTREAL

1828

L'UNION

Fire Insurance Company, Limited, of PARIS, FRANCE

Capital fully subscribed, 25% paid up	$ 2,000,000.00
Fire Reserve Funds	5,539,000.00
Available Balance from Profit and Loss Account	111,521.46
Total Losses paid to 31st December, 1916	100,942,000.00
Net premium income in 1916	5,630,376.43

Canadian Branch, 17 St. John Street, Montreal; Manager for Canada, MAURICE FERRAND, Toronto Office, 18 Wellington St. East
J. H. EWART, Chief Agent.

ROYAL EXCHANGE ASSURANCE

FOUNDED A.D. 1720
Losses paid exceed $235,000,000

HEAD OFFICE FOR CANADA
ROYAL EXCHANGE BUILDING,
MONTREAL

Canadian Directors

DR. E. P. LACHAPELLE	Montreal
H. B. MACKENZIE, Esq.	Montreal
J. S. HOUGH, Esq., K. C.	Winnipeg
B. A. WESTON, Esq.	Halifax, N.S.
SIR VINCENT MEREDITH, Bart., Chairman	Montreal

J. A. JESSUP, Manager Casualty Dept.
ARTHUR BARRY, General Manager

Correspondence invited from responsible gentlemen in unrepresented districts re fire and casualty agencies.

Head Office:
Royal Exchange, London

Guardian Assurance Company

Limited, of London, England Established 1821

Capital Subscribed	$10,000,000
Capital Paid-up	$ 5,000,000
Invested Funds Exceed	$35,000,000

Head Office for Canada, Guardian Building, Montreal

H. M. LAMBERT, Manager. B. E. HARDS, Assistant Manager.

ARMSTRONG & DeWITT, Limited, General Agents
36 TORONTO STREET TORONTO

First British Insurance Company established in Canada, A.D. 1804

Phoenix Assurance Company, Limited

FIRE of London, England **LIFE**

Founded 1792

Total resources over	$ 90,000,000
Fire losses paid	425,000,000
Deposit with Federal Government and Investment in Canada for security of Canadian policy holders only exceed	2,500,000

Agents wanted in both branches. Apply to

R. MACD. PATERSON, } Managers
J. B. PATERSON, }

100 St. Francois Xavier Street, Montreal, Que.

All with profit policies affected prior to the 31st December will rank for a full year's reversionary bonus at that date.

The Northern Assurance Company, Ltd. of London, Eng.

ACCUMULATED FUNDS, 1916 .... $39,935,000.00
Including Paid up Capital Amount, $1,460,000.00

Head Office for Canada, 88 Notre Dame Street West, Montreal
G. E. MOBERLY, Manager

CALEDONIAN INSURANCE COMPANY

The Oldest Scottish Fire Office
Head Office for Canada MONTREAL
J. G. BORTHWICK, Manager

MUNTZ & BEATTY, Resident Agents
Temple Bldg., Bay St., TORONTO Telephone Main 66 & 67

(FIRE)

BRITISH CROWN ASSURANCE

Corporation, Limited

OF GLASGOW, SCOTLAND

The Right Hon. J. Parker Smith, Pres. D. W. Maclennan, Gen. Mgr.
Head Office Canadian Branch—TRADERS BANK BLDG., TORONTO
Liberal Contracts to Agents in Unrepresented Districts

BRITISH AMERICA ASSURANCE COMPANY

FIRE, MARINE AND HAIL INSURANCE
INCORPORATED 1833
HEAD OFFICES: TORONTO
W. B. MEIKLE, President and General Manager
JOHN SIME, Asst. Gen. Mgr. E. F. GARROW, Secretary.
Assets, Over $3,500,000.00
Losses paid since organization over $45,000,000.00.

WESTERN
Assurance Company

INCORPORATED 1851

FIRE, MARINE AND EXPLOSION INSURANCE

Assets .... over $6,000,000.00
Losses paid since organization " 70,000,000.00

BOARD OF DIRECTORS:

W. B. MEIKLE, President and General Manager

SIR JOHN AIRD
ROBT. BICKERDIKE
ALFRED COOPER (London, Eng.)
H. C. COX
D. B. HANNA
B. HAY
JOHN HOSKIN, K.C., LL.D.
Z. A. LASH, K.C., LL.D.
GEO. A. MORROW, O.B.E.
LIEUT.-COL. THE HON. FREDERIC NICHOLLS
BRIG.-GEN. SIR HENRY PELLATT, C.V.O.
E. R. WOOD.

Head Office: TORONTO, Ont.

W. B. MEIKLE, President and General Manager
C. C. FOSTER, Secretary

British Northwestern Fire Insurance Company

Head Office .... WINNIPEG, Can.

Subscribed Capital	....	....	$594,400.00
Capital Paid-up	....	....	243,000.00
Surplus	....	....	53,600.00
Policy-holders' Surplus		....	296,600.00

HON. EDWARD BROWN, President
E. E. HALL, Vice-President
F. K. FOSTER, Managing Director

SUN FIRE FOUNDED A.D. 1710

THE OLDEST INSURANCE CO. IN THE WORLD

Canadian Branch ... Toronto

LYMAN ROOT, Manager

THE MERCANTILE FIRE INSURANCE COMPANY

Incorporated 1875

All Policies Guaranteed by the LONDON AND LANCASHIRE FIRE INSURANCE COMPANY OF LIVERPOOL.

Waterloo Mutual Fire Insurance Company

ESTABLISHED IN 1863

Head Office, Waterloo, Ont.

Total Assets 31st December, 1917..................$979,978.00
Policies in force in Western Ontario, over 30,000.00

GEORGE DIEBEL, President.
L. W. SHUH, Manager.
ALLAN BOWMAN, Vice-President.
BYRON E. BECHTEL, Inspector.

ATLAS
Assurance Company Limited
OF LONDON, ENGLAND

The Company commenced business in the **REIGN OF GEORGE III.** and the following figures show its record:—

At the Accession of		Income		Funds
KING GEORGE IV.	...	$ 387,065	...	$ 800,605
KING WILLIAM IV.	...	657,115	...	3,038,380
QUEEN VICTORIA	...	789,865	...	4,575,410
KING EDWARD VII.	...	3,500,670	...	11,185,405
KING GEORGE V.	...	6,846,895	...	15,188,090
and at 31st DECEMBER, 1916	...	7,980,685	...	20,730,010

In addition the Company has a Subscribed Capital of Eleven Million Dollars (of which $1,320,000 is paid up).

Agents wanted in unrepresented districts.

Head Office for Canada, 260 St. James St., MONTREAL
MATTHEW C. HINSHAW, Branch Manager

UNION ASSURANCE SOCIETY LIMITED

(FIRE INSURANCE SINCE A.D. 1714)

Canada Branch .... Montreal
T. L. MORRISEY, Resident Manager

North-West Branch .... Winnipeg
THOS. BRUCE, Branch Manager

MARTIN N. MERRY, General Agent TORONTO
Agencies throughout the Dominion

THE LAW UNION & ROCK INSURANCE CO., Limited

OF LONDON Founded in 1806

Assets exceed $48,000,000.00 Over $12,500,000.00 invested in Canada
FIRE and ACCIDENT RISKS Accepted
Canadian Head Office: 57 Beaver Hall, Montreal
Agents wanted in unrepresented towns in Canada.

W. D. Aiken, Superintendent Accident Department
J. E. E. DICKSON, Canadian-Manager

The LONDON ASSURANCE

Head Office, Canada Branch, MONTREAL
Total Funds exceed $32,000,000

Established A.D. 1720. FIRE RISKS accepted at current rates
Toronto Agents .. . S. Bruce Harman, 19 Wellington St. East

Economical Mutual Fire Ins. Co.

HEAD OFFICE .... KITCHENER, ONTARIO

CASH AND MUTUAL SYSTEMS
TOTAL ASSETS, $800,000 AMOUNT OF RISK, $28,000,000
GOVERNMENT DEPOSIT, $50,000

JOHN FENNELL, President
GEO. G. H. LANG, Vice-President
W. H. SCHMALZ, Mgr.-Secretary

The following dividends have been announced during the week: Cedar Rapids Manufacturing Company, regular quarterly dividend of ¾ per cent., payable May 15 to holders of record April 30; Montreal Light, Heat and Power Company, regular quarterly dividend of 2 per cent., payable May 15 to holders of record, April 30; Montreal Light, Heat and Power Consolidated (formerly Civic Investment and Industrial Company), regular quarterly dividend of 1 per cent., payable May 15 to holders of record April 30; Kaministiquia Power Company, regular quarterly dividend of 2 per cent., payable May 15 to holders of record April 30; Ontario Steel Products, preferred 1¾ per cent., payable May 15th to holders of record May 6th.

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Established 1867
Old as Confederation

JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

The Government and the Canadian Railways

Review of Relations of Government With Canadian Roads—The Railway Commission Report—Neither Majority nor Minority Report Acted Upon — General Favor Towards Government Ownership.

By **W. T. JACKMAN, M.A.**

APART from the prosecution of the war with vigor and determination, there is probably no issue so important for the welfare of the country as the proper solution of the present railway problem. The railways are so intimately related to all aspects of the nation's life that the well-being of all classes is affected vitally by the immediate and final steps taken by the government in connection with them. Upon the wisdom and impartial judgment of legislators in dealing with the railways will depend the progress which Canada is to make in the future, both in economic advance and in social amelioration. A false step taken now and perpetuated for years to come would mean the imposition of a barrier to the development of the country which could not be overcome even by the enterprise and initiative of the people; and it is only as the people are aided adequately by such agencies as the railways that they can give effect to their spirit and determination to build up a great nation with the help of our abundant natural resources. But if the channels of expansion, both extensive and intensive, should be obstructed by a system of transportation which did not readily respond to the growth of industry and trade, progress would be hampered inevitably by the organized impediment of an element which did not accord with the onward advance. It is within the power of the government, by acting upon an enlightened and intelligent view of the subject with reference to the long-time results, to aid in the upbuilding of the country; and, on the contrary, by acting upon the advice of political favorites or certain financial interests, or by surrendering judgment to the expediency of votes, it may embark upon a policy which would stifle the national growth.

What is the situation with which the government has to deal? The immediate issue is concerned with the financial condition of all the railways except the Canadian Pacific. In the years preceding the war, Canada was enjoying a period of abounding prosperity and the whole atmosphere was surcharged with this exuberance. The great western provinces were going ahead with unexampled success, and population was entering upon the prairie agricultural lands in great numbers. For some years, real estate was subject to an intense boom. Villages, towns and cities were springing up with almost fabulous rapidity, and property values were greatly inflated. With such a high wave of apparent prosperity, both East and West shared in the view that a great future awaited the country. The increase of the agricultural products was alone taxing unduly the facilities of the existing railways, and it is no wonder that the railway companies, in the face of such unparalleled expansion of traffic, saw the necessity of adding largely to their mileage and their equipment. The Canadian Pacific had already a fairly complete network of lines in these western provinces as well as in the east; and its roadway and equipment, including its terminals, were being improved and increased as fast as this could be effected by its efficient management.

Another network of roadway had come into operation in the West under the Canadian Northern Railway Company's management. It, too, had been expanding rapidly, with the object of caring for the increasing volume of business that was offered by the prosperous communities in that section of the country; but in order to become most successful this railway system found it necessary to get communication with a port on the Pacific and to get access to the important commercial cities of the east, including an Atlantic port. Accordingly, it entered upon the ambitious scheme of becoming a second transcontinental line, by constructing its road through British Columbia to Vancouver and by building from Winnipeg eastward to Montreal, with the erection of suitable terminal facilities for the growing traffic. In 1913 the federal government granted the company a subsidy and in 1914 the officials, then in need of more funds for the completion of the lines and terminals of the road, presented their case to the Dominion government and asked the latter to guarantee the company's bonds. The government acceded to this request up to the amount of $45,000,000 of bonds, upon receiving in return $40,000,000 of the company's stock and upon the assurance that the returns from the sale of these bonds together with the funds which the company had already available would be sufficient to complete the enterprise. But the unforeseen conditions and depression due to the war upset the company's calculations; its revenues were not large enough to meet its fixed charges and provide for betterments and increased equipment; and in the year 1916 it was necessary for the government to come again to its assistance and make a contribution to keep the company from defaulting in its interest payments and thus prevent it from going into a receivership.

The position of the Grand Trunk and its subsidiary, the Grand Trunk Pacific, also demands attention. The former has a good system of lines and facilities in the older part of the Dominion and its through line from Portland, Maine, to Chicago is one of the best on the continent. But up to 1903 it had no means of tapping the growing traffic of the western provinces, and as it was unable to secure an amalgamation with the Canadian Northern, which had several thousand miles of lines in the West, it began to think of constructing its own western connections from North Bay to the Pacific. The scheme was put before parliament and in its final form provision was made, contrary to the desire of the Grand Trunk management, for a through route from Moncton to Prince Rupert. The Dominion government was to construct the eastern division of this through route from Winnipeg to Moncton, according to specifications approved by the Grand Trunk Railway Company. Aided by bond guarantees of the latter and the Dominion government, the Grand Trunk Pacific Railway Company was to construct the western division from Winnipeg to Prince Rupert and then take over the operation of the eastern division, at an annual rental of 3 per cent. of its cost of construction. It was estimated that the section east of Winnipeg, now called the National Transcontinental, should cost $61,415,000, but when its actual cost reached $159,881,197 the Grand Trunk Pacific refused to accept the burden of operation. The Government accepted the company's refusal and took over the operation of the line, thus adding the National Transcontinental to the other government railways. But even without this part of the line, the Grand Trunk Pacific Railway Company is embarrassed financially. Its line has been put through new territory which has not yet been developed to the point of yielding the large traffic that is furnished to the Canadian Pacific Railway and the Canadian Northern Railway farther south; it has, besides, few branches and no feeders; consequently, its revenue is insufficient to meet its operating expenses, to say nothing of its requirements for betterments, additional rolling stock and interest on its underlying securities. The total interest charges of the company amount to approximately nine million dollars, and of this sum the parent Grand Trunk Railway Company, by guaranteeing the bonds of its subsidiary, becomes responsible for an amount considerably in excess of five million dollars. The Grand Trunk is unable to meet the large deficit of the Grand Trunk Pacific and the latter, in order to continue as a going concern, has had to receive assistance from the Dominion government to the extent of $15,500,000 during the two years beginning January 1st, 1916, when the line was declared officially in operation. The Grand Trunk officials aver that the inability of the Grand Trunk Pacific to pay its way is not due to any fault of theirs, "but can be attributed directly to the action of the government in subsidizing competing lines" belonging to the Canadian Northern Railway "and in many ways enormously adding to the cost of construction." They claim that the Grand Trunk Railway Company's money was put into the subsidiary "in good faith, in the belief that the Grand Trunk Pacific was largely a national undertaking. . . . There is not a shadow of doubt that had the course subsequently followed by the government (*i.e.*, in subsidizing competing lines) been known when application for the Grand Trunk Pacific charter was made, that road would never have been built." The Grand Trunk Railway Company, therefore, proposed, in a letter to Premier Borden dated December 10th, 1915, that they should retire altogether from the concern; that in return for their handing over to the government the $25,000,000 of common stock of the Grand Trunk Pacific Railway which they hold, but for which they paid only a nominal amount of cash, the government should not only relieve them of all liability in connection with the Grand Trunk Pacific and its subsidiaries, including deficits in operating expenses, but should "repay the Grand Trunk Railway Company any money advanced to the Grand Trunk Pacific or its . . . subsidiary companies."

These, then, are the facts concerning the three great railway systems of the Dominion which are in the hands of private companies. The Canadian Pacific is one of the world's strongest companies. It received generous aid from the government in its initial years until it could stand alone; and yet it is acknowledged by high authorities outside the company that the people have received from this enterprise "good value for their money."

The Canadian Northern also received aid in land and subsidies, but this direct assistance was very small in comparison with that given to the Canadian Pacific. Besides, large amounts of securities of the company were guaranteed by the Dominion and the provinces; but up to 1914 it apparently met all its obligations from its own resources. No dividends have been paid on its stock.

The Grand Trunk Pacific, too, received direct aid, in the form of subsidies, to a considerable extent, but it relied chiefly on the guarantees by the governments and the parent Grand Trunk.

The Grand Trunk Railway Company, on the other hand, came into existence almost entirely as a result of the investment of private capital. It has always met its obligations to its own shareholders and bondholders, although the shareholders' return on their capital has been very small. Its difficulties came when it reached out toward the West and agreed, even though unwillingly, to the government's plan for a through line from the Pacific to the Atlantic. Whether or not there be strong ground for the plea of the directorate that the Grand Trunk should be relieved of all responsibility for the Grand Trunk Pacific, as outlined above, we forbear to express a final opinion. It would seem from the evidence as if in this matter the Grand Trunk had unwittingly made a bad bargain, without full consideration of the possible results of its agreement with the government, and now desired to withdraw from the agreement; but it may be that complete evidence has not yet been brought forth and that further elucidation from other sources may strengthen the company's claim.

From the foregoing, it will be seen that the chief trouble with the railways, other than the Canadian Pacific, is the financial burden which each has to bear.

The Royal Commission of 1916.

The Royal Commission appointed in 1916 to inquire into the general problem of transportation in Canada with the object of finding a remedy for the existing difficulties handed the government its report last year. This is really two reports, the majority signed by Sir Henry Drayton and Mr. Acworth, and the minority by President Smith of the New York Central.

The majority report recommended that the Canadian Pacific be left as it is, since "it is in the interest of the country that this company should be rich and prosperous," in order to give the best service and to meet new developments as they arise. But the other three companies, the Canadian Northern, the Grand Trunk and the Grand Trunk Pacific, were reported as having "broken down" and the two commissioners saw "no way to organize new companies to take their place." Consequently, they recommended that a board of trustees be constituted by act of parliament and incorporated as "The Dominion

Railway Company," and that the ownership of the Canadian Northern, Grand Trunk and Grand Trunk Pacific be vested in this company. Their suggestion was that the government should assume responsibility for the existing securities of these three companies. The two government lines, the Intercolonial and the National Transcontinental, should also be handed over to the Dominion Railway Company and the five systems thus merged should be operated by this company as one united group. But these recommendations were made only upon the express condition that this board of trustees should be a "permanent, self-perpetuating body" and "should not assume, or even be suspected of assuming, a political complexion." To this the commissioners attached "extreme importance," so that the board might not be hampered in any way by political considerations. At the same time, the Dominion Railway Company should be subject to the jurisdiction of the Board of Railway Commissioners in the same way and to the same extent as any private railway company.

President Smith's Minority Report.

The minority report, which in so many instances comes nearer to the finality of the problem, seems in this case to have been dismissed with but little consideration; but we cannot allow it to be relegated to the public rubbish heap in this summary fashion, for it contains too much that is valuable and vitally pertinent to a proper solution of the railway question. President Smith is a man whose knowledge of railway affairs, gained in connection with one of the greatest of the railway systems in the United States, is broad and thorough; he is a railway statesman of a very high order, whose viewpoint is not narrowed by any sectional interests nor obscured by merely local patriotism. His position in the most important place under the railway administration of the neighboring republic is an attestation of his ability in the organization of transportation service for the public welfare. His report upon the Canadian railway situation is a masterly analysis. He recognizes that, while public aid to railways had been founded originally on the urgent need for transportation to open up and develop the resources of a new country and to unify Canada commercially and politically, it was carried far beyond the limits warranted by the requirements. The responsibility for this is due as much to the government as to the private companies, since without enabling legislation and the extension of government credit, from which all received their essential support, the companies could not have expanded and overbuilt. This policy of developing the country was sound and fully justifiable, but the government should have exercised some supervision that would have insured to the people the benefits of that policy, without the losses that have followed the effort to assist development indiscriminately.

In view of these facts, President Smith would suggest that, while the Canadian Pacific should be allowed to go on unchanged in the important service it is rendering, certain changes should be made with regard to the other two great systems. The Canadian Northern's difficulty is largely due to its uncompleted condition and to its inability to secure the needed capital on its own resources, especially when so much capital is required by governments for the prosecution of the war. It has succeeded in building up a vast network of facilities in the West but was jeopardized by its expansion in the east. On the other hand, the Grand Trunk was successful in the east but signally failed in the west. From Winnipeg westward the Grand Trunk Pacific lines are found duplicating the successful Canadian Northern lines; and in the east the Canadian Northern lines and facilities duplicate those of the Grand Trunk proper. Between Winnipeg and North Bay, moreover, the Canadian Northern line parallels the government line, the National Transcontinental. Economy could be secured by eliminating this duplication of operation and causing the lines in these localities to be worked jointly. Consequently, the following remedies for the situation would appear to be desirable:—

"Let the Canadian Pacific alone; let the Grand Trunk operate the eastern lines now held by that company and the Canadian Northern; let the Canadian Northern operate the western lines now held by that company and the Grand Trunk Pacific system; let the government operate the connections or procure their operation by private companies; all of which should be done under arrangements that are equitable and yet look to the not distant day when the country will have survived the war and resumed its prosperous growth."

The Canadian Northern should be required to confine its operation to the country west of Winnipeg and to take over on a twenty-one-year lease the Grand Trunk Pacific lines at an annual rental equal to the fixed charges of the latter. On a similar lease, the Grand Trunk should take over the Canadian Northern lines east of North Bay at an annual rental equal to the fixed charges of this portion of the system. The lines between Winnipeg and North Bay, except the Canadian Pacific, should be leased for a like period to either the Canadian Northern or the Grand Trunk (or, if necessary, any other qualified company) on the best terms that can be made, so as to give the greatest service at the least cost. After ten years, these leases should be terminable by the government and companies at their option upon equitable terms.

In addition to these arrangements, Mr. Smith would also enlarge the authority of the Board of Railway Commissioners by giving that body power over all railways in regard to maximum and minimum rates, the issuance of securities, the building of new railways, or the extension of lines and other matters properly subject to governmental supervision. These changes should have been made years ago.

Neither Report Acted Upon.

With the majority and minority reports in hand, what course was undertaken by the government? Both were set aside. In the session of 1917 a bill was brought into parliament by the minister of finance providing for the acquisition of the Canadian Northern, but leaving the other lines in *statu quo*. The Grand Trunk Pacific was given a loan of $7,500,000 in order to enable that road to carry on its service and meet its fixed charges. The Grand Trunk, National Transcontinental and Intercolonial were left as before. It is strange that the Grand Trunk Pacific, which was unable to meet even its operating expenses, to say nothing of fixed charges, should have been treated in a different manner from the Canadian Northern, which was virtually in the same position in not being able to meet its fixed charges. Why should the former be left in private hands while the latter was to be taken over by the government? The answer to this query can only be surmised. In acquiring only the Canadian Northern, of course, it was stated that the government could not also take the Grand Trunk Pacific without a protracted period of negotiation with the Grand Trunk directors and shareholders in England; but the Drayton-Acworth report certainly did not contemplate the proposed piecemeal purchase. Moreover, these two commissioners had pointed out that the Canadian Northern shareholders had no equity in the company, either on the ground of cash put in, or on the ground of physical reproduction cost, or on the ground of the saleable value of the property as a going concern;

but when the government brought in its bill, the minister of finance said that there were certain assets which had not been accounted for in the Drayton-Acworth report and, therefore, the government's proposal was that the value of the remaining stock necessary to full control, amounting to $60,000,000—the other $40,000,000 having been handed over to the government in 1914 when the latter guaranteed the company's bond issue of $45,000,000—should be determined by a board of arbitration composed of three members, one appointed by the government, one by the Canadian Northern interests, and the third chosen by these two. Why should the method of arbitration have been adopted in this case when that method had long ago been rejected and subsequently all such valuations with reference to government claims had been determined by the judge of the Exchequer Court?

The only answer given by the government was that it was the method recommended by the Drayton-Acworth report; but a careful reading of that report shows that this was erroneous. The report says: "We suggest that, *if it is decided to permit the present shareholders to retain a portion of their holding*," there should be a board of arbitration empowered to decide two questions: First, "What proportion of the Canadian Northern common stock may fairly remain the property of the present holders?"; second, "What proportion of the earnings of the Dominion Railway Company may fairly be regarded as attributable to the Canadian Northern lines?" From this verbatim quotation, it is apparent that the government, despite its protestations, was not acting according to the suggestion of that report, since it had determined *not* to permit the shareholders to retain any portion of their stock. Why, then, did the government propose arbitration, rather than the determination of the value of the property of the railway company by Exchequer Court proceedings. To show how little confidence the government had in the process of arbitration and in the settlement of a fair value by the arbitrators, it is only necessary to remark that the highest value of the $60,000,000 of stock was fixed at an amount not to exceed $10,000,000. What may be the outcome of the arbitrators' decision I shall not venture to predict. One is impressed in reading the debates, as given in Hansard, with the apparent desire on the part of certain members of the late government to conceal facts which were asked for time and again. There was not that free and open exposition of the circumstances which was necessary in order that parliament might act judiciously upon a course which would add over $500,000,000 to the debt of Canada. There was the withholding of information upon which a proper conclusion could be reached concerning such an important issue. Even for the writer, who has carefully examined every vestige of evidence as presented in the debates of the House, there are many loose ends which are apparently irreconcilable. Finally, after the measure had been under discussion only a few days, the closure rule was applied; the government seemed to be in an extraordinarily great hurry to rush the bill through, without having given all the information that was desired, in order to put it upon the statute book before the light of day had been properly turned upon it. Such was the way in which the government handled this problem.*

No Lack of Support for Government Ownership.

No policy has yet been formulated concerning the country's railways as a whole, and I venture the opinion that had the matter of the Canadian Northern been left to the present Union Government a different solution would have been found. Many of the newspapers of the country are declaiming loudly against private railways; and their incessant and vociferous appeals, usually written by those who have never had any opportunity or ability to study the subject, are made to the public as if their statements were the last word. And, *mirabile dictu*, such is the calibre of one of the most aggressive members of the late and of the present Cabinet that he openly declared in the House, "I do not know any better way of forming the judgment of a public man than for him to study assiduously the editorial expressions of the press!" The farmers, largely influenced in their opinions by the bias of the newspapers and by the fascinating picture which has been placed before them as to the results of government ownership, have, in some instances, passed resolutions at their great gatherings urging the nationalization of all the railways as the only remedy which "will meet the conditions caused by the repeated blunders and extravagant railway policies of successive governments." And, strange to say, in making this last statement they are really condemning the very thing which they are ostensibly advocating!

The Hydro-Electric interests, too, have been active in putting before the municipalities of the province, and even before the Dominion government, the necessity of having railway nationalization, although Sir Adam Beck, chairman of the Hydro-Electric Commission of Ontario, is opposed to having the Canadian Pacific included in the nationalization policy. With such a wide range of supporters, including some which we have not mentioned, government ownership has been heralded widely as the panacea for our ills.

The Attitude of Employees and of Shippers.

Two other classes, which lack the clamorous propensity of those above mentioned, ought to be consulted before forming any conclusion regarding the issue at stake, namely, the laboring classes and the shippers. The writer has taken the opportunity to speak with members of these two groups, and the laboring class he finds about evenly divided; those in the lower positions of the railway service usually favor government ownership, because they think that under that system wages would be increased; but those in the higher ranks fear that if all the railways were put under government ownership we should simply have the perpetual repetition of the Intercolonial Railway management, only upon a greatly enlarged scale. The low wages and the system of promotion of those engaged in the postal service would seem to be a sufficient answer to the former, especially when we join with that the fact that the wages on the Intercolonial are no higher than on the private lines; and the apprehension of the latter group is but too well founded. The shippers, in general, would expect lower rates under government ownership, but they are convinced that the facilities for transportation would lack the tone and the stimulus which now exist, and the settlement of claims would be indefinitely more prolonged. Here it may be pertinent to say that if the laborers were constantly pressing for higher wages and the shippers were urging the necessity of lower rates, the government would not be so capable of resisting this pressure from both sides as would a private company; and if the expenditures for labor were increased—as they would be by the influx of men into the government service—while the revenues from lower rates were reduced, a larger amount would have to be made up by general taxation.

(*To be Continued.*)

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*On the Canadian Northern situation, see my article in "The University Monthly" (published by the University of Toronto), May, 1918.

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MOBILIZING CANADA'S LABOR FORCES

The government has done the right thing in taking action to mobilize the nation's full labor power. The times demand deeds, not words. The fate of liberty-loving nations trembles in the balance. Recalling with just pride what her sons have accomplished, fully assured that their courage will meet every test, that their will for victory is inflexible, Canada with quiet confidence will do her duty in this hour of crisis and of peril.

We are convinced that every man, woman and boy has a present supreme duty to the State—the duty of performing useful, productive work. Distinctly war work must come first in the country's economic programme; the production of munitions, clothing, ships, and food and the scores of accessories required for efficiently carrying on the war. Thereafter, and after all primary demands have been met, the machinery of production must be kept in full operation to the end that the wealth essential for financing national requirements, on war account, will be forthcoming.

The mere possession of property, or income from investments, gives no one the right during these hard days to live a life of leisure. Not for an instant can the people of this country forget or neglect the men who are giving their all that liberty and justice may not perish from the earth. The vast majority of men of means have done their part. The others must.

Methods have been devised under a recent order-in-council to eliminate the shirker and all others who are voluntarily idle. Magistrates everywhere should relentlessly enforce the provisions of the law.

Senator McCumber recently introduced a bill in o the United States Senate providing for the registering of all male citizens between the ages of 16 and 62, and for subjecting them to "the call of the government to perform such service in transportation, ship-construction and war-supplies as the government might require." This bill, in all probability, will not at present be made the law of the land, as it embodies the principle of industrial conscription. Nevertheless, the American nation will not permit the word "conscription" to terrify it, if circumstances demand drastic action. Their military record proves that beyond any possibility of doubt. Within six weeks of the declaration of war the draft measure was on the statute books.

The Canadian administration likewise does not propose the conscription of labor at this juncture. Nevertheless, conscription will come if it be found essential for the winning of the war. France and the United Kingdom have had virtual conscription from the outbreak of hostilities. Workmen were not free to move from place to place, and from trade to trade, as in peace times. In the United Kingdom, as is well known, a workman could not hope to leave his job and get employment elsewhere unless he had secured a certificate showing that he had been honorably discharged. And that was, virtually, conscription.

And why not? The State had the power to draft men into the army and navy, and compel them to face all the risks and rigors of war. The pay the British Tommy received was small. It was no hardship to force a man to work at home in safety, at standard rates of pay.

It is objected in the radical press that the army pays no interest and dividends; that it has no stockholders or bondholders; that, aside from generals, the rate of remuneration is small, even insignificant. And thereupon a smashing indictment is drawn up against the Rockefellers, the Schwabs, the Astors, the Shaughnessys, the Flavelles and the other industrial leaders who draw interest, dividends and large salaries—who "reap where they have not sown, and gather where they have not strawed."

No more specious argument has ever been presented. In the United Kingdom, the United States and Canada, wealth, in the form of excess profits taxes, corporation and income taxes, is being made to bear the burden of war. Innumerable examples might be given of the patriotic and unselfish rôle played by men of wealth during the course of the war. It is high time that the *coup de grace* were given to the contention that the "capitalists made the war."

The conclusion of the whole matter is, that as long as labor is protected by standard rates of wages it has no cause for complaint—even if conscripted. In the United Kingdom the workmen, through their associations, entered into an agreement to suspend trade rules and all special privileges during the war. In Great Britain and France, men and women are bending their every effort to achieve victory. Canada can do no less. It is not merely a question of holding the Hun, of effecting a stalemate. The will of democracy must prevail. And it cannot prevail unless every sacrifice, with implacable resolution, is made for the common cause.

OUR POST-BELLUM REVENUE

In their consideration of the burdens that will be left by the war, conservative observers in all belligerent countries are obliged to take into account the contingency that the national revenues may shrink rapidly with the cessation of the special activities incidental to the war. Hon. A. K. Maclean, the acting minister of finance, estimated a revenue of $270,000,000 for the fiscal year ending March, 1919. That represents an increase of $100,000,000 over the revenue of the greatest of our pre-war years; and if the gains can be held, the revenue should satisfactorily support the load of new government debt created by the war. In Canada's case it is difficult to estimate the changes that will take place in the post-bellum revenue. It seems to be generally agreed that the excess profits tax will be abolished. That tax is designedly an attempt to turn into the national exchequer a part of the extra profits made by companies actively engaged in war work. After the war the excess profits will presumably vanish, so the productivity of the tax would diminish. This item accounted for $21,000,000 in the fiscal year just ended, and probably it figured for a like amount in the estimates for 1918-19.

The income tax, on the other hand, bears all the signs of being a permanent institution. The taxes collected this year will presumably be based on the tax schedules passed last summer; but next year, when the new rates as applied to 1918 incomes are collected, there is certain to be a substantial increase in the revenue derived from this source. We have to remember, however, that while the income tax may be a permanent feature of our national financing, it may yield less revenue for a couple of years or so after peace returns. Many of the large incomes derived from special war work will perhaps be cut down, and it may take a little while for the general income of the country to recover to the level reached in the war. On the other hand, it is the case that the war cut off and reduced many of the incomes derived from the purely peace activities. One meets everywhere people whose incomes have been greatly reduced as a result of the war. Many of these will gradually work up the incomes to the old level, and above it, once the war is ended. So, on the whole, it is reasonably safe to regard the income tax revenue as something that will be fairly well maintained.

The post-bellum course of the customs revenue, it is not possible now to predict. That will depend on tariff policies and on the circumstances of other countries. It seems certain though that European countries, particularly the Mother Country and our devoted allies in Western Europe, will need our foodstuffs to as great an extent as we can produce. Apparently, too, the prices realized on these shipments will be such as to give us fair profits. Thus, if our exports are very large, the chances are that the import trade, too, will be well maintained; and if the tariff rates are in the neighborhood of the present level, the customs revenue should not be unsatisfactory. The outlook is for expansion of our agricultural production, and some at least of the new industries created during the war will be busily engaged for years to come. So there does not appear to be any reason why we should be discouraged or depressed as regards the ability of the country to carry the war burdens.

NEW TAXATION PROPOSALS

The revised system of taxation as outlined by the acting minister of finance appears to have successfully withstood over a week's discussion and criticism. In fact almost the only criticism regarding the new income tax is that it is still too low. It is thought by many that the burden should be thrown still more upon the shoulders of those enjoying a large income. On the other hand, the lowering of the minimums to $1,000 for single persons and 2,000 for married persons does not seem to have met with any objection, as these are the minimums allowed in the United States. The taxes which have occasioned most criticism are the taxes on tea, on matches, on jewelry, and on motion picture films. The former two, at least, will fall upon the shoulders of the poor almost as much as they will on the rich. The tax on tea is ten cents per pound, whether the tea be of poor or of good quality. The effect of the tax on matches when its effects are fully felt will probably be to almost double the price. These two items will emphasize the cost of the war to the humblest inhabitant.

The tax on tea is to be collected not only on future imports, but also on tea now held in storage in Canada. In Port Arthur and Fort William alone there are close to 5,000,000 pounds, the yield on which will be over $400,000. A large lump sum will therefore be realized from the whole country. It is expected that the tax on matches will be very fruitful and that it should bring in nearly $3,000,000 per annum. The E. B. Eddy Company, of Ottawa, who are the largest manufacturers of matches in Canada, will, if their present output be maintained, pay into the treasury seven to eight thousand dollars per day. This tax is to be collected directly from the manufacturers which is no doubt the most convenient and cheapest way of obtaining it. There has been some complaint that the tax on matches is too heavy and it is quite probable that the consumption of matches will be at least fractionally reduced. Regarding the tax of five cents per foot on motion picture films, firms using these maintain that it is much too heavy and will seriously curtail imports; on the other hand, they point out that no revenue will be obtained in this way from films which are merely sent into Canada by exchanges, to be returned shortly to the United States.

On Friday, May 3rd, a deputation of jewelers went to Ottawa to lay their grievances before the government. The jewelers did not complain against bearing their share of taxation, but pointed out that much of their stock in trade was out of date, and unmarketable, and that the 10 per cent. tax should not be imposed on such goods as were no longer saleable. Various alternative ways of collecting the tax were discussed, and the jewelers are hopeful that some alteration will be made.

The collection of the internal taxes will, of course, involve a certain amount of labor, but as many excise officers have been released by prohibition, these can be utilized for the purpose. Insofar as customs duties are merely increased, there should be no advance in the cost of collection.

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IS COLD STORAGE INIQUITOUS?

Acts as an Equalizer of Prices—Profits in United States Very Low—Hostile Attitude Towards Industry

BY G. R. MARNOCH

President, Lethbridge Board of Trade.

"All cold storage business is vicious and iniquitous." If public opinion generally is to be judged by what we read in the press and by what the man in the street says, that is the conclusion that the Canadian public has reached.

Storage Plant Wanted in Lethbridge.

All the same the people in Lethbridge and the surrounding districts would be very glad to see one of these halls of iniquity set up here. Quite a serious effort in the direction of starting a company to build and equip a cold storage house was made here a year or two ago; but after some deliberation the project was dropped. The idea was to take advantage of the Dominion government subsidy of one-third of the cost of the building and equipment; but as the conditions attached to the subsidy are that a considerable amount of the space must always be held at the disposal of the public, it was felt that the keeping of that amount of space perhaps out of use altogether for long periods of time would make the project quite hopeless. From enquiry made then it appeared that such concerns as had established themselves on the basis of the subsidy managed to remain in existence by the additional capital that they could provide for actually buying produce outright in times of plenty, and selling it in times of scarcity, and applying the margin of profit to the cost of running the establishment; and that even so the risk had to be taken in spite of the agreement with the government, of filling up, on the company's account, of practically all the available space, and of providing space for the public for storage, somehow, if the demand arose.

The Case for the Cold Storage Business.

The fact is, that when a producer has anything to sell, he wants to sell at once and put his money into further production. He wants to leave the holding and handling to somebody else who is in constant touch with all the likely markets. The consumer's quite natural desire is to buy always at the lowest price; but the consumer's need arises at a particular moment, and, as the modern world has arranged itself, that need has to be met. A great many of us live in apartment houses, but even of those of us who live in our own homes there are very few indeed who have anything like the facilities that our grandmothers had for preserving and storing our food supplies; and, when we come to think of it, we begin to see that the cold storage houses have better means for storing our food than our grandmothers ever had; and better means than we could provide in even the best laid-out private home.

The consumer grumbles when the cold storage house starts to buy eggs in April, because, as she says, that raises the price she has to pay. Well, what would she have? That the cold-storage house should keep off the market then? All right. Then December and January come along; no eggs in cold storage; what an iniquity—why didn't the cold storage houses provide for this? Why, because you wouldn't let them do so in April.

And what does the farmer's wife and the poultry plant say? They say, what's the use of all our trouble and expense keeping hens all through the winter, when we have to sell our eggs at any old price in April and May? And so they go out of business, and we get no eggs at all. Then the consumer begins to come to his senses a little. His wife thought eggs came out of the telephone; and when the telephone declines to lay eggs, she begins to think.

A Useful Middleman.

The gist of the matter is that cold storage is an efficient, up-to-date method of carrying over food from seasons of plenty to seasons of scarcity. The producer wants to market his stuff, he doesn't want to keep it; the consumer wants food when he wants it; he doesn't want to keep it. The cold storage man comes in between, he buys from the one, takes care of the food for a while, and sells when it is needed as is indicated by the market price.

Of course the kindly critic says the cold storage man does not sell when it is needed. The ordinary commonsense answer to that is that if he does not sell when the market is good, he is a poor business man. Nobody except the miser tries to keep merchandise for ever, and the miser is a fool. No merchant buys goods for the pleasure of keeping them and looking at them. We need hardly try to persuade ourselves that the cold storage man is both a knave and a fool.

Packing Plants in the United States.

Prof. Richard Graham, of the Ontario Agricultural College, said recently: "I have travelled over a large part of the United States, inquiring into packing plants, examining the cold storage facilities, and testing their goods. I have learned that there is never any very big money made out of these concerns, and I have occasion to know of some very serious losses that have been sustained from time to time." And his words are more than verified by the official statement of the Bureau of Markets of the United States. Charles J. Brand, chief of the Bureau, says in his report of March 11th in regard to cold storage of eggs:—

"If we lump the results of the three years for which the Bureau of Markets has accumulated data and issued reports, we find a net profit of approximately two and a half million dollars on an investment of one hundred and forty-eight millions, or approximately one and two-thirds per cent., making no allowance for interest on investment."

The Function of the Packer.

Let us see now what we arrive at as a result of this little discussion. The producer wants an even and steady market for his produce; if he can't get it, he curtails his efforts—that can hardly be said to increase the foodstuffs that are available. The consumer wants food cheap all the time, but mainly he wants food; and if he would think a little, he would discover that even and steady prices would suit him better, too. The cold storage man provides the means for arriving at these steady and even prices. Therefore, what we want is *more* cold storage houses, and not to put those that are now providing the service out of business.

The Industry Is Valuable to Canada.

As Professor Graham says: "There is no reason why every person should not have a poached egg for breakfast the year round. Perfect storage conditions would render this possible. In fact, I will defy anyone not a first-class expert to tell the difference between a fresh egg and a stored egg even for six months under these ideal conditions. The packing house is the proper place for this business. It would be better if private packing of eggs beyond one's home supply were discountenanced. In Denmark their great advantage lies in the farmers being in easy distance of packing houses, so that the egg goes into storage within a few hours of production.

"It is the same in the case of meats. The packing houses in Canada have certainly contributed much to our agricultural prosperity and we are decidedly out of sympathy with any campaign to drive them out of their present business. It would be poor business for Canadians."

But who will be valiant enough to put his money into cold storage business in face of the facts that have been quoted as to earnings, and in the present state of public opinion as to the iniquity of the business? And in the meantime we have to wait for the conveniences and thrift of cold storage; for, as Poor Richard says: "Industry need not wish, and he that lives upon hopes will die fasting."

TILLSONBURG GUARANTEES BONDS

A by-law to cancel a $9,000 mortgage and to guarantee $25,000 of bonds of the Huntley Manufacturing Company, Limited, was carried in Tillsonburg on the 7th inst. The company's plant was recently destroyed by fire, and a new factory building will be erected.

According to reports received by Hon. Duncan Marshall, minister of agriculture, Alberta's last year's acreage of 6,250,000 will probably be raised to 9,000,000 acres, the increases being fairly distributed from north to south. The land is reported all over the province to be in the best of condition, and early seeding has been general. Mr. Marshall said that there had never been a better spring season, and the outlook was certainly promising.

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Reserve Fund	-	12,000,000
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ALBERTA LEGISLATION

Important Acts During Recent Session—Provincial Finances—New Taxation

A synopsis of the acts of the Alberta legislature, during the session from February 7th, to April 13th, 1918, has been prepared by Mr. John D. Hunt, B.A., clerk of the executive council. Among the notable features of this session, he refers to the first appearance of the Hon. Charles Stewart as premier in the house, and of the Hon. George P. Smith as provincial secretary; the presence of two women members; and the absence of four members on duty overseas.

The speech from the throne dealt with the questions of production and conservation, public administration during the war, and the problem of the returned soldier. During the session 64 bills were considered, of which 54 were introduced as government bills, and 10 as private bills. The number of acts passed was 46.

Some of the acts, as summarized by Mr. Hunt, are as follows:—

Succession Duties.

No. 14.—An act to amend the Succession Duties Act.

"The amount of property exempt on passing to a near relative resident in the province has been reduced from $25,000 to $10,000, except that the property of a deceased soldier so passing is exempt up to $25,000.

"Property devised and bequeathed for religious, charitable or educational purposes to be carried out in the province is exempt up to $2,000.

"A new table of percentages, with a graduated increase of taxation for increased amounts and for more distantly related beneficiaries, is adopted in the act.

"A notice of sales by auction of the property of deceased persons, such notice to show the name of the deceased person, the date of his death and a detailed inventory of the property to be sold, shall be sent to the provincial treasurer by the executor or administrator by registered mail at least seven days prior to the date of the sale, and when any property of a deceased person has been sold by private sale the executor or administrator shall, within thirty days after the sale, send a report to the provincial treasurer showing the name of the deceased person, the date of his death and a detailed statement of the property offered for sale and the amount realized for each item sold. Any executor or administrator failing to give notice as aforesaid shall be liable upon summary conviction to a penalty not exceeding $500."

Sale of Shares.

No. 25.—An act to amend the Sale of Shares Act.

"The amendment sets out certain stocks, bonds and securities the sale of which shall not come under the provisions of the act.

"Where the board refuses to grant a certificate for sale of stock, such refusal shall not debar the applicant from renewing the application within twelve months of such refusal.

"Every certificate for the sale of stock shall be granted for the period of one year from its issue, and may be renewed for any further period not exceeding one year.

"The section requiring all agents selling stock to have licenses from the board has been amended to give the Lieutenant-Governor-in-Council power to exempt from the provisions of the section co-operative associations allowing no commission on the sale, of their shares, stock or other securities."

Provincial Revenue.

No. 26.—An act to supplement the revenue of the province.

"This act provides for an annual tax in every city, town and village of one mill on the dollar, and in rural areas of a tax of four cents per acre, or such lesser amount, down to two cents per acre, in any municipality or other unit, as may be fixed by a commissioner appointed by the government, who shall give consideration to the general circumstances of the unit affected; provided that all taxable persons shall pay at least 25 cents, and that lands held under grazing lease or permit from the Dominion government shall be taxed at one cent per acre.

"The tax shall be levied and collected in a manner similar to municipal taxes, and shall be sent to the minister of municipal affairs, who shall pay the same to the provincial treasurer to form part of the general revenue fund of the province.

"Where tax notices have already been sent out, the assessor shall send out special notice of this tax. No discount shall be allowed, and land used for industrial purposes and otherwise exempted shall not be exempt from this tax.

"A commission of two and one-half per cent. shall be paid to any municipality upon the amount collected by it.

Provision is made for statements of assessment and acreage to be sent to the minister of municipal affairs by municipalities, for penalties for default, and for inspection and audit of the records and accounts of all municipalities.

"The minister of municipal affairs may make regulations and provide forms for the carrying out of the provisions of the act."

Treasury Department.

No. 30.—An act to amend the Treasury Department Act, being chapter five of the statutes of Alberta, 1916.

"Notwithstanding any other provisions of this act, the provincial treasurer, with the approval of the provincial auditor, may apply any or all refunds received with respect to expenditure of the previous fiscal year against the expenditure of such year at any time prior to the submission of the public accounts for that year to the legislature, this section to apply to refunds in the year 1918 and subsequent years.

"The salary of the provincial auditor is fixed at $4,000 per annum."

Trust Companies.

No. 34.—An act to amend the Trust Companies Ordinance.

"The expression 'trust company' is extended to any company constituted or operated within the province for the purpose of acting as executor, administrator, trustee, receiver, assignee, agent, liquidator, guardian of a minor's estate or committee of a lunatic's estate.

"Provision is made for the inspection of the affairs of a trust company by an inspector appointed by the Lieutenant-Governor-in-Council, and for every company to file with the minister on or before the first of March in each year a complete statement of the company's affairs in the form given in the schedule.

"A penalty is provided for default in transmitting such statement."

Insurance.

No. 35.—An act to amend the Alberta Insurance Act.

"Outside companies are required to appoint a resident in the province upon whom any process against the corporation may be served. The superintendent of insurance formerly acted for all companies.

"The liability of a company on contracts of hail insurance is set out in detail and hail insurance conditions enacted similar to those adopted in Manitoba and Saskatchewan, to be deemed part of each contract of hail insurance in force in Alberta.

"Provisions applicable to companies hereafter incorporated by the legislature are set out in full, and a short form of model bill for the incorporation of an insurance company is adopted."

Provincial Companies.

No. 37.—An act to amend the Companies' Act, 1913.

"Where it is proved to the satisfaction of the minister of railways and telephones that an association desires to be formed as a limited company and is to be formed for the purpose of carrying on the business of a telephone company and that such association intends to apply its profits, if any, in promoting its objects, the minister may by license direct that the association be registered for a limited term as a company with limited liability, without the word 'limited' to its name, and the association may be registered accordingly upon the payment of such fee as the minister may direct.

"No such registration shall empower the company to carry on a commercial business, nor shall it confer any exclusive right to the operation of a telephone system within the area served by the company. The license may be granted under such conditions and regulations as the minister thinks fit, and shall, if the minister so direct, be inserted in the memorandum of articles, and the registrar shall not register

THE BANK OF OTTAWA

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94 Branches in Canada

Capital paid up - $4,000,000
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SPECIAL ADVERTISING NUMBER

The current issue of "The Home Bank of Canada Monthly" is dedicated to the subject: "Advertising." Copies mailed post paid to any address on request.

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Head Office: Montreal. Established 1864.

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offers no more thorough and up-to-date system than that which regulates the workings of the Merchants Bank.

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any such memorandum until he is satisfied that no such direction is required."

Amusement Tax.

No. 39.—An act to provide for the collection of a tax on persons attending places of amusement.

"This act provides that every person attending an exhibition, performance or entertainment at a place of amusement to which an entrance or admission fee is charged shall, on each admission thereto, pay an amusement tax as follows:—

"(1) When the price of admission is from 10 cents to 20 cents, inclusive, a tax of one cent;

"(2) When the price of admission is more than 20 cents, but not more than 75 cents, a tax of 2½ cents;

"(3) When the price of admission is more than 75 cents, but not more than $1.00, a tax of 5 cents;

"(4) When the price of admission is more than $1.00 and not more than $2.00, a tax of 10 cents;

"(5) When the price of admission is more than $2.00, a tax of 25 cents;

"(6) A tax of 25 cents shall be paid by every person attending any boxing bout or contest;

"(7) Where admission is given by pass or complimentary ticket, a tax shall be payable at the highest rate charged for the performance to which admission is granted.

"The provincial secretary is given power to exempt from taxation all persons attending an exhibition, performance or entertainment where the proceeds are to be devoted to religious, charitable or patriotic objects."

Taxation of Corporations.

No. 43.—An act to amend the Corporations Taxation Act.

"The tax on the head office of a bank is raised from $1,000 to $1,200, and a branch bank from $125 to $200.

"The tax on every company or corporation other than a municipal corporation in any city supplying gas for gain shall be a tax of $500.

"Every company or corporation other than a municipal corporation supplying or dealing in natural gas shall be subject to a tax of one-quarter of a cent for every 1,000 cubic feet of gas flowing, drawn or pumped from or produced by a well owned, leased, occupied or operated by such company. Where oil in paying quantities and natural gas are found in the same well and the well is worked mainly for the production of oil, such gas shall not be subject to the tax.

"Provision is made for the correct measurement of the amount of gas produced by any well.

"Every company or corporation which carries on business either partly or wholly in a city or town of a population exceeding 1,500, other than a municipal corporation, the main object of which is the generation, distribution or supply of motive power or energy of any description shall pay a tax of $1,000.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times:*—

	Buyers.	Sellers.	Counter.
N.Y. funds	27-32	29-32	....
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	4.7940	4.7970	4.82
Cable trans.	4.8040	4.8070	4.83

Rate in New York:—Sterling demand, 4.75.
Bank of England rate, 5 per cent.

NEW MANAGER FOR OCEAN ACCIDENT

The directors of the Ocean Accident and Guarantee Corporation, Limited, of London, England, desire to announce the appointment of Mr. William Thomas Perry as manager of the corporation for Canada and Newfoundland, to succeed Mr. Charles H. Neely, who has been appointed manager and attorney of the United States branch.

Mr. Perry has been in the service of the corporation for many years in London, and recently in New York, and it is, therefore, confidently expected that the high standard of efficiency maintained for Ocean service to its policyholders and agents will be continued.

PERSONAL NOTES

MR. HUGH MACKAY, of Montreal, has been elected to the directorate of the Toronto Railway Company.

MR. H. H. PITTS, of Ottawa, has been elected to the directorate of the Toronto Railway Company.

MR. MARK WORKMAN, president of the Dominion Steel Corporation, Limited, has joined the board of the Eastern Trust Company of Montreal.

MR. JAMES CARRUTHERS, president of the Canada Steamship Lines, Limited, has joined the board of the Eastern Trust Company of Montreal.

MR. H. J. SUTHERLAND, manager of the Queen and Church Street branch of the Bank of Nova Scotia, has gone away on a two months' holiday.

MR. RANDALL DAVIDSON, manager for Canada of the North British and Mercantile Insurance Company, is making a business trip through the west.

MR. W. H. KNOWLES, who was previously with the Crown Trust Company, will manage the new real estate department of the Eastern Trust Company of Montreal.

MR. E. F. MCNEILL, formerly manager of the King and George Street branch of the Bank of Nova Scotia, Toronto, has gone to Regina to manage the bank's branch there.

MAJOR THOS. GIBSON, a well-known Toronto lawyer and financier, has been appointed acting deputy minister of militia overseas while Colonel Walter Gow is in Canada.

MR. W. G. WATSON, assistant general manager of the Toronto General Trusts Corporation, has been appointed honorary treasurer of the Missionary Society of the Methodist Church in Canada, in succession to Mr. H. H. Fudger, who has resigned.

MR. E. S. CRAWFORD, manager of the Queen and McCaul Street branch of the bank of Nova Scotia, Toronto, will also look after the bank's business at the Queen and Church Street branch, in the absence of Mr. H. J. Sutherland, who is away on a two months' holiday.

MR. WILLIAM S. GRAY, formerly Dominion Bank Manager at Regina, has returned to Toronto to manage the market branch of the bank in his native city. Mr. Gray has had an extensive experience in banking in the west, having managed branches at Boissevain, Grenfell in Saskatchewan, and Edmonton, Alberta, before going to Regina.

MR. H. C. FLOOD has succeeded Major H. B. Stairs as manager of the Eastern Trust Company in Montreal. He is a St. John, N.B., man, who has been associated with the company for the past four years. Previous to that he was connected with the Royal Securities Corporation, representing it principally in the maritime provinces.

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Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	4,000,000

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BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL	$ 19,524,300.00
RESERVE FUND	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

J. RUSSELL FRENCH, General Manager.

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Reserve	3,400,000
Total Assets (Over)	140,000,000

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Bank of Hamilton

Dividend Notice

NOTICE is hereby given that a Dividend of Three Per Cent. (Twelve per cent. per annum) on the paid up capital of the Bank, for the quarter ending 31st May, has this day been declared, and that the same will be payable at the Bank and its Branches on 1st of June next.

The Transfer Books will be closed from the 24th to 31st, both days inclusive.

By order of the Board.

J. P. BELL,
General Manager.

Hamilton, April 22nd, 1918.

GERMAN IRON AND STEEL INDUSTRY

Foundations Laid for Extensive Research—Supported by Government—Kaiser Wilhelm Institute for Science

In last week's issue of *The Monetary Times* Germany's methods of encouraging war industry and after the war industry were described. A special account referring to the iron and steel industry has also been prepared by Sir Robert Hadfield, based on translations from German sources. About a year ago a special institution and research laboratory was planned, to be devoted entirely to researches on iron and steel. Sir Robert asks if this activity on the part of Germany is to go unchallenged by England. Whilst Great Britain has several important laboratories devoted to research on iron and steel, there is, he states, required a general building and common meeting place for such important institutions as the Iron and Steel Institute, the Institute of Metals, the Institution of Mining and Metallurgy, the Institution of Mining Engineers, the Faraday Society, the Society of Chemical Industry and others. Progress in Germany is related as follows:—

Origin of the Institute.

On March 4th, 1917, at a general meeting of the Verein Deutscher Eisenhuttenleute (German Iron and Steel Institute) held at Dusseldorf, Dr. Fr. Springorum, during the course of his address, said the committee appointed by the board of that institute had recently discussed the subject and recognized the necessity of promoting progress in metallurgy by the establishment of a special Research Institute, probably to be attached to the Kaiser Wilhelm Society.

This was followed on June 19th, 1917, by a further meeting of the same institution at which a resolution was unanimously passed with regard to the establishment of such an institution and research laboratory to be devoted to research on iron and to be attached or affiliated to the Kaiser Wilhelm Society, an important new German association.

On July 6th, 1917, at a meeting of the senate of the Kaiser Wilhelm Society, held under the presidency of Professor Von Harnack, the senate declared itself in agreement with the proposal of the Verein Deutscher Eisenhuttenleute to establish this institute and laboratory for research on iron and steel.

On July 28th, 1917, reference was made to the meeting of the Verein Deutscher Eisenhuttenleute held on June 19th, and after discussing the foundation and site of the building, the writer stated that, "the means for building and maintaining the institute, except a small contribution from the Kaiser Wilhelm Society, will be raised by the iron and steel industry of Germany."

Finally, from the latest information in the possession of the compiler of this present statement, there was held on November 13th, 1917, the first meeting of the "Curatorium" (Trustee Committee) of the Kaiser Wilhelm Institute with regard to the establishment of the Research Institute and Laboratory for Research on Iron and Steel in the "Stahl und Eisen" Building in Dusseldorf, when Dr. Springorum was elected chairman.

Importance of Iron and Steel.

Dr. Fr. Springorum, during the course of his address at the meeting on March 4th, 1917, stated:—

"The titanic struggle of nations has confronted our iron industry in every direction with particularly great difficulties, and I hope that some day, when the war-time records of our works and our associations may be more freely disclosed, not only the full tribute of recognition will be paid for the great things which have been achieved, but that it will also be possible, immediately, to find ways and means of further pursuing in the interest of the Fatherland, the thousandfold problems which, arising from the emergencies of war, could perhaps be solved only in part during the war. We shall, after the war, far more than hitherto, have to depend on ourselves and to rely on our own strength. Accordingly, the demands on us will be enormous. Industry will only be able to meet them by strenuous work, and will, above all, have to study better utilization of fuels and the further perfecting of metallurgical processes. Co-ordination between metallurgical practice and metallurgical research, which has always been insisted on and promoted by us, will in future be imperatively needed.

"The weightiness of these facts has revived among our board an old idea which, to our gratification, has once more been brought forward, of late, by Prof. Oscar Simmersbach—viz., to prepare the soil in order to call into life as quickly as possible, and to promote by financial assistance, an increased activity of research in the domain of the metallurgy of iron and its alloys. For the study of this question the board has appointed a committee which has recently held an exhaustive discussion on this subject. They were unanimous in recognizing the necessity of promoting with all energy, by scientific research, the progress of metallurgy, with an eye to the exceedingly keen competition in the world's markets to be anticipated after the war. The only divergency of opinions still existing is as to how such promotion can be effected in the best and most effectual manner, whether by the establishment of a special Research Institute, possibly attached to the Kaiser Wilhelm Society, or by the expansion of an already existing similar institution, or by studying the problems of research, as they arise, in one or the other scientific laboratory, but always while maintaining the requisite relations with the practical working establishment.

Its Aims and Financial Support.

"We may leave the decision as to the course to be adopted to be quietly matured, but the board recognized that it seemed appropriate just now, in view of the present general meeting, to acquaint the members with this far-reaching and weighty project, and to gain for its adherents in the widest circles of our works and members. No doubt, funds to a considerable amount will be required for carrying it through; the board has therefore approved the proposal of its committee that steps should be taken for collecting a nucleus of funds, which should for the present remain at the disposal of the board of the German Iron and Steel Institute. This fund is to serve in the first place to assist towards turning to account, in practical working, the results of the hitherto purely theoretical labors of the special branch committees of the institute in the manner appearing most suitable in each case, if a research committee, to be specially appointed for this purpose, endorses the proposal of the respective special branch committee, and if the board, on its part, considers the granting of funds for the respective purpose appropriate. In this way it would be possible, by enlisting suitable experts or institutions, to take in hand, with the least possible delay, the study of scientific questions important to the iron industry, and at the same time we should in this way, collect reliable data to serve as a basis for the establishment of a special institution.

"In thus submitting, for the first time in public, the idea of the creation of a fund for an 'Institution for Metallurgical Research,' I feel convinced that, when hereafter, the works are called upon to contribute towards the creation of the fund, we may also rely on general and liberal support in the shape of contributions. The German iron industry would thereby erect to itself a worthy war memorial—a cradle for the solution of the manifold probems, still confronting us, and which are of great importance, not only as regards the iron industry, but also as regards the common weal of our Fatherland."

Rounding Out Research Plans.

In the midst of war, the German iron and steel industry has laid the foundation stone of an important work of peace. At the meeting of leading men of the German iron and steel industry from all parts of the empire, which was held on June 19th, 1917, at Dusseldorf, the establishment of an institution for research on iron and steel was discussed. The invitations to the meeting were issued by the Verein Deutscher Eisenhuttenleute (German Iron and Steel Institute), whose president, A. Vogler, general manager of Dortmund, took the chair at the meeting.

Dr. O. Petersen, Dr. Eng., secretary of the association, gave an exhaustive exposition of what had hitherto been done in the department of scientific advancement of the metallurgy of iron in the various countries. He pointed out the necessity of rendering foundry-technical research more and more profound in order that we may be well-armed in every respect in the inevitable economical struggle of the after-war period. He could only refer briefly to the great and important tasks devolving on a research institution, especially as they are shortly to be dealt with more explicitly in an exhaustive commemorative publication. The speaker pointed out, however, that only a research institution free from any one-sided direction or delimitation of its purposes would be capable of taking these in hand with any prospect of success. The speaker further explained how such an institution should be arranged, developed and maintained, in detail, thus sketching to the meeting the main outlines of the new Research Institution itself as well as of the prerequisites of its fruitful working.

"The subsequent expression of opinions on the part of those present led, we are glad to say, to the momentous resolution, passed unanimously, that the German iron and steel

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2

industry was willing to establish a special scientific institution for iron and steel research, to be attached (or affiliated) to the Kaiser Wilhelm Society. The preparatory work will be set on foot at once by the Verein Deutscher Eisenhuttenleute, and the association will also be subsequently afforded the opportunity of ensuring, in conjunction with the administrative committee of the insituton and a scientific advisory council, the indispensable cohesion between the iron industry and the new research institute.

"The locality of the new foundation has not yet been definitely decided upon, the decision hereon has been left to the Verein Deutscher Eisenhuttenleute. But according to the views expressed in this respect at the meeting, the Research Institution will be located in the Rhenish-Westphalian industrial region. The south-western and Silesian iron industries have unselfishly renounced from the outset, in the interest of the great cause, all claims in this direction.

"The considerable funds required for the construction and maintenance of its Research Institution will be provided by the iron and steel industry alone, apart from a small contribution from the Kaiser Wilhelm Society, while the town in which the institution will be established will have to undertake to provide, in addition to a subsidy towards the building expenses, the requisite ground for its site, and its connection with the railway by a siding, etc. The possibility is not precluded that, later on, other industries engaged in the further elaboration of iron and steel may themselves take a share in the new Research Institution.

"Thus it seems that all prerequisites are provided for to enable this new creation to exercise a highly momentous and beneficent influence on the further technical development of German metallurgy of iron. It must be considered a high merit of the German iron and steel industry that the project submitted by Dr. F. Springorum, Doc. Eng., councillor of commerce, of Dortmund, at the last general meeting of the Verein Deutscher Eisenhuttenleute, has so speedily been realized."

Constitution of the Institute.

"On the 6th July, 1917, a meeting of the senate of the Kaiser Wilhelm Society (founded 1911) was held under the presidency of Professor von Harnack. Dr Schmidt, ministerial director, and Richter, privy councillor, had appeared on behalf of the ministry of public worship and education. There were present the senators Dr. Fischer, von Gwinner, Koppel, Dr. Krupp von Bohlen und Halbach, Franz von Mendelssohn, von Moller, von Passavant-Gontard, Dr. Planck von Rath, Dr. von Schjerning, Dr. von Schnitzler, Dr. von Siemens, Count Tiele-Winckler, von Waldthausen, and Dr. Trendelenburg, District Judge, General Secretary.

"The Senate declared itself in agreement with the proposal of the Verein Deutscher Eisenhuttenleute to establish the 'Research Institute for Steel and Iron,' projected by them in the form of a 'Kaiser Wilhelm Institute.'

"It is intended to establish, jointly with the 'Leopold Koppel Foundation,' an 'Institute for Physical Research.' The institute is to promote the investigation of promising problems of theoretical and experimental physics by monetary grants to individual investigators. Professor Einstein, member of the Academy of Sciences, has been proposed for appointment as director of the institute. The scientific management is to be entrusted to a directorate of eminent physicists, and the administration of the institute to a body of curators."

Kaiser Wilhelm Institute for Research on Iron.

"Since the German iron and steel industry, on June 19th last, adopted the momentous resolution to found an institution for free scientific research in the domain of iron, the preparatory work intended to afford to this new centre of research an assured organistory and financial basis has been advanced by the Verein Deutscher Eisenhuttenleute sufficiently far to admit of the first meeting of the 'Curatorium' (Trustee Committee) being held on the 13th inst. in the "Stahl und Eisen" Building in Dusseldorf. The 'Curatorium' of the research institution, which will carry on its activity under the style and title of 'Kaiser Wilhelm Institute for Research on Iron,' consists of his excellency Dr. Schmidt, minister of education and public worship (substitute, Prof. Krüss) as representative of the ministry of education and public worship; his excellency Prof. D. A. v. Harnack, royal privy councillor, president of the Kaiser Wilhelm Society (substitute, Dr. Trendelenburg, secretary general); his excellency Prof. Emil Fischer, royal privy councillor, and Dr. Gustav Krupp von Bohlen und Halbach, as representatives of the Kaiser Wilhelm Society,—and Dr. F. Springorum, Dr. Eng., general manager, councillor of commerce, member of the Prussian Upper Chamber (Dortmund), Dr. O. Niedt, Dr. Eng., general manager, councillor of commerce (Gleiwitz) and A. Vögler, general manager (Dortmund), as representatives of the Verein Deutscher Eisenhuttenleute. The meeting, at which all the above-mentioned gentlemen, except his excellency Prof. Fischer, were present, was also attended by the secretary of the Verein Deutscher Eisenhuttenleute, Dr. O. Petersen, Dr. Eng. Dr. Springorum, councillor of commerce, was elected chairman of the Curatorium. The subject to be dealt with at the meeting was the rules and regulations of the new Research Institution.

PROGRESS OF SOLDIERS' SETTLEMENT

Good Use Being Made of the Opportunity—Veterans are Assisted in Every Possible Way

The Soldier Settlement Act opened up a wide field of opportunity for the returned soldier, and the encouragement given to farm production is particularly desirable at the present time. The act is administered by the soldier settlement board, under the supervision of the minister of the interior, Hon. Arthur Meighen. According to Mr. Meighen, the work is developing satisfactorily, and his personal attention is given to the details. As the whole future of the veteran is involved, and the initial assistance is of so much importance, careful consideration is given to each case before action is taken.

Regulations Issued.

Regulations as to cultivation and residence duties are now prepared and will be published in a few days. These are of a character that will ensure permanency of occupation together with the development of large unoccupied areas in the west. The future of the returned soldier naturally depends largely upon himself. His life at the front, filled with the fury of turmoil and heat of battle, will possibly affect him materially in his first efforts in the quiet atmosphere of the farm; and the aim of the board is to surround him with such comforts and freedom from worry that will assist him in his efforts as a homesteader. This policy will, no doubt, meet with general approval.

The soldier settlement board announces that a number of veterans who are locating on homestead lands in the west, and who have selected the lands which are suitable for their purpose, desire to exercise their right of civilian homestead entry and their soldier right on adjoining quarter-sections. Further, there are a number of veterans who already hold homesteads and who desire to take up an adjoining quarter-section as their soldier grant. It has been decided to allow priority of right of entry on a vacant adjoining quarter-section to a veteran making or holding a homestead entry. Since the veteran has both a civilian and a soldier right of entry, it is deemed that the right to locate these on adjoining quarter-sections, wherever it is possible to do so, is of primary importance to him, and this privilege is, therefore, being granted.

If there are conflicting applications for the same quarter-section, from veterans, such applications are to be referred to the head office for decision.

Advancement of Loans.

Naturally the advancement of loans to the returned soldier requires regulations well considered and uniformly operative. Messrs. Roland and Ashton, of the soldier settlement board, have just returned from Western Canada and report that satisfactory arrangements have been made whereby legitimate advances to bona fide applicants can be promptly made.

Provincial officers have been opened in the three prairie provinces at Winnipeg, Regina and Edmonton. Supervisors are in charge and are all ready to receive and deal with applications for land and loans. The regulations governing the advance of loans will be given publicity almost immediately.

A good understanding now exists all round. The soldier realizes the fact that the soldier settlement board work is one of the biggest war problems undertaken in Canada. The government was fortunate in having a minister capable of dealing with all the problems in a comprehensive and satisfactory manner, legal and otherwise.

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CANADIAN PROBLEMS AFTER THE WAR

Necessity of Keeping in Touch With Markets—Problem of Labor—Canada Will Be Put to the Test

In an article in Marketing for April, Prof. W. W. Swanson makes some interesting observations which should be of great interest to the business men of Canada. He points out how very necessary it is for the manufacturers to ever bear in mind that now is the time to prepare for the new conditions that will obtain after the war. The article follows:—

No doubt the most imperative duty of Canada at present is the bending of every energy and the exertion of every effort toward the winning of the war. Nevertheless, it is false counsel, and futile as well, to suggest that plans for business expansions should be postponed until the conclusion of hostilities. Indeed, it is scarcely less imperative to prepare for post-bellum conditions than to throw ourselves heart and soul into the winning of the present struggle. War is abnormal, and the carrying on of commerce and trade, as well as agriculture, the essential and normal business of the people. And unless attention is concentrated on the problems of production and distribution, right here and now, a staggering situation, fraught with dire menace, will face the country when hostilities shall have ceased.

Nor will it suffice to let well enough alone. True, orders have poured into our manufacturers and farmers for a hundred and one different products—from cheese and hides and wool to textiles, shells and ships. In sum total, since the outbreak of war, these orders have amounted to not less than $1,800,000,000, more than $1,000,000,000 coming from the Imperial Munitions Board alone. Industry has been keyed up to the highest point of efficiency, and Canadian enterprise subjected to the acid test of war. To their everlasting honor the manufacturers, bankers, merchants and farmers of the Dominion have measured up to the task with which they were confronted, and have proved beyond any possibility of doubt that the economic structure of the nation rests upon deep and solid foundations. This in itself is a great achievement.

What of the Future?

It is no way out to imagine or say that the future will take care of itself. The Great Powers of the world, in the midst of the stress and strain of war, have concentrated on the problem of production and distribution after peace has been signed. The Central Powers have devised a grandiose, though none the less menacing, scheme for the formation of an economic league, dominated by Germany, which will exploit the resources of that vast territory stretching from the Baltic to the Persian Gulf. The United Kingdom, France, Italy and the United States have forged in the fires of war economic instruments that will not be discarded with the signing of peace. The United States, in particular, has devoted time and money, under federally constituted boards and committees, to the gathering of data and the preparing of plans for marketing United States products in South America, Asia, Australasia and the Old World. As yet we in Canada, as far as the extending of our trade is concerned, have planned little and accomplished less.

It is patent that the sudden withdrawal of war orders from Canadian industry will spread paralysis through the nation's entire economic life. As already remarked, war is abnormal and peace normal; and it is for conditions of peace, therefore, that active preparations must be made. What, then, is to be done?

Keep in Touch with Your Markets.

First and foremost, it is the imperative duty of every manufacturer, banker and trader to keep his goods and services familiar to the public eye and in constant use. Many there are, so obsessed with the glamor of war orders and the factitious prosperity arising thereby, that they fail to appreciate, or even to understand, the vital significance and value of the marketing problem. Now, the marketing problem is almost solely a selling problem; and the greatest instrument yet devised by the brain and ingenuity of man for the efficient and rapid marketing of products is advertising. It is a penny-wise, pound-foolish policy to cut down on advertising appropriations merely because business, for the moment, is brisk, or because plants are employed to full capacity on war orders. Cease to appeal to the world, and the world will cease to appeal to you—for your products.

An even heavier responsibility, however, rests upon the government, whether provincial or federal, for the maintenance of the Dominion's economic stability after the war. It is wise policy to cut down all unnecessary public expenditures and to refuse to undertake great public works during the course of the war. Such a plan is both sound and wise, because the nation's financial resources must be made available at present for the winning of the war, and because the labor supply is fully engaged in private industry. With the coming of peace, however, a totally new situation will have been created. The process of demobilization will turn on the labor market between 350,000 and 400,000 soldiers, who must be employed again in the various trades and professions for which they have trained themselves in days gone by. Thousands of women and girls, as well as men, now engaged upon war orders, will look for employment elsewhere. It is not to be expected that Canadian industry, overnight, can adapt itself to such a great and precipitate change. The shock of war in 1914 proved too great for the trade and commerce not only of Canada, but of such a powerful and rich nation as the United States—a nation, moreover, which was not then at war, and that had no intention of entering the field as a belligerent. Thousands, and tens of thousands, of men were thrown out of employment and the commerce and trade of the continent paralyzed.

The Employment Problem.

It is essential, then, that each governmental authority in the Dominion not only hold over public work for the employment of labor at the signing of peace, but that the municipalities, the provincial governments and the federal government prepare plans now to undertake necessary and productive work when war orders cease, and when trade and commerce must be re-established along new lines.

It is sometimes thoughtlessly said that Canada has already too great an economic equipment for its present requirements—that the nation has overbuilt its railroads, undertaken too large a development of municipal utilities, and that extravagant and wasteful expenditures have been made on port and harbor construction. The contrary, nevertheless, is true. There has been a useless and costly paralleling of railway lines in certain sections of the country; but the west in particular is far from being overbuilt with railways. The Hon. J. A. Calder, recently minister of railways for Saskatchewan, estimated that that province alone requires an additional mileage of branch lines, to meet immediate requirements, of not less than 5,000 miles. The simple truth is that the nation's economic equipment has scarcely sufficed to meet the demands placed upon it by the war.

It is abundantly evident, therefore, that the various public authorities can economically undertake the construction of many public works at the close of hostilities. By so doing the threatened labor surplus, as well as the threatened unemployment, cannot materialize. Public enterprise will provide a demand for the innumerable commodities furnished by wholesalers, manufacturers and other producers; and as these orders are received the ordinary trade and commerce of the nation will revive. Trading, banking and merchandizing will, under this policy and by this process, follow their normal course; and the possibility of waste and loss and economic dislocation be largely, if not entirely, eliminated.

What is Needed Now.

The plain fact is that, if the country formulates a wise and sound policy now, there need be not even a temporary industrial and commercial depression at the close of the war. In the coutnry's industries the crisis will have been passed within a year or two after peace is signed; for it is quite patent that Europe must undertake a huge programme of economic reconstruction to make good the ravages of war. Aside from the great housing reforms promised for the United Kingdom—reforms that call for the spending of not less than $300,000,000 sterling for the building of cottages alone—everywhere throughout the war area in Europe a huge building programme must be inaugurated. Be it recalled, in this connection, that not a single commodity—with the sole exception of steel—has been increased in quantity throughout the whole world, during the period of the war. There is a heavy shortage of textiles of all kinds, of building materials, of brick and stone, of lumber and ironwork, of reinforcing materials, and scores of other vitally essential products. In the making good the depleted stocks of goods in Europe, Asia and America, Canadian manufacturers and traders should play a not inconsiderable role.

There is further ground for optimism when the possibilities, both present and future, of the prairie provinces are considered. The Hon. Charles Dunning, provincial secretary for Saskatchewan, estimated in his last budget speech that the annual output of products, mainly agricultural, of that province has now passed the $400,000,000 mark. And be it

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recalled that only about 15 per cent. of the land is under cultivation there, that the natural resources of the province have scarcely been scratched. Contrary to general opinion, Saskatchewan is destined to be a great stock country also, even now ranking second in the number of head of stock possessed by the Canadian provinces. Alberta is prospering as never before in its history, the phenomenal prices for cattle and sheep bringing tens of millions of dollars to her farmers. The war found the west stagnant, with building and construction of all kinds dead. Practically nothing has been done in the way of added construction of buildings or the development of public utilities in the west since the outbreak of war; and it is safe to say that when once more the tide of European immigration flows to the prairie provinces an era of expansion will set in such as has never been witnessed before in the history of the Dominion.

It is clear as crystal that Canada's economic equipment will be put to the test, even more severely than during these days of war, in the immediate future when home-seekers once more flood the prairies. It is high time, therefore, to put an end to carping criticism against the so-called extravagance of the decade of construction that ended with 1914. The facilities provided and the public works undertaken in the towns and cities of the West will scarcely suffice to cope with the after-the-war immigration problem. There will be ample scope and opportunity in the domestic market, particularly in the territories already developed in the west and in the pioneer Peace River country—an empire in itself—for the marketing of the major part of the products of eastern Canada. Especially will this hold good if prices rule high for the output of western farms, and for the great cash crop, wheat, at the close of the war.

Peace and Prices.

And all indications point toward prices remaining on a high level after the signing of peace. Space will not permit of our discussing this question in detail at present, and it must suffice to deal very briefly with the problem. It is a truism to assert that the trade of the world is an economic unity, and that economic forces make their effects felt everywhere. This truth is doubly significant at the present juncture. Manifestly—and as has been remarked above—there will be a dearth of all important, basic economic goods at the close of the war, especially in Europe. This under-supply inevitably will make its effect felt on this continent, both in Canada and in the United States. This factor in the situation is so obvious that it needs no special emphasis at the present time; but what is not so plain is the vital and significant role that money and credit will play in the determining of commodity prices in the years immediately following the close of the struggle.

Consider this one significant fact: that the leading Great Powers of Europe, the United Kingdom, France, Italy, Germany and Russia, had, at the outbreak of war, paper money issues amounting to $2,500,000,000; and that these paper money issues have since been increased to more than $19,000,000,000. A careful consideration of these figures will bring home, as nothing else, the undeniable truth that Europe, in particular, and all those countries coming within the scope of western civilization, in general will experience high prices after the signing of peace. This is inevitable, as one realizes on reflecting that the whole of Europe, with the exception of the United Kingdom, has, since the outbreak of hostilities, abandoned the gold standard. And it will be a long time before the finances of continental Europe can be so rehabilitated as to permit the re-establishment of the gold basis.

Effect of Paper Currency.

All history goes to prove that a paper standard, unsupported by gold, makes for high prices. During the Civil War the United States issued only $450,000,000 in inconvertible paper money—the so-called "greenbacks"—and yet, in July, 1864, when there could be no doubt concerning the ultimate triumph of the North, it took $2.85 in paper to buy $1 in gold; or to put the facts in another way, current prices had, practically trebled. While the United States, like the United Kingdom, is at present on a gold basis, they are only two Great Powers in that position; and it follows, therefore, that high world prices caused by monetary and credit inflation will make their effects felt throughout the whole world.

It is clear, then, that there need be no sudden decline in prices, no financial panic, and no business depression at the close of the war if the right measures to prevent the latter arising are taken now. We have briefly outlined what may be accomplished under direct government action and control. Nevertheless, a duty—a serious and solemn duty—rests upon every business man in the Dominion, here and now, to do his part in maintaining and increasing the country's prosperity and business. This will be accomplished by planning to resume normal manufacturing, trading and financial activities at the earliest moment possible after the conclusion of war. Keeping goods and services before the eye of the public is not the least important of the measures necessary to accomplish these patriotic, as well as plain business, objects.

CANADIAN RAILWAYS AND CANALS

Summary of Dominion Expenditure—Intercolonial Earns Surplus for 1917—Progress of Hudson Bay Road

According to the annual report of the Department of Railways and Canals for the year ended March 31st, 1917, the total expenditure of the Dominion government for railways and canals was $48,226,082.40, of which just about $6,000,000 was for canals. The revenue for the year was $24,001,181.75, only about $500,000 of which came from canals. The total expenditure on railways and canals and revenue from them, up to March 31st, 1917, is as follows:—

Expenditure on railways	$734,998,814.43
Expenditure on canals	164,140,734.44
Expenditure common to both	1,457,384.31
	$900,596,933.18

Revenue from railways	$248,395,298.47
Revenue from canals	16,665,271.32
	$265,061,569.79

The railway expenditure for the year ended March 31st, 1917, included $14,737,326.70 charged to capital account. This consisted of expenditure on the Quebec bridge, the Intercolonial Railway, the National Transcontinental, the Prince Edward Island Railway, the Hudson's Bay Railway, and other items. The expenditure on the Intercolonial on revenue account was over $15,000,000, on the Prince Edward Island over $800,000 and on the National Transcontinental almost $8,000,000.

Of the expenditure on canals, $4,304,589.09 was chargeable to capital account, the balance being on account of income, staff and repairs. The government railways in operation, and their main lengths were respectivedy, as follows:—

	Miles.
Intercolonial	1,518.39
Prince Edward Island Railway	275.20
National Transcontinental Railway	1,811.28
Grand Trunk Pacific Railway	191.75
New Brunswick and Prince Edward Island Railway	36.05
International Railway of New Brunswick	111.30
Total	3,943.97
St. John and Quebec Railway, operated but not owned	119.87
Total	4,063.84

The earnings of the Intercolonial were $16,767,386.89, or a surplus of $1,112,829.11 over working expenses. Those of the Prince Edward Island Railway were $630,045.69, and a deficit of over $200,000 was incurred on this account. Earnings of the National Transcontinental were $5,916,550.99, or almost $2,000,000 less than expenses. The total earnings average $5,853.38 per mile, $1.86 per train mile, or $11.30 per car mile.

Regarding the Hudson Bay Railway, the report states that over 80 per cent. of the track had been laid, and gradings completed with the exception of about 11 miles.

The Home Assurance Company of Canada has been incorporated with a capital of $500,000, with head office in Edmonton, Alta. The organization meeting will be held shortly, and the directorate will include several well-known Edmonton and Calgary men. The company has wide powers to write all ordinary lines of insurance. They will go into the field as a fire company about July 1st.

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STEEL COMPANY OF CANADA

The annual report of the Steel Company of Canada for the year ended 31st December, 1917, appears on another page of this issue. The gross profits for the year were $6,040,318.83, or about $1,000,000 more than for last year. Interest and dividends amounted to $1,659,944.40. Reserves were set aside for bond sinking fund, depreciation, fire insurance, betterment and replacement, etc., and the balance carried to profit and loss account.

The past three years have been increasingly successful ones for this company, the gross profits for the years 1910 to 1914 having ranged only from $500,000 to $1,700,000. All the contracts for the by-product coke oven plant at Hamilton have been let, and the company hopes to be producing coke about November, 1918. During the year two ore properties were secured, jointly with other steel companies, one on the Mesaba range and the other on the Gogebic range. It is expected that enough ore will be derived from these properties to suffice half the company's requirements for a number of years. A mill for making steel sheets has also been installed and is now in operation. The company's plants were fully occupied throughout the year, although some difficulty was experienced from time to time on account of delays in transportation and severity of weather.

It is also pointed out that over $3,000,000 have been paid by the company in duties. War bonds have also been purchased, and during the last year $55,000 contributed for patriotic purposes.

SHIPBUILDING IN AUSTRALIA

Recently the expert engaged in England to supervise the Commonwealth government's shipbuilding scheme arrived in Australia and is now completing his examination of the various federal, state and privately-owned plants and yards. It is anticipated that an early start will be made with shipbuilding within the Commonwealth.

The Commonwealth government has extensive yards at Sydney; the state government of New South Wales has a plant at Newcastle, and the state government of Victoria has extensive yards at Melbourne, all of which (independent of the federal shipping adviser) are managed by competent steel shipbuilders with practical experience in British yards.

It is announced that there will be sufficient steel in Australia to build seven steamers. At the outset some imported materials will be used, but the bulk of the steel will be supplied by the Broken Hill Company's steel works at Newcastle, N.S.W., which, with subsidiary or associated companies, will ultimately be in a position to furnish all the structural steel for the framing and plates required for the construction of steamers in Australia.

The work will be apportioned to the yards in the several states, and, while no authoritative statement has yet been made as to the size and class of the steamers, it is considered by experts having knowledge of the facilities available that the initial vessels will be about 330 feet long by 48 feet beam, with a carrying capacity of about 3,500 tons.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

The following table, compiled by *The Monetary Times*, shows the volume of bank loans to municipalities since January, 1915:—

	1915.	1916.	1917.	1918.
January	$35,952,805	$32,015,371	$24,487,272	$40,015,466
February ...	38,437,903	35,149,915	26,121,324	43,535,628
March	41,227,449	38,649.462	29,877,911	50,652,061
April	43,031,360	44,371,050	35,931,996	....
May	43,948,436	43,924,036	39,790,191	....
June	46,889,816	46,773,032	42,757,673	....
July	44,029,446	42,385,096	43,989,207	....
August	46,020,730	39,882,811	43,940,176	....
September ..	43,928,331	38,708,745	42,721,563	....
October	45,682,230	37,613,530	41,204,781	....
November ..	41,064,550	32,945,963	36,459,598	....
December ...	30,878,028	24,056,797	36,353,039	....

Chatham, Ont.—During the past few weeks about $45,000 of Chatham debentures have been sold by the city direct to local investors.

Sandwich, Ont.—Messrs. A. Jarvis and Company, of Toronto, have been awarded a block of $30.000 6 per cent. bonds, payable in 25 annual instalments.

Hamilton, Ont.—The city is calling for tenders for the purchase of $346,040 city of Hamilton 6 per cent. debentures, payable in 10 annual instalments, interest payable half-yearly.

Bruce County, Ont.—The county offered for sale about the middle of April $65,000 of bonds. The whole issue was disposed of in the county in less than ten days, one township taking one-third of the issue.

Tisdale, Ont.—Messrs A. E. Ames and Company, of Toronto, have been awarded a block of $58,000 6 per cent. bonds payable in fifteen annual instalments. These bonds are guaranteed by the province, and the proceeds will be used for school purposes.

Kitchener, Ont.—Tenders will be received by the township clerk up to noon Friday, May 24th, for $7,000 debentures payable in twenty-five equal annual instalments, bearing interest at 6 per cent. The purpose of this is to buy a site, build and equip a two-room school in S.S. No. 8, Fitzroy Township.

Montreal, Que.—It was announced on the 4th inst., by Mr. LaFontaine, secretary-treasurer of the Catholic School Board of Montreal, that almost $2,000.000 of the $2,500.000 loan has been subscribed for. The period for receiving subscriptions extends to the 15th inst., and he is confident that the remainder will be taken up by that time.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from April 15th, to 26th, 1918:—

School Districts.—Plenty, $1,700 10-years not ex. 7 per cent. instalment; A. M. Percival, Plenty. *Riverdene, $1,200 6-years not ex. 8 per cent. annuity; W. R. Miller, Cabri. *Gabriel, $1,900 10-years not ex. 8 per cent. annuity; E. J. Boyer, Batoche. Freeman, $2,000 10-years not ex. 8 per cent. instalment; A. P. Simpson, Rhein. *Margo, $2,000 10-years not ex. 8 per cent. instalment; A. Laurie, Margo. Hodson, $1,000 5-years not ex. 8 per cent. instalment; A. T. Gray, Froester. Canada, $1,600 10-years not ex. 8 per cent. annuity; C. Oliver, Albertown.

Rural Telephone Companies.—Holyrood, $9,900 15-years not ex. 8 per cent. annuity; S. W. Lambert, Parkbeg. Hillburn, $3,400 15-years not ex. 8 per cent. annuity; R. S. Lloyd, Rocanville. St. Gregor, $13,000 15-years not ex. 8 per cent. annuity; A. V. Lenz, St. Gregor.

Village.—Loverna, $3,000 5-years not ex. 7 per cent. instalment; J. A. Harding, Loverna.

The following is a list of debentures reported sold from April 15th to 26th, 1918:—

School Districts.—Flower Valley, $400; Wm. Mensch, Shellmouth. Claudia, $1.200; C. H. Burgess and Company, Toronto. Golden Sheaf, $400; Bond and Debenture Corporation, Winnipeg. Arras, $200; Rosetown Sinking Funds. Nemaha, $1,200; Goldman and Company, Regina.

Rural Telephone Companies.—Eclipse, $10,600, River Ayr, $3,200, Industrial, $800, Phippen, $5,800, Liberty, $5,000, North Redvers, $1,200; W. L. McKinnon and Company, Regina. Radford Lodge, $6,200; Nay and James, Regina. Belfast, $600; Bond and Debenture Corporation, Winnipeg.

Village.—Leipzig, $700; W. L. McKinnon and Company, Regina.

Rural Municipality.—Enterprise, $5,000; Nay and James, Regina.

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*Being sold by the Local Government Board.

NORTHERN CROWN BANK TRANSFER

At the special meeting of the shareholders of the Northern Crown Bank, held at the head office on May 7th, the proposal for amalgamation with the Royal Bank of Canada was unanimously and heartily ratified.

It has been arranged that the actual transfer will take place at the end of the calendar half-year. All branches of the Northern Crown will become branches of the Royal Bank when they open for business on July 2nd. Under the merger the Royal will get 113 new branches, very few of which will be closed. This will give the Royal a total of 536 separate offices.

FIRE INSURANCE LOSS IN ALBERTA

Annual returns from the fire underwriters of the province of Alberta, as shown in the reports of the insurance department of the provincial government, show the losses for 1917 to have been $853.787.98, while the premiums were $2,556,816.78. This is a remarkably good showing for losses, nearly $200.000 less than the year previous.

Premiums for 1916 were $2,170.146.53 and the losses $1,042,492.63. The losses for the first three months this year are considerably greater than for the same period last year also, reports R. L. Nicholson, who is in charge of the provincial insurance branch.

CHANGES IN BOND FIRM

Mr. J. B. Ferguson has withdrawn from the firm of Ferguson, Sanson and Graham in order to devote himself exclusively to his personal affairs. The business will now be conducted under the name of Graham, Sanson and Company, with offices in the Toronto General Trusts Building, 85 Bay Street, Toronto. Mr. D. M. Sanson was in the banking business for twenty years, and was at one time manager of the Bank of Commerce at Dawson City. Mr. Sanson has also had broad experience in manufacturing. Mr. F. R. Graham is also a former banker, having been ten years in the service of the Trader's Bank before its amalgamation with the Royal, and latterly as assistant manager at Toronto. Following this, Mr. Graham was connected with A. E. Ames and Company, which house he left in 1914 to go into business for himself. This firm has just issued a booklet, entitled "Investing by Mail," which points out the advantages of securing high-grade investments at present prices, and also contains offerings of government, municipal and industrial securities.

THE LIBERTY LOAN

The third Liberty Loan of the United States was closed on the evening of May 4th, and, according to the treasury announcement, it was an overwhelming success. The aggregate was expected to be nearly $4,000,000,000. The formal goal of the campaign was $3,000,000,000, and subscriptions amounting to somewhat more than that had already been reported. It has also been estimated that there were 17,000,000 individual subscribers. The Bank of Montreal in New York subscribed for $604.900 of the loan. The effect of the loan upon municipal borrowing is shown by the fact that the municipal bond issues for April were less than for any month since August, 1914, and were less by 50 per cent. than the municipal issues of the previous month of March. The issues for the first four months of 1918 are just over seventy million dollars, whereas the total for the same four months was over $100,000,000 from 1908-17, inclusive, and over $200,000,000 from 1914-16, inclusive.

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MORTGAGE CONDITIONS IN ALBERTA

Decided Improvement During Past Two Years — Farmer Mortgagors Benefit by Good Harvests

"Mortgage conditions in Alberta, and particularly those relating to farm investments, have shown a decided improvement during the last two years," said Mr. Wm. Toole, of Calgary, in his address before the Alberta branch of the Dominion Mortgage and Investment Association, at their annual meeting. "The last three bountiful harvests, with the increased prices for all kinds of agricultural products," he said, "have enabled the farmer mortgagors to pay arrears of interest and make satisfactory reduction in past due principal, and at the same time add extensively to the permanent improvements. Owing to the uncertainty of labor, caused by the exceptionally heavy voluntary enlistment in this province for active service during the earlier period of the war, there has not been the increase in cultivation that otherwise would have taken place under such favorable agricultural conditions. Nevertheless, the area of 'raw' prairie land brought under cultivation during the last two years is encouraging. Last year the largest area of virgin prairie, summer fallowing and fall ploughing was prepared for seeding this spring, in the history of the province for any one year, and better still, is the known fact that the land was cultivated in a careful, experienced manner, so that with average precipitation and usual climatic conditions, we are justified in anticipating another good crop this year.

Livestock Industry.

"The past three years have also been ideal for the livestock industry and have given a great impetus to the improvement propaganda which has been going on for some time. If the importation of pure-breds continues, and the influx into Alberta of breeders of registered stock keeps up as it has during the last year or two, Alberta will be the livestock province of the Dominion in a very short time. Nothing tends to enhance the value of farm mortgage security so much as improvement in livestock. It matters not to which particular breed the farmer directs his energy, so long as the tendency is to improve, for then there is a thrifty and contented settler and an example to his neighbors. Persons not familiar with the difficulties encountered in lending money in a new country will not appreciate to the fullest extent the great benefit an industrious and experienced farmer is to a new settlement. A good stockman is usually a successful mixed farmer, but those who devote the greater portion of their energy to grain growing are apt to neglect their stock, which has proved to be a very serious financial mistake.

"No part of Canada enjoys the same natural advantages for agricultural development as Alberta, and as the years go by will need more mortgage money to assist in making homes for the millions of prosperous and contented citizens who will eventually be engaged in the development of our farm and ranch lands.

"The territory contiguous to the Rocky Mountains known as the 'Foot Hills' country, is a veritable paradise for livestock. With its abundant and luxuriant growth of grasses, mountain fed streams and springs of the purest water, the natural shelter against storms, this character of country affords livestock is also a valuable asset. The country not immediately within the 'Foot Hills' has proved to be better adapted to grain growing and mixed farming.

Disposition of Farmers.

"Another very important condition in connection with mortgage investments in Alberta is the increasing permanent disposition of our farmers. Only a comparative few years ago the newcomers, and many of those residing in the then outlying districts, did not hesitate to state they were working so to speak under sufferance and when sufficient capital had been accumulated to enable them to start farming in their native locality, they would return. This migratory spirit was bad for the country, and the farms of these people did not offer very attractive security for mortgage investment. Those sentiments and conditions have quite changed during the last ten years and 'homes' are being established and constantly improved, as in other parts of the world. Rural telephones and motor cars bring the distant places within easy access of markets, doctors, nurses and suchlike, while the many modern conveniences whereby the farm house can be as comfortably equipped as those in the towns and cities have added tremendously to the comforts and contentment on the farm.

"Remarks to a gathering of this kind where practically all the mortgage capital invested in the province is represented, would not be complete without drawing attention to the results of the annual bull sale and horse show, which recently took place in Calgary. This was the 18th annual auction sale of bulls—all bulls entered must be sold, if, in the opinion of the management, the bid is fair. After two days of judging and exhibition the sale commenced—entries were 856 bulls, the largest known number for one sale of registered animals—792 were sold for $212,325, an average of $268.09. It is worth while noting as an indication of the desire of the management to better the cattle industry, that 31 bulls were culled back by the censor, not being considered up to standard or in poor condition; 131 carloads were shipped by 247 owners from 85 different stations; 44 bulls were led in from farms close to Calgary. The sale was continuous mornings, afternoons and evenings for three days. The bulls were bought by 519 purchasers living in different parts of the province; 74 bulls were shipped out of the province to Saskatchewan and British Columbia.

"The horse show was as great a success; 743 entries, but even this number does not convey an adequate idea of the benefits resulting therefrom. It is the week of the year when farmers and ranchers come to town to buy or exchange stallions, brood mares and other horses.

Development Creating Splendid Province.

"In 1916 the agricultural products realized the sum of $170,725,650, and for 1917 $260,596,804, an increase of practically $90,000,000. Even these figures might not drive home as they should to an outsider the extraordinary permanent development which is annually taking place and which is creating such a splendid province for capital investment. Too many people attribute this prosperity to the high price of wheat. Alberta is a mixed farming province as the following analysis of last year's returns will indicate:—

Animals slaughtered and sold	$ 45,000,000
Dairy products	25,000,000
Wool clip (2,086,633 lbs.)	1,181,682
Game and furs	2,000,000
Horticultural	175,000
Poultry and products	3,500,000
Wheat	108,000,000
Oats	50,000,000
Barley	10,000,000
Other crops, grains and roots	15,740,122

"There are many other reasons why mortgage money is not in the active demand it was a few years ago. It should also be remembered, however, that the banks are lending more freely and on easier terms to the farmers than ever before, and the assistance the farmers have been receiving from the governments and other organizations during the past couple of years has enabled them to increase their livestock on easy terms of payment, and this has had a great tendency in lessening the demand for loans from the mortgage companies.

"It is encouraging to note, however, the tremendous amount of permanent improvements and betterment of livestock which is taking place. When conditions are again normal and labor and other anxieties over the expansion which must necessarily take place will create a better and safer field for mortgage investment than ever before, and the farmers and ranchers of Alberta certainly will have the goods to deliver."

MONTREAL EXCHANGE CANDIDATES NOMINATED

Nine candidates have been nominated for the committee of six "managers" elected annually by the Montreal Stock Exchange. Two names have been entered for the post of secretary-treasurer. There will be no contest for the chairmanship and vice-chairmanship of the exchange. The slate to be voted on at the annual meeting is as follows: Chairman, Edward M. Smith; vice-chairman, C. Simpton Garland; secretary-treasurer, M. C. Oswald and C. J. Hodgson. Managers—C. H. Branchaud, A. Bruneau, C. E. Gault, R. O. Johnson, T. W. McAnulty, P. McDougall, A. Paterson, B. H. Porteous and G. W. Smithers.

All nine members of the outgoing committee of officers and managers have been renominated for one post or another.

The Great North Insurance Company, of Calgary, are entering the province of British Columbia, writing live stock insurance.

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AUTHORITY OF BANK MANAGERS

Liability of Bank for Actions of Branch Managers—Relations to Stock Transactions

BY M. L. HAYWARD, B.C.L.

The case of Mackintosh vs. the Bank of New Brunswick, recently decided by the Supreme Court of New Brunswick, and reported in Volume 42, New Brunswick Reports, on page 152, raised some interesting points in reference to the authority of branch managers of Canadian banks, the liability of the bank for the actions of such managers, and stock transactions in general.

In this case, Mackintosh and Company were stock brokers, having their head office at Halifax, with a branch office at St. John, and the Bank of New Brunswick had its head office at St. John, with a branch in that city known as the Market Branch, managed by one, Harry B. Clarke. In June, 1909, Clarke, on his personal account, began dealing in stocks on margin through the Mackintosh St. John office, and by the month of September he owed them $19,000, for which they held as collateral stock worth $16,000. It was then agreed between Clarke and Mackintosh and Company, that he should pay them $125 per month, which payments he made for some nine or ten months. Then in December, 1910, the market looked favorable to Clarke, and he again began dealing in stocks and cotton on margin through the Mackintosh St. John office.

A little later, in February, 1911, Clarke agreed with one McBeth that the latter should join Clarke in his cotton speculations on the terms that McBeth was to furnish such collateral as Mackintosh and Company should require, bear all losses which might be incurred, and hand over to Clarke half of the profits which might be made. McBeth then handed to Clarke 43 bonds of $1,000 each and gave Clarke a letter to Mackintosh and Company, stating that the bonds were to be used as collateral against Clarke's account. Clarke then handed over the bonds to Mackintosh and Company and they gave Clarke a credit of $10,000.

Later on in the month of March, 1911, Mackintosh and Company objected to the bonds as collateral, on the ground that they did not like to hold unlisted securities in this way, and Clarke then wrote a letter to them stating that "we hereby agree to redeem them (the bonds) at 80 at any time you may wish to call for them," and signed the same "for the Bank of New Brunswick, Market Branch, Harry B. Clarke, Manager."

In the meantime Mackintosh and Company were carrying Clarke's cotton transactions in an account with Clarke and McBeth and the stock transactions in Clarke's separate account. The cotton transactions showed considerable loss and Mackintosh and Company were pressing Clarke for a payment on the joint account or for security for the $10,000 loan.

About this time one Collins appeared on the scene and stated to Mackintosh and Company that he had money on deposit at the Market Branch of the Bank of New Brunswick, and would give Mackintosh and Company his cheque to be held as additional collateral, and later on Collins gave them a cheque on the Market Branch of the Bank of New Brunswick for $10,000 stating that the cheque could be certified and held as collateral against the account.

This cheque was sent to the Market Branch of the Bank of New Brunswick and certified by Clarke at a time when Collins' account was overdrawn $13,000, and no entry of this cheque, or of its certification was ever made in the bank books.

Clarke, McBeth and Collins then left the province and Mackintosh and Company brought action against the Bank of New Brunswick on the cheque and also on Clarke's agreement to redeem the bonds at 80 at any time Mackintosh and Company might call for them.

The bank in their defence sent up the following claims:—

1. That the circumstances under which the cheque and letter were given to Mackintosh and Company were such as to put them upon inquiry as to Clarke's authority to bind the bank, and that the bank could not be bound by the letter under any circumstances, as it was not "banking business" within the meaning of the Bank Act.

2. That the cheque and letter were given in payment of a debt which was a stock gambling debt in violation of the criminal code.

On the question of Clarke's authority to certify the cheque and to give the letter in reference to the bonds, it was admitted by all parties that he had no actual authority from the bank to do so, that he did not inform his superiors of this transaction, and that no record was made in the bank books.

Manager Had No Authority to Bind Bank.

On this point the Court held that Clarke, the manager, had no authority to bind the bank, and that Mackintosh and Company must have known that the cheque and letter were for Clarke's personal benefit.

"I agreed that the bank," said the Court, "in placing Clarke in the position of manager of its Market Branch, must be taken, as between the bank and the public, to have clothed him with all such powers as its agent as by the common practise of banks are bestowed upon the manager of such a branch, and which, consequently, the public generally, and every person dealing with the bank through such agent, has a right to assume such agent possessed, in the absence of any notice of a limitation of such powers. But such manager is not held out by the bank as authorized to make it liable for personal debts, or to engage its credit in furtherance of the personal business of its agent; for it is, I take it, sound law that in the absence of actual authority so to do, an agent cannot bind his principal when the matter in which he assumes to act, is one in which, to the knowledge of the person with whom he deals, he is really acting in furtherance of his own interests and not exclusively in those of his principal."

On the claim that the transactions were gambling transactions within section 231 of the code, the Court said:—

"Having reached the conclusion stated, it is unnecessary for me to consider other grounds of defence urged by the defendants. I may say, however, in reference to the defendants' claim that they are not liable because the cheque and 20th March letter were given in connection with and in furtherance of gambling transactions made criminal by section 231 of the Criminal Code or failing that, illegal at common law, that I think there is nothing in such contention, in view of the testimony as to the mode of dealing carried on through the New York Exchange."

ALBERTA OIL DEVELOPMENT

That the Standard Oil Company is taking an active interest in the development of the oil fields of Northern Alberta was the information recently given by Dr. J. K. McLennan, vice-president of the Edmonton, Dunvegan and British Columbia Railway.

The Imperial Oil Company, as the Canadian subsidiary company is known, has staked something like ten square miles of land on the Alberta and Great Waterways line, near Fort McMurray. Active development is contemplated, and several carloads of machinery sent. The number of test wells that will be drilled is not known.

Dr. McLennan recently was at Peace River, where most encouraging reports have been received from the second well of the Peace River Oil Company, generally known as the "McArthur Well." This Peace River field is separate and distinct from the Fort McMurray field, where the Standard Oil Company and a big California outfit are interested.

Dr. McLennan says that everybody in Peace River is enthusiastic about oil. Every available cent of loose change in the town has been invested in oil leases.

"The field will be given a real test this year," said the doctor. "In addition to the McArthur well, there are several other outfits on the ground. There is oil there, and no one doubts it, but whether this is the exact spot where the big field is located will not be known until the test made this summer is completed.

"The McArthur well is a producer. Just how much per day it is hard to say. I heard on good authority in Peace River that it is a 22-barrel well. Others said more. But as the ice is just breaking up on the Peace, I was not able to get down to the well to get a first-hand report. I didn't get a chance to see Mr. Slack, the head driller, either.

"There is going to be something big doing in oil in northern Alberta soon. The oil is there, somewhere, and the capitalists are interested. They will find it."

Activity is thriving in the building trade in Galt. During April permits totalling $10,000 were issued, which included five permits for dwellings.

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CONDITIONS IN THE WEST

Business Satisfactory in Moose Jaw and Medicine Hat—Prosperity in Calgary—Seeding and the Crops

(Staff Correspondence.)

Moose Jaw, Sask., May 6th, 1918.

Conditions in and around Moose Jaw are quite satisfactory. Wheat seeding in most districts is completed, while in some parts where the weather has been more backward, things are not so far advanced. Everywhere tractors and four and six horse-teams are hard at it. That the west is doing everything possible in the interests of greater production is quite evident, and while there can be a great deal happen between this date and when the crop is assured, there is a splendid feeling of optimism, that if weather conditions continue as favorable all through the growing and maturing periods as they have been so far this spring the west will have an abnormal crop, and this is to be earnestly hoped for. Business in Moose Jaw itself is good, the writer stood in the leading department store on a Saturday evening and watched a steady stream of shoppers, and all seemed to have plenty of money and were undoubtedly spending it freely, giving one the impression that here in Canada we were not feeling the pinch of war to any noticeable degree.

The city is spending $35,000 on water supply, but outside of this there is little or no work being attempted.

Conditions in Medicine Hat.

In Medicine Hat also business is very satisfactory. The factories in this city of natural gas are busy, the milling companies working night and day.

The Monetary Times in discussing the situation with Mayor Brown was told that, the city of Medicine Hat was making strenuous efforts to reduce its overhead cost, they had abolished the system of single tax, and were changing back to the old system of taxation. This year the assessment will be reduced by $2,750,000 on lands, taxing back $1,750,000 on improvements; last year the total assessment of the city of Medicine Hat was thirteen and a half million, this year it would be twelve and a half million. The rate of taxation will be cut this year at least two mills, from 20 to 18. The city has collected in back taxes since the first of the year to the date of writing $86,304.52, this is very gratifying, as at the same date last year they had only collected $25,000. The city is looking to make a profit of $100,000 on its gas business this year, of this they are laying aside $40,000 for a gas extinction reserve fund, and the city will probably continue to set aside a like amount in this fund from year to year.

This year, said Mayor Brown, they were trimming all controllable city hall expenses, the reduction for the year would be approximately $28,000, but in the neighborhood of $10,000 of this would be paid back in increased wages due to the extremely high cost of living. The city bank overdraft had been cut in two since the first of the year, and Mayor Brown said, that by the first of 1919 they hoped to have it entirely wiped out. The city of Medicine Hat is showing great enterprise as evidenced by the fact that they are utilizing the spare time of the city firemen. A machine shop has been erected next to the large central fire hall, and in this the firemen do all the repair work on city cars and other equipment, surely a very commendable idea, especially in the smaller cities.

Calgary is Prosperous.

"Business is brisk in Calgary this spring." This is the answer received on every hand. Travellers report good orders, in fact, merchants very often just have to take what they can get, many lines that they have handled for years cannot now be got. Wholesale houses, the banks, and many other branches of business are experiencing difficulty just now in keeping their staffs up to the mark. Women are more and more taking the places of men, and they will have to be looked to and trained to occupy responsible positions, as men are steadily being called to the colors from every branch of business. The implement dealers report a heavy business this spring, and have received more cash with orders than in any past year, their collections in the last six months have been excellent. Light tractors have been in great demand this season. One thing pointed out to *The Monetary Times* was the fact that the farmers were buying far too expensive automobiles. One dealer of the smaller make of car in a town in southern Alberta has practically been put out of business because the farmers were buying the expensive, heavy cars, which are undoubtedly far less use to him than the light, serviceable cars. They seem to be going to extremes in this connection.

In discussing the crop outlook in Alberta with Mr. Wm. Toole, of Toole, Peet & Company, of Calgary, he said that they had never experienced a better sowing season in Alberta than the present one, the land, generally speaking, he said, is in good condition, and the season was fully ten days ahead of last year. Wheat is coming up in the southern part of the province, and a great deal of the oat crop is also sown. Farmers are busy getting in their barley and flax. If favorable weather continues there will be a much larger area than even anticipated sown to wheat, oats and barley.

Mr. Toole also pointed out that the grass was ahead of the average year, which means that the stock on the ranges are getting early nourishment, very beneficial to cows with calves. Ranchers all say that cattle on the ranges are getting into good condition, the calf crop being particularly satisfactory this year.

UNITED STATES' IMMIGRATION

Immigration from Europe fell off one million during the United States' first year of the war, according to statistics made public on the 1st inst by the Bureau of Immigration. The figures show that only 400,000 immigrants were admitted during the past year, while 1,400,000 came in the previous year.

COBALT ORE SHIPMENTS

The shipments of ore, in pounds, from Cobalt Station for the week ending May 3rd were as follows:—

O'Brien Mine, 65,410; McKinley-Darragh, 107,564; Dominion Reduction, 85,000; Coniagas Mines, 143,095; Nipissing Mining Company, 462,855; Penn Canadian Mine, 96,311.

The total shipments since January 1st now amount to 7,657,728.8 pounds, or 3,828.8 tons.

HARRIS ABATTOIR COMPANY

Messrs. James Harris and J. S. McLean, managing director and secretary, respectively, of the Harris Abattoir Company, have acquired 40 per cent. of the company's stock, formerly held by the William Davies Company. The Harris Abattoir Company has also acquired an interest in Gordon, Ironsides and Fares, of Winnipeg and Moose Jaw.

ST. LAWRENCE COAL AND FREIGHTING COMPANY

An organization meeting of the St. Lawrence Coal and Freighting Company was held on Friday, the 3rd instant, in Brockville, and directors for the ensuing year were elected. The following officers have also been appointed: President, E. F. McCourt, Montreal; vice-president, E. J. Burns, Ogdensburg; treasurer and managing director, J. A. Bresnahan, Brockville. The company expects to be in a position to meet coal and freighting requirements at lake and river ports from Belleville to Cornwall, and to relieve to some extent the congestion which has handicapped these ports.

OTTAWA GAS COMPANY

On the 2nd of May the Private Bills Committee of the House of Commons at Ottawa decided to allow the Ottawa Gas Company to increase its capital stock to $3,500,000. This company is a subsidiary of the Ottawa Light, Heat and Power Company, and the authorized capital was formerly $3,000,000, in addition to which there had been issued $150,000 of bonds. Mr. R. A. Pringle, counsel for the company, said that the stock stood in the market at 69, but that the present stockholders were willing to buy at par in order to provide the money required. Another amendment adopted was accordingly that the new stock must be sold at par.

DIVIDENDS AND NOTICES

BANK OF MONTREAL

Notice is hereby given that a Dividend of Two-and-One-Half per Cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, also a Bonus of One per Cent., both payable on and after Saturday, the First day of June next, to Shareholders of record of 30th April, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
Montreal, 23rd April, 1918. General Manager.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 125.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 31st May, 1918, together with a bonus of one per cent., and that the same will be payable at the Bank and its Branches on and after Saturday, 1st June, 1918. The Transfer Books of the Bank will be closed from the 17th to the 31st of May next, both days inclusive.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 19th April, 1918.

THE NORTHERN CROWN BANK

HEAD OFFICE—WINNIPEG

DIVIDEND No. 19.

Notice is hereby given that a Dividend at the rate of 5% per annum on the paid-up Capital Stock of this Bank has been declared for the six months ending May 31st, 1918, and that same will be payable at its Banking House, in this city, and at all its Branches, on or after the first day of June next to shareholders of record at the close of business on the 16th day of May, 1918. The Transfer Books of the Bank will be closed from the 17th day of May to the 31st day of May, both inclusive.

By Order of the Board
ROBERT CAMPBELL,
Winnipeg, April 17th, 1918. General Manager.

THE ROYAL BANK OF CANADA

DIVIDEND No. 123.

Notice is hereby given that a Dividend of Three per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this Bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the first day of June next, to shareholders of record of 15th May.

By Order of the Board.
C. E. NEILL,
General Manager.
Montreal, Que., April 16, 1918.

McINTYRE PORCUPINE MINES, LIMITED
(No Personal Liability.)

DIVIDEND No. 5

Notice is hereby given that a dividend of 5 per cent. (5%) on the issued capital stock of the Company will be paid on the 15th day of June, 1918, to Shareholders of record at the close of business on May 31st, 1918. Books closed June 1st to 15th, inclusive.

By Order of the Board,
M. P. VAN DER VOORT,
Secretary-Treasurer.
Dated at Toronto, May 3rd, 1918.

THE RIORDON PULP AND PAPER COMPANY, LIMITED

COMMON STOCK DIVIDEND No. 9

Notice is hereby given that a quarterly dividend of 2½% has been declared on the Common Stock of the Company, payable May fifteenth, 1918, to shareholders of record at the close of business on May eleventh, 1918.

By order of the Board,
F. B. WHITTET,
Secretary-Treasurer.
Montreal, May third, 1918.

UNION BANK OF CANADA

DIVIDEND No. 125

Notice is hereby given that a dividend at the rate of 9% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Saturday, the 1st day of June, 1918, to shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, 1918, both days inclusive.

By Order of the Board.
H. B. SHAW,
General Manager.
Winnipeg, April 19th, 1918.

LAKE OF THE WOODS MILLING COMPANY, LIMITED

DIVIDEND NOTICES

Notice is hereby given that a quarterly dividend of 1¾% on the Preferred Stock of Lake of the Woods Milling Company, Limited, has been declared, payable on June 1st, 1918, to Shareholders of record at the close of business on Saturday, May 25th, 1918.

By order of the Board,
R. NEILSON,
Assistant Secretary.

Notice is hereby given that a quarterly dividend of 2½% has been declared on the Common Stock of Lake of the Woods Milling Company, Limited, being 2% from the earnings of Lake of the Woods Milling Company, Limited, and one-half of 1% from the earnings of the Sunset Manufacturing Company, Limited, payable on June 1st, 1918, to shareholders of record at the close of business on Saturday, May 25th.

By order of the Board,
R. NEILSON,
Assistant Secretary.

DEBENTURES FOR SALE

DEBENTURES

Marked tenders will be received by the undersigned up to noon, Friday, May 24th, for seven thousand dollars ($7,000.00) debentures, payable in twenty-five equal annual instalments, bearing 6% interest, to buy a site and build and equip a two-room school in S.S. No. 8, Fitzroy Township.

WM. BOYLE,
Township Clerk,
Kinburn, Ont.

Municipal accountants will find on page 16 an announcement that will be of considerable interest to them.

The Sterling Trusts Corporation will move to their new offices in the Dinnick Building, 10 King Street E., Toronto, on May 25th.

A congress is to be held in Columbus, Ohio, during the week of May 27th by the Industrial Fire Prevention Committee of the Ohio Industrial Commission.

COST OF BREAD IN CANADA

A statement recently issued by the Cost of Living Branch of the Department of Labor shows the cost of bread in Canada to be 6.851 cents per pound for the month of February. This is just about the same as the cost for January, the price of flour having remained practically the same.

VICTORIA'S INDUSTRIAL PROGRESS

Bright prospects for Victoria's industrial development are held out in the annual report of the board of trade, issued recently.

Industrial enterprises in Victoria during the past twelve months have been active. The lumber mills, iron works and manufacturers generally, were fully occupied. These conditions, together with wooden shipbuilding, which furnished employment for about 1,700 men additional, stimulated all lines of retail trade, and to a great extent the forecast made by this board of trade in the last annual report, that improved business might be expected, has been fulfilled. This encouragement should be an incentive to further endeavors in the development of Victoria's commercial and industrial life.

Following are the principal trade returns for the twelve months ended March 31st, 1918, compared with the preceding similar period:—

	1918.	1917.
Imports	$ 6,714,324.00	$ 6,828,375.00
Exports	4,690,703.00	600,523.00
Customs collections.	1,170,786.40	1,075,869.85
Inland revenues	158,529.23	215,542.70
Bank clearings	88,390,038.00	80,708,090.00

The Windsor, Ont., clearing house was opened three weeks ago, and the following are the bank clearings to date: Week ended April 18th, $1,276,768.13; week ended April 25th, $1,223,410.89; week ended May 2nd, $1,293,582.

SASKATCHEWAN AGRICULTURE TO BE PROMOTED

To hear plans and enter into a general discussion of a comprehensive survey of conditions surrounding production of farm products of all kinds in Saskatchewan, as well as the eradication of noxious weeds in the province, were the chief objects of a conference held at the parliament buildings in Regina on the 1st inst. between a number of field representatives of the provincial department of agriculture and Hon. W. R. Motherwell, minister of agriculture, and F. Hedley Auld, deputy minister.

The department has in mind a survey of the factors entering into farm work in the province, the question of equipment, labor, live stock, food supply, sufficiency of water for domestic and live stock purposes, and a special survey regarding new breaking, the sufficiency of land and tractors and horse-power, the best methods of clearing land in the rocky districts, noxious weeds and animals, and an inquiry as to men who are specialists in growing pure varieties of seed.

Certain townships have been selected because of representative character where an actual census will be taken in order to furnish detail regarding farms, as well as enable the department to make a careful and thorough study of production work in those areas. Many other matters will come under the attention of the field representatives, such as harvest labor, sufficiency of binder twine and general farm machinery.

The representatives were also informed that it is desired that they look into the question of supplies of marketable grains in the hands of the farmers of the province. Farmers at this time of year, it was pointed out at the conference, after making provision for their seeding requirements, should sell all of their wheat supply in order to send forward the greatest possible volume of bread grains to Europe pending the harvesting of the new crop. With the object of ascertaining what marketing supplies are in the hands of the farmers this inquiry will be made.

Addresses were given the representatives by Hon. W. R. Motherwell and Mr. Auld, and at the conclusion of the conference the representatives left for their particular districts.

The Steel Company of Canada, Limited

Annual Report for Year Ended December 31, 1917

To the Shareholders:—

Your Directors respectfully submit the statement of Assets and Liabilities, together with Profit and Loss Account, as at the 31st December, 1917.

The net profits for the year, after deducting charges for repairs maintenance and improvements and providing for War Tax, amounted to $6,040,318.83. The statement below shows the manner in which these profits were dealt with:

Interest on Bonds		$ 515,203.40
Dividends on Shares—		
Preferred	$454,741.00	
Ordinary	690,000.00	
		1,144,741.00
Reserve for Bond Sinking Fund		177,531.07
Reserve for Depreciation		806,000.00
Reserve for Fire Insurance		40,000.00
Special Depreciation for Furnace "A"		400,000.00
Transferred to Betterment and Replacement Reserve		1,406,486.53
Credit to Profit and Loss Account		1,550,356.83
		$6,040,318.83

In the matter of Inventories we have followed the same policy as in former years and have placed the values of our raw materials and manufactured products on a fair and proper basis.

COKE OVENS—At the last Annual Meeting of the Shareholders, the Directors stated that it was the intention of the Company to install a By-Product Coke Oven Plant, at Hamilton, so as to insure an ample supply of Coke and of uniform quality for our Blast Furnaces. All the contracts for this Plant have been let and satisfactory progress is being made with its construction, and we hope to be producing Coke about November, 1918.

ORE PROPERTIES—During the year, together with other Steel Companies of the highest standing, we secured two valuable Ore Properties, one on the Mesaba Range and the other on the Gogebic Range. The proportion of the Ore, which we are entitled to receive from these two properties, will be sufficient to meet over half of our total Ore requirements each year for a considerable number of years. The Ore taken out each year is paid for on a royalty basis, so that beyond paying for our share of stripping and equipping the mines, no large expenditure of capital was necessary. During the season of 1918, we will receive our quota of Ore from the mine on the Gogebic Range, and shipments from the Mesaba Range Mine are expected to commence late in the season of 1919.

SHEET MILL—Since the date of our last report, we have installed a Mill for the making of Steel Sheets, for which there is a large demand in Canada. This Mill is now in operation.

All of our plants were fully occupied throughout the year, but the output was interfered with from time to time by transportation difficulties and the severity of the weather conditions during the past winter.

In conclusion, we should like to particularly draw your attention to the fact that The Steel Company of Canada is a valuable asset to the Dominion of Canada. We have done our share in providing large quantities of Steel for Munition, Agricultural, Railway and Shipbuilding purposes and in meeting the demands for other commercial and domestic needs, we have also contributed in the last three years, in the shape of War Taxes, a very large sum of money, the War Taxes for 1917 exceeding the total amount of dividends distributed to the Preferred and Ordinary Shareholders during that year.

Continued on next page

The Steel Company of Canada, Limited—*Continued from opposite page*

In addition, we have paid in the last three years over Three Million of Dollars of duties on the various articles and raw materials which we have to import.

We have been large purchasers of Dominion War Bonds and have contributed during the past year $55,000 for Patriotic purposes, which we believe you will heartily approve of.

The splendid manner in which our employees have supported the various Patriotic Funds and War Bond purchases is a matter for your congratulation.

Signed, on behalf of the Directors,
ROBERT HOBSON, President.
Hamilton, Canada, March 14, 1918.

THE STEEL COMPANY OF CANADA, LIMITED

Consolidated Balance Sheet as at December 31st, 1917

ASSETS

Cost of Works owned and operated by the Company	$25,267,810.93	
Investments in other Companies and Company's own Bonds acquired for Sinking Fund	725,794.57	
		$25,993,605.52
Sinking Fund Assets—		
Cash in hands of Trustee		4.64
Current Assets—		
Inventories of Raw Materials and Finished Products, less reserve	$ 8,008,655.61	
Accounts Receivable	4,121,185.64	
Bills Receivable	100,380.75	
Call Loans to Stockholders secured by Collateral since paid	231,200.00	
Cash on hand and in banks	1,370,844.29	
	$13,832,266.32	
War Bonds and Other Securities	2,648,712.95	
		16,480,979.27
Stock of the Company—		
Held in Trust for Employees		206,869.53
Deferred Charges to Operations—		
Insurance and other Expenses paid in advance		26,830.91
		$12,708,289.87

Approved on behalf of the Board:

ROBERT HOBSON,
F. H. WHITTON, } Directors.

LIABILITIES

Capital Stock, Authorized—		
100,000 shares at $100.00 each, Preferred	$10,000,000.00	
150,000 shares at $100.00 each, Ordinary	15,000,000.00	
	$25,000,000.00	
Issued—		
64,963 shares at $100.00 each, Preferred	$ 6,496,300.00	
115,000 shares at $100.00 each, Ordinary	11,500,000.00	
		$17,996,300.00
Bonds, 6 Per Cent. First Mortgage and Collateral Trust Bonds—		
Authorized	$10,000,000.00	
Issued	8,850,000.00	
Less held in Escrow for redemption of Montreal Rolling Mills Co. Bonds	500,000.00	
	$8,350,000.00	
Less redeemed through Sinking Fund	353,853.32	
	$7,996,146.68	
Bonds of Montreal Rolling Mills Co.	500,000.00	
		8,496,146.68
Convertible Promissory Notes—		
Due July 1st, 1918, 1919, 1920		270,000.00
Current Liabilities—		
Accounts Payable, including Provision for War Tax	$3,191,814.88	
Bills Payable	2,000.00	
Unclaimed Dividends	7,080.50	
Preferred Dividend No. 26, payable Feb. 1, 1918	113,685.25	
Ordinary Dividend No. 4, payable Feb. 1, 1918	172,500.00	
		3,487,080.63
Reserves—		
Furnace Lining and Rebuilding Reserves	$ 337,171.26	
Reserve for Accidents to Employees	48,096.93	
Contingent Reserve	338,141.62	
Betterment and Replacement Reserve	2,360,013.21	
Fire Insurance Reserve	40,000.00	
	$3,123,423.02	
Bond Sinking Fund Reserve	431,485.07	
Depreciation Account	2,706,000.00	
		6,260,908.09
Surplus—		
Balance as per Profit and Loss Account		6,197,834.47
		$42,708,289.87

Montreal, March 15th, 1918.
Verified as per our report of this date.
RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants.

STATEMENT OF PROFIT AND LOSS

Profits for the year ended Dec. 31st, 1917, after deducting charges for Repairs, Maintenance and Improvements, and providing for War Tax		$6,040,318.83
Less Reserves—		
Bond Sinking Fund	$177,531.07	
Depreciation	806,000.00	
Depreciation Furnace "A"	400,000.00	
		1,383,531.07
		$4,656,787.76
Less Interest on Bonds—		
The Steel Co. of Canada, Limited	$485,203.40	
The Montreal Rolling Mills Co.	30,000.00	
		515,203.40
		$4,141,584.36
Less Dividends on Preferred Shares—		
Dividend No. 23, for Quarter ended March 31st, 1917, at 1¾%	$113,685.25	
Dividend No. 24, for Quarter ended June 30th, 1917, at 1¾%	113,685.25	
Dividend No. 25, for Quarter ended Sept. 30th, 1917, at 1¾%	113,685.25	
Dividend No. 26, for Quarter ended Dec. 31st, 1917, at 1¾%	113,685.25	
	$454,741.00	
Less Dividends on Ordinary Shares—		
Dividend No. 1, for Quarter ended March 31st, 1917, at 1½%	$172,500.00	
Dividend No. 2, for Quarter ended June 30th, 1917, at 1½%	172,500.00	
Dividend No. 3, for Quarter ended Sept. 30th, 1917, at 1½%	172,500.00	
Dividend No. 4, for Quarter ended Dec. 31st, 1917, at 1½%	172,500.00	
	$690,000.00	
		1,144,741.00
		$2,996,843.36
Transferred to Betterment and Replacement Reserve	$1,406,486.53	
Transferred to Fire Insurance Reserve	40,000.00	
		1,446,486.53
		$1,550,356.83
Balance brought forward Dec. 31st, 1916		4,647,497.64
Balance Profit and Loss, Dec. 31st, 1917		$6,197,834.47

Montreal and Toronto Stock Transactions

Stock Prices for Week ended May 8th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi com.	....	48	25
Ames-Holden com.	24	21¾	880
" pref.	58½	58¼	220
Asbestos Corporation	....	....	....
" " pref.	....	....	....
Bell Telephone	....	....	7
British Columbia Fishing & Packing	53	49	....
Brompton	52⅞	52¾	1665
Brazilian	34	37⅞	60
Canada Car com.	30½	....	62
" pref.	77½	77½	250
Canadian Converters	....	....	50
Canada Cement com.	59⅞	59¾	395
" pref.	....	....	107
Canada Cottons	....	....	....
" pref.	76	....	14
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	146	144	...
Canadian General Electric	....	....	5
Canadian Locomotive	....	....	95
Canada Steamship Lines com.	40	39¾	385
" " " pref.	....	....	105
" " " (Voting Trust)	....	....	....
Civic Investment	....	....	....
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	190
Consumers Gas com.	....	....	....
Dominion Bridge	....	....	....
Dominion Canners	....	....	....
Dominion Iron pref.	....	....	....
Dominion Steel Corporation com.	61⅛	61⅜	3160
Dominion Textile	89	87¾	155
" pref.	....	100	20
Goodwins Ltd.	....	....	....
Illinois Traction com.	....	....	....
" pref.	....	....	....
Lake of the Woods Milling com.	....	....	25
" " " pref.	....	....	....
Laurentide Co.	165	164	430
Lyall Const. com.	78	77¾	995
Macdonald	14	13½	10
Mackay Cos. com.	....	....	....
" " pref.	....	....	....
Maple Leaf Milling com.	100	....	460
Montreal Tramway	....	....	....
" " deb.	....	....	....
Montreal Light, Heat and Power	76	75¾	100
Montreal Cotton com.	....	50	5
" pref.	....	....	....
Nova Scotia Steel pref.	66	....	....
Ogilvie Flour Mills com.	....	....	10
Ontario Steel com.	....	....	....
" pref.	....	....	....
Penmans	....	72½	1
" pref.	....	...	....
Price Bros.	....	....	....
Riordan Paper	124½	120	1305
" pref.	....	.	....
Quebec Railway, Light, Heat & Power	18¾	18½	165
Shawinigan Water & Power	....	111½	266
" " " rights	....	....	....
Spanish River com.	15½	15	320
" pref.	53	....	420
Smart Woods	....	....	....
Steel Co. of Canada	61½	61¼	3345
" " " pref.	...	....	....
St. Lawrence Flour Mills com.	61¾	61¼	55
" " " pref.	....	....	....
Toronto Railway com.	....	....	....
Wayagamack	....	...	1200
Bank of British North America	....	....	....
Bank of Commerce	....	....	12
Bank of Montreal	. . .	....	300
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	140	....	1
Banque Nationale	....	....	....
Bank of Nova Scotia	....	....	....
Dominion Bank	....	....	....
Merchants Bank	....	....	4
Molsons Bank	....	....	....
Quebec Bank	....	....	....
Royal Bank	....	....	45
Standard Bank com.	....	....	....
Union Bank	....	....	....

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	....	....
Bell Telephone	....	....	....
Canadian Car	....	....	....
Canada Cement	....	....	....
Canadian Converters	....	82	....
Canada Felt	....	....	....
Cedars Rapids	85	84	1100
Dominion Coal	....	....	....
Dominion Cotton	....	.. .	....
Dominion Iron and Steel	86	84	....
Dominion Textile A	....	....	....
" " B	....	....	....
" " C	...	....	....
" " D	....	....	....
Lake of Woods Milling	....	....	....
Laurentide	....	101	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	2800
National Breweries	....	....	....
Nova Scotia Steel	....	....	....
Ogilvie A	....	100	....
" B	....	100	....
" C	....	100	....
Penmans	85	....	9000
Price Bros	....	....	....

Montreal Bonds (*Continued*)	Opened	Closed	Sales
Quebec Railway, Light and Power	....	....	....
Riordan Paper	....	....	....
Steel of Canada	....	....	....
First Dominion War Loan	95¼	95	4100
Second Dominion War Loan	....	93	11700
Third Dominion War Loan	93¼	93	18000
Wabasso Cotton	....	31	38½
Wayagamack	....	....	1100

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	22	19	75
" pref.	58	57	15
American Cynamid	34	30	....
Bell Telephone	....	....	....
Barcelona	10	9½	110
British Columbia Fish	50	48½	....
Brazilian	33¾	33½	732
B. C. Packers	....	....	....
Canada Bread	18½	18	780
" pref.	....	....	16
Canadian Car & Foundry	31	30	10
" " " pref.	78	76½	5
Canadian Canners	....	....	....
" pref.	....	....	....
Canadian General Electric	103	102½	....
" " " cum div. pref.	....	...	....
Canada Landed & National Investment	....	148¾	...
Canadian Locomotive	....	....	20
" pref.	....	82½	....
Canadian Pacific Railway	...	....	....
Canada Permanent	....	162½	....
Canada Steamship	40	39¾	435
" " pref.	76½	76	215
Can. Salt	145	141	....
Cement com.	60½	59	375
"	....	....	5
City Dairy	....	31	....
" pref.	....	75	....
Coniagas	300	290	....
Confederation Life	375	....	....
Consumers Gas	144½	....	....
Crows Nest	....	....	....
Dome	740	715	100
Dominion Canners pref.	31½	29	....
Dominion Iron com.	....	...	....
Dominion Steel Company	61⅜	61¼	225
Dominion Savings	....	....	....
Duluth Sup	44	....	....
F. N. Burt	....	65½	15
" pref.	....	85	90
Hamilton Provident	....	...	....
Huron & Erie com.	....	....	....
La Rose com.	50	47	....
Mackay Companies	77	76	25
" pref.	65	64	52
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	99	97¾	160
" " " pref.	94	92	5
Monarch	40	39	....
" pref.	80	....	5
Nat. S. Car	8½	7	....
" pref.	....	30½	....
Nipissing	910	890	....
Nova Scotia Steel	65	....	....
" " " rights	....	....	....
Pacific Burt	34	....	....
" pref.	77½	....	....
Prov. Paper	55	....	....
Penmans com.	75	73½	....
Petroleum	1375	1312	205
Riordon	125	122	....
" pref.	....	....	...
Rogers com.	....	....	...
Russell Motor	60	55	10
" pref.	70	69½	....
Sawyer-Massey	15	....	....
" pref.	40	....	....
Smelters	....	....	240
Spanish River	16½	15	150
" pref.	53	51	261
Cons. Smelters	25	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	....	61¼	920
" " " pref.	....	90½	5
Toronto General Trust	....	....	7
Toronto Paper	....	....	....
Toronto Railway	....	58	2
Trethewey S. Mines com.	....	17	....
Tucketts	....	19	....
" pref.	....	....	....
Winnipeg Electric	.. .	....	....
Twin City	....	46	123
Bank of Commerce	....	....	45
Bank of Ottawa	....	201	...
Bank of Hamilton	....	....	1
Bank of Montreal	9½	210	....
Bank of Nova Scotia	....	248	....
Bank of Toronto	...	187	....
Dominion Bank	....	202	....
Imperial Bank	....	185	52
Merchants Bank	....	167	....
Molsons Bank	....	....	....
Royal Bank	....	208	1
Standard Bank	....	200	1
Union Bank	....	....	22

Toronto Bonds			
Canada Bread	90	....	9000
" pref.	....	....	....
Canada Locomotive	....	....	....
Penmans	87	....	....
Sao Paulo, 1929	80	....	....
Steel Company of Canada	89½	..	....
First War Loan	95	95½	16700
Secund War Loan	93¾	93¾	[illegible]
Third War Loan	92⅞	93	54900

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

McIntyre Mining Company.—At a meeting of the McIntyre Mining Company on Friday, the 3rd inst., the directors declared a dividend of 5 per cent., payable on June 15. There had been some doubt as to whether the dividend would be maintained, and moderate selling in the market.

Duluth-Superior Corporation.—The company's earnings for the month of April were $137,266, as compared with $130,662 in 1917. The increase amounted to $6,603, or 5 per cent. Earnings for the year to-date were $553,739, as compared with $507,588 a year ago. The increase was $46,151, or 9 per cent.

Trinidad Electric Company.—The earnings of the Trinidad Electric Company for March, 1918, were as follows:—

	Gross.	Net.
Railroad	$11,046.79	$3,667.62
Light and power	9,525.65	3,898.74
Refrigerator	......	605.35
	$20,572.44	$8,171.71

Toronto Street Railway Company.—Business continues to improve with the company, as will be seen from the gross receipts last month, which show an increase of $32,714.87, compared with April's receipts last year, while the city's percentage is increased by $6,543.97. The receipts last month were $543.054.77, and the city's percentage $108,610.95. In April, 1917, the receipts were $510,339.90, and the city's percentage $102,066.98.

Lake Superior Corporation.—The corporation for nine months ended March 31, 1918, produced 211,452 tons of finished material, as compared with 170,076 tons for the same period in 1917. The unfilled orders on hand March 31, 1918, approximated 203,795 tons. Steel ingot output in March was 48,000 tons. This exceeds the output of three preceding months. The company intends to bring production to around 50,000 tons a month, and to attain this is working on the construction of 30 coke ovens.

A. Macdonald Company, Limited.—The fifth annual meeting of the shareholders of the company, of which Mr. W. P. Riley is the president and general manager, was held in Winnipeg on May 7th. Only routine business was transacted, the annual statement, which has already been made public, being submitted, and the directors re-elected. These include, in addition to Mr. Riley, Messrs. W. H. McWilliams, H. W. Hutchison, A. Kelley and E. E. Hall. Net earnings of the company for the year were $283,076. In 1916 the earnings were $219,015, and in 1915 they were $154,540. No announcement was made with reference to dividends, but the belief is entertained that a distribution of some character may be expected by the preferred shareholders this year.

Brazilian Traction, Light and Power Company, Limited.—The following is a statement of the combined earnings and expenses of the tramways, gas, electric lighting, power and telephone services, operated by subsidiary companies, controlled by this company, for the month of March, 1918:—

	1918. Milreis.	1917. Milreis.	Inc. or dec.	
Total gross earnings..	8,094,000	7,549,000	+	545,000
Operating expenses ..	4,169,000	3,398,000	+	771,000
Net earnings	3,925,000	4,151,000	—	226,000
Aggregate gross earnings from January 1	23,246,000	21,687,000	+	1,559,000
Aggregate net earnings from January 1	11,186,000	12,038,000	—	852,000

Abitibi Power and Paper Company.—The output of the company for the first quarter of the year fell below that of the final quarter of 1917 by over 4,000 tons. The total output for paper groundwood and sulphite pulp was 21,101 tons for the 1918 quarter, as compared with 25,308 for the 1917 quarter. There was an increase in the paper production and also in sulphite pulp, but a large decline in the manufacture of groundwood pulp. The comparative figures are as follows:—

	First quarter, 1918.	Last quarter, 1917.
Paper	16,814	15,736
Ground pulp	1,019	7,057
Sulphite pulp	3,268	2,515
Total, tons	21,101	25,308
Decrease	4,207	....

Toronto Paper Manufacturing Company, Limited.—The annual general meeting of the company will be held on May 17th, 1918. The directors' report to shareholders shows that the company's financial condition is good. The following is the statement of profit and loss:—

Balance at credit, 31st March, 1917		$191,590
Earnings for year	$198,039	
Less bond interest, dividends, bonuses and depreciation reserve	135,540	
		62,499
Balance forward		$254,089

The earnings for the year were $198,039 to which is added the balance brought forward of $191,590, making a total of $389,629. From this, $28,540 bond interest and $75,000 for dividends and bonuses are deducted. After carrying $32,000 to depreciation reserve, there is a balance left of $254,089 to be carried forward.

The above results are obtained after placing in the accounts payable a sum which has been estimated sufficient to pay last year's war taxes. During the past year a new storage warehouse was built for the raw materials, and the company has at the present time under construction an extension to the finishing department, which will be completed this summer. These additions were made necessary by the company's expanding business. In addition to dividends at the rate of 6 per cent. per annum, the company was able to pay bonuses to the extent of 4 per cent., which will partially recompense for the periods when no dividends were paid.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railroads for the month of April:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
April 7	$2,830,000	$2,984,000	+ $154,000
April 14	2,833,000	2,935,000	+ 102,000
April 21	2,708,000	3,016,000	+ 308,000
April 30	3,665,000	4,072,000	+ 407,000

Grand Trunk Railway.

	1917.	1918.	Inc. or dec.
April 7	$1,215,768	$1,359,291	+ $143,523
April 14	1,103,119	1,414,538	+ 311,419
April 21	1,085,031	1,358,972	+ 273,941
April 30	1,481,293	1,986,134	+ 504,841

Canadian Northern Railway.

	1917.	1918.	Inc. or dec.
April 7	$ 736,200	$ 913,600	+ $177,400
April 14	881,600	932,600	+ 51,000
April 21	765,600	929,500	+ 163,900
April 30	932,100	1,182,400	+ 250,300

The following is a statement of earnings and expenses for the month of March, 1918:—

	1918.	1917.	Inc. or dec.
Total gross earnings.	$ 3,436,300	$ 3,273,200	+ $ 163,100
Operating expenses .	3,225,900	2,655,100	+ 570,800
Net earnings	210,400	618,100	— 407,700
Aggregate gross earnings from July 1st	$30,699,400	$30,095,900	+ $ 603,500
Aggregate net earnings from July 1st	$ 2,490,100	$ 7,504,500	— $5,014,400

October 9th is to be observed in the United States as a fire and accident prevention day, and plans are already being made to insure its proper observance.

One Way to Make Money

is to invest your savings in good Bonds, and so make the money you worked for, work for you.

The safest of all Bonds are the Dominion of Canada Bonds.

If you would like to see a Canada Victory Bond before you buy it, we will send you one to your local bank, and you may pay us for it after you have inspected it.

Decide now to buy, and you will never regret it.

Remember, Victory Bonds at present price yield around 5¾% interest, and that is surely better than keeping money idle or letting it earn only 3% on funds for which you have no immediate use.

And, remember, they are always negotiable, readily saleable and Free of Federal Income Tax.

You can buy Victory Bonds at the following prices:

$ 50 Bond costs .....$ 49.45 $ 100 Bond costs......$ 98.87
500 Bond costs...... 494.37 1,000 Bond costs...... 988.75
and accrued interest.

Larger amounts in proportion. Interest payable every six months at all Banks.

Fill out and mail the coupon below. Address Dept. U

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I have $... ....for investment.
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DOMINION OF CANADA
VICTORY LOAN
OF 1917
(Free of Dominion Income Taxes).

PRICE 98⅞ AND INTEREST
YIELDING
5.76% on the 5-year Bonds
5.65% on the 10-year Bonds
5.60% on the 20-year Bonds

Correspondence Invited.

LOUGHEED & TAYLOR, LIMITED
FINANCIAL AGENTS
CALGARY CANADA

J. S. DENNIS, President. JAMES W. DAVIDSON, Vice-President.

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GUELPH BUILDING ACTIVITY

Building permits for the city of Guelph for the first four months of the year total $40,930, as compared with $42,210 for the whole year 1917.

A convention of the International Association of Fire Engineers is to meet in Chicago on June 4th, 5th and 6th.

EASTERN TRUST COMPANY CHANGES

Mr. Mark Workman, president of the Dominion Steel Corporation, Limited, and Mr. James Carruthers, president of the Canada Steamship Lines, Limited, have become directors of the Eastern Trust Company. This company is also opening a real estate department under the management of Mr. W. H. Knowles, who was previously with the Crown Trust Company.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended May 8th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........com.	46	49.50	Can. Oil.............pref.	80	98	Ford Motor of Canada...	175	210	National Potash.........	....	1.50
" ....7% deb.	.. .	87	Can Salt............. 6's	92.50	....	Great West Permanent..	..	70	Nova Scotia Steel 6% deb.	85	92
Amer. Sales Book....6's	90	....	Can. Westinghouse......	100	112	Harris Abattoir........6's	94	100	Ont. Pulp Bonds........	76	80
Atlantic Sugar.........6's	78.50	84.50	Chapman Ball Bearing..	22	30	Home Bank..............	59	64	Rosedale Golf Club......	....	325
" " ......pref.	27.50	....	Chinook Coal...........	....	30	Imperial Oil............	270	285	Sovereign Life..........	12.50	20
Belding Paul....... com.	10.50	15 50	Cockshutt Plow.....pref.	65	75.50	Imperial Trust...........	...	37.50	Sterling Bank.... .xd, 1½	....	81.50
" " ......pref.	73.50	78.50	Collingwood Ship. com..	15	30	Inter. Mill ....pref.	83.50	89	Sterling Coal........com.	12.50	16
Black Lake............6's	22	24.50	Dom. Fire	19.50	23	Lambton Golf Club....	350	390	" " ......bonds	70.50	74.50
" ....pref.	3	5.50	Dom. F'dry & Steel 8% pf.	86.50	92	Maritime Coal & Ry...5's	68.50	72	Temple (Allen) Thea.com.	....	65
Brand-Henderson.....6's	95	....	Dom. Glass ....pref.	75.50	82.50	Matthew-Blackwell com.	43	50	Toronto Carpet.....com.	85	....
" " ....com.	45	52	Dom. Iron 5's. 1939.......	73	76.50	Matthew Laing.......6's	94	97.50	Toronto Paper........6's	85	89
Buffalo Lock & R ....5's	....	55	Dom. Linseed Oil........	70	....	M'Donald...........pref.	74.50	80	Toronto York Rad.....5's	92	97
Can. Cereal & Flour.com.	....	.65	Dom. Power... ....com.	50	57	Mexican Northern....5's	10	14	West. Assurance	7.25	8.75
Canada Machinery....6's	74	81	" " ....pref.	91.50	96	Milton Pressed Brick....	15	27	Wt. Can. Flour.... com.	100	115
" " com.	13	....	" " ....5's	81	85	Mississauga Golf.........	37	55	West Power..........5's	51	58
Can. Marconi............	1.25	2.00	Dunlop Tire..... .... 6's	95	100	Morrow Screw........6's	85	92	....	....	....
Can. Mortgage & Invest..	....	83	Eastern Car...........6's	89	94	National Life...........	28	....	....	....	....
Can. Crocker Wheeler pf.	77	83	....	....	....	....	....	...	....	....	...

GOVERNMENT FINANCE

PUBLIC DEBT	1918		1918
Liabilities—	$ cts.	Assets—	$ cts.
Payable in Canada	744,379,494 74	Investments—Sinking Fds.	16,291,525 04
Payable in London.........	362,703,312 40	Other Investments	238,032,819 35
Payable in New York......	75,873,000 00	Province Accounts..........	2,296,327 90
Temporary Loans..........	579,005,464 06	Miscel and Bkg. Accounts	758,947,455 94
Bank Circul'n Redemp. Fd.	5,793,609 27		
Dominion Notes............	251,622,765 54	Total Assets..............	1015 568 158 23
Savings Banks..............	51,661,995 89		
Trust Funds	10,923,371 69	Total Net Debt 31st Mar....	1106 394 023 99
Province Accounts.	11,920,481 20	Total Net Debt 28th Feb...	1010 780 470 48
Miscel. and Bkg. Accounts.	28 072,637 43		
Debt	2121,962,182 22	Increase of Debt...........	95,613,553 61

Revenue and Expenditure on account of Consolidated Fd.	Total to 31st Mar. 1918	Expenditure on Capital Account, Etc.	Total 31st Mar. 1918
			$ cts.
Revenue—	$ cts.	War......................	*299930317 41
Customs	143,311,395 12	Public Works, Railways and Canals	27,025,729 69
Excise.....	26,677,387 23		
Post Office	20,774,200 40	Railway Subsidies.....	720,404 75
Pbc. Works, R'lways & Canals	27,200,585 90		
Miscellaneous	34,408,940 34		
Total	252,372,508 99		
Expenditure	141,989,541 35	Total.............	327,676 451 85

(*Correcting Statement published on April 20th, 1918.)

Safeguard Your Savings

They can be made absolutely safe while earning a good return if you will advise with Members of the Toronto Stock Exchange, who have made a life study of financial questions, and are glad to furnish all information without any charge.

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THE EMPLOYERS'

LIABILITY ASSURANCE CORPORATION
OF LONDON, ENG. LIMITED

ISSUES

Personal Accident	Sickness
Employers' Liability	Automobile
Workmen's Compensation	Fidelity Guarantee
and Fire Insurance	Policies

C. W. I. WOODLAND

General Manager for Canada and Newfoundland

Lewis Building, MONTREAL — JOHN JENKINS, Fire Manager — Temple Bldg., TORONTO

The Imperial Guarantee and Accident Insurance Company of Canada

Head Office, 46 King St. W., TORONTO, Ont.

IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital	$200,000.00.
Authorized Capital	$1,000,000.00.
Subscribed Capital	$1,000,000.00.
Government Deposits	$111,000.

LONDON GUARANTEE AND ACCIDENT COY.

Limited

ESTABLISHED 1869

Head Office for Canada: TORONTO

Employer's Liability	Personal Accident	Sickness
Elevator	Fidelity Guarantee	Court Bonds
Contract	Internal Revenue	Teams and Automobile

AND FIRE INSURANCE

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance Sickness Insurance Plate Glass Insurance
Burglary Insurance Automobile Insurance Guarantee Bonds

The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

P. R. REED, President. — T. B. REDDING, Vice-President. — B. M. WHITLEY, Secretary-Manager

Canada Security Assurance Company

HAIL DEPARTMENT

CALGARY - ALBERTA

LIFE INSURANCE FOR THE YEAR

On another page is printed a statement of life insurance in Canada for the year 1917, as compiled by the Department of Insurance, Ottawa. The total results show a considerable increase in the amount of business at the close of 1917. Canadian companies had business in force amounting to $996,699,292, as compared with $895,528,435 at the end of the previous year. The United States and British companies also increased their business substantially.

The total of policies new and taken up during the year is $281,958,430, or $50,000,000 more than the year 1916; $34,000,000 of this increase is to the credit of Canadian companies. United States companies also show considerable increase in business as compared with 1916, but the new business of British companies on the other hand was $250,000 less than for the year 1916.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

May 8th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	83	8.45
Canada Cement	7	91	7.69
Canada Steamships	7	76	9.21
Mackay Companies	4	65	6.15
Penmans	6	82	7.31
Steel of Canada	7	91	7.69
Maple Leaf Milling	7	94	7.44
Common:			
Bell Telephone	8	128	6.25
B. C. Fishing and Packing	5	48	10.50
Canada Cement	6	60	10.00
Canadian Locomotive	6	58	10.34
Canadian General Electric	8	103	7.76
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	60	13.33
Maple Leaf Milling	10	98	10.20
Canadian Pacific Railway	10	145	6.89
Penmans	6	75	8.00
Dominion Steel Corporation	5	62	8.06
Steel Co. of Canada	6	62	9.67
Mackay Companies	6	78	7.67
Toronto Railway	4	58	6.89
Twin City	4	43	9.30
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	97	6.18
Canada Steamships	5	80	6.25
Canadian Locomotive	5	85	7.12
Penmans	5	87½	5.72
First War Loan, 1925	5	95	5.26
Second War Loan, 1931	5	93¾	5.33
Third War Loan, 1937	5	92	5.70
Victory Loan, 1937	5½	98⅞	5.58
....	....	....	....
....	....	....	....

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

WANTED.—For office of a General Insurance Agency, young man with Fire Insurance experience. Excellent opportunity for advancement. Apply, stating experience and salary expected, to Box 177, *The Monetary Times*, Toronto.

BANK CLEARINGS

The following are the bank clearings for the weeks ended May 3rd, 1917, and May 2nd, 1918, respectively, with changes:—

	Week ended May 2, '18.	Week ended May 3, '17.		Changes.
Montreal	$ 76,407,834	$ 96,380,501	—	$19,972,667
Toronto	68,684,677	63,528,236	+	5,156,441
Winnipeg	46,937,530	100,640,605	—	53,703,075
Vancouver	10,185.473	8,004,440	+	2,181,033
Ottawa	6,557,105	6,666,546	—	109,441
Calgary	6,081,990	7,032,094	—	950,104
Hamilton	5,045,173	4,961,186	+	83,987
Quebec	4,615,628	4,687,170	—	71,542
Edmonton	2,959,247	2,613,849	+	345,398
Halifax	3,826,766	2,816,801	+	1,009,965
London	2,453,198	2,533,999	—	80,801
Regina	2,954,408	2,830,905	+	123,503
St. John	2,054,859	2,094,502	—	39,643
Victoria	2,196,200	1,737,417	+	458,783
Saskatoon	1,588,550	1,845,505	—	256,955
Moose Jaw	1,205,434	1,086,423	+	119,011
Brandon	464,582	429,765	+	34,817
Brantford	906,098	981,482	—	75,384
Fort William	578,092	607,472	—	29,380
Lethbridge	740,970	900,042	—	159,072
Medicine Hat	488,445	642,058	—	153,613
New Westminster	492,785	339,551	+	153,234
Peterboro'	783,471	662,073	+	121,398
Sherbrooke	858,328	686,705	+	171,623
Kitchener	544,108	662,811	—	118,703
Totals	$249,610,951	$315,372,138	—	$65,761,187

The Toronto bank clearings for the current week are $68,827,857, compared with $62,495,883 for the same week in 1917, and $53,388,235 in 1916.

APRIL BANK CLEARINGS

The following are the bank clearings for the months of April, 1917, and April, 1918, respectively, with changes:—

	Month April, '18.	Month April, '17.		Changes.
Montreal	$ 373,807,451	$ 344,245,448	+	$29,562,003
Toronto	276,705,355	263,225,159	+	13,480,196
Winnipeg	210,246,242	271,543,933	—	61,397,691
Vancouver	42,986,756	30,333,013	+	12,653,743
Ottawa	28,162,050	23,528,121	+	4,633,929
Calgary	28,934.805	28,954,474	—	19,669
Hamilton	23,077.288	19,700,732	+	3,376,556
Quebec	19.554,533	17,342,986	+	2,211,547
Edmonton	15,273.898	10,876,054	+	4,397,844
Halifax	17,929,142	11,642,071	+	6,287,071
London	11,000,219	9,842,802	+	1,157,417
Regina	15,104,525	11,822,927	+	3,281,598
St. John	10,090,509	9.980,441	+	110.068
Victoria	8,856,111	6,931,714	+	1,924.397
Saskatoon	7,561,296	7,410.683	+	150,613
Moose Jaw	5,639,870	4,864,113	+	775,757
Brandon	2,485,172	2,324,559	+	160,613
Brantford	4,114,903	3.357,715	+	757,188
Fort William	2,568,288	2,113,474	+	454.814
Lethbridge	3,565,097	3,630,983	—	65,886
Medicine Hat	2,297,465	2,720,975	—	423,510
New Westminster	1,797,769	1,263,763	+	534,006
Peterboro'	3,193,265	2,622,597	+	570,668
Sherbrooke	3,650.769	2,590.563	+	1,060,206
Kitchener	2,823.650	2.567.848	+	255.802
Totals	$1,121,426,428	$1,095,437,148	+	$25,989,280

A subscriber is anxious to secure the following issues of The Monetary Times for binding purposes: July 23, 1915, January 7, 1916, January 14, 1916, November 16, 1917 and December 28, 1917. Readers who can supply any of these will have their subscriptions extended one month for each missing number sent in. Address Circulation Department, The Monetary Times, Toronto.

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ASSOCIATION
Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

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HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION!

The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED	INCREASE 166%
ADMITTED ASSETS	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds	$ 66,500,000	Investments under Canadian Branch, over	$ 16,000,000
Deposited with Canadian Government and Government Trustees, over	7,000,000	Revenue, over	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

A Cigar a day Costs no more than an Endowment Policy at Life Rate in the
London Life Insurance Co.
LONDON ... ... Canada
POLICIES "GOOD AS GOLD" 6

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE - TORONTO, CANADA

The Secret of a Wonderful Success

The rise and progress of The Mutual Life of Canada has been one of the romances in the history of Canadian Finance. Less than half-a-century ago a small group of men in an obscure Ontario town determined to establish a Life Insurance Company that would give the public the maximum of service at a minimum of cost. That being the aim it was resolved that the organization should be purely mutual. Five hundred prospective policyholders were gathered and formed the nucleus of the Company. From this small beginning in 1870 the Company has gone forward steadily with more regard to security and mutual serviceableness than big business. The result is that the Company to-day is enjoying a popularity that is phenomenal, writing during the past year more than $20,000,000 paid for assurances.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
Assets $32,165,000 Surplus $4,761,299 Assurance $123,511,314

HOUSEHOLD EXPENSES

If the head of your home were removed—would the household routine go on as before?

Life Insurance will answer the question.

Over 65,000 persons, desiring THE BEST available in Life Insurance, hold Policies in

The Great-West Life Assurance Co.
DEPT. "F"
HEAD OFFICE : : WINNIPEG
Over $155,000,000 now in force.

ALWAYS A PLACE
FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR
For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.
For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

LIFE INSURANCE TRANSACTED IN CANADA

LATEST FISCAL YEAR ENDED DEC., 1917	Premiums for Year	Number of Policies New and Taken up	Amount of Policies New and Taken up	Number of Policies in Force at Date	Net Amount in Force	No. of Policies become Claims (including Matured Endowm'ts)	Net Amount of Policies become Claims (including Matured Endowments)	Claims Paid (including Matured Endowments)	Unsettled Claims (including Matured Endowments)	
									Not Resisted	Resisted
Canadian Companies.	$		$		$		$	$	$	$
Alberta-Saskatchewan Life	6,090	47	99,500	130	222,000	None	None	None	None	None
Ancient Order of Foresters	64,796	105	86,470	2,490	2,240,150	44	41,528	41,528	506	None
British Columbia Life	77,604	129	229,500	1,284	2,620,887	6	13,948	4,797	2,733	None
Canada Life (Canadian business)	3,885,150	6,851	15,213,272	58,071	124,230,675	1,007	2,251,506	2,239,052	447,654	None
Capital Life	125,108	690	1,012,760	2,171	3,281,753	13	22,720	18,038	11,500	1,000
Confederation (Canadian business)	2,216,066	5,588	10,723,154	39,524	65,858,515	841	1,325,737	1,227,021	260,723	None
Continental Life	406,564	1,357	2,074,860	8,566	11,638,751	115	141,582	140,076	45,650	None
Crown Life	522,207	2,329	3,645,688	9,702	14,967,563	78	114,890	90,456	38,613	None
Dominion Life	707,636	1,778	3,475,075	12,811	21,110,123	145	202,305	164,751	64,773	4,000
Excelsior Life { Ordinary	793,391	3,064	5,114,379	16,636	23,338,052	153	172,191	195,334	27,454	None
Excelsior Life { Industrial	2,677	1	126	470	56.875	20	2,647	2,472	175	None
Great West (Canadian business)	4,824,794	13,777	28,149,691	73,663	147,797,184	645	1,169,013	1,146,558	366,655	None
Imperial Life (Canadian business)	2,006,088	5,104	11,517,934	29,483	54.843,456	350	727,878	637,158	159,301	None
London Life { Ordinary	1,046,618	6,037	8,222,708	25,789	30,404,327	255	263,229	240,927	80,104	None
London Life { Industrial	861,483	46,005	6,444,036	169,296	20,383,039	3,373	342,802	284,143	25,315	232
Manufacturers (Canadian business)	2,223,985	4,487	8,630,856	42,336	65,688,531	633	864,910	999,577	210,264	36,000
Monarch Life	338,322	1,842	3,467,400	5,491	10,904,801	35	71,599	79,042	9,069	None
Mutual Life of Canada (Can. bus.)	4,479,193	10,495	20,578,565	68,229	119,912,644	920	1,609,811	1,541,408	371,658	52,000
National Life of Canada (Can. bus.)	706,271	1,775	3,800,971	11,643	20,872,890	127	217,103	185,746	36,946	None
North American (Canadian bus.)	1,970,642	6,221	10,836,708	35,307	57,414,311	552	818,517	780,629	188,860	2,000
Northern Life	451,857	1,964	2,773,856	9,369	12,053,037	109	147,000	125,157	37,461	None
Royal Guardians { Ordinary	89,816	222	214,750	2,236	2,970,990	51	80,345	76,624	12,472	None
Royal Guardians { Industrial	5,934	1,099	141,935	1,315	175,808	4	467	235	43	None
Saskatchewan Life	71,166	543	1,007,353	1,299	2,280,806	3	5,500	4,458	3,000	None
La Sauvegarde	215,944	428	541,200	5,102	6,138,736	34	40,000	39,833	4,000	None
Security Life	31,202	294	301,500	1,132	1,133,550	11	10,000	10,000	2,000	600
Sovereign Life	257,573	905	1,780,148	3,810	7,139,574	26	39,675	26,361	14,101	5,000
Sun Life (Can. bus.) { Ordinary	6,071,283	10,876	21,006,896	98,862	161,948.873	1,615	2,392,829	2,246,864	445,433	None
Sun Life (Can. bus.) { Thrift	27,290	None	None	4,912	667.375	447	52,991	58,719	2,368	None
Travellers Life of Canada	151,967	1,132	1,612,330	3,110	4,404,016	21	40,500	25,838	6,356	500
Totals for 1917	34,638,717	135,145	172,703,621	744,239	996,699,292	11,633	13,183,223	12,632,802	2,875,457	101,332
Totals for 1916	30,296,416	120,759	138,201,281	675,634	895,528,435	9,912	11,763,328	10,537,141	2,394,825	114,972
Increase, *i*; decrease, *d*	*i* 4,342,301	*i* 14,386	*i* 34,502,340	*i* 68,605	*i* 101,170857	*i* 1,721	*i* 1,419,895	*i* 2,095,661	*i* 480,632	*d* 13,640
British and Colonial Companies.										
Commercial Union	21,936	7	12,000	180	690,635	13	51,051	41,464	10,038	None
*Edinburgh Life	410	None	None	15	31,160	3	4,445	4,445	None	None
Gresham Life	109,884	486	954,134	1,689	3,569,228	11	17,471	9,971	10,500	None
*Life Association of Scotland	4,424	None	None	198	391,012	14	38,574	27,289	21,239	None
*Liverpool and London and Globe	3,122	None	None	72	126,720	None	None	2,293	None	None
London and Lancashire Life	475,467	623	1,277,458	7,728	14,979,347	167	301,914	305,498	64,014	None
Mutual Life and Citizens' (Australia)										
Ordinary	30,296	546	488,000	1,210	1,020,311	5	3,328	2,318	508	None
Industrial	44,661	5,587	739,598	9,545	1,231,901	86	14,660	10,432	682	None
North British and Mercantile	28,912	32	60,250	369	886,742	13	40,583	26,008	14,576	None
*Norwich Union Life	4,591	None	None	78	127,636	5	5,046	9,719	None	686
Phœnix, of London	296,820	103	347,000	2,275	7,245,499	49	136,755	125,605	19,246	None
Royal	285,675	240	674,427	3,224	7,943,778	41	86,726	136,469	14,763	None
*Scottish Amicable	830	None	None	23	62,568	None	None	2,051	None	None
*Scottish Provident	278	None	None	13	38,130	1	4,041	4,041	None	None
Standard	642,553	225	556,316	9,652	20,169,494	389	810,835	843,743	185,795	50,000
*Star	6,475	None	None	137	193.218	8	9.237	9.767	None	None
Totals for 1917	1,956,334	7,849	5,109,183	36,408	58,707,379	805	1,524.066	1,561,113	341,361	50,686
Totals for 1916	1,903,590	6,901	5,250,633	33,293	59,151,931	821	1,801,022	1,693,628	408,571	50,594
Increase, *i*; decrease, *d*	*i* 52,744	*i* 948	*d* 141,450	*i* 3,115	*d* 444,552	*d* 16	*d* 276,956	*d* 132,515	*d* 67,210	*i* 92
United States Companies.										
Ætna Life	970,025	1,200	4,163,108	16,120	28,162,239	691	868,143	862,504	98,847	None
*Connecticut Mutual	27,806	None	None	488	901,675	23	35,583	31,480	10,386	None
Equitable	1,000,567	1,301	3,362,555	13,081	28,056,278	279	575,198	555,773	54,426	None
*Germania Life	10,797	None	None	56	228,669	None	None	None	None	None
Metropolitan { Ordinary	3,325,481	24,995	25,420,808	102,202	109,766,359	1,273	1,155,220	1,174,858	102,467	1,000
Metropolitan { Industrial	4,412,098	194,990	24,226,835	992,752	112,447,507	11,744	1,227,191	1,241,504	42,511	1,638
Mutual Life of New York	1,501,060	1,132	3,326,786	15,545	35,498,497	319	725,828	699,130	82,365	2,000
*National Life of United States	151	None	None	45	27,121	3	937	937	None	None
New York Life	2,753,065	5,048	10,877,024	41,068	79,227,511	590	1,259,184	1,131,484	240,181	125,540
*Northwestern Mutual	2,034	None	None	85	103,588	8	11,105	11,105	1,500	None
*Phœnix Mutual	17,627	None	None	329	282,615	23	21,989	21,989	788	None
*Provident Savings	40,993	None	None	788	1,216,437	22	33,353	33,340	4,000	None
Prudential { Ordinary	1,079,465	9,898	12,246,897	33,802	39,416,769	297	325,289	310,417	91,592	None
Prudential { Industrial	2,121,302	114,916	16,459,495	451,660	59,655,142	3,988	604,225	565,884	43,152	985
State Life	48,410	19	66,508	1,114	2,095,913	68	83,060	89,951	5,505	None
Travelers Insurance Co.	678,803	964	3,292,610	7,219	23,643,925	131	374,173	345,509	25,451	None
Union Mutual	271,744	283	688,000	4,256	7,997,650	91	142,045	140,729	20,037	None
United States Life	31,239	8	15,000	492	997,880	15	27,978	29,244	150	None
Totals for 1917	18,292,667	354,754	104,145,626	1,681,102	529,725,775	19,565	7.470,501	7,245,838	823,358	131,163
Totals for 1916	15,893,099	330,008	87,649,711	1,474,455	467,499.266	16.708	6.695,184	6,488,908	669,138	122,597
Increase, *i*; decrease, *d*	*i* 2,399,568	*i* 24,746	*i* 16,495,915	*i* 206,647	*i* 62,226,509	*i* 2,857	*i* 775,317	*i* 756,930	*i* 154,220	*i* 8,566

* These Companies have ceased transacting new business in Canada.

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RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Coldbrook, N.B.—April 28—Residence of Adam Shand was destroyed. Estimated loss, $10,000.

Edmonton, Alta.—April 30—Barn of Maurice Fmeltzer was destroyed. Estimated loss, $3,000.

Fredericton, N.B.—April 30—The Seeley homestead, situated a few miles below this city, and an old landmark of that part of the country, was destroyed.

Hamilton, Ont.—May 2—Premises of the Dominion House-furnishing Company were damaged. Estimated loss, $500.

Maisonneuve, Que.—May 4—Premises of the Savoy Bakery on Ontario St. and Third Ave. were damaged. Estimated loss, $8,000.

Medicine Hat, Alta.—May 2—The Rolling Mills were damaged. Estimated loss, $45,000.

Montreal E., Que.—May 4—Plant of the Munitions and Metals Products Company, Limited, was damaged. Cause reported as spontaneous combustion. Estimated loss, $20,000.

Petrolia, Ont.—May 6—Underground oil tank containing 2,000 barrels of gasoline, belonging to the Canadian Oil Company was destroyed.

Port Stanley, Ont.—May 5—A section of the village was destroyed. Estimated loss, $30,000. The A. C. Brown Company, the United Fish Company, J. R. Moore (of Port Stanley) and S. J. Crowden (of London) were the principal losers, all the barns and ice-houses of the above-mentioned companies being totally destroyed, and the summer home of Mr. Crowden.

Port Sydney, Ont.—May 3—Residence of Sydney Porter and Mrs. Montgomery was destroyed The cause was reported as incendiarism.

Sault Ste. Marie, Ont.—May 2—Old power plant of the Great Lakes Power Company was destroyed. Caused by defective wiring. Estimated loss, $150,000. A large quantity of electric supplies belonging to the Spanish River Pulp and Paper Company was destroyed.

Spruce Creek, B.C.—May 3—Portion of Elk Lumber Camp was destroyed. Estimated loss, $3,000.

St. Catharines, Ont.—May 8—The Ridley College skating rink was destroyed. Estimated loss, $25,000.

Three Rivers, Que.—May 3—The Victoria Theatre and adjoining stores and houses were destroyed. Estimated loss, $150,000. The buildings destroyed and their values were: Victoria Theatre, $40,000; store of Eugene Julien Company, farm implements and general merchandise dealers, $30,000; store of Joseph Bellefeuille, grocer, $15,000; the Caringan building, containing six frame dwelling apartments, $20,000; residence of Louis Lemoine, and 15 frame houses on St. Oliver, Plaisante and St. Denis Streets.

Thurlow, Ont.—May 5—Barn of Mrs. J. Smith was destroyed.

Toronto, Ont.—May 1—Vacant house at 915 Dovercourt Road was damaged. Cause reported as spontaneous combustion. Estimated loss, $50.

May 2—Two houses, one at 34 Grange Avenue, occupied by Max Brownstein, and one at 32 Grange Ave., occupied by Isaac Poslaum were damaged. Estimated loss, $675.

West Toronto, Ont.—May 6—Warehouse and several tons of flour, oats and hay of the Peerless Milling Company, 652 Dufferin Street, were damaged. Estimated loss, $10,000. Insurance carried, $12,000.

Winnipeg, Man.—April 29—Premises of J. Weissler, tailor, 276 Carlton Street, were damaged. Estimated loss, $2,000.

An executive committee of the fire prevention section of the War Industries Board has been appointed to investigate conditions existing in respect to fire hazard in plants manufacturing munitions where adequate protection against fire loss is not provided. It is proposed to advise the government department contracting for supplies from these sources in order that measures of this kind may be obtained by them through clauses in the contracts. The assistance of local bodies is also to be obtained so far as possible.

NEW INCORPORATIONS

An Assurance Company, a Mining Company and a Manufacturing Company, Each With $500,000 Capital

The three largest companies incorporated during the past week were: The Home Assurance Company of Canada, Limited, $500,000, Edmonton, Alta., the Smith, Travers Company, Limited, $500,000, Sudbury, Ont., and the Bellevue Mining Company, $500,000, Winnipeg, Man.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are the provisional directors:—

Edmonton, Alta.—Home Assurance Company of Canada, Limited, $500,000.

Guelph, Ont.—T. D. Grant Company, Limited, $40,000; T. G. D. Grant, W. E. Buckingham.

Joliette, Que.—Joliette Tobacco Company, Limited, $50,000; J. Lippe, J. A. Guibalt, J. Dufresne.

Preston, Ont.—The Hurlbut Company, Limited, $150,000; C. E. Hurlbut, G. P. Hurlbut, C. A. Hurlbut.

Walkerville, Ont.—Beaver Stamping Company, Limited, $40,000; R. T. Herdegen, P. Wells, B. F. Kiesel.

Gananoque, Ont.—I. W. Bennett and Son, Limited, $50,000; A. E. Bennett, G. K. Taylor, J. J. Davis.

Brandon, Man.—The Wheat City Tannery, Limited, $40,000; A. J. Crouch, U. Crouch, A. N. Shankland.

Stonewall, Man.—The Rockwood Rural Credit Society, $20,000; J. H. Slater, J. Pulfer, C. H. Stonehouse.

North Bay, Ont.—Gamble Robinson North Bay, Limited, $40,000; C. J. Sanders, C. McCaw, W. W. McCauley.

Sudbury, Ont.—Smith and Travers Company, Limited, $500,000; T. E. Smith, T. Travers, C. H. Hitchcock.

Goulais River, Ont.—Goulais Bay Telephone Company, Limited, $6,000; C. A. Somes, C. Scott, H. McSorley.

Tilbury, Ont.—Canadian Forging and Socket Company, Limited, $50,000; E. G. Odette, J. Foster, L. M. Whaley.

Saint-Pie, Que.—P.-C. Couture, Limitée, $49,900; M. M. Pierre-Charles Couture, Joseph-Isidore Piche, O. Lajoie.

Ottawa, Ont.—Donnen Feldspar Company, Limited, $100,000; S. G. Metcalfe, J. R. Osborne, S. R. Broadfoot.

Sault Ste. Marie, Ont.—Shand Engineering and Contracting Company, Limited, $40,000; J. Shand, S. P. West, G. W. Goodwin.

Stafford, Ont.—Town Line Telephone Association of Stafford and Pembroke, Limited, $880; R. S. Lowe, W. E. Bulmer, J. Johnston.

Hamilton, Ont.—Patricks, Fair and Square, Limited, $60,000; A. Patrick, C. E. Patrick, A. P. Gibbon. Canadian Toys, Limited, $100,000; C. V. Langs, E. G. Binkley.

Toronto, Ont.—House Repair Company, Limited, $40,000; W. J. Saulter, W. H. Jones, C. Saulter. Process Engravers Realty Company, Limited, $75,000; Z. Gallagher, J. Richards, M. Stover. West Toronto Iron and Metal Company, Limited, $10,000; H. Naftolin, M. Naftolin, A. Naftolin. Dodd Heating Systems, Limited, $100,000; J. O'Neill, H. S. Dodd, J. J. O'Neill. L. E. Miller, Limited, $40,000; L. Davis, S. M. Mehr, E. Frise.

Montreal, Que.—Canadian Graton and Knight, Limited, $100,000; R. H. Jackson, E. Jackson. Canada-Oriental Trading Company, Limited. $50,000; H. Blouin, V. Geoffrion, J. A. Prud'homme. La Compagnie Medic-Doentaire, Limitée, $25,000; MM: A. Chase-Casgrain. Errol-Malcolm McDougall, Sadi-Conrad Demers. Broadway Amusement Company, Limited, $20,000; S. Laing, M. Weber, F. Dierner. Canadian Adjustment Bureau, Inc., $20,000; J. Kellert, J-Alphonse Moisan. P. Laplante. Visitation Island Land Holding Company, Inc., $70,000; M. M. Thomas-Joseph Coonan, P. S. Conroy, Edmund-H. Reilly.

Winnipeg, Man.—The Bellevue Mining Company, Limited, $500,000; H. W. Hollis, J. H. Brett, S. Lawler. United States-Canada Land Company, Limited. $50,000; F. M. Burbidge, D. L. Bastedo. R. C. McPherson. Individual Garments, Limited, $10,000; H. Wheeldon, S. W. McMurray, E. McDonald Levins. Motor Farming and Development Company, Limited, $20,000; A. E. Bowles, G. G. Adams, J. H. Bowles. Brooks Bindery, Limited, $20,000; J. A. Baddeley, R. Baddeley, A. J. Abramovich. Grain Claims Bureau, Limited, $20,000; R. R. Dobell. C. H. Leaman, E. G. Isaac. Merchants and Farmers Exchange, Limited, $5,000; M. Goldstein, L. Goldstein, J. S. Finkleman.

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The Cost of Our State Merchant Fleet

Comparison of Ship-Building Costs in Britain, United States, and Canada—Present Costs Very High, and Excess May Be Written Off—After the War Prospects of Shipping — Keen Competition May Be Anticipated.

By GEORGE W. AUSTEN

At present there are in Canada fourteen shipyards in which steel freight vessels are being built. Most of them are still working on ships for the British government, ordered through the Imperial Munitions Board. But in Montreal, the Canadian Vickers Company has in hand two steel freight vessels for the Canadian government. One is 8,100 tons and the other 4,350 tons. In Vancouver a steel freighter for the government is being constructed. It is about 5,000 tons. At Collingwood, another of 3,550 tons is on the ways. These are the first vessels in the government's new State fleet programme, and the Montreal pair will, it is expected, be completed by autumn.

As the contracts of the Imperial Munitions Board are filled, new contracts will be placed by the Dominion government for vessels. It is expected that a tonnage of about 250,000 can be built in the fourteen yards, but it will be the end of this year before the majority of the yards will be free for building for the Dominion. The intention of the minister of marine and fisheries, with the approval of his colleagues, is to continue the building programme over a period of several years, devoting $30,000,000, $40,000,000 or $50,000,000 annually to the project. At the end of the period, Canada will have a large fleet of ocean freight vessels, a steel shipbuilding industry firmly established, and a seafaring population of much national worth. Unquestionably the programme will have a large effect upon our economic future, especially as after the war the trade competition on the seas will be the most acute ever experienced.

It is rather curious, however, that no one seems to have questioned the costs of the programme, and their effect upon the future of the Canadian ship industry. Since the government provides the money, and everyone welcomes the building of steel ships, the secondary economic features of the programme do not appeal to the public. Yet, in the final analysis, the costs will have an important part in determining our maritime future. When normal conditions are re-established in ocean traffic, and cheap building and ship-manning exert their customary influence, we shall experience some of the ill-effects of the high costs incidental to the present ship emergency. We shall not be alone, of course, but it seems to be true that the steel ships we are building cost more than similar ships built in the United States and Britain. If the government undertakes the operation of the ships, the comparatively high initial cost will not handicap operating rates the same as would be the case in private ownership. Either the ships can be operated with no profit, or the excess cost written off.

Ocean transportation is a peculiar business, and a very difficult one. In it the shipowners of a free trade nation have an immense advantage, because of the lower costs of building and operation, and the extensiveness of the carrying that is done through large imports. But after the war, no nation is likely to have real free trade. The fiscal requirements of Britain, for instance, will force it to maintain heavy duties on many commodities, and the exclusion of German trade also may compel the British government to reconstruct the fiscal system. But experience before the war, during long decades of vicissitudes in the ocean-carrying business, has proven that, given a fair field, the British shipping companies will be undisputed masters of world traffic. They will have the big advantage of being able to build ships much more cheaply than overseas nations. The United States is calculating that its quantity production of steel ships will enable it to build them after the war as cheaply as Britain. But that is yet undemonstrated.

The president of the American Shipbuilding Company recently gave interesting figures, to show that construction costs in the United States are still excessive. The average daily wage for a nine-hour day in British, ten-hour day in Japanese, and eight-hour day in American yards is:—

	Britain.	Japan.	United States.
Skilled	$2.16 to $2.79	75 to 90c.	$5.80
Semi-skilled .	1.94	70	4.40
Unskilled ...	1.81	60	3.20

Since the cost of labor is about 50 per cent. in a steel ship, the difference in favor of Britain and Japan is startling. At present, steel ship plates are worth about $200 a ton in Japan, owing to shortage, compared with about $65 in the United States, thus equalizing the lower cost of labor. But if conditions return to normal with reasonable quickness after the war, it is certain that British and other European building costs will be far below American, in spite of the advantage the latter may have in the output of plates. Before the war, wages in British yards were about $15 for skilled labor and as low as $5 a week for unskilled. There can be no return to such low levels, but will not the proportionate cheapness of construction still remain heavily in favor of Britain?

Now, such conditions as these have a special meaning for Canada. Our costs of steel shipbuilding are higher than those in the United States. The average of wages for skilled labor in Canadian yards is from $3.75 to $5.50 a day, and from $2.75 to $3.75 for unskilled. This is somewhat lower than the American rate, but the difference is made up by higher costs of fittings and other material. The average price paid by the United States Emergency Fleet Corporation for steel ships is about $160 a ton, and, while figures of Canadian government contracts have not been published, it may be taken that they are probably close to $200 a ton. The gross cost estimated by the minister of marine and fisheries for a tonnage programme bears such a relation. Now, the contract of the government with the Dominion Iron and Steel Corporation for steel plates is based on a price of $4.25 per hundred pounds with ingots at about $24 a ton. The tonnage price for plates is, therefore, about $85, compared with the United States' price of about $65. On 250,000 tons of steel ships, there would be about 80,000 tons of plates and sections, and $20 a ton difference—it would be less, perhaps, because of freight and other charges—would make an excess charge of $1,600,000.

British Tonnage Still Much Cheaper.

Some big transactions have occurred in British tonnage at prices approximating $80 a ton. This price has some relation to the replacement value after the war. The pre-war value of steel tonnage was from $40 to $50, and we may be sure that the skill and ability of British shipping interests will succeed in keeping costs at least down to the $80-a-ton level. If our Canadian government freighters cost nearly $200 a ton, what an excessive capital cost must be loaded on to them, compared with British ships, even those built now! Before the war, the British yards could turn out vessels from 25 to 50 per cent. cheaper than Canadian shipbuilders. This estimate is furnished by a Canadian shipbuilder. According to present relative costs, our ships must bear even a heavier handicap. There is, of course, no alternative but to go on and build the ships, and, if necessary, write off the excess cost. Canada will need the ships. It needs a steel plate industry. It needs a ship-construction industry. The excess cost is as nothing compared with the waste of our railway era.

Germany built up a merchant marine of 5,000,000 tons by an elaborate system of subsidies and bounties. That merchant marine served Germany's trade interests so efficiently that the money devoted to subsidies was returned to the nation many times over. The experience of Canada is likely to be the same. Even if some of the fourteen shipyards now building steel vessels die off when the government contracts are finished, the remaining ones will have been so strengthened as to be able to compete on a fairly good basis for outside business. But it is probable that the expansion of Canadian business and traffic after the war will give them plenty of Canadian orders.

BELL TELEPHONE PURCHASE

The Bell Telephone Company of Canada has purchased for $27,000 the property of the Niagara District Independent Telephone Company. This company has been serving the rural community around Niagara Falls for several years.

HAMILTON CLEARING HOUSE ASSOCIATION

The annual general meeting of the Hamilton clearing house was held in the board room of the association, Merchants' Bank Building, on Tuesday, the 7th instant. The following officers were elected:—Mr. W. J. Dawson, manager, Union Bank of Canada, chairman; Mr. R. R. Wallace, manager, Bank of Montreal, vice-chairman; Mr. A. C. Rowe, manager and secretary-treasurer. The following gentlemen were elected an advisory committee:—Messrs. Dawson, R. R. Wallace, Glassco, and Morrison.

PROVINCE OF ONTARIO BONDS

The province of Ontario is asking for tenders until noon on the 20th inst., for $3,000,000 10-year 6 per cent. gold bonds, dated May 15th, 1918. The official advertisement appears on another page. The money is to be used for capital expenditures on the Hydro-Electric, and for seed grain loans. The necessary permission has been secured from Ottawa to sell the bonds.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1½	1 9-16	....
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	4.8260	4.8290	4.85
Cable trans.	4.8360	4.8390	4.86

Sterling demand in New York, 4.7545.
Bank of England rate, 5 per cent.

BANK CLEARINGS

The following are the bank clearings for the weeks ended May 12th, 1917, and May 9th, 1918, respectively, with changes:—

	Week ending May 9, '18.	Week ending May 12, '17.	Changes %	
Montreal	$ 92,370,152	$ 95,652,082	—	$ 3,281,930
Toronto	68,827,857	62,495,883	+	6,331,974
Winnipeg	40,381,055	64,305,682	—	23,924,627
Vancouver	10,115,852	7,582,207	+	2,533,645
Ottawa	6,956,399	6,349,533	+	606,866
Calgary	6,148,945	6,538,140	—	389,195
Hamilton	5,216,159	4,839,801	+	376,358
Quebec	4,654,322	4,796,577	—	142,255
Edmonton	3,520,896	2,926,162	+	594,734
Halifax	4,468,981	2,873,049	+	1,595,932
London	2,616,114	2,248,950	+	367,164
Regina	3,433,819	2,852,932	+	580,887
St. John	2,437,793	2,196,626	+	241,167
Victoria	1,986,485	1,769,685	+	216,800
Saskatoon	1,684,403	1,733,296	—	48,893
Moose Jaw	1,354,421	1,100,828	+	253,593
Brandon	526,577	496,308	+	30,269
Brantford	982,865	821,798	+	161,067
Fort William	928,264	530,273	+	397,991
Lethbridge	910,931	769,988	+	140,943
Medicine Hat	466,451	661,070	—	194,619
New Westminster.	475,603	273,155	+	202,448
Peterboro	768,266	677,137	+	91,129
Sherbrooke	895,302	782,949	+	112,353
Kitchener	758,522	736,455	+	22,067
Total	$262,886,434	$276,010,566	—	$13,124,132

The Toronto bank clearings for the current week are $65,489,446, compared with $65,367,154 for the same week in 1917, and $50,240,714 in 1916.

The April number of the Home Bank Monthly is a special number devoted to advertising. Different questions regarding the general subject of advertising are discussed and some of its special applications to the banking business.

GOVERNMENT AND THE RAILWAYS

Government Ownership in England, United States and Canada—Relative Merits of Public and Private Ownership

(This is the second of a series of three articles by Mr. W. T. Jackman, M.A., the first of which was published last week.)

We have been pointed to the cases of Great Britain and the United States to show that government ownership is wonderfully successful. In neither of these countries do we have government ownership, although for the period of the war we have government control. The fact is that we have no means of knowing what the financial results have been in the former country; while in the latter the short period of government control would be insufficient in order to reach a judicious conclusion. In each case the government assumed the direction as a war measure only, not to retain the roads permanently. In our own country there is little, if any, need for such action, even during the present war time, for our railways are already co-ordinated under a central organization, and the traffic congestion and embargoes known in the United States are practically unknown here. I would not minimize the operating results that have been secured in these countries through unified control; but the conditions of war times are so unlike those of peace that no comparison can be made concerning the working of the railways under the diverse circumstances.

The Telegraph and Telephone in Great Britain.

I admit that a very roseate picture has been portrayed as to the extraordinary benefits to be secured from government ownership; and unless we had some means of correcting out perspective we might be deceived as to the effect. What do we find, for example, in the motherland? Most people will agree that if government ownership is unsuccessful there it would be equally, if not more, unsuccessful here. There are some municipalities which have made their public utilities pay and furnish, at the same time, good service. But upon the wider or national scale of operation what have been the results. Look at the telegraph. The state took over this business in 1870, and parliament was assured by those who prepared the scheme that the complete cost would be repaid out of profits in fifteen years, after which the taxpayers' burdens would be relieved by this ever-increasing revenue. But after the second year of operation by the state the profit entirely disappeared. The finances have yearly grown worse, until in the years just before the war the telegraph was costing the taxpayers yearly, not less than £1,400,000. Again, in 1911, the state completed the purchase of the telephones, the public being made to believe that there was great potential profit ahead by so doing. Before purchase, the state received from the National Telephone Company £350,000 a year; but this income disappeared and from 1911 to 1914 the receipts were barely enough to pay for the expenses of operation. Such results should give us deep concern before attempting state ownership of our railways, for the telegraph and telephone are very simple businesses in contrast to the exceedingly complicated administration of even one great railway.

Our Own Railway Experience.

What has been the experience of our own country with government ownership? The history of the Intercolonial Railway is an outstanding example of an enterprise which has not paid any interest on the capital involved, and, on the whole, has not paid more than operating expenses. We must not, of course, overlook the fact that this road was constructed for strategic considerations and to join the maritime provinces with the central provinces of Canada. But the Canadian Pacific was constructed for similar reasons, and yet this road, in the control of a private company, in addition to fulfilling the original purpose intended, has also paid good returns on the investment. The Drayton-Acworth report is very specific with reference to the evils of the Intercolonial management, and equally emphatic in declaring that it ought to be taken out of the sphere of political influence. The history of government telephones in Manitoba is another instance showing the influence of politics, unsatisfactory service, deficits in operation, and unsound administration.

The Temiskaming and Northern Ontario Railway is, doubtless, the best instance of government ownership that we have in Canada; yet, even with the careful management of Mr. Englehart, this road has paid no interest on the capital involved. It has done good pioneer service in opening up a new territory for development, but other roads privately owned and operated have done this and likewise paid interest on the capital. The last government at Ottawa, in advocating that the Canadian Northern be taken over, was evidently willing to do so without any prospect of success, but in pure empiricism. The plain statement of a member of the government was that, after this railway had been acquired, "we shall be able to see whether or not government ownership can be made to pay and is in the interest of the people of the country. Our ability to make the railway pay is very doubtful, nor is it certain that we can operate it as cheaply and efficiently as it can be operated by private enterprise." This attitude of mere experimentation with all its uncertainties comes out also in the assertion of the minister of finance, that "even if we do not succeed in managing them, [i.e., the railways], quite as efficiently as private enterprise would manage them, still the advantages that will accrue to the public from public operation will more than counterbalance any defects in administration." What these "advantages" would be, he wisely refrained from trying to explain. One cannot but feel that such a statement as this, from one entrusted with a high public office, offers no hope for the public in government ownership of railways.

To transfer *all* the railways to the government, and have no more assurance than this unalloyed doubt would surely be a vast calamity. But I have more confidence in the present government cabinet that saner counsels will be given, and it is hoped that the complete railway policy as it is developed will not be based upon the pressure of financial interests but upon those plans which will best promote the entire national welfare.

It was advocated in the Drayton-Acworth report that all the railways, except the Canadian Pacific, should be handed over by the government to "the Dominion Railway Company" to be operated by that body *free from political influence.* Great emphasis was laid upon this. How impossible this is can be understood by anyone who realizes the facts of parliamentary procedure. Any irresponsible organization, such as the proposed Dominion Railway Company is wholly repugnant to our ideas of responsible government. If the state owns the railways it must manage them in accordance with the public opinion of its citizens, and parliament is the constitutional means by which this opinion finds expression. The proposal to give the railways into the control of an irresponsible and self-perpetuating body like this, which should act without regard to the wishes of the electors and their representatives in parliament, is a pipe dream; but there is no place for it in a democratic system of government such as ours. Even if such a body were established by one government, there is no reason to think that it would be tolerated by the next, for one government cannot bind all succeeding governments to accept its acts as the law of the country.

Private Ownership More Progressive.

If government ownership is beset with many difficulties, among which political influence and corruption bulk large; and if private ownership be also the means of political intrigue—of which we are not at all unmindful—which method of control should we prefer? I am going to suppose for the moment that there is as much political chicanery and as many devious methods employed under private ownership as under government ownership—though the supposition is probably contrary to fact. But, even granting this assumption, which system should we retain? My answer is, retain that system which shows the greater progressiveness and the greater responsiveness to the growing demands of the country's traffic.

Can there be any question as to which of the alternatives meets these requirements? Let me quote the words of Mr. Acworth whose knowledge of the railways of the world is replete. He says: "In all the history of railway development, it has been the private companies that have led the way; the state systems that have brought up the rear. It would be difficult to point to a single important invention or improvement, the introduction of which the world owes to a state railway. . . . Railroading is a progressive science. New ideas lead to new inventions; imply new plant, new methods. . . . The state official mistrusts ideas, pours cold water on new inventions, grudges new expenditure." Is it this unprogressiveness that we want to introduce into our railway managements? Will this be the means of building up a great country and enabling Canada to take the place among the nations which by her natural endowments she is fitted to take? Or, do we want such a freedom of initiative as will enable private enterprise to develop to the utmost all our resources and make them contribute to the communal welfare and the national advantage? If we want to hear the hum of industry, to know the progress of agriculture, and to experience the accumulation of wealth, the safe course would point to the policy of leaving the railways in the hands of private owners under government regulation. But if we want to stifle, or at least impede, the expansion of our basic industries, and retard the economic growth of the country, it seems as if we could not use any more effective means toward that end than to introduce upon a extended scale the system of government railways, the officials of which would have little, if any, interest in operating results, and would be restricted at every turn by bureaucratic dilatoriness and the indolence and incompetence of a body of employees working under civil service rules.

State Ownership Not the Only Alternative.

The last government asserted that the railways of the country, except the Canadian Pacific, had broken down and in this statement they were but reiterating what the railway inquiry commission had said. The Drayton-Acworth report declared that these two commissioners saw no way in which the impecunious railways could be carried on under private management, and, therefore, they made the recommendation to which we have already made reference.

If the railways cannot be carried on by private enterprise, of course, there is no other alternative than government ownership. But, notwithstanding the majority report, it seems impossible to believe that we are so hedged about that there is only one possibility open, namely, to hand over the roads to the government. President Smith was not so pessimistic as this, for the plan which he outlined would keep the business in private hands; and when we remember that he is perhaps the foremost railway man in the United States we are disposed to think that the good judgment and discretion which he displays in the management of enormous interests did not entirely leave him when he made his recommendations concerning the Canadian lines. Is it not better to keep the railways under private management and tide them over the present crisis, in order to maintain them *tout en vie*, with that vigor which characterizes all private enterprise, rather than have them put into government hands and so operated as to be the tool of politicians and an omnipresent barrier to the forward movement of the people? The railway is a business which looks to and plans for long-term results; its whole policy is formed with these in view—in fact, that is the chief reason why our railways are now in difficulty. Can not our legislators take the same view and mold their attitude toward the railways accordingly? Can they not refuse to listen to the clamant outbursts of the demagogue and of an unenlightened press in their opposition to the private companies and be really the leaders in a movement to firmly establish the railways on a basis of prosperity for themselves and of the greatest national service to the people? If once we are fully convinced of the fact that progress is not found on state railways, as we have shown above, we should bend every energy to secure that most essential characteristic by keeping these great public utilities in the control of private individuals, with the purpose of obtaining the greatest results over a protracted period of time.

No Occasion for Permanent Acquisition.

Of one thing I am certain, that the present time, with all the disturbances due to the war, the dislocation of industry, the maladjustments of labor, the necessity for keeping capital in large amounts at the disposal of the government for carrying on the war, is not the time to make arrangements for the railways of the country and give them a setting for the long years of peace that are to follow. The United States did this in regard to her banking system, in making the national banks, established during the Civil War for the purpose of aiding her war financing, a permanent institution. During the succeeding fifty years of tremendous growth the banking facilities were effete, out of harmony with the requirements of the country. So would it be with us if we endeavor now to put our railways into a framework from which we would gladly have them extricated during the years of development in the near and more remote future. England and the United States, with which we are most closely related and whose people partake of the same racial psychology as ours, have not taken over their railways during the war with the purpose of holding them during subsequent years. And it would seem to be a gross blunder for Canada to use the present occasion to graft on to our national life the incubus of a government railway administration.

PERSONAL NOTES

Mr. J. S. Lillie has been appointed assistant land and tax commissioner for the western lines of the Grand Trunk Railway, with headquarters at Detroit.

Mr. Norman L. McGloin has been appointed agent of the Insurance Company of North America at St. John, N.B., in succession of Messrs. C. E. L. Jarvis & Son.

Mr. Leonard T. Collard, who conducted a private banking business in St. Catharines for nearly half a century, died on May 12th, aged 64. He was also American consular agent for St. Catharines up to a few years ago. He leaves one son, Mr. W. E. Collard, manager of the Imperial Bank at Ridgeway.

Mr. John Galt, president of the Union Bank of Canada, has been elected to the board of the Trust & Loan Company of Canada. Directors of the company, as shown in the annual report, include the following:—Hon. Sidney Peel, London, president; Lord Stratheden and Campbell, London; J. H. Newcomb, London; Frederic H. Scott, Sussex; Russell Stephenson, London; Frederic W. Stobart, Bedford, and Col. L. Edye, Montreal.

Mr. Chas. Ruby has been appointed general manager of the Mutual Life Assurance Company of Kitchener, Ont. Mr. Ruby is well qualified to succeed to the office, having proven his ability by thirty-four years of faithful and conscientious service. Mr. Ruby has attained to his present position by four successive steps. He entered the service of the company in 1884, was appointed actuary in 1902, secretary in 1907, and general manager in 1918.

AGRICULTURAL VOTE IN UNITED STATES

An emergency bill, authorizing the department of agriculture to spend $19,730,893 to increase the production of food, was favorably reported on the 4th instant by the agricultural committee of the House of Congress.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

May 15th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	83	8.45
Canada Cement	7	91	7.69
Canada Steamships	7	76	9.21
Mackay Companies	4	65	6.15
Penmans	6	82	7.31
Steel of Canada	7	91	7.69
Maple Leaf Milling	7	94	7.44
Common:			
Bell Telephone	8	128	6.25
B. C. Fishing and Packing	5	48	10.50
Canada Cement	6	61	9.83
Canadian Locomotive	6	60	10.00
Canadian General Electric	8	103	7.76
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	65	12.30
Maple Leaf Milling	10	99	10.10
Canadian Pacific Railway	10	149	6.71
Penmans	6	75	8.00
Dominion Steel Corporation	5	63	7.93
Steel Co. of Canada	6	65½	9.16
Mackay Companies	6	76	7.89
Toronto Railway	4	58	6.89
Twin City	4	45	8.88
Bonds:			
Canada Bread	6	92	6.52
Canada Cement	6	97	6.18
Canada Steamships	5	80	6.25
Canadian Locomotive	6	86	7.05
Penmans	5	87½	5.72
First War Loan, 1925	5	95	5.26
Second War Loan, 1931	5	94	5.31
Third War Loan, 1937	5	93	5.37
Victory Loan, 1937	5½	98⅞	5.58
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LIMITING INDUSTRIAL PROFITS

The Wall Street Journal, which has given close and friendly attention to Canada's industrial development during the war, had another appreciative editorial last week dealing with our trade outlook when peace returns. It refers particularly to the jump in value of our exports to the United Kingdom from $215,000,000 in the fiscal year ended March, 1914, to $800,000,000 in the fiscal year just ended, and remarks that comparison of the figures will show greater relative gains in percentages than, perhaps, in any other country. Our foreign trade last year was only $21,000,000 less than the foreign trade of the United States in 1904. Commenting thereon, this friendly observer ascribes it to "capacity to utilize every opportunity to the utmost," and it continues as follows: "This ability to make the most of the work of the day, in foul weather as well as fair, is a trade asset which may be stimulated by war, but cannot be stolen or impaired by peace. A people so enterprising and spirited may be relied on to do their utmost to hold the pace they set in securing a share of the war trade."

The business community in Canada, however, begins to think that if our government follows a policy of discriminating against Canadian industries and organizations that have taken a conspicuous part in building up this vast war export trade, and which have set an excellent example for the whole country in regard to efficient and conservative management, our chances of holding the pace after the war will be lessened. Throughout the whole Dominion there is no business or industrial organization that has excelled the Canadian Pacific Railway in efficient, careful, conscientious management, in patriotic endeavor, and in the upbuilding of Canada and of Canadian credit. Nevertheless, it has been subjected to discriminatory taxation. The Railway Commission, after careful and impartial examination, decided that the 15 per cent. rate increase was fully justified by the great increase of railway operating costs. Assuming that this finding was right and proper, it certainly appears to be discrimination to lay the tax of $7,000,000 and more upon Canadian Pacific Railway earnings, when neither the excess profits tax nor the increased 6 per cent. income tax on corporation net profits, as applied to the Canadian Pacific, would produce even half of that sum.

The packing industry is another that has been instrumental in greatly expanding Canada's export trade. Large profits were made, and, although much hostility was created by the high prices charged, it appears that the main source of the increase of profits was in the great volume of business done, much of it being business that would have gone to United States packers but for the energy of the Canadian packing houses. In response to popular demands, the government not only limited the margin of profit on packers' turnover, but also put a strict limit on the rate of profit on their capital. This is the only Canadian industry to which such measures apply. Despatches this week from Ottawa intimate that as a result of a special report on the profits of the Canadian milling companies, prepared under the supervision of Mrs. George Hambleton, the government is now considering the taking of discriminatory measures against the flour milling industry It will be remembered that the milling companies are now limited to a profit of twenty-five cents per barrel on flour; also the maximum selling prices for bran, shorts and other by-products have been fixed. So the interests of consumers are already adequately protected. But, according to the despatch to a leading Toronto daily, "Most of the companies have continued to make big dividends, add large amounts to reserves, and otherwise greatly increase their liquid assets." They have been able to do this because of the immense volume of business done. Their management is capable and honorable, the industry is indigenous to the country, and, if allowed to develop and strengthen itself, its operations will be of great value in enabling Canada to carry the heavy war burden. But, notwithstanding that the milling industry is now subject, like all other industries, to the excess profits and income taxes, and notwithstanding that prices to consumers have been fixed on a fair basis, parties are urging the government to discriminate against it. The proposal is to put a strict limitation on annual profits available for dividends, and to provide that anything over the maximum dividend percentage on capital shall go to government, as is the case with the packing industry. It is difficult to see why one or two Canadian industries should be singled out in this manner for discriminatory and repressive treatment. Whatever may have been complained against the packers' prices, there have been none against the millers'. It will be detrimental to the industrial development of the country if our representative industries are singled out for discriminatory or oppressive treatment wherever, by good management, they develop their business to the point at which it gives a large return on a relatively small amount of capital invested.

THE QUESTION OF TRADE WITH GERMANY

Considerable discussion has been evoked in many of the allied countries regarding an after-the-war policy of trade with Germany. Efforts are being made to prescribe a policy to be pursued for twenty-five, or even fifty, years. Some of the most extreme efforts of this kind are being made in the United States. The American Guardian Society, an organization lately established in New York, has sent out cards for signatures, promising not to buy or use German-made goods for twenty-five years. The Canadian House has discussed the question more than once.

A thorough study of this subject has recently been made by the British Parliamentary Committee on Trade After the War, of which Baron Balfour is chairman. Their interim report says: "In general, prohibition of exports to present enemy countries after the war would be impracticable and inexpedient." This is the most authoritative pronouncement so far made on the subject, and should be a warning to countries, especially British colonies, who are contemplating measures of this kind. Only the other day a lively debate took place in our Canadian Senate, when Senator Lynch-Staunton's bill for the identification of traders in German goods was given its second reading. The bill was warmly opposed by Senator Roche, of Halifax, who declared that when the war was over Germany would become Canada's best trading customer. The speech appears to have produced protest from all sides of the House, and was subsequently repudiated by other senators who took part in the discussion.

Senator Roche said that he opposed the bill on three grounds. He believed that it would result injuriously to the people of Canada; that it would be an unfriendly and hostile act, antagonistic to efforts to promote the continuance of peace at the conclusion of the war; and that finally it would not succeed in diminishing trade with Germany. The United States would control the financial and commercial world, and would not require Canadian goods. The Norwegian could outsell us in lumber in France and England. Where would we sell our flour, our wheat, and our bacon?

While some of Senator Roche's statements may be rather far-fetched, there is nothing to be gained by a declaration of an after-the-war trade policy at the present time. Senator Beique expressed his opinion that the bill was a little premature, and other senators were of the opinion that the loss to Canada would be more than the injury to Germany. The events of international politics during the past few years should have taught us by this time that political alliances are by no means permanent, and that the most remarkable changes may take place in the course of a very few years. So long as Germany remains an enemy of the British Empire, any measures which will properly contribute to its defeat are quite legitimate. Once peace is declared, however, this state of enmity ceases, and commercial relations are resumed. When this time arrives, the question of trade policy can be intelligently discussed and uniform action taken, at least by the parts of the British Empire, if not by all of the allied powers. Any action taken at the present time would be superfluous, and would have to be either revised or repudiated.

The economic isolation of any nation is not a thing to be desired, any more than its political isolation. German trade after the war will not only benefit Germany, but also the countries which trade with her. For the past four years we have been denouncing autocracy and the suppression of peoples, and, however we may aim to revise Germany's political aims, we cannot consistently embark upon a policy of trade restriction. Efforts of this kind do not contribute to winning the war, and might better be expended in the more positive way of promoting Canadian trade abroad.

TORONTO BUREAU OF MUNICIPAL RESEARCH

Many useful suggestions for the improvement of civic government are contained in the fourth annual report of the Toronto Bureau of Municipal Research. This bureau was established four years ago, and is supported by about 250 members and contributors in Toronto and neighboring cities. The object of the institution, as the title would indicate, is to investigate the facts of city government and publish them in such form that they may be understood by all citizens. The field has been limited so far to city government, but a wide variety of subjects are included under this head.

During the past year fourteen bulletins and booklets were issued. The most important study made during the year was that of the Toronto General Hospital, made at the request of the hosiptal's board of trustees. The report of this study contained recommendations dealing with the administration of the hospital, particularly from a business standpoint. Following the issue of the report, Dr. Horace L. Brittain, managing director of the bureau, become superintendent of the hospital for one year in order to carry out the recommendations.

A ward survey has also been carried on for some time, but the report has not yet been published. Considerable work was done during the year, however, on the subject of the community's philanthropic and charitable work, with special reference to that conducted under private auspices, and a number of pamphlets were issued on the subject. Among the improvements suggested was that a federation for community service should be organized.

An important study of Toronto's finances were contained in a booklet called "City Budget Facts," issued in December, 1917. Several suggestions are made in this booklet regarding the city's business. It is maintained that when the city goes into a business with the intention of making it self-supporting, this policy should be carried out, and the taxpayers should not be asked to bear the burden. On the other hand, to derive a profit from it would be to lighten taxes at the expense of those who made use of the service. Reasons for making municipal

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trading operations self-supporting are, it is maintained, even stronger now than in 1916, as there is a likelihood of the street railway system being taken over in the near future. The civic car lines are particularly referred to as an example of an unprofitable civic undertaking, and reference is also made to the refusal of the city council to act upon the recommendation of the commissioners, Messrs. Bradshaw and Harris, that one cent increase should be made in the fares. Regarding the recent conflict between the board of education and the city council as two representative and independent bodies, it is suggested that if the commissioner of finance were the chief financial officer of both bodies and were charged with drawing up the annual tentative budgets for them, there would be more mutual understanding. An administrative board, composed of the permanent heads of the city departments, is also suggested.

Some work was also done for outside communities, the most important being the survey of the schools of Akron, Ohio. The expense of this study was defrayed by the Akron chamber of commerce. The revenue of the bureau is limited, about $20,000 in contributions having been received last year. About $4,000 was also derived from special services. A suggestion is made that a national institute of this kind should be established, which should be at the service of all Canadian government bodies or organizations of citizens acting for the public good.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Alvinston, Ont.—May 10—The Alvinston flax mill, owned by McCall and Company, of Petrolea, was destroyed after being struck by lightning. Estimated loss, $10,000.

Ashmont, Alta.—May 7—Barn and granary of Walter Joy were damaged.

Brandon, Man.—May 9—The Strand building was damaged. Estimated loss, $25,000.

Belleville, Ont.—May 12—Asselstine and Sons' auto and bus livery on Grove Street was damaged. Estimated loss, $10,000.

Cobalt, Ont.—May 10—Power house at the Penn Canadian Mine was damaged.

Collingwood, Ont.—May 9—Small frame barn of Mr. A. McAllister on Oak and Eight Streets was destroyed.

Dorchester, Ont.—May 10—The Walter Hunt house on Bridge Street was damaged. The loss is partly covered by insurance in the Dorchester Mutual Insurance Company.

Esquimalt, B.C.—The Military Convalescent Hospital reported damaged in our issue of May 3, is located in Esquimalt, not in Victoria.

False Creek, B.C.—May 15—The J. Coughlan and Sons' shipyards were damaged. Estimated loss, $1,500,000. The buildings destroyed were: The fitting-out wharf, the boiler shop, draughtsmen's quarters and various other departments.

Fort Frances, Ont.—May 12—Store of James Carter and Son was destroyed. Cause believed to be incendiarism.

Goderich, Ont.—May 11—Lighthouse on the north pier was damaged. Cause due to explosion of acetylene light.

Hamilton, Ont.—May 10—Premises of the Hamilton Wool Company at the rear of 159 Rebecca Street were damaged. Caused by spark from rag-picking machine igniting inflammable material nearby. Estimated loss, $500.

Kitchener, Ont.—May 8—Chicken house of Mr. Jos. Weber was damaged. Caused by defective incubator. Estimated loss, $50.

Leamington, Ont.—May 10—Casper's barber shop and two other stores were destroyed. Estimated loss, $2,000. The Wigle Block was damaged. Caused by overheated stove. Estimated loss, $40,000.

Levis, Que.—May 14—The Levis Laundry was destroyed. Estimated loss, $40,000. Insurance carried $20,000.

Montreal, Que.—May 9—Vacant house at 1528 Notre Dame St. E., was damaged.

Morriston, Ont.—May 8—Barn and contents of Mr. A. McEdward were destroyed.

New Glasgow, N.S.—May 11—Home of Mr. and Mrs. A. S. Campbell was destroyed. Estimated loss, $2,500.

Oakburn, Man.—May 11—House, barns and 2,000 bushels of oats of Fred. Soloman were destroyed.

Oakville, Ont.—May 9—Many buildings, including the Oakville House, were damaged.

Oxford Junction, N.S.—May 10—Three million feet of lumber were damaged. A greater part of this belonged to Dunfield and Company, of Halifax, N.S.

Quebec, Que.—May 11—Main plant of the Victoriaville foundry was destroyed. Estimated loss, $15,000.

Saskatoon, Sask.—May 11—Sleeping car in the Canadian Northern Railway yards was damaged. Caused by defective heater. Estimated loss, $2,000.

Steveston, B.C.—May 14—The Steveston Canneries and a large block of stores and hotels have been destroyed. Estimated loss, $400,000.

St. John, N.B.—May 6—House at 74 Kennedy Street was destroyed. Estimated loss, $2,200. Insurance carried, $600.

St. Roch, Que.—May 11—Shoe establishment of Louis Beaubien Company, Rgd., at the corner of Boulevard Langelier and St. Valier Street, was damaged. Estimated loss, $50,000.

Three Rivers, Que.—May 13—House occupied by Madame Dauphinais was damaged.

Toronto, Ont.—May 9—Main building of the Royal Canadian Yacht Club was destroyed. Estimated loss, $60,000. Insurance carried, $103.000.

Welland, Ont.—May 9—Store of Dain Manufacturing Company was damaged.

Winnipeg, Man.—May 8—Stables at the rear of Hitchings' paper box factory were destroyed. Cause supposed to be of incendiary origin. Estimated loss, $2,000.

May 15—Business building on Main Street was destroyed. Estimated loss, $145,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Victoria, B.C.—Fire Chief Davis submits the following report for the month of April to *The Monetary Times*: Loss, buildings, $3,846.85; contents, $671; total, $4,517.85. Insurance, buildings, $27,100; contents, $500; total, $27,600. Total amount of property at risk, $99,400.

St. Catharines, Ont.—The skating rink damaged on May 8th, the value of which was reported as $25,000, was, we have since been informed, worth only about $10,000. The amount of insurance carried was $5,000.

Cumberland, B.C.—March 7—Building owned and occupied by Canadian Collieries, Limited, was damaged. Estimated loss, $1,200. A total insurance of $845,000 was carried. The following companies are interested: Aetna, American Central, British Empire, Canadian Fire, Canada National, Century, Continental, Employers' Liability, Fireman's Fund, Guardian Assurance Company, Hartford, Liverpool and London and Globe, Northern, Norwich Union, Palatine, Providence-Washington, Phœnix of London, Phœnix of Hartford, Philadelphia Underwriters, Queen, Royal Exchange, Springfield Fire and Marine, Union of Paris.

An investigation is being made in Great Britain regarding the number of dogs there, and the amount of food consumed by them. It is estimated that there are between four and five million dogs in the United Kingdom, on 2,500,000 of which the owners are paying license taxes. The food consumed by them is the equivalent of that consumed by half a million people, supposing that everything they eat is fit for human food. It is understood that the committee intends to recommend a large reduction in the number of dogs

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital	-	$4,866,666.66
Reserve Fund	-	$3,017,333.33

HEAD OFFICE
5 GRACECHURCH STREET, LONDON E.C. 8

Head Office in Canada

ST. JAMES ST., MONTREAL

H. B. MACKENZIE, General Manager

ADVISORY COMMITTEE IN MONTREAL:
SIR HERBERT B. AMES, M.P.
W. R. MILLER, Esq. W. R. MACINNES, Esq.

This Bank has Branches in all the principal cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

Savings Department at All Branches

THE MOLSONS BANK

Capital Paid-Up, **$4,000,000** Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

HEAD OFFICE ... ... MONTREAL

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Geo. E. Drummond Wm. M. Birks F. W. Molson
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Calgary
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BRITISH COLUMBIA
Revelstoke
Vancouver
" East End
MANITOBA
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" Portage Av.
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Alvinston
Amherstburg
Aylmer
Belleville
Brockville
Brucefield
Chesterville
Clinton | Delhi
Dutton | Drumbo
Exeter | Forest
Formosa
Frankford
Hamilton
" Market
" James & Barton
Hensall
Highgate
Iroquois
Kingsville
Kirkton
Kitchener
Lambton Mills
London
Lucknow
Meaford
Merlin
Morrisburg
Norwich
Ottawa
Owen Sound
Port Arthur
Ridgetown
Simcoe
Smith's Falls
St. Mary's
St. Thomas
" East End
Teeswater
Toronto
" Queen St. W.
" West Toronto
Trenton
Wales | Waterloo
Williamsburg
Woodstock
Zurich
QUEBEC
Arthabaska
Bedford
Chicoutimi
Cowansville
Drummondville
Foster
Fraserville and Riviere du Loup Station
Knowlton
Lachine
Lachute | Matane
Mont Joli
Montreal
" St. James St.
" St. Catherine St.
Montreal—Cont.
" Market & Harbor
" St. Henri
" Maisonneuve
" Cote des Neiges
" St. Lawrence Boulevard
" Cote St. Paul
" Park & Bernard
" Montreal, West
" Tetreaultville
Pierreville
Quebec
" Upper Town
Richmond
Roberval
Sorel
Sutton | St. Cesaire
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Trois Pistoles
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Victoriaville
Ville St. Pierre
Waterloo

AGENTS IN GREAT BRITAIN AND COLONIES—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

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AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

BANK OF NOVA SCOTIA ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital paid-up	- $	6,500,000
Reserve Fund	-	12,000,000
Total Assets over		130,000,000

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS

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G. S. CAMPBELL and J. WALTER ALLISON
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General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

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30 in Nova Scotia
7 in Prince Edward Island
67 in Ontario
33 in New Brunswick
9 in Quebec
14 in Western Provinces

IN NEWFOUNDLAND

Bay Roberts
Bell Island
Bonavista
Bonne Bay
Brigus
Burgeo
Burin
Carbonear
Catalina
Channel
Fogo
Grand Bank
Harbor Grace
Little Bay Islands
Old Perlican
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

BRITISH COLUMBIA LOAN COMPANIES

Review of the Work of the Year—Suggested Amendments to the Statutes

The annual general meeting of the Mortgage and Trust Companies Association of British Columbia, was held in the board room of the Mainland Fire Underwriters' Association, Rogers Building, Vancouver, B.C., on Tuesday, the 16th day of April, 1918.

Mr. G. L. Smellie, the president, was in the chair. The notice calling the meeting was read by the secretary. The minutes of the last annual meeting of the association were read and on motion adopted.

Report of the Executive Committee.

The report of the executive committee was then read as follows:—

"Five special meetings of the Association have been held during the year, the first two being largely for the purpose of the alteration of the constitution, the third to meet Mr. Langmuir, the president of the Dominion Mortgage and Investments Association; Mr. Paton, president of the Manitoba Mortgage Loans Association, and Mr. Cassels, vice-president of the Toronto General Trusts, and the last two for the purpose of changing the date of the annual meeting.

"At the meeting held on the 24th January last, a report was received from the trust company section of the executive dealing with certain matters affecting trust companies and with section 7 of the 'Land Registry Act,' and your committee was instructed to take steps to have legislation enacted covering the matters referred to affecting trust companies.

"Owing to the fact that the government still holds in abeyance the request of the association through its solicitor for certain amendments to the 'War Relief Act,' the 'Moratorium' and the 'Land Registry Act,' as well as for certain alterations in the land registry office regulations, and that, with the possible exception of the 'Seed Grain Act,' no new legislation has been proposed that would appear to affect seriously the interests of the members of the association, your executive committee has found it necessary to hold only two meetings during the year, although numerous informal meetings and discussions have taken place between members and your solicitor, who have all endeavored to keep in as close touch as possible with all matters affecting your interests.

"Your committee has the assurance of your solicitor that the views expressed in your resolutions regarding the acts and regulations referred to have been constantly kept before the government and are still being pressed upon it, with every prospect that at least many of the amendments asked for will be secured during the present session.

"Since our last annual meeting the name of our association has, as you are aware, been changed from 'Mortgage Loans Association of British Columbia' to 'Mortgage and Trust Companies Association of British Columbia.' The date of our annual meeting has also been changed, and our constitution and by-laws otherwise so altered as to enlarge your executive committee and form a trust company branch of it, to which must be committed all matters purely affecting trust companies.

"The membership of the association now numbers 31.

"All of which is respectfully submitted."

Financial Statement for the Year.

The financial statement for the year ending April 15th, 1918, duly audited by Messrs. Griffith & Lee, Limited, was read by the secretary.

The president then said: "For the very reason that the report of the executive committee which the secretary has just read is so brief, I have very little to say regarding it, except to move its adoption. The reason referred to being that although the present session of the legislature is about drawing to a close, the government has as yet taken no action regarding the amendments which your solicitor was instructed to ask for, in accordance with your resolutions passed at the meeting of the association held on the 12th day of July, 1917. I have, however, a letter from your solicitor, which I will ask the secretary to read, after this report has been discussed, and which will show you the position in which he considers these matters now stand.

"I would only say further, in connection with the financial statement which the secretary read, that the small balance of cash in the bank, or a large portion of it, is likely to be used to cover your solicitor's fees and disbursements during the year.

"I beg to move, seconded by Mr. Sirrett, the adoption of the report and financial statement." Carried.

The secretary then read a letter from the association's solicitor, Mr. F. R. McD. Russell, dealing with amendments sought by the association at the present session of the legislature.

Mr. Russell, who was present at the request of the president, was introduced to the meeting and explained what the amendments being sought were and stated that he hoped to succeed in having most of them passed. He also explained the working of the new "Seed Grain Act," and the assurances of the premier that no unnecessary hardships would be worked under the act.

The following is a brief résumé of the proposed amendments:—

Trust Companies.

The advisability of an amendment providing for trust companies acting as official administrators is conceded, and will be passed unless some hitch occurs.

The amendment providing for trust companies investing in municipal securities is meeting with some opposition, the objection offered being that just now all municipal securities are not as good investments as they might be. It was pointed out that that was a matter for the trust companies; that they would take care to safeguard against poor investments; that if municipalities can borrow from outside trust companies, as they have and are doing, no good reason exists why they should not be able to borrow from our own trust companies; that the amendment asked for would enlarge the field for municipalities to borrow from, and that this would be advantageous just now in view of the existing restrictions against borrowing abroad. It was also pointed out that trust companies can invest in municipal securities in other provinces, and should have the same rights here. There is reason to think that we will succeed in obtaining the amendment this session. If not, we will get it through at the next session.

"Seed Grain Act."

Considerable correspondence and a number of interviews with the premier have taken place regarding this act. The passage of the act through the house was too far advanced, when it came to our notice, to prevent its being finally passed. The reasons why we opposed the act were placed before the premier and he has said in effect that if it can be shown that the act works any injustice a remedy will be provided and that in the practical working out of the act there is very little danger of a hardship being worked on any mortgagee, for the reason that no large amount would be advanced to any one farmer, and that a compensating advantage would be that many farmers would be in a position to get seed grain that otherwise they might not, and consequently be in a better position to provide for payment of interest, etc.

It was suggested that the government should co-operate with the association in carefully watching the operation of the act, with a view to making provision next year to remedy defects that might arise. The premier concurs in this, and is agreeable to meeting a representative of the association to discuss any point that might be suggested. The applicant when applying for advances, must give particulars of any mortgage against his property, and it might well be that we could arrange with the premier not to make advances, where mortgages exist, without the consent of the mortgagee.

On motion it was resolved that the matter of sending a delegation, with Mr. Russell, to interview the premier on the question of the "seed grain" and other "acts," be left to the executive committee to deal with.

On motion it was resolved that the thanks of the association be extended to the auditors for their services in auditing the accounts, and that they be asked to act for the ensuing year.

Election of Officers.

The election of officers to serve for the ensuing year resulted as follows:—

President, Mr. G. L. Smellie; vice-president, Mr. J. R. Waghorn; secretary-treasurer, Mr. Geo. L. Schetky. Ex-

THE BANK OF OTTAWA

Established 1874

Capital paid up	$4,000,000
Rest	$4,750,000

94 Branches in Canada

A Joint Account

is a decided convenience to the soldier.

Either of the joint owners may deposit or withdraw money without further formality.

5

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler - President
W. D. Matthews - Vice-President
C. A. Bogert - General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

The Standard Bank of Canada

Established 1873 130 Branches

Capital (Authorized by Act of Parliament)	$5,000,000.00
Capital Paid-up	3,381,270.00
Reserve Fund and Undivided Profits	4,534,863.63

DIRECTORS

W. F. Cowan, President. W. Francis, K.C., Vice-President.
W. P. Allen, F. W. Cowan, T. B. Greening, H. Langlois, James Hardy, F.C.A., Thos. H. Wood.

Head Office, 15 King St. West TORONTO, Ont.
C. H. EASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital,	$7,000,000	Total Deposits (Dec. 1917),	$103,000,000
Reserve Funds,	7,421,292	Total Assets (Dec. 1917),	136,000,000

Board of Directors:

President - - - SIR H. MONTAGU ALLAN Vice-President - - - K. W. BLACKWELL

Thomas Long
F. Orr Lewis
Andrew A. Allan
Lt.-Col. C. C. Ballantyne
A. J. Dawes
F. Howard Wilson
Farquhar Robertson
Geo. L. Cains
Alfred B. Evans
E. F. Hebden
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Managing Director - - - - - E. F. Hebden General Manager - - - - D. C. Macarow
Supt. of Branches and Chief Inspector: T. E. Merrett

AN ALLIANCE FOR LIFE

Many of the large Corporations and Business Houses who bank exclusively with this institution, have done so since their beginning.

Their banking connection is for life—yet the only bonds that bind them to this bank are the ties of service, progressiveness, promptness and sound advice.

236 Branches in Canada, extending from the Atlantic to the Pacific

New York Agency: 63 and 65 Wall Street

Bankers in Great Britain: The London Joint Stock Bank, Limited; The Royal Bank of Scotland

37

ecutive committee, Messrs. A. C. Stirrett, R. Kerr Houlgate, A. E. Plummer, H. M. Forbes, G. H. Dorrell and J. L. Kerr.

Mr. John Appleton, secretary-treasurer of the Dominion Mortgage and Investments Association, having come to Vancouver especially to be present at this meeting, asked the association to give its assent to certain changes in the constitution of the Dominion Mortgage and Investments Association. It was the expressed wish of the members present at the annual meeting on March 25th last, that the executive committee be enlarged for the purpose of giving fuller representation to all parts of the Dominion. The resolutions passed provided that the executive should be composed of twelve members, in place of nine, and that each section, respectively representing loan, trust and insurance companies be composed of four members. Such a change, however, it was found can only be made with the consent of every member of the Dominion Association. The executive of your association will be furnished with copies of the proposed changes as drafted by the solicitors.

On motion it was resolved that the executive committee, on behalf of the association, be empowered to consent to changes in the constitution and by-laws of the Dominion Association as outlined by Mr. Appleton, and that they be also authorized to arrange with the Dominion Association for printing the annual proceedings of this association along with their own.

On motion it was resolved that the hearty thanks of the meeting be tendered to Mr. Appleton for his very useful information and suggestions.

BANK OF HAMILTON BRANCH IN MONTREAL

The Bank of Hamilton is opening a branch in Montreal on McGill Street, next to the Bank of Toronto Building. The branch will be under the management of Mr. R. L. Ellis, who was trained in the Bank of British North America, and was manager of their branch in Quebec City. He was also manager for five years of the Quebec Bank's main branch in the city of Montreal, and is well acquainted there.

ONTARIO FALL WHEAT A FAILURE

A summary of agricultural conditions in Ontario is contained in a report of the Ontario Department of Agriculture, dated May 13, 1918, as follows:—

"The sowing of spring grain is practically completed, and most of the fields are showing up encouragingly, as the catch of seed was remarkably good. In some of the Lake Erie counties corn already has been planted, and some early potatoes are above ground. Rainy and cool weather during the week, however, has delayed general growth. Mangels and other roots are likely to be sown earlier than usual this season.

"Fall wheat has picked up here and there with the recent rains, but the great bulk of the reports are to the effect that the crop is practically as great a failure as the province has yet known. Clover is doing well on the whole, although there are some patchy fields. The recent rains have suited the crop.

"Nearly all cattle are now on pasture, but the grass is not forward enough yet to give as good a bite as is desired, and the animals are not putting on much flesh, although in good general health. Beef cattle are selling at from 11 to 15 cents a lb. Dairy cows bring from $120 to $135.

"Most of the cheese factories are now open, although some of them are operating only every other day. The milk flow is hardly up to the mark. but the warm weather about due is likely to improve pastures and increase the yield.

"Hogs are commanding from $19.50 to $20.60 a cwt. Too many of them are being marketed unfinished on account of the shortage of the most suitable feeds.

"Fodder supplies are holding out well. There is still plenty of hay and straw on hand, although little hay or ensilage. Individual farmers have difficulty in procuring mill feeds, but a co-operative association in Dundas County last week distributed three carloads of bran and shorts to its members.

"Reports on the labor situation continue in the same strain as last week. but it is too soon to estimate the ultimate effect of the new calls under the Military Service Act upon production."

NEW INCORPORATIONS

National Iron Corporation, Limited, With Capital Stock of $3,000,000, Receives Charter

The largest company incorporated during the past week was the National Iron Corporation, Limited, with a capital stock of $3,000,000, and head office at Toronto, Ont. The Hattie Gold Mines, Limited, with $2,000,000 capital, the Zimmerman Manufacturing Company, Limited, and the Indian Peninsula Mining Company, Limited, with $1,000,000 capital, also received charters.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are the provisional directors:—

Trail, B.C.—Trail Insurance Agency, Limited, $10,000.

Eburne, B.C.—Eburne Steel Company, Limited, $100,000.

Kitchener, Ont.—Goudies, Limited, $100,000; E. W. Clement, W. P. Clement, R. M. Fisher.

Nanaimo, B.C.—The Herald Printing and Publishing Company, Limited, $50,000.

Victoria, B.C.—Prince Rupert Oileries, Limited, $10,000. Gim Fook Yuen, Limited, $15,000.

Sherbrooke, Que.—Webster Motors, Limited, $75,000; W. R. Webster, O. R. Webster, R. A. Webster.

Saint-Pie, Que.—P.-C. Couture, Limitée, $49,900; M.M. Pierre-Charles Couture, Joseph-Isidore Piche.

Sarnia, Ont.—Holmes Foundry Company, Limited, $500,000, L. A. Holmes, L. G. Blunt, W F. Hooper.

Winnipeg, Man.—Bowman-Thayer United, Limited, $50,000; J. H. Parkhill, J. F. Erb, Josephine Sommerville.

Cobalt, Ont.—Indian Peninsula Mining Company, Limited, $1,000,000; H. G. Mathewson, P. G. Grant, F. Groch.

Hamilton, Ont.—Zimmerman Manufacturing Company, Limited, $1,000,000, E. H. Ambrose, H. A. Burbidge, J. R. Marshall.

East Broughton, Que.—Dominion Asbestos Spinning Company, Limited, $149,000; J. Poulin, A. Pare, James-Edward Murphy.

Quebec, Que.—Corporation d'Energie de Montmagny, $400,000; Hew-R. Wood, E. Roy, M. Rousseau. Steamer Muriel W., Limited, $10,000; W. Q. Stobo, H. C. Thorn, C. St. John Griffis.

Montreal, Que.—Fabrics, Limited, $40,000; W. R. L. Shanks, F. G. Bush, G. R. Drennan. Perfect Shoe Company, Limited, $50,000; N. P. Gosselin, Z. Gravel, D. Couture. Perfection Manufacturing Company, Limited, $100,000; E. Rudolphe, E. Chevrier, P. Leduc. Standard Electric and Acetylene Welding Company, Limited, $10,000; R. T. Heneker, H. N. Chauvin, H. Wylie.,

Vancouver, B.C.—The Four Twenty Gold Bar Placer Company, Limited, $50,000. Deep Cove Logging Company, Limited, $50,000. Camera and Arts, Limited, $20,000. Calder Mountain Copper Company, Limited (no personal liability), $750,000. Bishop and Christie, Limited, $30,000. Basque Chemical Production Company, Limited, $50,000. Stadacona Club, Limited, $10,000. Vancouver Coast Base Ball Club, Limited, $6,000. Shaughnessy Heights Drug Store, Limited, $10,000. Spartan Oil Company, Limited, $250,000. Kincaid Waterwheel and Power Company, Limited, $50,000.

Toronto, Ont.—Prest-O-Lite Company of Canada, Limited, $800,000; H. A. Harrison, W. M. Cox, R. E. Laidlaw. Dickenson Dye Works, Limited, $40,000; A. Atkinson, W. Dickenson, G. H. Pilkington. Harvey Hubbell Company of Canada, Limited, $100,000; J. M. Ferguson, J. P. Walsh, C. J. McLaughlin. Hattie Gold Mines, Limited, $2,000,000; A. G. Slaght, W. E. Wilson, K. G. Robertson. Burn Machine Tool Company, Limited, $300,000; M. E. Cherrier, E. Levitt, K. Campbell. National Iron Corporation, Limited, $3,000,000; C. D. Dyke, D. I. Finagin, H. L. Machell. National Peat, Limited, $100,000; E. L. Middleton, A. E. Knox, F. Morrow. Toronto Gun Club and Game Protective Association, Limited, $40,000; R. Martin, C. S. Newton, L. A. Lillico.

THE STERLING BANK
OF CANADA

We offer as evidence of the breadth and efficiency of the service rendered to our clientele the noteworthy growth of our business in the last few years.

Head Office
King and Bay Streets, Toronto 72

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up................	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	4,000,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

AUSTRALIA and NEW ZEALAND

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL - - - -	$ 19,524,300.00
RESERVE FUND - - - -	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

J. RUSSELL FRENCH, General Manager

334 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C., 2.

AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

ESTABLISHED 1865

Union Bank of Canada

Head Office - WINNIPEG

Paid-up Capital - - - -	$ 5,000,000
Reserve - - - - -	3,400,000
Total Assets (Over) - - -	140,000,000

BOARD OF DIRECTORS

Hon. Pres., SIR WILLIAM PRICE President, JOHN GALT, Esq.
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LETHBRIDGE AND SOUTHERN ALBERTA

Farmers Prosperous—Bright Outlook for Good Crop—Lethbridge City in Good Shape—Energetic Board of Trade

(Staff Correspondence.)

Lethbridge, May 13, 1918.

Prospects in Southern Alberta and in the city of Lethbridge are excellent this spring. Hotel and housing accommodation are at a premium. One merchant told *The Monetary Times* that he was unable to hold his staff for the reason that they could not get accommodation for their families, while others had to have their homes in other towns and cities nearby. One or more first-class hotels are badly wanted; material is high, also labor, but sites could be obtained comparatively cheap. If the volume of cash business that is being transacted by the farm machinery concerns in a certain district may be taken as an indication of the prosperity of the farmers of that district, there is no doubt that the farmers in the Lethbridge district of Southern Alberta are as prosperous as any on the continent. In support of this assertion the business transacted by the Lethbridge branch of one of the leading implement concerns may be quoted as an example of the manner in which farmers in that district, by reason of their growing prosperity, are able to make their purchases. Out of $1,200,000 worth of business transacted by this branch in 1917, 92.7 per cent. was done in cash. The 1918 figures from the same district will, it is reported, be even better than in 1917.

Farmers' Financial Position Good.

Southern Alberta has had an ideal crop season, seeding by the time this is in print will be completed. In discussing the situation with one of the leading bankers, who is in very close touch with the farming community, *The Monetary Times* learned that planting in the Lethbridge district was done under very favorable circumstances, more fall ploughing was done last year than ever before, and the farmers are ardent followers of summer fallow, especially those, he said, who had come through the lean years. The farmers, as a class, had money; very few of them are borrowers and those that were, were quite entitled to receive credit. This banker said that the present spring was the easiest he had ever experienced in financing the farmers. The merchants, also, he pointed out, were prosperous, and trade with them was very good. Rain is needed as this is being written, but there is ample moisture in the ground to start the crop off well. Wheat is up in some places two inches. Mayor W. D. L. Hardie, when interviewed by *The Monetary Times*, was most optimistic about the outlook, and in regard to the city itself, said:—

Lethbridge Business is Thriving.

"I think it can be said without any fear of contradiction that Lethbridge to-day is the most prosperous city of its size in all Canada. The volume of business is very large, due to the large quantity of foodstuffs and coal shipped from this city. Over $50,000,000 worth of grain and other field products pass annually through Lethbridge, and from the coal production of its district the city enjoys a pay roll of from $150,000 to $200,000 per month. The farmers and miners do the bulk of their purchasing in this city.

Satisfied with Commission Government.

"The city government is in the hands of three commissioners who devote all their time and energies to the city and are paid a fair remuneration for their services. The three commissioners for legislative purposes are the council. Otherwise, each commissioner is responsible for his department. The plan has proven very successful in the city. This does not imply that the form is satisfactory to every citizen. It is not; but from the point of economical government there can be no comparison with the older form of councilmanic government—commission government is many laps ahead.

"It is said that it is not the form of government which counts, but the men of which it is composed. This in itself is a fallacy. In the old form of government there is not enough concentrated or individual responsibility, and there is lack of continuity. Elections are too frequent and too much politics involved.

"Individual responsibility builds up expertness, and expertness in civic government is the same as expertness in commercial life. No one ever argued expertness in civic government was a fact and everybody knows that the lack of expertness in commercial life spells failure. Why should we expect success in civic government without expertness.

"There is nothing so wasteful of money as civic governments. If the Canadian Pacific Railway were run on the lines of councilmanic government it would be in bankruptcy in less than five years. Every city admits the truth of such a statement. It is therefore difficult to understand why any one should desire to continue it who is free from political or other bias.

Almost Recovered from Collapse.

"The city is rapidly recovering from the catastrophe of crop failures that prevailed in the whole western country a few years ago. As it is to-day we, as a community, are well satisfied with everything, even to the tax collection. Even the collection of arrears of taxes is going on favorable and good final results are confidently expected from the indications of the primal results.

"As a result of over expenditure in the boom days, taxes are high, but with reasonable prosperity our people will be able to carry it until the day of relief comes from increased population. But even with our boom time debt, we are not any worse off than the great city of Toronto, where their per capita assessment and mill rate are about the same as our own.

"We confidently look into the future and see this part of the once 'Great Lone Land' now the 'Last Great West,' the most prosperous part of all the fair domain of our wonderful Canada."

Lethbridge Board of Trade.

As an example of what public spirited citizenship may do, *The Monetary Times'* representative last week had an interview with Mr. G. R. Marnock, president of the Lethbridge board of trade, without doubt one of the most aggressive in Western Canada. Mr. Marnock is a prominent citizen of Lethbridge and has been president of the board of trade since 1914, giving his services voluntarily to that body. Mr. Marnock's efforts in the interests of agriculture in Alberta are varied. He started in the Lethbridge district the livestock guarantors plan, by means of which reliable farmers and settlers are given advances to purchase pure-bred cattle, sheep, etc. This plan has been very satisfactory and there is scarcely a farmer now in the Lethbridge district who has not a good sprinkling of livestock on his farm. Mr. Marnock is vice-president of the Western Canada Irrigation Association, Hon. W. R. Motherwell, minister of agriculture in Saskatchewan, being president. This association is doing splendid work in the interests of the farmers of Southern Alberta, water supply with them being one of the difficult problems. Mr. Marnock goes on the assumption, and it is undoubtedly a correct one, that by enabling and co-operating with the farmers, to the end that they become prosperous, the whole community becomes prosperous. He has done some splendid work in the interests of more and better water for farmers. His efforts in getting the Dominion government, through its geological survey department, to do a considerable amount of work in Southern Alberta in the last two years in the interests of water supply, and which work has met with marked success, has been greatly appreciated by farmers in the district and neighboring towns. These all in turn help Lethbridge to build up a thriving business.

Mr. Marnock is also a member of the joint committee of commerce and agriculture, he was vice-chairman of the Southern Alberta Victory Loan Committee, working for two steady months without remuneration, he is also a member of the Canadian Council of the Round Table.

Mr. Marnock, who takes considerable interest in the financial credit of western cities, states that the city of Lethbridge is in good shape, or better than most other Western cities, but he perceives that financial credit can be maintained at high level only if we are careful custodians for our present and to-be creditors. Lethbridge, like every other city, has a large amount of taxes outstanding. They are advertising a tax sale the great bulk of which is subdivision property, inherited from the boom days. In discussing the iniquities of this system, Mr. Marnock said:—

"If the present tax sale is put forward as a seriously minded business proposition for finding buyers, as against a tax sale for taxes due up to the end of 1916, it must be remembered that an intending buyer in the present, or any other tax sale undertakes an obligation, in addition to 1915 taxes

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which the sale is for, for 1916, 1917 and 1918 taxes right at the sale. He takes over these obligations, with their accrued and accruing loads of interest charges, which he must reckon he has to pay. Then either of two things must happen: the buyer must pay these subsequent taxes or the city must have further tax sales on the property. If the buyer does not pay up for 1916 and 1917 and the property comes again to tax sale, he not only has to protect himself again, but he has to wait for the expiry of a further one or two years for redemption. In the meantime the city waits and waits for the later taxes, and gets into a more and more unbusinesslike position.

Should Become Property of City.

"Now we arrive at this point: the city—that is indeed those who do pay their taxes regularly—maintains an expensive farce, which the city has to pay for, in the shape of an expensively advertised tax sale. Why should we be so illogical? Why not try to get things arranged, by an alteration in the law if necessary, so that property upon which taxes are not paid within, say, 18 months after due date (which is surely a highly generous leeway especially if another 12 months were allowed for redempton) becomes automatically the property of the city. The city could then deal promptly with anything that was saleable, ge the tax money, and carry on its business of supplying service to the citizens in a proper and businesslike manner.

"The city would then at least have a tangible asset in the shape of actual real estate to offer as collateral on a loan, instead of the paper asset of 'taxes overdue but not collected.' as at present. More than that; after the redemption period was over, the city would be actual owners of the property, and if it could then be disposed of by tender or by auction at greater prices than the amounts of the unpaid taxes, and if the original owner did not come along to claim the difference between the price realized and the amount of the taxes, the city as a whole, and not any one individual, would be the beneficiary. Neither a private buyer nor the city can have any actual property right, until the redemption period has elapsed.

"And if it were intended—and it would be quite right to maintain such an intention in bona fide cases of actual inability to pay at the present moment—the city should be, and could be, in a position to deal with the previous owner who desired to reinstate his ownership, more leniently than any private buyer at a tax sale could be expected to.

"As things are we are simply blinding ourselves and inviting the delinquent taxpayers to deceive themselves, and we are piling up further and quite unnecessary expense.

"A word may be said regarding the considerable areas of outside subdivision property that appear in the tax sale list. It may be presumed that these will fall to the city. It would have been better that this should have come about earlier, for valuable time will be lost in getting action on these areas which will lead up to their being solidified into acreages that can be leased or sold as farm land or garden plots.

Expenses Must be Cut Down.

"We have managed up till now, thanks in some measure to Mayor Hardie's careful management of the city's finances, and by the constraint of circumstances having made us content with less service in some directions than we had hitherto enjoyed, to stave off our creditors so far; but there must be an end to what we can exact from their patience. We may as well now be honest with ourselves and face the facts.

"We ought all to know, and if we do not know, we must learn, that in effect the city is but a co-operative association or company of shareholders; and that it cannot go on borrowing money from other people to carry on that service from day to day without ultimately ending in disaster. And the unfortunate thing is that, if we do not mend our ways, those who do their duty and stay by the company will pay most. Even so they will be very sorry that some of the members or shareholders have already lost out; but unfortunately these kindly feelings will neither help those who are left in to make any better arrangements for continuing and improving the city service, nor help them to make businesslike arrangements with the creditors of the city."

Messrs. Oldfield, Kirby & Gardner, of Winnipeg, have issued another number of their Oldgard Journal, containing items of interest regarding the firm and the members of its staff. Major H. L. Oldfield, youngest son of Mr. Oldfield, died of wounds in France on the 7th of April, 1918.

CANADIAN TRADE EXPANSION SINCE THE BEGINNING OF THE WAR

The trade returns for the fiscal year just ended as issued by the Census and Statistics Office, show that the volume of the external trade of Canada is now greater than at any previous period in the history of the Dominion. For the fiscal year ended March 31st, 1918, the grand total of the imports for consumption and exports of Canadian merchandise—taking no account of the movement of coin and bullion—was over two billions and a half of dollars.

Imports for consumption for the fiscal year 1918 were greater by 56 per cent. than for the year just prior to the war, namely, the fiscal year 1914. Under the stimulus of war orders, the export trade shows a still greater development, exports of Canadian goods for the fiscal year 1918 exceeding in value similar exports in 1914 by 256 per cent.

The total trade of Canada, imports for consumption and exports of Canadian produce, amounted to $2,502,549,635, for the fiscal year ended March 31st, 1918, while the value for similar trade for the fiscal year just prior to the war amounted to $1,050,045,583, showing an increase from 1914 to 1918 of $1,452,504,052. This increase is more than the whole trade for the fiscal year 1916. The imports of merchandise for the fiscal year 1918 were valued at $962,521,847, and in 1914 at $618,457,144, showing an increase of $344,064,703, whilst the exports of Canadian merchandise in 1918 amounted to $1,540,027,788, and in 1914 to $431,588,439, showing a betterment from 1914-18, of $1,108,439,349.

From 1914 to 1918 the exports of the mine increased from $59,039,054 to $73,760,502; the fisheries from $20,623,560 to $32,602,151; the forest from $42,792,137 to $51,899,704; animals and their produce from $53,349,119 to $172,743,081; agricultural products from $198,220,029 to $567,713,584; manufactured goods from $57,443,452 to $636,602,516.

During the fiscal year 1918 the customs revenue amounted to $161,588,465; in 1914 the similar revenue amounted to $107,180,578, showing an increase from 1914 to 1918 of $54,407,887, or about 51 per cent.

A PRACTICAL SUGGESTION FOR THE CONSCRIPTION OF WEALTH

A scheme has been originated by the "Financial World" of New York, suggesting that in raising money to carry on the war, an assessment be made, based on the income tax returns. Men are drafted into the army, industrial machines are commandeered, prices are fixed on commodities and materials; why therefore should the raising of money, one of the most essential parts of the whole operation, be left to the generosity, patriotism or good judgment of the people? Provision could be made for exemption where special circumstances made the assessment unjust, but the system would be a plausible method of applying the draft process to wealth and would do away with the strenuous effort and the uncertainty of voluntary campaigns. It would moreover insure the success of every campaign the demands on the individual would be evenly distributed, and no hardship would therefore ensue.

An objection is mentioned in the "Bache Review" for May 4th, namely, that the income tax does not go far enough to cover the whole population, and the small subscribers would be left untouched. This, it is pointed out, might be remedied by leaving the voluntary lists open. If, however, the system were to be adopted, and subscriptions from people of small means are desired, it would be better to base the levy upon a return of wages or other income in the case of every individual. The effect would be to enforce thrift, but on the other hand, the value of saving on individual initiative would be lost. This would be conscription in name only, as the forced purchase of war bonds would not be a financial loss. When a loan is floated in the market at present, the price is fixed primarily on the basis of market conditions. There is, no doubt, a small premium on government bonds, resulting from patriotism. This would probably only amount to a fraction of one per cent in the yield. Under a system of forced subscription this accordance with market conditions would no longer be necessary. It might easily become, therefore, a levy rather than a tax. Once the principle were established, the extent to which a levy of wealth was applied would depend to a large extent on the force of circumstances.

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IS TERM INSURANCE ADVISABLE?

Comparison With Other Policies—Useful in Exceptional Cases Only

In a discussion with an insurance manager recently on the merits of term insurance, he stated that his company advised against this class of insurance in most cases, because: (1) Its low cost was merely the measure of its temporary character; (2) on that account it would, in many cases, be a disappointment to those who took it; (3) owing to its lack of value as a collateral, it was more likely to be allowed to lapse and the benefit of insurance then ceased altogether.

He, moreover, believed that it was less advantageous to the company as a whole, because it tended to give it a body of transient policyholders who were liable to lapse their policies. With a more permanent form of insurance, a more cohesive body of policyholders was created, who became more and more identified with the company, and more loyal to it as the custodian of the fund they had built up for themselves in it, and whose goodwill was in itself an asset.

Term insurance has little to offer for the man who is looking for sound permanent investment or protection. For him a life or endowment policy is much more desirable and satisfactory in spite of its higher apparent cost. Under a term policy, he has no paid-up, cash surrender, or loan options. The policy is, in reality, the dearest that can be obtained, when account is taken of the one benefit which it guarantees—protection for a short, definite period. As a general rule, it does not participate in the profits of the company, and thus lacks a feature very desirable, in view of the present earnings of the life companies.

Use of Term Insurance.

There is no doubt, however, that term insurance has its uses, although, perhaps, even those uses could be met as well or better by an ordinary life policy, with its advantages of permanency, guarantees, participation, etc. Circumstances sometimes arise where some special form of protection is desired—e.g., partnership or other business insurance, where it is known definitely that insurance protection is needed for only a short period, and where there is no likelihood of it being continued beyond such set period. In such a case, it is apparent that term assurance exactly meets the need, and is to be recommended. Again, take the case of a business man, who is heavily involved in speculation or business ventures, and who wishes to have every cent of available capital free and yet at the same time protect his dependants. Here the renewal or convertible term plan would meet the case. His family would be protected at a comparatively low cost, and he himself would be in a position, in spite of any disability that might occur, to take out some more permanent form of insurance at a later period.

These are, however, exceptional cases. For the average man it is probably better to avoid this form of investment, and to purchase the more regular plans of insurance, life or endowment.

If a life insurance prospect were presented with four policies subject to annual premiums of $11.90, $16.60, $24.40 and $41.85 respectively, he would, unless he used due examination, pronounce the first one the cheapest. Yet he would be wrong, for paradoxical as it may seem, the dearest policy would be the cheapest, and the cheapest the dearest. The premiums given above are those at age 25, for a 20-year term, an ordinary life, a twenty-payment life, and a twenty-year endowment, respectively, and a consideration of the following figures will show what was meant by saying that the dearest policy is, in reality, the cheapest:—

Age 25.	Annual premium.	After 10 years.		
		Premiums paid.	Cash surrender value.	Net cost.
20-year term	$11.90	$119.00	......	$119.00
Ordinary life ...	16.60	166.00	$ 92.00	74.00
20-payment life ..	24.40	244.00	175.00	69.00
20-year endowment	41.85	418.50	360.00	58.00

	After 15 years.		
	Premiums paid.	Cash surrender value.	Net cost.
20-year term	$178.50	......	$178.50
Ordinary life	249.00	$ 147.00	102.00
20-payment life	366.00	290.00	76.00
20-year endowment	627.75	608.00	19.75

	After 20 years.		
	Premiums paid.	Cash surrender value.	Net cost.
20-year term	$238.00	......	$238.00
Ordinary life	332.00	$ 230.00	102.00
20-payment life	488.00	469.00	18.00
20-year endowment	837.00	1,000.00	*163.00

---

*Gain.

It will be seen that under the term policy there is no cash surrender value, whereas under the other three the surrender value increases more or less rapidly and is particularly large under the endowment contract. As the value of the assurance may be considered equal to the cash surrender value available, it will be seen that, if the policy were dropped at the end of any of the three periods, the apparently dearest policy would have cost him the least.

Element of Investment Lacking.

Every policy may be looked upon as containing two elements—viz., expense and investment. The term policy, covering as it does merely the cost of insurance, may be looked upon entirely as expense. With the endowment policy, the investment element is predominant, and the other policies range between these two extremes.

There may be circumstances when an applicant has need for insurance for a very short period. In such case, a term policy may suit his needs. With that exception, however, the other policies will be found more suitable. The extra money invested will bring profitable returns. And for somewhat the same reasons, a participating policy is generally to be preferred to the non-participating.

WORLD'S GOLD PRODUCTION

Official returns and estimates of the gold production of countries producing 80 per cent. of the world's output show that there was a falling off of about $32,500,000 in 1917, as compared with 1916, and a decrease of as much as $42,000,000, or nearly 9 per cent., as compared with 1915.

The world's gold production for 1917 and 1916 was as follows:—

	1917.	1916.
Transvaal	£38,323,921	£39,485,000
Rhodesia	3,495,353	3,895,000
West Africa	1,529,970	1,615,000
Total, Africa	£43,349,244	£44,496,000
West Australia	£ 4,121,700	£ 4,518,500
Queensland	774,800	914,000
Victoria	869,400	1,090,000
New South Wales........	361,400	459,000
South Australia	21,200	35,500
New Zealand	1,189,200	1,199,000
Tasmania	63,700	112,000
Total, Australia	£ 7,401,400	£ 8,308,000
India	£ 2,213,800	£ 2,295,000
Canada	3,174,586	3,952,500
Total, British Empire.	£56,139,030	£59,550,500
United States	£17,344,100	£19,012,500
Mexico	2,500,000	2,500,000
Russia	4,000,000	5,500,000
Other countries	8,000,000	8,000,000
Grand total	£87,983,130	£94,563,000

Of the decline in the output shown for 1917, the United States was responsible for £1,668,400, the Transvaal for £1,161,000, Canada for £778,000, Australia for £900,000, and Russia for an estimated reduction of £1,500,000.

War conditions, resulting in scarcity of skilled labor, dearness of and difficulty in obtaining machinery parts and materials are responsible for a large part of the decline in production.

The government of Argentina has decided to purchase $5,000,000 worth of railway material in the United States and England.

The Hamilton Provident and Loan Society

Capital Subscribed $2,000,000.00
Capital Paid-up . .. 1,200,000.00
Reserve and Surplus Funds .. 1,163,994.20
Total Assets 4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance*. Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

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GEORGE HOPE, President D. M. CAMERON, Treasurer

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who are overburdened with cares of their own, and who wish to be relieved of the duties assumed under Wills, are invited to correspond with our Estate Managers.

This Company is authorized by law to act as agent for individual executors.

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Branch Offices:
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Capital Paid-Up $1,000,000 Reserve Fund $550,000

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
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First Vice-President—W. D. Matthews.
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Joint General Managers—R. S. Hudson, John Massey.
Assistant General Manager—Geore H. Smith.

Paid-up Capital .... $ 6,000,000.00
Reserve Fund (earned).... ... . 5,250,000.00
Investments 31,557,662.81

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The Corporation is a **Legal Depository for Trust Funds.** Every facility is afforded Depositors. Deposits may be made and withdrawn by mail with perfect convenience. Deposits of one dollar and upwards are welcomed. Interest at **Three and One-half Per Cent.** per annum is credited and compounded twice a year.

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London & Canadian Loan & Agency Co., Ltd.

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Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

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Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00

Total Assets, $3,141,401.68

President, WELLINGTON FRANCIS, Esq., K.C.
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Debentures issued to pay 5%, a Legal Investment for Trust Funds.
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Loans made on improved Real Estate on favorable terms.

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THE WAR DEBTS OF THE WORLD

Great Britain's Debt and Her Loans to Allies—Gold Reserves of the Different Powers

The Federal Reserve Board of the United States has recently issued an important and comprehensive bulletin on the national debts of the chief nations of the world, together with an analysis of the credit conditions of the belligerents. This is the most valuable and authoritative survey of the subject that has come to our attention.

It is pointed out that during three and one-half years of war, the 12 principal belligerents show an aggregate increase in their national debts of approximately 111.7 billions of dollars. Of this sum 72.4 billions represent the increase in the public debts of the Entente Allies, including the four British Dominions and the United States. The increase in the case of Germany and Austria-Hungary amounts to 39.3 billion dollars. It should be noted that these war expenditures take no account of the sums raised by taxation, which in the United Kingdom especially amount to a very considerable part of total expenditures.

Position of the United Kingdom.

In the United Kingdom the increase during this period in the national debt, amounted to 24,178 millions of dollars. This includes, however, 7,027 millions loaned to its allies up to February 9, 1918. From the United States Great Britain has received between the period April 1, 1917, to March 18, 1918, $1,370,000,000. It will thus be seen that, if the present credit of $5,000,000,000 be included, Great Britain has raised on war account approximately $30,000,000,000 since the outbreak of hostilities in 1914. In addition, the brunt of the burden in financing the other allies has fallen chiefly upon British finance, and only within the last year has the United States made its weight felt.

While Russia is presumably out of the war, its finances are a matter of the utmost concern to Great Britain, France and the United States. In his recent budget address, Mr. Bonar Law announced that the United Kingdom had determined to write off one-half of Russia's indebtedness to it, on the same principle that applies to bad or doubtful debts in private business. While this is not the place to discuss this problem, it may be remarked that, in our judgment, Russia must sooner or later make these debts good if it hopes ever to occupy its right place within the family of nations. However that may be, it is important to observe that the Russian national debt at the end of 1917 stood at 20,291 millions of dollars. Between January, 1914 and September, 1917, the Imperial Bank of Russia advanced to the government 7,800 millions of dollars. As this is a state institution, the transfer amounts to a mere exchange of credits.

Finances of the Central Powers.

Germany and Austria-Hungary have not so heavy an external burden to carry as the United Kingdom and the United States—nor are their resources anything like so buoyant and strong. The Central Powers have financed Turkey and Bulgaria, practically carrying the entire war burden of both these nations. The neutral countries of the world, even those that have gained in trade and commerce as a result of the war, have been obliged to float large domestic loans for mobilization purposes, particularly Switzerland, Spain, Holland and Denmark.

The United Kingdom and the United States have as yet made little use of paper-money issues to finance the war; and remain on a strong and sound gold basis. On the continent it has been different. There treasury bills and certificates have been discounted by the Bank of France, the Imperial Bank of Germany, and the other central banks of issue. As a result, and as might have been expected, inflation of currency has aggravated the upward trend in prices; and in the enemy nations has jeopardized their credit position.

Gold Reserves and National Credit.

It must not be supposed that there is any direct or necessary connection between gold reserves and soundness of national credit. The United Kingdom, certainly before the war, the strongest financial nation in the world, has always economized in the use of gold; not because it could not secure gold, but because of its tremendous financial strength. Sixty per cent. of the total world output of gold, each year, was produced within the empire, and normally found its way to London—the gold market of the world. From there it was distributed among those nations comparatively weak in credit, or requiring gold because of the commercial habits and practices of their people. The following table, showing the gold holdings and paper money circulations of the chief belligerents, will prove instructive:—

Country.	Gold (millions).	Note circulation.
France	$ 919,968	$1,289,855,000
Great Britain	185,567	144,566,000
Japan	112,296	....
Italy	232,965	324,824,000
Russia	863,371	841,174,000
United States	1,668,268	1,246,488,000
Austria-Hungary ...	311,963	432,341,000
Germany	363,670	692,442,000

It will be observed from this table that the total amount of gold in the possession of the Central Powers amounts to $675,633,000, and their combined paper money issues to $1,124,738,000. Now, according to the most recent figures available, the Reichsbank, the central bank of Germany, claims to have practically that amount of gold in its own vaults. It is extremely difficult to prove the correctness of this claim, but it should be noted that even when the United States was neutral, American financiers refused to credit the genuineness of the weekly statements of the Reichsbank. Information secured indirectly went to substantiate American opinion, that part at least of the alleged gold holdings consisted of government securities. Whatever the facts concerning this may be, it has been established that Austria-Hungary has been compelled to send the greater part of its gold reserves to Germany. On paper, the Reichsbank is able to make a good showing, but it must not be forgotten that the Central Powers have not only to support German credit at home with this gold reserve, but to make use of it in large measure in such foreign trade as they may be able to carry on.

A study of the figures presented would seem to indicate, at first blush, that the world is headed toward bankruptcy and ruin. However, we have it on no less authority than Sir George Paish, editor of the London "Statist," that the financial fabric of the United Kingdom, the United States and France, has been actually strengthened by the strain to which it has been subjected by war. Organization, elimination of waste, the inculcation of thrift, the introduction of the latest machinery and scientific methods, and, above all, united national effort mean greater control over environment than ever before. And through control of environment the nations will reach higher levels of social and economic achievement.

GRAND TRUNK RAILWAY POSITION

The following is a statement of the business of the Grand Trunk Railway Company for the year ending December 31st, 1917:—

Gross receipts	£10,725,482
Working expenses	9,002,894
Net traffic receipts	£ 1,722,588
Other income	546,151
Net revenue receipts	£ 2,268,739
Net revenue charges	2,242,460
Surplus	£ 26,279

While the gross receipts of the company showed a considerable increase, the advance in the cost of operation more than offset this, and the result was that in place of the surplus of £800,000 in 1916, only a small surplus is realized in 1917. The annual report states that the company made most strenuous and continuous efforts during the year to obtain from the railway commission of Canada, permission to increase rates. This permission has, of course, been since secured, an increase of 15 per cent. having been granted from March 15th, 1918. An interesting point in the company's statement is that passenger traffic during the year decreased, while all other forms of traffic increased.

Fires occur in Canada in the ratio of one to every 600 people, and in Europe in the ratio of one to every 3,000 people.

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NEW BRUNSWICK HAS NEW FORESTRY SYSTEM

The Commission of Conservation in the monthly bulletin for May, states that through the recent enactment of the new forest and forest fires act, the province of New Brunswick has aligned itself with the most progressive governmental agencies on the continent in forest conservation. The administration of the act will be under the minister of lands and mines. A provincial forester will be in charge of the administration of scaling, enforcement of cutting regulations on Crown lands, continuation of the forest survey, forest fire protection, and the enforcement of the laws and regulations concerning fish and game. The organization of the staff is now under way.

The merit system of appointments will be strongly promoted through the appointment of a forestry advisory commission, consisting of the minister and deputy minister of lands and mines, the provincial forester, one prominent lumberman selected by and representing the licensees of Crown timber lands, and one other lumberman or forester associated with the ownership or management of Crown-granted forest lands. This commission will supervise appointments, which are to be based upon a practical examination, written and oral, designed to test the knowledge and ability of the applicants to perform the duties of the office which they seek.

The provisions relative to forest fire protection are based upon the most advanced legislation in the several provinces and states. The organization will cover Crown timber lands, licensed and unlicensed, as well as the larger bodies of timber land in private ownership. A fire tax of one-half cent per acre per year is to be collected from licensees, supplemented by an allotment from the wild land tax and by an annual appropriation which will bring the protection fund up to $100,000 per year.

It is to be anticipated that the consolidation of all these lines of forestry activities in a single organization, under a technically-trained head, will make most decidedly for efficiency in results and economy in administration.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Huron County, Ont.—The county has sold to local purchasers a block of $140,000 5½ per cent. bonds.

London, Ont.—The city is offering for sale 6 per cent. debentures in sums of $100 or any multiple thereof.

Cobourg, Ont.—The town has sold a block of $38,100 6½ per cent. bonds, payable in 20 annual instalments.

Trail, B.C.—Messrs. C. H. Burgess and Company, of Toronto, have purchased a block of $21,400 6 per cent. bonds.

Regina, Sask.—The city is in the market at the present time for $1,000,000 to meet 3-year treasury bills which are maturing.

Victoria, B.C.—Messrs. MacNeill and Young, of Toronto, have purchased $48,000 city of Victoria 5 per cent. local improvement bonds, due 1924-1925.

Lynville S.D., Man.—Messrs. H. O'Hara and Company, of Toronto, have purchased a block of $1,300 7 per cent. bonds, payable in 15 annual instalments.

York Township, Ont.—Messrs. W. L. McKinnon and Company, of Toronto, have purchased a block of $35,000 6 per cent. public school debentures, payable in 25 annual instalments.

County of Northumberland, Ont.—The Dominion Securities Corporation, of Toronto, has purchased $40,000 6 per cent. debentures, due $10,000 in 1923, $10,000 in 1928, $10,000 in 1933 and $10,000 in 1938.

Sandwich West, Ont.—Messrs. C. H. Burgess and Company, of Toronto, have been awarded a block of $20,000 6 per cent. bonds payable in 10 annual instalments. The proceeds will be used for drainage purposes.

Smiths Falls, Ont.—Mr. J. A. Lewis, town clerk, will receive tenders for debentures amounting to $28,000 until Monday, May 20th, at 6 o'clock p.m. The debentures are 20-instalment consolidated debt, bearing interest at 6 per cent. per annum.

Quebec, Que.—More than one-half the civic 6 per cent. bonds, authorized by the legislature, have been disposed of, and Mr. Verge, city treasurer, has every reason to believe that the full amount of the city loan, amounting to $479,000, will be subscribed by Quebec citizens.

Hamilton, Ont.—The city's issue of $346,040 6 per cent. 10-instalment debentures has been awarded to Mulholland, Bird and Graham and Housser, Wood and Company, joint account. The successful tenderers bid 98.93, Wood, Gundy 98.921, Dominion Securities 98.915, Canada Bond 98.89, and A. E. Ames and Company 98.877.

North Vancouver, B.C.—The council of the district of North Vancouver intends placing a by-law before the people amounting to $40,000 for ratification. This money is to be utilized for the purpose of installing a waterworks system on the east end of the district, and particularly to supply the industries on the north arm of the inlet.

Victoria, B.C.—The report of the sale of $1,000,000 city of Victoria 6 per cent. bonds, appearing in our issue of May 3rd, should have read as follows:—

National Bond Corporation	$ 400,000
Oxford Securities Corporation, Limited	100,000
Dominion Securities Corporation	250,000
Bank of British North America	150,000
Housser, Wood and Company	100,000
	$1,000,000

Toronto, Ont.—Sealed tenders will be received by T. Bradshaw, commissioner of finance, for the purchase of $736,000 bonds issued for hydro-electric purposes. The bonds are an obligation of the city at large, are issued in coupon form, with provision for registration of principal, bear date 2nd July, 1917, and are in denominations of $1,000. They are payable both as to principal and interest, in gold, in Toronto and New York, and carry interest at the rate of 5½ per cent. per annum, payable half-yearly on January 1st and July 1st, the first half-yearly instalment of interest being due and payable on July 1st, 1918.

Edmonton, Alta.—The tentative agreement made between Mayor Evans and P. Burns Company regarding the construction of sewer line extension in N. Edmonton, was adopted by the council. A first reading was given a by-law providing for the expenditure of $45,000 and the issuing of debentures to cover this sum. The by-law will go before the public utilities commission and if permission is given to carry out the plan, it will reach its final stages at the next meeting of council. The proposal is to construct a sewer extension line along 120th Avenue, from the Fort trail to the lane between 70th and 71st Streets. This will serve the Burns packing plant at 73rd Street, which firm has agreed to pay outright one-half of the cost from that point. The company will also buy the debentures which run for 40 years with interest at 6 per cent.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from April 29th to May 3rd, 1918:—

School Districts.—Kingslyn, $600 8-years not ex. 8 per cent. annuity; S. R. Common, Hazel Cliff. Home, $2,600 10-years 8 per cent. annuity; C. S. Rude, Spalding. Rocky Hills, $1,800 10-years not ex. 8 per cent. annuity; H. J. Unruh, Lydiard. *Five Mile Creek, $2,200 10-years not ex. 8 per cent. annuity; Louis Lazarus, Wood Mountain. *Kingsmead, $2,000 10-years not ex. 8 per cent. annuity; Arthur J. King, Cadillac. Springbrook, $1,000 10-years not ex. 8 per cent. annuity; C. W. Brown, Ft. Qu'Appelle. Clarke, $2,000 10-years not ex. 8 per cent. instalment; A. W. Clarke, Rex. *One Mile Coulee, $2,000 10-years not ex. 8 per cent. annuity; Paul Vandal, Melaval. *Glenview, $2,000 10-years not ex. 8 per cent. annuity; N. F. Maruska, Vanguard. *Lynthorpe, $1,000 5-years not ex. 8 per cent. annuity, H. Simpson, Lynthorpe. *Shackleton, $1,000 10-years not ex. 8 per cent. annuity; Jas. W. Casburg, Shackleton. Craik, $9,600 20-years not ex. 8 per cent. annuity; C. M. Truman, Craik. Martindale, $2,200 10-years not ex. 8 per cent. annuity; Ernest Grant, Pense. Hester, $2,300 10-years not ex. 8 per cent. annuity; Henry Moen, Hughton.

Villages.—Abbey, $3,500 10-years not ex. 8 per cent. instalment; Abbey, $1,000 5-years not ex. 8 per cent. instalment; F. E. McDonald, Abbey. Consul, $1,000 10-years not ex. 8 per cent. instalment; Alex. Dunbar, Consul.

The following is a list of debentures reported sold from April 29th to May 3rd, 1918:—

School Districts.—Elfros, $3,000; E. B. Jonah, Regina. Eagle Creek, $1,600; Nay and James, Regina. Maxwell, $1,200; Great-West Life Assurance Company, Winnipeg.

Rural Telephone Companies.—Hilldrop, $5,500; W. L. McKinnon and Company, Regina. Melaval, $700; Nay and James, Regina.

Village.—Pennant, $1,500, $1,750; J. E. Lindsay, Battrum.

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*Being sold by the Local Government Board.

DETAILS OF VICTORY LOAN EXPENSES

Further information regarding the expenses in connection with the last war loan has been made public during the past week.

A statement was tabled in the House on Saturday, May 11th, showing the commissions paid to Victory Loan salesmen. They were as follows:— Ontario, $430,915; Quebec, $188,570; New Brunswick, $16,500; Nova Scotia, $35,050; Prince Edward Island, $3,000; Manitoba, $43,250; Saskatchewan $35,500; Alberta, $20,000; British Columbia, $6,500. Total $779,285.

On Monday, the Hon. A. K. Maclean stated that the total remuneration paid to brokers and bond dealers in connection with the Victory Loan was $779,285, while canvassers got $1,135,515. The Ontario brokerage houses got $430,915, some of the larger amounts being: Dominion Securities Corporation, $54,975; A. E. Ames & Company, $47,000; Wood, Gundy & Company, $63,325; Osler & Hammond, $18,000; Canada Bond Corporation $20,000; Bankers' Bond Company, $15,000; W. A. Mackenzie & Company, $17,500; Brent, Noxon & Company, $12,000; R. A. Daly & Company, $10,000; Æmilius Jarvis & Company, $10,000; R. C. Matthews & Company, $10,000.

Wood, Gundy & Company refunded $15,000 to the government, the Dominion Securities refunded $10,000, and A. E. Ames & Company, $5,000.

The total of subscriptions reported for Ontario was $203,986,500, Quebec came next with $94,286,250, Manitoba third with $32,326,600, Saskatchewan fourth with $21,510,500, and Nova Scotia fifth with $19,515,250.

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It is good business to increase your holdings of **Victory Loan Bonds,** because the security is of the highest quality, the income return attractive, and you are not required to pay Dominion Income Tax.

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PROSPECTS OF RAILROAD BUSINESS

Canada Will Continue to Attract Tourists—New Industries Locating in Canada

Grand Trunk officials anticipate a considerable volume of war time travel this season. With the prevailing stress of war conditions a very general desire is being shown to escape for a few weeks from the cities to the regions where quiet and rest may be obtained. It is believed that a very large number of travellers from the United States will seek the Canadian lake-land resorts, such as Algonquin Park, Temagami Forest Reserve, Muskoka Lakes and the Lake of Bays. There are no reserves in the eastern section of the United States that compare with Algonquin Park or Temagami, where there is everything that is dear to the heart of the lover of out-door life. Algonquin Park has an area of about 4,000 square miles and has within its boundaries more than 1,500 lakes and streams. With her great natural attractions Canada will continue to attract the tourist, say the railroad men.

Progress in Eastern Provinces.

With the brisk demand prevailing for all forms of manufactured products, many new industries continue to be attracted to eastern Canada.

Along the lines of the Grand Trunk Railway system the increase in the number of industrial plants has been very marked. More than 40 large concerns have located on the railway in Ontario and Quebec during the past 12 months. These new plants represent a capital investment of nearly $11,000,000, and will employ 6,000 hands.

Extensive additions have also been made to existing plants. These extensions, at 12 representative points along the Grand Trunk, have called for an increase in capital investment amounting to several millions of dollars, and the employment of some thousands of extra hands.

Mr. Wm. P. Fitzsimons, commissioner of industries, Grand Trunk Railway system, states that the demand for new sidings, and additions to existing sidings, to take care of the increased industrial effort has been continuous. While cooperating in every way possible with the boards of trade and committees and individuals interested in industrial development, the railroad has done all in its power to promote increased production of farm products. A special train carrying exhibits of grain, roots, grasses, poultry and model dairy apparatus visited a large number of farming communities where lectures on better farming were delivered by agricultural experts.

ALBERTA FIRE INSURANCE REPORTS

The advance report of the Superintendent of Insurance for Alberta for the year 1917 shows total fire premiums of $2,556,816.78. The losses for the year amounted to $853,787.98, or approximately ⅓. There are 30 Canadian companies, 33 British and Colonial companies, and 36 United States companies doing business in the province. The premiums of the British and Colonial companies totalled over $1,000,000, and their losses were a little over $300,000, or 28 per cent. The business of the Canadian companies was approximately $650,000, and their losses about 34 per cent. of this. The American business totalled almost $800,000 and losses 42 per cent.

OCEAN ACCIDENT AND GUARANTEE CORPORATION

The Ocean Accident and Guarantee Corporation has enjoyed another very successful year. Their statement appears on another page of this issue. Premiums for the year totalled $15,802,245, and the sum of $8,246,636 was paid in claims. The company now has a balance on hand of $13,519,747, an increase of almost $3,000,000 over last year. The total assets are now $24,494,000.

This company has just completed its 47th year of business, and has written accident lines in Canada since 1895. It now writes fire, automobile, personal accident, plate glass, guarantee, employer's liability, public liability, and teams' liability insurance. Mr. Charles H. Neely, who has been for some time manager in Canada, has now become general manager for the United States where he will have wider scope for his abilities in the insurance field. His successor in Canada, Mr. Perry, has been with the company for many years, latterly in the United States.

MORE MONEY WANTED FOR TORONTO HARBOR

On Thursday, the 9th instant, a delegation from the Toronto City Council, the Toronto Board of Trade, and the Toronto Harbor Commissioners went to Ottawa with a view to obtaining further Dominion expenditure upon the Toronto harbor works. They requested that the government spend $152,000 this year, and an additional $496,000 next year to protect work already done on the scheme. The city of Toronto, it was stated, had already spent $1,240,000, and the Dominion government $187,000. According to the agreement with the Dominion government, the latter should have spent $1,450,000.

In reply the prime minister impressed upon the delegates the extreme urgency of economy. The government, he said, did not have an unending supply of funds; work had been stopped on the Welland Canal, on the Hudson Bay Railway, in Halifax and St. John. Hon. Mr. Carvell, minister of public works, said that he would be in favor of such expenditure on the harbor scheme as was necessary for purely business purposes, but he did not think that at the present time expenditure on sections which were merely part of a beautification scheme, would be justified.

THE TRANSPORTATION TAX

By J. L. Payne

It can scarcely be said that the decision of the Board of Railway Commissioners to advance freight and passenger rates has been received with universal approval. It is never a popular thing to increase the scale of taxation. But, all said and done, there are two views of the matter which are fairly entitled to consideration. First, that the railways had a strong case, based on the rising cost of operation; and second, that the increase allowed is, after all, a relative thing. Let us look at these aspects of the matter.

Railways are no more exempt from the enhanced cost of living than are manufacturers, merchants or other citizens. They have been compelled to pay higher wages and higher prices for all classes of commodities. These advances in cost have been directly reflected in operating expenses. The Railway Commission could not ignore the stern logic of facts. Hence the decision given. It was resisted by boards of trade and by shippers generally; but the weight of argument was held to be on the side of the railways. There the matter rests. Like many other drastic changes which have been made in these times of stress and upheaval, it has been accepted largely because further resistance would be futile.

There is comfort in the reflection, however, that while there has been an increase in freight tolls, the measure of the tax involved has not been actually increased. A simple illustration will make that contention plain. Assuming that the freight charges on a carload of wheat from Winnipeg to Toronto were $100 in 1913, the tax on the value of the commodity would have been less than 8 per cent., on the basis of 40,000 pounds at $1 per bushel. To-day, owing to the higher market value of wheat, the tax would be less than 4 per cent. Further elaboration is unnecessary to make that point clear; and it cannot, as a matter of practical reckoning, be disregarded.

The opposition to the appeal of the railways came chiefly from the west, and it had its foundation in the existing prosperity of the Canadian Pacific. It was admitted, however, that the other lines were hard pressed by prevailing conditions. Obviously, the Canadian Pacific did not need higher rates; but the question which at once arose was, How can the rates be increased generally without adding to the already adequate earnings of the pioneer road? Discrimination would result in diverting traffic to the Canadian Pacific. It was a hard problem. In the end, it was solved by giving higher rates to all the lines, and providing that the additional revenues of the Canadian Pacific should pass into the Dominion treasury. This novel course has practically satisfied western sentiment.

However unpopular has been the increase in transportation rates, it will be seen that it has been given effect at a time of highly inflated values; and, in the final analysis, all taxes must be measured against the value of the thing taxed. We shall probably, and perhaps unavoidably, see this principle of adjustment applied in other directions. Everything is abnormal, and until the period of reconstruction is well under way after the war, the unusual and the extraordinary may be expected.

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MEDICINE HAT LIFE UNDERWRITERS

Local Branch of Life Underwriters' Association is Reorganized—Addresses from President and Secretary of Dominion Association

On Friday, the 26th of April, a meeting of the life underwriters of Medicine Hat was held at the Assiniboia Hotel, and it was decided to reorganize the local branch of the Life Underwriters Association. Mr. J. T. Wilson, Halifax, president, and Mr. J. H. C. Graham, Toronto, secretary of the Life Underwriters Association of Canada, were present and explained the aims and objects of the association, the work done in the past and what they hoped to do in the future.

Mr. Graham outlined the purposes of the association. "It is not a selfish organization. It was formed not only to benefit the agents, but also the public. To the agent it is what the law society is to the lawyers, or a medical association to the doctor. To the public it ensures by the raising of the ethical standards of the agents, a square deal. By means of essay competitions an interchange of ideas amongst agents all over the continent is effected, the winning essays being published in all the insurance papers. Another feature is the stimulation of interest in legislative matters affecting insurance. The work of the association is favorably known and the superintendents of insurance in every province co-operate with organizations with mutual benefit.

"Improved legislation was needed which had the support of the provincial superintendents, and the association should be united from coast to coast, and work for uniformity in all provincial legislation. Another important feature is the education of the agent and the public. Success in our business depends upon two things, first a knowledge of the business, and second, ability to impart that knowledge to prospects effectively." Mr. Graham also pointed out the importance of life insurance and referred to the service which the association had rendered in connection with the Victory Loans and other patriotic work. He said that the local association should furnish the public with insurance news through the press and in every way encourage publicity.

Mr. Wilson who spoke next referred to the bright future for Medicine Hat along with the rest of the Canadian west. A lot would depend on the strength of the local association, as the chain was no stronger than its weakest link.

To Promote Co-operation.

Mr. Wilson also outlined the history of the association from its inception in 1906 until the present time, during which interval the membership had increased by 400 per cent. "The spirit of co-operation is the very essence of the life underwriters' movement. We see evidence of co-operation all around us. In Saskatchewan there are 352 co-operative societies whose turnover last year was over $4,000,000, and there is also the Grain Growers' Association, into which the farmers combined for their mutual benefit. Our own country is an illustration of co-operation. Prior to Confederation the provinces existed as separate units, exposed to all the difficulties of isolation. The Fathers of Confederation saw it was better to get together, and as a result of that co-operation Canada has built railroads, large cities and industrial centres, and is now developing a ship building industry, which will be one of the largest in the world."

Mr. McTeer, of Calgary, said that the association was a good thing to have in any community. Short speeches were also made by Messrs. P. J. Daly, J. Currie and J. King. The following officers were elected:—President, P. J. Daly; vice-president, J. Currie; secretary, J. King; executive, R. H. Green, F. C. Legh, A. W. Lang and J. A. Bell.

BANK BRANCHES OPENED AND CLOSED

The following is a list of bank branches opened and closed during April:—

Branches Opened—Three.

*Bristol's Corners, Que.	Bank of Ottawa.
*Ferintosh, Alta.	Imperial Bank of Canada.
Shawville, Que.	Bank of Ottawa.

Branches Closed—None.

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*Sub-branches.

AGRICULTURAL CONDITIONS IN ONTARIO

According to a report issued by the Ontario Department of Agriculture on May 6th, spring seeding is far advanced this year compared with other years. The prolonged open weather has favored work, and offset any shortage of labor which there may be. It is estimated that fully 40 per cent. of the fall wheat land has been ploughed up or cultivated with barley or spring wheat. The clover crop is not very promising in some districts, but it is thought that the average yield will be fair. Live stock are somewhat lighter in weight than usual. The price of milk and cheese will be good. Hogs are being marketed more slowly than formerly, and it is reported from some counties that production is being increased. The difficulty is, of course, that of feeding. Hay and straw are reported to be plentiful, but the supply of grain and ensilage is small. Generally speaking, however, there is sufficient to carry live stock over until good pasture is secured.

CUTTING DOWN MUNICIPAL EXPENDITURES

A whole-hearted sympathy with the needs of the time is being shown by the Northwest, says the Northwestern National Bank Review. Municipalities have given many evidences of sacrificing cherished schemes of improvement which, when gauged by the national need, have fallen into the class of civic luxuries. Minneapolis, for instance, is a city which normally would have considered a 1918 programme amounting to about $2,000,000. The sub-committee of the capital issues committee of this district requested municipal authorities to scale down the proposed list of expenditures. A budget cut down to $1,000,000 was presented to the sub-committee; but the municipal authorities promptly acquiesced when it was returned still further reduced to $400,000. Similar sacrifice has been shown by St. Paul and Duluth and it is being matched by almost all the cities in our district—even bettered, as is shown by such instances as the practical abandonment of their entire programmes by the cities of Grand Forks and Red Wing.—From "Commercial West."

PUBLICATIONS RECEIVED

Frenzied Liberty.—By Otto H. Kahn. Extracts from address given at the University of Wisconsin, January 14th, 1918. This booklet discusses the war in its relation to the movement towards internationalism; the relative burdens upon the rich and poor; and maintains that the rich are incurring just as much in service and in taxation, as the poor.

Canadian Independence.—By Z. A. Lash, K.C., LL.D. An address to the Ontario Bar Association, Toronto, February 22nd, 1918. Mr. Lash discusses some of the constitutional questions which would be involved in a separation from the Empire, and the position in which our legislatures, governments, and law courts would find themselves. We would have nothing to gain in trade or revenue, he says, and our public expenditure would necessarily be greater. While the present arrangement is not entirely satisfactory, the solution does not lie in independence. Mr. Lash summarizes his conclusion as follows:—"Neither constitutionally, financially, nor in importance as a factor in the world's advancement would Canada advance her present position or her prospects for the future by becoming independent."

War Time Control of Industry.—By Howard L. Gray, Professor of History in Bryn Mawr College. This book relates in a clear and comprehensive manner the experience of Great Britain in the control of industry since the 4th of August, 1914. Each chapter is devoted to a separate industry. The government assumed control of the railways the first day after war was declared, and the author points out that in its administration of the railways, the government has been perhaps more fortunate than in any other of its essays in state control. Regulation of munitions and labor, the coal mines, wool and woolens, shipping, food and its production, followed in due course. As the author himself states in the preface, a necessary defect of the book is its incompleteness. The account is, nevertheless, not only of scientific interest but is also of intense practical use in America and Canada, and wherever industry has not thus far been so fully taken in hand by the state. Macmillan and Company, New York, 1918; $1.75.

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IRON ORE IN BRITISH COLUMBIA

According to Dr. S. F. Tolmie, M.P., there are no fewer than 18 deposits of iron ore on Vancouver Island, and he points out that the argument that the iron deposits of British Columbia are not of sufficient size to justify the establishment of modern blast furnace plants, no longer holds. Regarding the quality of the ore, he points to the fact that the United States ship "Nebraska" was built of Iron Lake steel, made from the iron ore of Texada Island.

CROP PROSPECTS IN WESTERN CANADA

The wheat of 1918 upon which so much depends is already showing above the ground according to a detailed crop report received at the head office of the Canadian Northern Railway here recently from the agents along its lines in western Canada.

Out of 269 agents reporting all but some 64 reported seeding of wheat completed as of the week ending May the 4th. The remainder would have sufficient time from that date to complete their operations.

Advice that wheat was showing above the ground, in some cases to a height of several inches, came from 38 agents.

The farmers are now turning to the seeding of coarser grains. Some 68 reported oats seeding as underway. Only a few have reported on barley.

PRODUCTION OF GRAIN IN 1917

According to the International Institute of Agriculture the total production of wheat in Denmark, Spain, France, Great Britain, and Ireland, Italy, Luxemburg, Norway, Netherlands Sweden, Switzerland, Canada, United States, India, Japan, Algeria, Egypt, Tunis, Argentina, Uruguay, Union of South Africa, Australia and New Zealand in 1917 was 2,242,477,000 bushels, compared with 2,173,162,000 in 1916 and 2,479,519,000 the average of the three years, 1914-16. The probable consumption of wheat in the same countries during the grain year, August 1st, 1917, to July 31st, 1918, is estimated at 2,157,682,000 bushels.

The total production of rye in Denmark, Spain, France, Ireland, Italy, Luxemburg, Norway, Netherlands, Sweden, Switzerland, Canada and the United States in 1917 was 158,010,000 bushels, compared with 167,778,000 in 1916, and with a three-years average of 172,276,000. The consumption of rye in 1917-1918 is estimated at 146,010,000 bushels.

The total production of barley in the same countries as for wheat, less India, Argentina, Uruguay and South Africa in 1917 was 634,853,000 bushels compared with 611,669,000 in 1916 and a three years' average of 626,981,000. The consumption of barley in 1917-18 in the same countries as for production is estimated at 593,824,000 bushels.

The total production of oats in the same countries as for wheat less India, Egypt, Uruguay, South Africa and Australia in 1917 was 2,663,112,000 bushels compared with 2,335,442,000 in 1916 and a three years' average of 2,408,611,000. The consumption of oats in 1917-18 in the same countries as for production is estimated at 2,257,457,000 bushels.

The production of corn in France, Italy, Spain, Switzerland, Canada, United States, Japan, South Africa and New Zealand in 1917 was 3,334,556,000 bushels compared with 2,739,570,000 in 1916 and a three years' average of 2,943,866,000. The consumption of corn in 1917-18 in these countries is estimated at 2,856,684,000 bushels.

The surplus shown above in the case of wheat is due to the large crops in Argentina, Australia and India. On account of the great distance of these countries from the centres of consumption and the difficulties of transportation, it is still indispensable that production should be intensified and consumption restricted in the countries of the northern hemisphere.

During the coming season, the commission of conservation will continue, under the supervision of Dr. C. D. Howe, of the Faculty of Forestry of Toronto University, the study begun last year, of the conditions on cut-over pulpwood lands in Eastern Canada.

BANKING HOURS IN TORONTO TO BE CHANGED

On and after June 1st, the hours for banking in the city of Toronto will be 9.30 to 2.30 instead of 10 to 3 as formerly. This change will result in a larger proportion of the business being done in the morning, and the employees will be through earlier in the afternoon. Some relief in the shortage of bank help was expected from the merger of the Bank of British North America and the Bank of Montreal, and that of the Northern Crown Bank with the Royal. This, however, has been offset by the still further application of the Military Service Act.

QUEBEC'S FOREST REVENUE

Since 1867, the date of Confederation, the government of the province of Quebec has derived a total revenue from its forests of more than $42,000,000. During the year ended June 30th, 1917, the revenue from this source was $1,568,157, of which $347,505 was from ground rent and $1,115,892 from stumpage dues. The greatest total forest revenue was during 1914-1915, when the amount collected was $1,736,605. These revenues form an important item in the support of the civil government.

UNITED STATES ARMY APPROPRIATIONS

The statement was made on the 3rd instant by Secretary of War Baker, that the total of army appropriations submitted to Congress for the fiscal year 1918 was approximately $15,000,000,000. This does not include amounts carried in the separate fortifications bill, covering the cost of defences, heavy ordnance, etc. The secretary also mentioned the fact that the aeroplane programme had not met expectations, the government having been over confident, and the contractors having been unable to fulfil their contracts with the required speed.

TEMISKAMING MILL CLOSED

The mill of the Temiskaming mine was closed on May 9th. It is proposed to continue aggressive development and exploration work underground. While there is considerable low-grade ore at the Temiskaming available for treatment the amount is not sufficient to keep the mill running at full capacity. The cost of operating the mill at half capacity has been found to be not far under what it costs to run at full capacity. The management, therefore, considers it best to curtail mill operations until such a time when sufficient ore will be accumulated to keep the mill up to capacity. Indeed, by running the mill at full capacity for six months of the year as it is figured, will result in a greater profit than if run at half capacity for the full year.

According to official advice, the underground work will be hurried on, and advantage thus taken of the opportunity to direct all energy in prosecuting this one branch of the work.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railways for the first week in May:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
May 7	$3,065,000	$3,033,000	—$ 32,000

Grand Trunk Railway.

May 7	$1,135,091	$1,434,727	+ $299,636

Canadian Northern Railway.

May 7	$ 734,500	$ 827,500	+ $ 93,000

In Toronto, in 1916, 766,329 pounds of butter-fat were sold and consumed as cream. In addition, 778,479 pounds of butter-fat were made up in the form of ice-cream, or a total of 1,544,808 pounds of butter-fat utilized in these ways.

DIVIDENDS AND NOTICES

BANK OF MONTREAL

Notice is hereby given that a Dividend of Two-and-One-Half per Cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, also a Bonus of One per Cent., both payable on and after Saturday, the First day of June next, to Shareholders of record of 30th April, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
Montreal, 23rd April, 1918. General Manager.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 125.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 31st May, 1918, together with a bonus of one per cent., and that the same will be payable at the Bank and its Branches on and after Saturday, 1st June, 1918. The Transfer Books of the Bank will be closed from the 17th to the 31st of May next, both days inclusive.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 19th April, 1918.

THE NORTHERN CROWN BANK

HEAD OFFICE—WINNIPEG

DIVIDEND No. 19.

Notice is hereby given that a Dividend at the rate of 5% per annum on the paid-up Capital Stock of this Bank has been declared for the six months ending May 31st, 1918, and that same will be payable at its Banking House, in this city, and at all its Branches, on or after the first day of June next to shareholders of record at the close of business on the 16th day of May, 1918. The Transfer Books of the Bank will be closed from the 17th day of May to the 31st day of May, both inclusive.

By Order of the Board
ROBERT CAMPBELL,
Winnipeg, April 17th, 1918. General Manager.

THE ROYAL BANK OF CANADA

DIVIDEND No. 123.

Notice is hereby given that a Dividend of Three per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this Bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the first day of June next, to shareholders of record of 15th May.

By Order of the Board.
C. E. NEILL,
General Manager.
Montreal, Que., April 16, 1918.

THE OGILVIE FLOUR MILLS COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of one and three-quarters per cent. has been declared on the Preferred Stock of the **Ogilvie Flour Mills Company, Limited,** payable Saturday, the first day of June, 1918, to Shareholders of record at the close of business Wednesday, the twenty-second day of May, 1918.

By Order of the Board.
G. A. MORRIS,
Secretary.
Montreal, May 13th, 1918.

UNION BANK OF CANADA

DIVIDEND No. 125

Notice is hereby given that a dividend at the rate of 9% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Saturday, the 1st day of June, 1918, to shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, 1918, both days inclusive.

By Order of the Board.
H. B. SHAW,
General Manager.
Winnipeg, April 19th, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of two per cent. (2%) on the Common Stock of the **Dominion Textile Company, Limited,** has been declared for the quarter ending **30th June, 1918,** payable **July 2nd,** to shareholders of record **June 15th, 1918.**

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 10th May, 1918.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent. extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

WANTED: BOND SALESMAN.—One with experience in selling bonds and debentures; good salary to right man. Apply Box 181, *The Monetary Times*, Toronto.

WANTED.—For office of a General Insurance Agency, young man with Fire Insurance experience. Excellent opportunity for advancement. Apply, stating experience and salary expected to Box 177, *The Monetary Times*, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

Canada imports annually, canned sardines valued at over $100,000. The major portion of these imports are from the United States, Norway, the United Kingdom and Portugal, in the order named. Oddly enough, only 20 per cent. of the New Brunswick catch is canned in this country. The remaining 80 per cent. is shipped to Maine to be canned by American canners. The Canada Food Board is at present taking active steps to have these fish canned in Canada. If this is done it will be, obviously, a distinct advantage to Canadian consumers.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Hamilton Street Railway Company.—The company's receipts for the first three months of the year were $204,157.38. Eight per cent. of this netted the city $16,332.59, and mileage was $1,879.96. In the same period of 1917, the receipts were $186,689.45, the city's 8 per cent. was $15,735.15, and mileage 1,879.96.

Northern Ontario Light and Power Company.—The company's gross earnings for the first quarter of 1918 were $230,212, an increase of $10,372 over the corresponding quarter of 1917. Net earnings amounted to $171,458, compared with $169,444 for the same period of the year before. Surplus for the quarter was $102,868.

Canadian General Electric Company, Limited.—A new high record for the company in 1918 is promised by the reports of the company's progress thus far. Current orders are running at the rate of $240,000,000 for year, as against $234,000,000 for the corresponding period last year. The balance available for outstanding capital stock from 1917 was $26.50 per share.

Demerara Electric Company.—Earnings for March, 1918, were as follows:—

	Gross.	Net.
Railroad	$ 6,306.28	$ 17.79
Light and power	8,040.03	3,843.36
Miscellaneous	....	124.48
	$14,346.31	$3,985.63

National Transcontinental Railway.—The actual earnings of the railway, now a part of the government system, for the 11 months ended February 28th, amounted to $6,923,627, according to a return presented to parliament on May 13th in response to a motion by Mayor Lavigeur, of Quebec City.

The earnings of the section of the railway between Moncton and Quebec were $1,538,764; between Quebec and Winnipeg $4,226,018; and between Lake Superior Junction and Fort William $1,158,844.

Curtiss Aeroplane and Motors Corporation.—The expansion of business by the corporation is most astonishing. Early in 1917 the company was doing a business of around $600,000 a month; now it is shipping at the rate of $5,000,000 a month. The total sales of the company, which is said to have government contracts aggregating $150,000,000, for the year 1917 were $19,826,772. The cost of the goods sold aggregated $15,102,210, so that gross profits from sales were $4,724,561. Net income after charges for administrative and general expenses, interest deductions, taxes and other charges amounted to $2,426,996. The profit and loss surplus, after the payment of dividends, was $945,973.

Minneapolis, St. Paul and Sault Ste. Marie.—The following is a statement of revenue and expenses of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company for March, 1918:—

Main Line:	
Total operating revenue	$1,464,348.91
Total expenses and taxes	1,292,600.90
Operating income	$ 171,748.01
Chicago Division:	
Total operating revenue	$1,049,432.57
Total expenses and taxes	884,319.54
Operating income	$ 165,113.03

Twin City Rapid Transit Company.—The earnings of the company for the month of March, 1918, compared with March, 1917, were as follows:—

	Month of March, 1918.	1917.		Inc. or dec. %
Gross revenues	$835,293	$916,605	—	08.87
Operating expenses	614,391	610,439	+	06.47
Net revenue	220,902	306,166	—	27.85
Fixed charges and taxes	160,695	150,093	+	07.06
Net income	60,206	156,072	—	61.42

For the first three months of 1917 and 1918 they are as follows:—

	Year to date. Three months, 1918.	1917.		Inc. or dec. %
Gross revenues	$2,457,390	$2,641,912	—	00.98
Operating expenses	1,881,090	1,799,459	+	04.54
Net revenue	576,300	842,453	—	31.59
Fixed charges and taxes .	466,130	435,068	+	07.14
Net income	110,170	407,384	—	72.96

Havana Electric Railway, Light and Power Company.—The annual report of the company for the year ended December 31st, 1917, indicates a successful year's business. Gross receipts from each of the departments show a gain, the total being almost $1,000,000 more than for last year. The following is a statement of earnings:—

	1917.	1916.
Gross earnings	$6,989,599.33	$6,017,708.59
Operating expenses and taxes ..	3,385,469.83	2,443,885.33
Net income	$3,604,129.50	$3,573,823.26
Miscellaneous income	149,754.70	144,561.49
Total net income	$3,753,884.20	$3,718,384.75
First charges	1,138,623.30	1,297,093.23
Net profit	$2,615,260.90	$2,421,291.52

After deductions for depreciation, interest, dividends and sinking funds, there remained $2,270,290.19 at the credit of profit and loss account, an increase of over $200,000, as compared with last year.

SURTAX ON REALTY IN MONTREAL

On Friday, the 10th instant, the city council of Montreal adopted a recommendation from the administrative commission that a tax of 45 cents per hundred dollars of valuation be imposed on real estate. This will be in addition to the regular tax. It is expected by this means to improve the financial position of the city.

MONTREAL BOND DEALERS WILL OPEN NEW BRANCH

Messrs. Versailles, Vidricaire and Baulais, Limited, the well-known dealers in municipal bonds, of St. James Street, Montreal, will open a branch office in Quebec in the early part of next week.

The large number of Quebec customers of this firm, together with their expanding business, in the east and west, has influenced them in getting closer to their people by this extension of business.

UNITED KINGDOM LIQUOR TRADE

British parliamentary committees appointed to investigate the purchase and control of liquor traffic by the state have reported in favor of the scheme. The cost is estimated at between £400,000,000 and £500,000,000. The inclusion of wholesalers in the plan is also favored in some quarters. General opinion, however, is in favor of excluding allied trades, such as the major portion of the hotels, clubs, railroad refreshment rooms, theatre bars, etc.

COBALT ORE SHIPMENTS

The shipments of ore, in pounds, from Cobalt Station for the week ending May 11th, were as follows:—

Penn-Canadian, 60,923; O'Brien, 58,871; Aladdin-Cobalt, 84,900; Hudson Bay, 63,406; National Mines, 44,080; Kerr Lake, 60,254; Nipissing, 248,620; Buffalo, 175,850; Coniagas, 153,670; total, 1,050,574.

The total shipments since January 1st now amount to 8,708,302.8 pounds, or 4,354.1 tons.

FOUNDED 1871

The Ocean Accident and Guarantee Corporation, Limited

Head Office for Canada—TORONTO. General Manager for Canada—WILLIAM THOS. PERRY

Dr. BALANCE SHEET, 31st December, 1917 *Cr.*

($5.00 = £1 Sterling)

LIABILITIES.

Shareholders' Capital:—			
Authorized—			
200,000 Shares of $25 each			$ 5,000,000.00
Subscribed—			
12,000 Shares of $25 each (fully paid)		$ 300,000.00	
112,308 Shares of $25 each ($5 per Share paid)		2,807,700.00	
124,308		$3,107,700.00	
Less Uncalled Capital		2,246,160.00	
			861,540.00
Amounts due to other Companies for Re-insurances			149,555.00
Re-insurance and other Funds			278,095.00
Amounts due to Agents and others			685,190.00
Unclaimed Dividends			815.00
Leasehold Redemption and Sinking Fund Account			95,650.00
General Insurance Fund:—			
Provision for claims outstanding		$6,088,990.00	
Investment Reserve and General Contingency Fund		1,425,000.00	
		$6,513,990.00	
Reserve Fund		1,500,000 00	
Balance from Revenue Account, including $5,528,545.00, proportion of premiums unearned	$13,519,745.00		
Less Amount transferred to Investment Reserve and General Contingency Fund above	89,835.00		
		13,429,905.00	
			22,443,900.00
			$24,494,760.00

ASSETS.

Mortgages and advances on property within the United Kingdom	$ 655,440.00
Mortgages on property out of the United Kingdom	105,000.00
Investments (including those deposited under local laws or by contract in various Colonies and Foreign Countries as security for holders of policies issued there):—	
British Government Securities	5,853,335.00
Indian and Colonial Government Securities	948,655.00
Indian and Colonial Provincial Securities	147,690.00
Indian and Colonial Municipal Securities	440,130.00
Foreign Government Securities	1,926,085.00
Foreign Provincial Securities	142,580.00
Foreign Municipal Securities	565,190.00
Railway and other Debentures and Debenture Stocks—Home, Indian and Colonial	909,215.00
United States Railway Bonds	5,012,675.00
Railway and other Debentures and Debenture Stocks—Foreign	1,935,210.00
Railway and other Preference Stocks	201,220.00
Railway and other Ordinary Stocks and Shares	405,460.00
Freehold and Leasehold Premises at Home and Abroad, partly occupied as Offices of the Company, and partly producing revenue	1,518,540.00
Branch, Agency and other Balances	2,393,065.00
Amounts due by other Companies for Re-insurances and Losses	117,815.00
Cash:—	
With Bankers and in hand	1,120,665.00
Investments in Trustees' Hands to meet Leasehold Redemption and Sinking Fund Account	95,650.00
	$24,494,760.00

BUSINESS TRANSACTED

Personal Accident
Plate Glass
Guarantee

FIRE AUTOMOBILE

Liability
Burglary

BRANCHES:—Montreal, Winnipeg, Regina, Calgary and Vancouver

Montreal and Toronto Stock Transactions

Stock Prices for Week ended May 15th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi.....com.	....	....	....
Ames-Holden.....com.	22	....	764
" .....pref.	....	....	885
Asbestos Corporation	....	....	20
" " .....pref.	....	....	....
Bell Telephone	....	....	5
British Columbia Fishing & Packing	....	....	....
Brompton	54¼	54⅛	2172
Brazilian	35½	31⅞	730
Canada Car.....com.	31	30¼	270
" .....pref.	75	77¾	1095
Canadian Converters	43	....	110
Canada Cement.....com.	60	59¾	2168
" .....pref.	....	90	....
Canada Cottons	65	....	75
" .....pref.	76	....	63
Canadian Con. Rubber.....pref.	....	....	....
Canadian Pacific Railway	150	147	....
Canadian General Electric	102½	102	227
Canadian Locomotive	....	59½	212
Canada Steamship Lines.....com.	40	39⅞	360
" " " .....pref.	....	....	253
" " " .....(Voting Trust)	39¼	39	25
Civic Investment	....	....	....
Civic Power.....com.	....	....	....
Cons. Mining and Smelting	25	....	272
Consumers Gas.....com.	....	....	....
Dominion Bridge	....	....	...
Dominion Canners	32	31⅝	517
Dominion Iron.....pref.	....	90¼	360
Dominion Steel Corporation.....com.	62½	61⅞	5230
Dominion Textile	91½	....	1988
" .....pref.	....	100	10
Goodwins Ltd.	....	....	....
Illinois Traction.....com.	....	....	...
" .....pref.	....	....	....
Lake of the Woods Milling.....com.	....	129¾	100
" " " .....pref.	....	....	....
Laurentide Co.	167	165¾	255
Lyall Const.....com.	....	....	130
Macdonald	....	13½	26
Mackay Cos.....com.	....	....	....
" " .....pref.	....	....	....
Maple Leaf Milling.....com.	98⅜	98	125
Montreal Tel.	....	....	20
Montreal Tramway.....deb.	....	....	2000
Montreal Light, Heat and Power	77½	77	455
Montreal Cotton.....com.	....	50	51
" .....pref.	....	....	....
Nova Scotia Steel.....pref.	66	....	....
Ogilvie Flour Mills.....com.	....	....	104
Ontario Steel.....com.	28	25½	75
" .....pref.	....	....	....
Penmans	75	74	36
" .....pref.	....	82	....
Price Bros.	120	....	....
Riordan Paper	120¼	118½	190
" .....pref.	....	..	....
Quebec Railway, Light, Heat & Power	18¾	18½	750
Shawinigan Water & Power	....	..	89
" " " .....rights	....	....	....
Spanish River.....com.	14	13	355
" .....pref.	....	....	60
Smart Woods	....	....	30
Steel Co. of Canada	65½	65⅝	12563
" " " .....pref.	....	....	59
St. Lawrence Flour Mills.....com.	70	69	560
Toronto Railway.....com.	60	....	57
Wabasso Cotton	45¼	45	1325
Wayagamack	....	...	225
Bank of British North America	....	....	....
Bank of Commerce	....	....	22
Bank of Montreal	....	....	....
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	....	....	51
Banque Nationale	....	....	....
Bank of Nova Scotia	....	....	....
Dominion Bank	....	....	....
Merchants Bank	....	....	33
Molsons Bank	....	....	....
Quebec Bank	....	....	....
Royal Bank	....	....	10
Standard Bank.....com.	....	....	....
Union Bank	....	150	....

Montreal Bonds

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	69	....
Bell Telephone	....	....	....
Canadian Car.	....	....	....
Canada Cement	....	....	100
Canadian Converters	....	82	....
Canada Felt	....	....	....
Cedars Rapids	....	....	....
Dominion Coal	....	....	1000
Dominion Cotton	....	....	1000
Dominion Iron and Steel	....	84	2000
Dominion Textile.....A	....	....	....
" " .....B	97	....	....
" " C	...	....	....
" " .....D	98¾	....	....
Lake of Woods Milling	....	....	....
Laurentide	....	101	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	....	....
Nova Scotia Steel	....	....	....
Ogilvie.....A	....	100	1000
" .....B	....	100	....
" C	....	100	....
Penmans	....	....	....
Price Bros.	....	....	....

Montreal Bonds (*Continued*)	Opened	Closed	Sales
Quebec Railway, Light and Power	....	....	1000
Riordan Paper	....	....	....
Steel of Canada	...	...	500
First Dominion War Loan	95⅛	91⅞	8700
Second Dominion War Loan	...	93⅝	1700
Third Dominion War Loan	92¼	93	16600
Wabasso Cotton	84	....	500
Wayagamack	74⅛	74¼	3000

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	22	20	....
" .....pref.	59½	58	....
American Cynamid	34	30	....
Bell Telephone	....	....	....
Barcelona	10	9½	25
British Columbia Fish	48	46	...
Brazilian	34¾	34	332
B. C. Packers	....	....	....
Canada Bread	30	29½	760
" .....pref.	....	...	....
Canadian Car & Foundry	31	29½	25
" " " .....pref.	78	76¼	....
Canadian Canners	....	....	70
" .....pref.	....	....	8
Canadian General Electric	103¼	101½	....
" " " .....cum div. pref.	....	...	....
Canada Landed & National Investment	....	148¾	...
Canadian Locomotive	60	59	....
" .....pref.	....	82¾	....
Canadian Pacific Railway	...	....	....
Canada Permanent	....	162½	720
Canada Steamship	39¾	39¼	445
" " .....pref.	76¼	76⅛	90
Can. Salt	....	....	....
Cement.....com.	60½	59½	590
"	....	....	....
City Dairy	....	35	....
" .....pref.	....	80	....
Coniagas	325	300	....
Confederation Life	375	....	....
Consumers Gas	141½	....	26
Crows Nest	...	....	....
Dome	765	725	....
Dominion Cannera.....pref.	31½	30½	....
Dominion Iron.....com.	....	...	...
Dominion Steel Company	62½	61½	610
Dominion Savings	....	....	....
Duluth Sup.	41	....	....
F. N. Burt	....	66½	....
" .....pref.	88	85½	32
Hamilton Provident	....	...	....
Huron & Erie.....com.	....	....	12
La Rose.....com.	48	43	1050
Mackay Companies	76½	75½	45
" .....pref.	65	64	32
MacKinley Darragh.....com.	....	....	....
Maple Leaf Milling	99½	98	120
" " " .....pref.	94	92	....
Monarch	40	39	....
" .....pref.	80	....	....
Nat. S. Car	10	8	....
" .....pref.	37	32	....
Nipissing	900	875	25
Nova Scotia Steel	65	....	....
" " " .....rights	....	....	....
Pacific Burt	34	....	....
" .....pref.	77½	....	....
Prov. Paper	55	....	....
Penmans.....com.	75	73½	....
Petroleum	1375	1325	....
Quebec L. H. & P.	18¾	18¼	....
Riordon	122	118	....
Rogers.....com.	....	....	....
Russell Motor	73	70	62
" .....pref.	78	76½	218
Sawyer-Massey	15	....	....
" .....pref.	40	....	....
Smelters	....	....	90
Spanish River	16	13¼	100
" .....pref.	50½	....	....
Cons. Smelters	....	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " .....pref.	57	....	...
Steel Company of Canada	65½	65	897
" " " .....pref.	91	90	5
Toronto General Trust	....	...	....
Toronto Paper	....	70	....
Toronto Railway	60	....	38
Trethewey S. Mines.....com.	17	10	....
Tucketts	19	....	....
" .....pref.	....	....	....
Winnipeg Electric	....	....	....
Twin City	46	44⅞	13
Bank of Commerce	....	185½	10
Bank of Ottawa	201	....	...
Bank of Hamilton	188	186	1
Bank of Montreal	....	....	....
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	....
Dominion Bank	202	....	....
Imperial Bank	185	....	....
Merchants Bank	....	....	2
Molsons Bank	....	....	....
Royal Bank	208	....	3
Standard Bank	200¼	....	9
Union Bank	....	150	....

Toronto Bonds

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	....
" .....pref.	....	....	....
Canada Locomotive	....	85	...
Colonial Loan	....	63	691
Penmans	....	85	....
Steel Company of Canada	....	92	....
First War Loan	95⅛	94½	1200
Second War Loan	94	93¾	8500
Third War Loan	93	92¾	178000

The Cost of Smoking

Do you know that the cost of your two or three cigars—say a quarter a day---will maintain about $4,000 of life assurance for a man between 25 and 30?

You can afford to smoke, sure! But you can also afford an Imperial Life Policy to provide for your wife and little ones should death call you suddenly. For particulars write to

THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO

PRELIMINARY STATEMENT OF THE TRADE OF CANADA FOR MARCH

	Month of March			Twelve Months ending March		
	1916	1917	1918	1916	1917	1918
Imports for Consumption.	$	$	$	$	$	$
Dutiable Goods	34,780,853	54.571,450	50.637,294	289,332.729	461,708.206	542.319.623
Free Goods	27,253,752	47.764,436	36,618,404	218,450.632	383 622,697	420,202,224
Total imports (mdse.)	62,034,605	102,335,886	87,255,698	507,783,361	845,330,903	962,521,847
*Coin and bullion	531,383	1,632,950	602,562	34,260,202	28,081,120	12 279,173
Total imports	62,565,988	103,968,836	87,858,260	542.043,563	873,412 023	974,801.020
Duty Collected	12,171,311	17.072,390	15,799,250	103,928.753	147,623,230	161,588.465
Exports.						
Canadian Produce—The mine	8,004,843	9,980,711	6,772,173	66,589,861	85,616,907	73,760,502
The fisheries	2,054,493	2.373,258	3,365,222	22,377,977	24,889,253	32,602,151
The forest	3,247,691	3.614,385	3,922,820	51,271,400	55.907,209	51,899,704
Animal produce	8,626,681	14,809,941	9,552,749	102,882,276	127,795,468	172,743.061
Agricultural produce	17,852,426	21,962,252	37,895,628	249,661,194	373,413-701	567,713,584
Manufactures	47,013,766	69.239,486	37,999,663	242,034,998	477,399,678	636,602 516
Miscellaneous	1,614,338	435,280	346,732	6,792,932	6,353,554	4,706,250
Total Canadian produce	88,414,238	122,415,313	99,854,987	741,610,638	1,151,375,768	1,540,027,788
Foreign produce	1,165,910	4,109,698	3,863,989	37,689,432	27,835,332	46,142,004
Total exports (mdse)	89,580,148	126,525 011	103,718,976	779,300,070	1 179,211,100	1,586,169,792
*Coin and bullion	192,274	228,927	160,096	103,572,432	196,547,048	3,491,403
Total exports	89,772,422	126,753,938	103,879,072	882,872,502	1,375,758,148	1,589,661,195
Aggregate Trade.						
Merchandise	151,614,753	228,860,897	190,974,674	1,287,083,431	2,024,542,003	2,548,691,636
Coin and bullion	723,657	1,861,877	762,658	137,832,634	224,628 168	15,770,576
Total trade	152,338,410	230,723,774	191,737,332	1,424,918,065	2,249,170,171	2,564 462,215

*Note.—It will be noted that the figures relating to the imports and exports of coin and bullion for the twelve months ending Mar., 9117, were: imports 1916, $34,260,202; 1917, $28,081,120; 1918, $12,279,173; and exports 1916, $103,572,432; 1917, $196,547,048; 1918, $3,491,403. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

FIRE INSURANCE FOR 1917

A statement of fire insurance business in Canada for the year 1917 appears on another page in this issue. The report shows a substantial increase over the business of the previous year. The amount of net cash premiums received was $31,269,677 as compared with $27,783,852 in 1916. The losses on the other hand, increased by only $1,100,000, which is a very creditable showing. The gross amount at risk is now over $4,000,000,000, over half of which is in the hands of British and Colonial companies. United States companies have over $1,000,000,000 and Canadian companies have almost $700,000,000. There is a substantial increase in the business of all three. The Canadian companies, however, show an actual decrease in the amount of losses incurred during the year, while the losses of the other two groups increased considerably.

*TOTAL TRADE OF CANADA BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	36,937,713	28,391,640	50,147.830	86,807,809
May	45,076,939	34,390,808	69,697,812	107,596,379
June	45,750,793	35,324,739	66,399,538	97,515,067
July	42,964,467	36,557,691	63,622,687	90,181,595
August	44,390,603	40,806,865	72,331,114	91,931,009
September	36,567,572	38,028,156	68,766,262	75,893.365
October	35,113,730	39,515,144	71,196,252	78,113,962
November	31,552,190	45,217,559	72,579,445	72,708,439
December	30,392,913	45,690,721	67,900,534	61,634,662
January	30,300.157	50,170,465	72,323,074	....
February	35,912,910	51,654,968	68,030,469	....
March	40,411,384	62,034,605	102,335,886	....
Totals, Fiscal Years	455,371,371	507,783,361	845,330,903	....

EXPORTS OF CANADIAN MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	17,753,071	28,691,889	55,092,035	65,145,449
May	30,005,635	42,080,486	94,653,138	149,057,236
June	28,000,200	42,805,846	95,635,862	116,285,841
July	41,807,648	45,590,038	104,964,270	177,366.148
August	31 510,732	41,094,154	96.091,028	146,387,586
September	31,796,613	46,129,735	90,285,181	112,621,462
October	45,883.422	80,038,582	85,312 175	155,093,744
November	42,872,109	92.931,916	109,558,950	187,225,515
December	37,193,609	92,171,402	130,037,174	148,411,919
January	28,595,598	83 731,184	99,106 259	....
February	28.881,277	57,931,168	68.224,383	....
March	45,118,922	88,414,238	122,415,313	....
Totals, Fiscal Years	409.418,836	741,610,638	1,151,375,768	....

EXPORTS OF FOREIGN MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	662,190	2,584,685	809.061	1,795,814
May	2,885,528	1,440,434	1,175,211	3,233,110
June	2,611,309	4,552,656	2,490,104	3,725,324
July	8,507,322	2.916,682	1,590,422	2,850,372
August	12,549,622	7,904,330	2,230,133	6,175.759
September	8,747,481	7,586,147	1,986,218	2,855,585
October	5,652,809	4,063,483	2,003,559	4,790,753
November	3,370,152	1,504.177	2,243,423	7,442,978
December	1,654.468	1,423,201	2,496,831	2,475,129
January	1,371,732	1,715,862	3,445,807	....
February	1,240,624	831,865	3,254,865	....
March	2,770.416	1,165,910	4,109,698	....
Totals, Fiscal Years	52,023,673	37,689,432	27,835,332	....

TRADE OF CANADA WITH UNITED KINGDOM BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM UNITED KINGDOM.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	6,718,774	4,829,105	6,953,307	6,754,791
May	8,864,524	5,297,150	10,015,047	8,028,763
June	9,243,234	5,693,544	9,170,364	8,489,191
July	9,064,290	6,307,797	9,463.316	6,902,611
August	9,517.335	6.315,225	9.699,705	8.008.713
September	7,132,304	5,902,915	8,818,520	6,368,729
October	7,350,472	5,688,293	8,506,096	7,120,227
November	5,873,854	7,338,718	8.462,892	6,482,535
December	5,644,400	6,243.327	8,112,981	5,067,625
January	6 692,555	7,327,255	9,455,133	....
February	7.013.754	6,978,123	8,139,966	....
March	6,967,682	9,449,230	10,273,854	....
Totals, Fiscal Years	90,083,178	77,370,682	107,071,181	....

TRADE OF CANADA WITH UNITED KINGDOM BY MONTHS—*Continued.*

EXPORTS OF CANADIAN MERCHANDISE TO UNITED KINGDOM

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	7,000,680	18,192,655	35,847,117	....
May	12,154,115	24,643,519	62,310,274	....
June	8,636,470	21,783,968	61,850,279	....
July	18,026,788	22,739,381	71,317,030	....
August	12,543,233	17,925,332	59,153,587	....
September	12.752,854	22,189,301	55,804,371	....
October	24,745,143	45,765.452	47.171,629	....
November	22,150,800	59,584,272	70,141.525	....
December	17,971,518	66,405.670	93,348,306	....
January	12,686,992	59,236.993	65,987,895	....
February	14,301,759	34,445,583	42,590,593	....
March	23 698,202	58,940,273	76,624,931	....
Totals, Fiscal Years	186,668,554	451,852,399	742,147,537	....

EXPORTS OF FOREIGN MERCHANDISE TO UNITED KINGDOM.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	43,676	42,153	280,260	....
May	962,478	186.497	313.643	....
June	671,925	2,060,035	1,135,051	....
July	3,159,958	1,121,625	611,253	....
August	8.358,515	2,125,681	1,425,947	....
September	5,323,124	3,908,253	810,545	....
October	3 128,638	592,942	961,527	....
November	1,708 608	145,768	1,330,290	....
December	698,363	353,252	1,595.448	....
January	158,424	416,103	1,498,945	....
February	159.908	69.803	2.005,942	....
March	715,547	206,730	1,954.671	....
Totals, Fiscal Years	25,089,164	11,228,842	13,923,522	....

TRADE OF CANADA WITH UNITED STATES BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM UNITED STATES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	25,088,765	20,059,097	38,283,790	74,611,244
May	28,421,096	24,683,167	52,543,423	91,332,166
June	29,571,954	25,412,590	50,754,009	82,035,864
July	26,894,617	25,989,742	48,370,692	76,163,533
August	26,663,285	28,255,575	56,433,525	75.034,983
September	25,297,147	26,986,214	53,345,945	61,040.349
October	23,346,870	28,381,750	56,081,018	62,556,763
November	21,387,196	32,419,421	58,496.757	59,372,683
December	20.037,155	34,449,039	53,917,608	50,747,098
January	18,506.108	37,337,914	57,847.927	....
February	23.505,889	38.945,968	53,517,508	....
March	27,912,404	47,577,390	84,627,451	....
Totals, Fiscal Years	296,632,506	370,497,867	664,219,653	....

EXPORTS OF CANADIAN MERCHANDISE TO UNITED STATES

Months.	1914-15	1915-16	1916-17	1917-1918
	$	$	$	$
April	8,056.633	7,951.610	12,791,903	....
May	14,156,947	12,256 886	22,871,262	....
June	14,934,723	13,914,300	21,729,722	....
July	18,746,186	16,589,893	23,458,183	....
August	15,922,271	16,290,685	23,987,082	....
September	16,242,895	18,410,017	22,814,216	....
October	17,138,777	24,140,559	26,336,639	....
November	16.468,038	22,540,375	29,008,668	....
December	15.341,608	18,448.862	27,363,888	....
January	11,225,623	15.200,296	22,026,268	....
February	10,601.127	15,315.328	16,826,311	....
March	14,485.388	20,047,677	31,402,188	....
Totals, Fiscal Years	173.320.216	201,106.488	280,616,330	....

(*Continued on Page 40*)

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*Figures of the Department of Trade and Commerce.

"Safeguarding the Investor"

This is the title of a small pamphlet dealing with the services offered by Members of the Toronto Stock Exchange in buying or selling all kinds of securities. It is to be mailed in a few days. If your copy does not come to hand write any Member and one will be sent immediately.

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The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments. Embracing the entire Dominion of Canada.

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Our accident and health policy is the most liberal protection ever offered for a premium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.

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A STRONG CANADIAN COMPANY

Paid up Capital	$200,000.00.
Authorized Capital	$1,000,000.00.
Subscribed Capital	$1,000,000.00.
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ESTABLISHED 1869

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Employer's Liability
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AND FIRE INSURANCE

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Canada Security Assurance Company

HAIL DEPARTMENT

CALGARY - ALBERTA

TRADE OF CANADA WITH UNITED STATES BY MONTHS—*Continued from Page 38.*

EXPORTS OF FOREIGN MERCHANDISE TO UNITED STATES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	554,106	2,523,936	498,847	....
May	704,925	804,121	694,465	....
June	896,101	565,292	685,866	....
July	799.669	1,388,725	706,075	....
August	1,560,373	4,562,614	739,633	....
September	1,832,072	1,181,862	1,118,379	....
October	1,052,813	1,022,692	977,307	....
November	695,917	723,051	848,179	....
December	688,024	842,645	825,913	....
January	1,191,921	510,587	848,628	....
February	1,071,741	702,873	895,969	....
March	1,974,978	734,376	1,123,182	....
Totals, Fiscal Years	13,022,640	15,562,774	9,962,443	....

TRADE OF CANADA WITH OTHER COUNTRIES BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE FROM OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	5,130,154	3,503,438	4,910,733	5,441,774
May	7,791,319	4,410,491	7,139,342	8,235,450
June	6,935,605	4,218,605	6,475,165	6,990,012
July	7,005,560	4,260,152	5,788,679	7,115,451
August	8,209,983	6,236,065	8,197,884	8,887,313
September	4,138,121	5,139,027	6,601,797	8,484,287
October	4,416,388	5,445,101	6,609,138	8,436,972
November	4,291,140	5,459,420	5,619,796	6,853,221
December	4,711,358	4,998,355	5,869,945	5,819,939
January	5,101,494	5,505,296	5,020,014	....
February	5,393,267	5,730,877	6,372,995	....
March	5,531,298	5,007,985	7,434,581	....
Totals, Fiscal Years	68,655,687	59,914,812	74,040,069	....

EXPORTS OF CANADIAN MERCHANDISE TO OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	2,695,758	2,547,624	6,453,015	....
May	3,694.573	5.180,081	9,471,602	....
June	4,429,007	7,107.578	12,055,861	....
July	5,034'674	6,260,764	10,189,057	....
August	3,045,228	6,878,137	12,950,359	....
September	2,800,864	5,530,417	11,666,594	....
October	3,999,502	10,132,571	11,803,907	....
November	4.253,271	10,807,269	10,408,757	....
December	3,880,483	7,316,870	9,324,980	....
January	4 682,983	9,293,895	11,092,096	....
February	3,978,391	8,170,257	8,807,479	....
March	6,935,332	9,426,288	14,388,194	....
Totals, Fiscal Years	49,430.066	88,651,751	128,611.901	....

EXPORTS OF FOREIGN MERCHANDISE TO OTHER COUNTRIES.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	64,408	18,596	29,954	....
May	1,216,125	449,816	167,103	....
June	1,043,283	1,927,329	669,187	....
July	4,547,695	406,332	273,094	....
August	2,630,734	1,216,035	64.553	....
September	1,592,285	2,496,032	57,294	....
October	1,471.358	2,447,849	64,725	....
November	965,627	635,358	64,954	....
December	268,101	227,304	75,470	....
January	21,387	789,172	1,098,234	....
February	8.975	59,189	352,954	....
March	79,891	224 804	1,031,845	....
Totals, Fiscal Years	13,911,869	10,897,816	3,949,367	....

DEBENTURES FOR SALE

$3,000,000

PROVINCE OF ONTARIO.

10-YEAR 6 PER CENT. GOLD BONDS.

Sealed tenders endorsed, "Tenders for Province of Ontario Bonds," addressed to the undersigned, will be received for the purchase of $3,000,000 (Three Million Dollars) ten-year Gold Bonds of the above Province, dated 15th May, 1918, due 15th May, 1928, bearing interest at the rate of six per centum per annum, payable half-yearly on 15th May and 15th November. Principal and interest payable in gold at the office of the Treasurer of Ontario, Toronto, or at the Bank of Montreal, Montreal, Canada, or at the Agency of the Bank of Montreal in the City of New York, U.S.A., at the option of the holder.

Bonds to be in the denominations of $100, $500 and $1,000, respectively, as follows: 2,500 of $100 each; 1,000 of $500 each; and 2,250 of $1,000 each, with coupons attached, and may be registered as to principal.

Payment for bonds with accrued interest to date of payment to be made at the office of the Treasurer of Ontario at the Parliament Buildings, Toronto, as follows: 1st payment, $1,500,000 on the 28th May, 1918; balance on the 10th June, 1918. Interim certificates will be supplied on payment of the money, to be exchanged for the definitive bonds on completion by the engravers.

Tenders to be addressed to the Hon. T. W. McGarry, Treasurer of Ontario, Parliament Buildings, Toronto, and delivered not later than noon on Monday, the 20th day of May, 1918.

Tenders must be for the whole amount offered and must be accompanied by marked cheque for $100,000, to be applied in the case of the successful tenderer on the last payment for bonds.

The highest or any bid not necessarily accepted.

T. W. McGARRY,
Treasurer of Ontario.

Toronto, May 14, 1918.

DEBENTURES

Marked tenders will be received by the undersigned up to noon, Friday, May 24th, for seven thousand dollars ($7,000.00) debentures, payable in twenty-five equal annual instalments, bearing 6% interest, to buy a site and build and equip a two-room school in S.S. No. 8, Fitzroy Township.

WM. BOYLE,
Township Clerk,
Kinburn, Ont.

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Stock and Bond Brokers

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CONFEDERATION LIFE
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made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED.	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED.....................	INCREASE 166%
ADMITTED ASSETS...............	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

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The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds.........$ 66,500,000
Deposited with Canadian Government and Government Trustees, over.............. 7,000,000
Investments under Canadian Branch, over...$ 16,000,000
Revenue, over............... 7,900,000
Bonus declared 40,850,000
Claims paid 151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

The largest commissions are not payable by

The London Life Insurance Co.

London ... ... Canada

The largest earnings are, however, possible on account of its liberal policy contracts.

POLICIES "GOOD AS GOLD." 7

The Western Empire
Life Assurance Company

Head Office: 701 Somerset Bldg., Winnipeg, Man.

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REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co. write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"

HEAD OFFICE • TORONTO, CANADA

The Secret of a Wonderful Success

The rise and progress of The Mutual Life of Canada has been one of the romances in the history of Canadian Finance. Less than half-a-century ago a small group of men in an obscure Ontario town determined to establish a Life Insurance Company that would give the public the maximum of service at a minimum of cost. That being the aim it was resolved that the organization should be purely mutual. Five hundred prospective policyholders were gathered and formed the nucleus of the Company. From this small beginning in 1870 the Company has gone forward steadily with more regard to security and mutual serviceableness than big business. The result is that the Company to-day is enjoying a popularity that is phenomenal, writing during the past year more than $20,000,000 paid for assurances.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario

Assets **$32,165,000** Surplus **$4,761,299** Assurance **$123,511,314**

AS GOOD AS THE WHEAT

Over 65,000 persons in Canada have arrived at the conclusion that the GREAT-WEST LIFE can give them the best possible value in Life Insurance—a "No. 1 Hard Policy."

Not through lavish advertisement, or the lapse of many years, has the Company attained its reputation, but solely through the attractiveness of its Policies.

Over $155,000,000 of business in force is the record for twenty-five years.

As the standard of profitable Life Insurance, GREAT-WEST POLICIES are well said to be "as good as the wheat."

Information on request.

The Great-West Life Assurance Co.
DEPT. "F"

HEAD OFFICE : : WINNIPEG

ALWAYS A PLACE
FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR

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For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

FIRE INSURANCE BUSINESS IN CANADA LAST YEAR

LATEST OFFICIAL RETURNS	Net Cash received for Premiums	Re-insurance and return Premiums	Gross cash received for Premiums	Gross amount of policies new and renewed.	Net amount at risk at date	Net amount of losses incurred during the year	Net amount paid for losses	UNSETTLED LOSSES	
								Not resisted	Resisted
Summary	$	$	$	$	$	$	$	$	$
Canadian Companies	4,895,843	4,310,758	9,206,601	819,328,851	698,047,897	2,499,145	2,411,791	598,697	22,320
British and Colonial Companies	16,291,021	3,800,321	20,091,342	1,908,989,781	2,156,796,666	8,879,196	8,379,236	1,619,789	329,858
United States and other Companies	10,082,813	3,431,815	13,514,629	1,311,166,450	1,140,114,108	6,068,826	5,636,502	1,540,773	31,620
Totals for 1917	31,269,677	11,542,894	42,812,572	4,039,485,082	4,166,011,013	17,447,167	16,427,529	3,759,259	383,798
Totals for 1916	27,783,852	8,889,675	36,673,527	3,418,238,680	3,720,058,236	16,308,270	15,114,063	2,871,534	109,577
Canadian Companies									
Acadia Fire	147,293	109,277	256,570	21,889,496	18,671,419	123,464	54,685	65,289	none
Beaver Fire	34,122	61,756	95,878	6,091,664	3,999,531	7,204	6,134	2,135	none
British America	700,822	412,871	1,113,693	105,385,692	101,175,169	287,805	308,856	124,951	none
British Colonial	116,122	132,464	248,586	18,191,575	13,541,449	85,711	76,231	14,451	7,752
British Northwestern	76,708	50,918	127,626	8,570,890	7,228,924	28,612	25,120	8,300	none
Canada Accident	33,530	76,368	109,898	12,799,093	4,973,609	16,089	15,487	3,182	none
Canada National	149,420	114,666	264,086	20,002,346	22,691,927	73,658	60,239	16,492	none
Canadian Fire	291,854	168,738	460,592	32,286,662	35,535,130	116,969	102,873	23,500	none
Canadian Lumbermen's	4,577	24,712	29,289	1,421,755	957,323	none	none	none	none
Dominion Fire	242,164	166,468	408,632	32,427,774	34,918,282	149,618	144,222	10,950	4,500
Dominion of Canada Guarant. & Acci.	26,108	7,652	33,760	3,183,579	4,946,398	15,508	11,796	6,139	none
(a) Globe Indemnity	53,812	77,271	131,083	13,255,449	11,544.139	23,544	16,937	6,607	none
Hudson Bay	161,733	121,889	283,622	22,829,601	16,372,902	101,366	88,780	22,457	none
Imperial Underwriters	163,290	40,300	203,590	22,699,762	21,421,467	77,173	67,078	33,240	none
Liverpool Manitoba	271,886	215,614	487,500	42,021,495	32,613,506	101,992	103,416	17,881	none
London Mutual	371,353	331,006	702,359	72,783,572	64,459,036	209,970	193,848	27,811	none
Mercantile Fire	263,805	48,343	312,148	31,893,209	36,468,831	119,910	108,324	23,434	1,350
Mount Royal	489,044	366,965	856,009	75,005,193	61,521,666	243,145	240,022	32,157	4,443
North Empire Fire	84,385	120,361	204,746	9.338,421	7,967,816	49,803	60,462	10,878	none
North West Fire	125,782	67,117	192,899	16,828,614	16,832,759	90,389	84,169	17,654	3,875
Occidental Fire	158.413	213,851	372,264	23,388,893	16,217,516	85,427	81,812	20,116	none
Pacific Coast	99,543	89,340	188 883	16,850,265	12,901,961	56,993	46,582	16,146	none
Quebec Fire	259.067	59,317	318,384	34,107,837	37,673,081	144,078	151,459	19,258	none
Western	571,010	1,233,494	1,804,504	176,076,014	113,414,056	290,717	363,259	75,669	400
Totals for 1917	4,895,843	4,310,758	9,206,601	819,328,851	698,047,897	2,499,145	2,411,791	598,697	22,320
Totals for 1916	4,817,876	3,560,167	8,378,043	742,805,919	662,129.297	2,714,176	2,595,578	438,256	15,639
British and Colonial Companies									
Alliance	308,203	36,340	344,543	38,481,030	46,122,377	140,228	128,786	24,601	1,603
Atlas	516,936	76,762	593,698	51,106,434	70,185,329	310,243	291,227	26,538	12,500
British Crown	229,620	65,582	295,202	21,334,858	24,827,820	126,430	156,147	21,414	none
Caledonian	438,103	95,328	533,431	49,574,732	68,272,914	244,757	205,501	37,852	25,000
Century	86,448	32,871	119,319	12,138,754	9,200,308	67,217	54,337	21,608	none
Commercial Union	1,035,610	469,091	1,504,701	173,035,835	132,263,988	519,145	487,239	124,906	none
(b) Eagle, Star and British Dominions	121,042	29,753	150,795	14,711,276	16,705,127	54,940	71.789	12,329	4,000
Employers' Liability	525,499	118,321	643,820	63,763,847	64,168,591	305,286	235,791	70,995	18,905
General Accident, Fire and Life	368,845	87,115	455,960	36,842.215	42,750,852	205,381	199,764	48,609	1,500
Guardian Assurance	1,171,115	194,931	1,366,046	120,768,295	140.302,464	664,544	600,081	96,310	104,200
Law Union and Rock	255.452	49,217	304,669	30,874.677	38,249,854	155,262	144,385	22,534	6,386
Liverpool and London and Globe	1,411,088	369,352	1,780,440	161,361,537	195,344,324	654,552	665,949	121,627	none
London Guarantee and Accident	251,602	34,889	286,491	37,798,127	26,732,922	160,542	84,980	84,671	none
London and Lancashire Fire	786,110	188,681	974,791	101,297,986	112,362,787	353,883	408,719	64,778	none
London Assurance	327,559	62,728	390,287	39,189,266	49,798,077	172,251	156,250	34,468	none
Marine Insurance Co.	none	none	none	none	none	none	none	none	none
North British and Mercantile	1,017,446	228,912	1,246,358	111,809,181	133,263,199	472,280	380,690	90,734	78,235
Northern Assurance Co	865,048	120,772	985,820	84,317,734	102,876,129	516,731	497.231	62,338	39,292
Norwich Union Fire	824,798	135,055	959,853	86,292,815	107,256,066	461,061	478,521	54,802	23,904
Ocean Accident and Guarantee	250,637	56,854	307,491	29,224,665	26,475,239	129,640	116,695	19,705	none
Palatine	297,403	112,950	410,353	37,580.784	36,711,753	172.674	145,755	50,652	none
Phœnix, of London	999.090	312,085	1,311,175	109,646,209	128,581,181	497,252	539,583	38,551	5,900
Provincial	51,083	9,887	60,970	8,322,744	8,547,969	47,751	73,748	1,018	none
Royal Exchange	517,975	93,162	611,137	65,209,086	69.500,563	322,843	300,122	47,626	none
Royal Insurance Co	1,618,161	340,819	1,958,980	184,221,002	234,667,348	890,970	813,313	197,992	none
Scottish Union and National	414,709	79,189	493,898	49,482,234	62,416,125	266,317	256,484	55,596	none
Sun Insurance Office	612,526	137,707	750,233	74,601,710	81,852,020	383,315	315,360	94,198	none
Union Assurance Society	546,921	176,072	722,993	69,322.455	70,252,559	283,024	283,847	46,818	2,000
Union Insurance of Canton	13,882	5,501	19,383	5,199.344	4,738,174	684	none	684	none
Yorkshire	428,110	80,395	508,505	41,480,949	52.370,907	300,173	286,942	45,835	6,433
Totals for 1917	16,291,021	3,800,321	20,091,342	1,908,989,781	2,156,796,666	8,879,196	8,379,236	1,619,789	329,858
Totals for 1916	14,294,803	2,872,331	17,167,134	1,606,346,835	1,958,789,616	8.583,652	7,926,463	1,322,864	66,749

(a) Including the business of the Hamilton Fire Insurance Company, which this Company has reinsured.
(b) Formerly the British Dominion General Insurance Company, Limited.

Solid Growth

UP-TO-DATE business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

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HEAD OFFICE - WINNIPEG

THE PRUDENTIAL has a large force of Canadian employees at work in every large city in the Dominion selling Gibraltar-like life insurance policies and industriously paying death claims in afflicted homes day after day. The Prudential has throughout the United States and Canada Fifteen Million Policies in Force, equal to nearly twice the population of the Dominion, and indicating the popularity of this big American Company.

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FIRE INSURANCE BUSINESS IN CANADA LAST YEAR—*Continued from Page 42*

Latest Official Returns	Net Cash received for Premiums	Re-insurance and return Premiums	Gross cash received for Premiums	Gross amount of policies new and renewed	Net amount at risk at date	Net amount of losses incurred during the year	Net amount paid for losses	Unsettleo Losses	
								Not resisted	Resisted
United States and Other Countries	$	$	$	$	$	$	$	$	$
Ætna Insurance Co.................	377,057	60,148	437,205	39,532,269	46,455,787	198,942	200,303	37,058	none
Agricultural	10,587	10,524	21,111	1,386,200	1,503,406	1,215	1,169	70	none
Alliance Insurance.................	45,295	23,792	69,087	10,540,700	6,196,567	25,717	22,079	3,638	none
American Central	114,255	118,301	232,556	23,315,149	10,583,234	43,218	34,015	16,158	none
American Insurance	61,379	7,720	69,099	4,963,646	5,203,845	21,398	20,612	1,137	none
American Lloyds....................	26,939	4,806	31,745	8,413,902	7,389,177	27,628	104,643	50	none
Automobile Insurance...............	None	None	None	None	None	None	None	None	none
California.........................	47,945	23,200	71,145	6,358,029	4,277,056	13,632	10,724	3,057	none
Citizens' of Missouri	9.948	6,290	16,238	1,284,830	None	678	700	8	none
Columbia	None	None	None	None	None	None	None	None	none
Commercial Union of N.Y.	7,505	5,308	12,813	826,414	906,902	972	972	None	none
Connecticut........................	159,833	85,218	245,051	21,042,876	18,076,978	103,114	70,711	38,768	none
Continental Insurance	346,548	151,056	497,604	50,099,181	39,851,321	290,274	259,116	77,570	5,000
Equitable Fire and Marine	42,949	136,375	179,324	16,568,247	4,658,513	23,661	22,489	4,691	none
Fidelity-Phenix....................	357,776	130,486	488,262	46,150,090	40,017,359	241,997	239,408	54,059	2,500
Fireman's Fund.....................	151,700	47,469	199,169	21,732,561	21,858,177	94,724	76,749	34,273	none
Firemen's Insurance................	83,992	17,161	101,153	7,647,030	10,551,643	44,769	52,215	16,230	none
General of Paris...........	84,399	34,208	118,607	11,591,920	8,872,058	53,068	48,616	23,442	none
Glens Falls........................	170,038	44,064	214,102	22,615,402	19,366,964	84,531	78,222	23,059	6,000
Globe & Rutgers....................	550,478	172,646	723,125	79,534,939	56,334,921	295,806	251,550	109,121	none
(a) Great-American	436,935	144,758	581,693	58,789,156	54,057,753	302,305	245,174	99,023	none
Hartford Fire.................. ...	1,009,343	235,428	1,244,771	119,957,023	127,680,626	474,883	493,217	100,689	none
Home Insurance.....................	1.121,291	255,111	1,376,402	125,850,655	125,173,168	599,080	560,974	161,057	none
Insurance Co. of N. America........	521,955	162,901	684,856	79,889,442	26,813,502	375,191	285,303	114,777	none
Insurance Co. of State of Pa........	197,962	48,285	246,247	19,189,352	14,982,039	159,110	138,139	41,585	none
Merchants Fire.....................	6,680	3,737	10,417	626,920	364,263	1,521	1,517	163	none
Millers National...................	53,033	16,469	69,502	5,408,896	4,985,937	51,158	46,934	8,277	2,650
National-Ben Franklin..............	81.402	19,717	101,119	9,773,375	14,323,954	47,906	47,282	7,295	none
National Fire of Hartford..........	502,240	170,885	673,125	66,367,147	61,796,190	266,041	292,667	36,220	none
National Union Fire................	232,681	57,703	290,384	28,030,934	25,705,335	156,593	152,877	42,683	none
La Nationale.......................	211,099	68,527	279,626	26,463,898	22,732,811	122,632	117,523	21,356	none
Niagara Fire.......................	137.590	93,668	231,258	21,396,266	17,204,609	89,824	77,530	24,543	none
Northwestern National..............	188.705	26,946	215,651	19,512,374	23,233,717	103,263	98,856	30,426	none
Phenix of Paris....................	97,325	40,160	137,485	14,665,622	10,922,207	47,173	37,592	12,580	none
Phœnix, of Hartford.	418,856	223,271	642,127	59,455,285	58,656,701	234,017	186,850	68,430	none
Providence Washington..............	209,547	51,091	260,638	27,734,398	23,212,077	130,529	106,445	39,946	2,970
Queen of America	646,043	145,495	791,538	68,963,562	83,622.774	394.603	340,329	106,279	10,000
St. Paul Fire and Marine...........	367,678	125,156	492,834	48,035,280	37,204,077	256,592	239,822	52,780	none
Springfield Fire and Marine........	394.615	183,934	578,549	64,948,415	45,088,506	276,998	270,855	43,924	none
Stuyvesant.........................	136 367	136,691	273,058	23,243,949	12,035,083	140,358	150,349	33,391	none
L'Union, Paris, France	217.366	48,607	265,973	22,598,160	25,386,160	137,284	128,695	23,258	2,500
Westchester Fire...................	245,477	94,503	339,980	26,662,956	22,828,717	136,421	123,279	29,702	none
Totals for 1917..............	10,082,813	3,431,815	13,514,629	1,311,166,450	1,140,114,108	6,068,826	5,636,502	1,540,773	31,620
Totals for 1916	8,671,173	2,457,177	11,128,350	1,069,085,926	1,099,139,323	5,010,442	4,592,022	1,110,414	27,189

(a) Formerly the German American Insurance Co.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended May 15th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........com.	46	49.50	Can. Oil.............com.	30	....	Goodyear Tire............	170	195	National Potash.........	.. .	1.50
" ....pref.	80	90	Can. Timber & Land.....	90	....	Harris Abattoir........6's	94	100	National Telephone...5's	52	57
Alberta Pac. Grain..com.	100	....	Chapman Ball Bearing..	23.50	30	Home Bank..............	59	62	Ont. Pulp Bonds.........	76.50	80
Amer. Sales Book....6's	90	....	Cockshutt Plow.....pref.	65	75.50	Imperial Oil..............	270	285	P. L. Robertson Screw..	....	40
Ashdown Hardware..5's	88	93	Collingwood Ship. com..	15	30	Imperial Trust...........	...	40	Sovereign Life	12.50	20
Atlantic Sugar.........6's	78	84.50	Continental Life.........	17	25	Inter. Mill ....pref.	83	89	St. Lawrence Sugar...6's	90	95
" " ......pref.	28	32	Dom. Fire	19	23	Lambton Golf Club..	350	390	Sterling Bank.	....	82
Belding Paul........com.	11	15.50	Dom. F'dry & Steel 8% pf.	87	92.50	London Loan & Savings.	90	110	Sterling Coal........com.	12.50	15
" " ......pref.	73.50	78.50	Dom. Glass ....pref.	75.50	82.50	Massey Harris...........	112	131	" " ......bonds	70	74
Black Lake............6's	22.50	24.50	Dom. Iron 5's, 1939.......	74	77.50	Matthew-Blackwell com.	42	50	Temple (Allen) Thea.com.	....	60
Brand-Henderson.....6's	95	....	Dom. Linseed Oil........	70	...	Matthew Laing.......6's	94	97.50	Toronto Carpet.....com.	85	....
Burns & Co. 6's, 1924....	95	100	Dom. Mfg ....pref.	....	45	M'Donald...........pref.	74.50	79.50	Toronto Paper........6's	85	89
Can. Cons. Felt.....com.	6	8	Dom. Power.........pref.	92		Mexican Northern....5's	10	13	Toronto Power 5's 1924..	80	83
Can. L. & P. 5.s	40.50	45	" " ....5's	81		Mississauga Golf.........	38	53	Toronto York Rad.....5's	92	97.50
Canada Machinery..pref.	47.50	53	Dunlop Tire..... . . 6's	95		Murray-Kay ....pref.	....	22	West. Assurance	7.25	8.75
" " com.	11.50	....	Eastern Car...........6's	89		Morrow Screw........6's	85	92	Wt. Can. Flour.... com.	100	120
" " 6's	73.50	80	Ford Motor of Canada...	....		National Life............	37	....	....	....	....
Can. Mortgage & Invest..	....	83	....	....	....	....	...	....	....	....	....

GOVERNMENT TO PURCHASE IRON OUTPUT

The Dominion government has decided to offer to purchase all the pig iron production of blast furnaces erected in Canada during the next two years. The price will be governed by the market conditions at the time. The object of this offer is to encourage new steel and iron industries in Canada by assuring the sale of the product. The question of a Federal subsidy for the industry has been under discussion for some time, and a delegation from British Columbia has been waiting on the government with a view to obtaining assistance for the industry in that province.

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JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Trade Opportunities With Brazil

Germany's Trade With Brazil Totalled $10,000,000—The Country Has Been Underestimated Here—Excellent Opportunity for Canadian Export Trade—Brazilian Products Supplementary to Those of Canada—Japan Invades South American Field—Direct Steamship Line Desirable.

INCREASED attention has been drawn to Brazil during the past few months on account of its declaration of war against Germany. While no active part has been taken in the war by the Brazilian government, apart from patrolling part of the Atlantic, it is expected that an expeditionary force will be sent before the end of the present year.

The development of Brazil has long been delayed, and generally speaking, it has not attained the prominence which its smaller but more vigorous neighbor, Argentine, has reached. Brazil includes practically one-half of the total population of South America of about 50,000,000. It is the heart of the South American continent, and touches every other country there, with the single exception of Chile, and it is not a paradox to point out that the latter has frequently been, politically, Brazil's best friend. A Canadian gentleman who has been thirteen years in Brazil, namely, the Rev. J. D. McEwen, stated the other day to *The Monetary Times* that "Brazil is the most stable of that continent of unstable republics." Mr. McEwen also pointed out in connection with the possibilities of increasing trade with Brazil, that the language spoken there was Portuguese, whereas, Spanish is spoken in most of the other South American countries.

Germany formerly had an export trade of $10,000,000 to Brazil. This has, of course, been entirely wiped out. Brazil is accordingly open for the purchase of $10,000,000 of goods annually, and there is no reason whatever why some portion of this trade should not be obtained by Canada. At the present time, quantities of fish are shipped from the Maritime Provinces to Brazil. In fact, on account of being an almost exclusively Roman Catholic country, Brazil is one of the best markets for Canadian and Newfoundland fish. Nova Scotia lumber and fruits are also shipped to some extent. The present shortage of ocean tonnage and high freight rates, however, affect this trade injuriously. It is said that apples imported from Nova Scotia sell freely in Brazil at 15 cents each, and butter from Denmark at $1 per pound. These facts would indicate that if a market is found for products such as these at the prices mentioned, there would be a wide market for Canadian products at the lower price, which reduced freight rates would make possible.

As a field for Canadian trade, Brazil undoubtedly offers the best opportunity in South America. This is not only due to the fact that its population and area is much larger than that of any other country there, but also because Brazilian products do not compete with Canadian products, but supplement them. Brazil is a tropical country, although it does extend southwards within the temperate zone. No wheat nor oats are grown and the cattle and other livestock is of comparatively inferior quality. Argentine, on the other hand, has a climate similar to that of Canada, and produces many identical products. In bulky goods, such as agricultural products, fruits, etc., Argentine no doubt has an advantage over Canada in trading with Brazil, on account of its proximity. There is no reason, however, why Canadian bacon, butter and other products whose value is fairly high in proportion to its bulk, should not compete successfully in Brazil with the produce of any other country. Moreover, with our well-developed manufactures of agricultural implements, etc., some market for manufactures should be found. It was in the field of inferior grades of manufactures that Germany achieved the greatest success in Brazil. There, as in most countries, Britain has retained her prestige in the highest grades of manufactures.

The excellent opportunity afforded has been recognized by many countries and Japan more especially has been vigorous in promoting her interests in South America. Prior to 1914 there were no steamships trading directly between Japan and South America. Now there are three lines. A number of banks in South America has also been planned by Japan, including branches in Bahia, Sao Paulo, Rio Janiero, Para, Pernambuco and Manaos in Brazil. With these arrangements for transportation and finance, Japan will be prepared to promote trade with South America, and apparently methods are to be used very similar to those employed by Germany. When the war ceases, Japan at least will be in a position to compete with Germany.

At the present time a line of ships plying direct from Canada to South America will not obtain sufficient business to pay, and in view of the extreme shortage of ocean tonnage, would be decidedly an extravagance. The Dominion government, moreover, is in no financial position to enter upon a speculative venture of this kind. It is worth bearing in mind, however, that the opportunity does exist, and should be taken advantage of so far as Canadian conditions and the defective transportation system permit.

It may be remarked that agricultural implements and pure-bred stock for breeding purposes are admitted into Brazil free of duty. Agriculture there is in an extremely backward condition. The principal agricultural implement is a large hoe which is used for cultivating the ground.

Brazil is the principal coffee-producing country of the world and this is its principal export. Two-thirds of the world's supply is produced here and it has been estimated that a total of £100,000,000 is invested in the industry. Coffee has found a steady and increasing market, and although there was a considerable overproduction in 1906, the surplus from that year has been gradually disposed of. Brazil also produces cane sugar, cocoa, cotton, fruits and nuts. One of its important products is timber, the market for which, however, has been affected by war conditions. The timber produced varies in specific gravity from .750 to 1.310; that is, some kinds are much heavier than water. The timber resources of Brazil are being gradually used up, and it is said that the climate in some places is on this account becoming much drier and droughts have even been experienced where they were not incurred before. Another important product is rubber, which comes from the valley of the Amazon. The Brazilian rubber, collected from trees of natural growth, is reputed to be the best in the world, although the plantation product has recently been competing with it in all but the very best grades.

Favorable Towards Trade With Canada.

Apart from the purely economic opportunities for trade with Brazil, the political sentiment of the country is also quite sympathetic towards Canada. The United States has, of course, always been Brazil's best market, but there is a general feeling among the South American republics which would resent any attempt of the United States at economic or political domination. Knowing Canada's position as to this question, they recognize the identity of their interests with ours. Canadian trade efforts would meet in Brazil not only with perfect freedom, but even with active assistance. The fact that the Brazilian Traction Company, which operates the public utilities of cities of Rio Janiero and Sao Paulo, and is the largest public utility corporation in Brazil, is a Canadian company, would appear to be sufficient proof of this. Sir John Aird, who was recently in South America, testified regarding the high standard of South American cities, and the general advancement of business. At the present time the only Canadian trade commissioner in South America is located at Buenos Ayres, Argentine. In other republics, however, the British consular service is placed at our disposal. Canadian trade with Argentine was developed considerably up to 1915, when it totalled $4,599,372 for the nine months ending December 31st, with a substantial balance against us. Since then our imports have fallen to a fraction of their former figure, and the total trade is much less. Trade with Brazil for the same period totalled only $1,387,296, with a balance in our favor; on the other hand, our imports from Brazil have increased since 1915, and the balance is now against us. This would point to the fact that exchange, and the necessity for return cargoes if a direct line of steamships were established, would have the effect of promoting Canadian exports to Brazil. We also owe a substantial annual balance to Peru, and some of the other republics. The United States trade with Brazil, which has increased enormously since 1914, is also heavily in favor of Brazil. A good portion of Germany's export trade has, however, been obtained by the United States, and the foreign banking business is now almost exclusively in the hands of British and United States firms; formerly, on account of the Brazilian export of coffee being centered in Hamburg, much financial business was handled by German banks through their agents and representatives in Brazil. At present there is no Canadian bank in Brazil, and trade would undoubtedly be facilitated by the establishment of a branch there. The advantage of using Canadian exchange, instead of having to forward funds through American or British houses, could not fail to appeal to the Brazilian importer.

NOVA SCOTIA FOREST FIRES

Thousands of acres of timber land and a number of houses have been destroyed by forest fires during the past week. A blaze starting about twenty miles south of Windsor, N.S., made a clean sweep of the road, destroying a mill and the houses in that section. The fire then left the road, crossing the Avon River at a narrow spot, and swept on towards Upper Falmouth. The damage in Hants county is estimated at well over $200,000.

The Anglican Church and Hall at Queensport were destroyed in one of the many forest fires raging in Guysboro' county. At Giant's Lake two houses were burned to the ground, and at Halford, on the north shore of Chebucto Bay, one residence was destroyed. On the south shore of the bay a number of barns were destroyed.

STERLING BANK OF CANADA

The annual report of the Sterling Bank of Canada, for the fiscal year ending April 30th, 1918, shows total assets of $16,108,000, or an increase of almost two and one half million for the year. Deposits are now $12,975,000, as compared with $10,666,000 for the year ended 30th April, 1917.

The bank's profits were $186,120, or over 15 per cent. on the paid-up capital. This compares with 13.3 per cent. in 1917, 12 per cent. in 1916, 9.6 per cent. in 1915, and 1914. The sum of $63,000 was carried to contingent account and $40,000 to the credit of profit and loss. Dividends at the rate of 6 per cent. per annum were paid during the year. The bank's deposits have more than doubled during the past five years, and assets have almost doubled. Further details concerning the report will be given next week.

COBALT ORE SHIPMENTS

The shipments of ore, in pounds, from Cobalt Station for the week ended May 17th, 1918, are as follow:—

La Rose Mining Company, 92,637; Aladdin Cobalt Mine, 66,000; McKinley-Darragh-Savage Mine, 168,970; Dominion Reduction Company, 173,000; Mining Corporation of Canada, 195,961. Total, 696,568.

The total shipments since January 1st now amount to 9,404,870.8 pounds, or 4,702.3 tons.

IMPERIAL BANK OF CANADA

The Imperial Bank held its annual meeting in Toronto on Wednesday, the 22nd instant. The bank's total assets are now over $100,000,000, and deposits amount to $75,394,652.66. The amount of notes in circulation is now almost $10,000,000. The bank holds government and municipal securities totalling almost $20,000,000.

The balance at the credit of profit and loss on the 30th April, 1917, was $1,164,876.20, and the profits for the year were $1,185,066.71, so that a total of $2,349,942.91 was available for distribution. Dividends amounting to $840,000, being at the rate of 12 per cent., were paid during the year; patriotic contribution totalled $27,500; $7,500 was contributed to the officers' pension and guarantee funds; $70,000 was set aside for the Dominion government war tax on bank circulation, and $200,000 to cover possible depreciation in bonds and debentures. The balance carried to the credit of profit and loss was $1,204,942.91, or somewhat more than last year. The statement will be given in full next week.

FOOD COMMODITIES IN CANADA

Amount in Storage—Owned by Firms—Imports Including Foreign Production

A statement has been compiled by the Dominion government showing the amount of food commodities in storage April 1st, 1918, as follows:—

	Pounds.
Butter	2,804,201
Cheese	4,266,207
Eggs (dozen)	276,898
Beef (fresh and pickled)	30,285,941
Pork (fresh and pickled)	25,335,862
Bacon, ham and smoked meats	13,328,750
Mutton and lamb	2,953,231
Fish (all varieties)	14,721,956
Fowl (all varieties)	2,090,038

The preceding figures cover only goods reported as held in storage. To estimate the quantity of any of such commodities available from cold storage companies for consumption and export, add about 10 per cent. to represent goods in transit and certain comparatively insignificant quantities unreported.

Firms' Holdings.

Goods owned by firms reporting April 1st, 1918, who also have reported April 1st, 1917, show the following comparisons:—

	Apr. 1, '17. Pounds.	Apr. 1, '18. Pounds.	Inc. or dec.
Butter	1,844,206	1,911,287	+ 3,64%
Cheese	1,706,080	2,800,988	+64.17%
Eggs (dozen)	162,509	201,581	+24.04%
Beef (fresh and pickled)	13,542,915	25,236,265	+86.34%
Pork (fresh and pickled)	30,859,373	24,609,281	—20.26%
Bacon, ham & smoked meats	14,733,632	11,359,019	—22.91%
Mutton and lamb	3,203,548	2,253,703	—29.65%
Fish (all varieties)	9,668,637	10,079,718	+ 4.25%
Fowl (all varieties)	3,087,096	1,327,530	—56.99%

Comparisons of Holdings.

The comparisons of holdings of March 1st, 1918, with April 1st, 1918, are as follows:—

Commodity.	March 1. Pounds.	April 1. Pounds.	Increase or decrease.
Butter	4,300,131	2,804,201	—34.79%
Cheese	5,386,612	4,266,207	—27.53%
Eggs (dozen)	260,141	276,898	+ 6,44%
Beef	29,984,111	30,285,941	+ 1. %
Pork	19,895,869	25,335,862	+27.34%
Ham, bacon & smoked meats	13,624,121	13,328,750	+ .58%
Mutton and lamb	3,839,235	2,933,231	—23.6 %
Fish (all varieties)	13,946,408	14,721,956	+ 5.54%
Fowl (all varieties)	2,492,100	2,090,038	—16.14%

Imports and Exports.

The imports of the same commodities (including foreign as well as Canadian production) for March, 1917 and 1918, respectively, were:—

	March, 1917. Pounds.	March, 1918. Pounds.
Butter	25,065	46,762
Cheese	44,222	32,977
Eggs (dozen)	1,504,512	1,309,623
Beef	1,688,986	422,414
Bacon and ham	1,555,102	3,023
Pork	13,296,542	2,306,834
Mutton	212,146	581,821

The exports of the same commodities for March, 1917, and 1918 were:—

	March, 1917. Pounds.	March, 1918. Pounds.
Butter	80,115	204,308
Cheese	3,885,222	539,162
Eggs (dozen)	174,210	5,892
Beef	10,776,520	5,684,377
Bacon and ham	33,400,965	15,232,048
Pork	2,207,573	184,197
Mutton	15,779	12,521

Commodities In Store.

The following statement shows the distribution of the total quantities of each of the mentioned commodities in store April 1st, 1918, reported according to established districts:—

	Maritime provinces. Pounds.	Quebec. Pounds.	Ontario, minus Toronto. Pounds.	Toronto. Pounds.
Butter	117,422	657,170	103,584	845,408
Cheese	134,678	1,238,999	1,005,564	1,138,535
Eggs (dozen)	2,811	91,650	30,979	64,783
Beef (fresh)	2,622,762	3,619,705	625,476	9,838,980
Beef (pickled)	100,800	85,802	36,237	260,197
Pork (fresh)	59,073	393,157	2,140,375	1,880,761
Pork (pickled)	234,745	737,604	396,191	6,032,219
Bacon and ham	565,027	2,529,794	2,537,169	7,073,542
Mutton and lamb	339,013	673,192	77,562	839,512
Fish (all varieties)	2,387,271	772,726	421,209	828,479
Fowl (all varieties)	79,966	522,510	490,525	450,557

	Manitoba. Pounds.	Alberta and Saskatchewan. Pounds.	British Columbia. Pounds.
Butter	182,855	366,293	450,499
Cheese	175,963	430,383	142,095
Eggs (dozen)	14,903	35,449	48,424
Beef (fresh)	4,461,241	6,916,089	1,499,889
Beef (pickled)	2,655	4,622	11,486
Pork (fresh)	1,635,715	2,311,349	439,811
Pork (pickled)	2,430,777	5,954,458	689,632
Bacon and ham	316,029	226,942	80,247
Mutton and lamb	486,068	363,544	134,400
Fish (all varieties)	1,279,986	613,980	8,218,305
Fowl (all varieties)	161,979	216,468	148,033

NEW CANADIAN FINANCIAL HOUSE

A firm has been organized in Montreal under the name of Aldred and Company, Limited, to act as investment bankers and as fiscal agents for various companies in Canada and elsewhere. The firm will be affiliated with Messrs. Aldred and Company, of New York and Paris, which has been identified with several large corporations both in the United States and Canada. The Canadian firm is being organized to attend to their special interests in this country. It is understood, however, that they will not engage in business which properly lies within the field of the chartered banks or stock exchange firms. The head office of the company is to be in Montreal, and the officers and directors are as follows: President, J. E. Aldred; vice-president and treasurer, Howard Murray, who is vice-president of the Shawinigan Water and Power Company and recently engaged in connection with the work of the Imperial Munitions Board at Ottawa; secretary, H. Geoffrion; directors, J. E. Aldred, Howard Murray, Sir Herbert S. Holt, H. J. Fuller and Mr. M. Otis.

ROYAL EXCHANGE ASSURANCE

The annual report of the Royal Exchange Assurance for the year ended December 31st, 1917, has been made public. This company transacts fire, life, marine and general accident insurance. In spite of unusual losses in the life and marine departments, on account of the war, the annual report makes an excellent showing. From the life department, the total premium income was £397,704, and the claims paid amounted to £261,727. The life assurance fund now amounts to £3,909,108. The company also sells immediate and deferred annuities, 67 of which were issued during the year. The net premiums for the year from the fire department amounted to £1,117,887, being an increase over 1916 of £112,694. The losses were £570,770. From the marine department the net premiums amounted to £1,700,400 and the losses £1,374,610. The general accident department also showed good results. The total assets of the company now amount to over £9,000,000. Dividends totalling 12 per cent. were paid during the year on the capital stock.

The Russell Motor Company, Limited, has issued a handsome booklet describing the company's various plants, and the different operations in the manufacture of munitions of war.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Duluth Superior Traction Company.—The company's earnings for the second week of May were $31,543, as compared with $27,910 for the same seven days in 1917. The increase amounted to $3,632, or 13 per cent. Earnings for the year to date are $617,401, as compared with $564,388 in 1917. The advance was $53,013, or 9.4 per cent.

Northern Ohio Traction and Light Company.—The company's report for the 12 months ended March 31st, 1918, shows gross earnings of $6,599,130, compared with $5,543,778, an increase of $1,015,351 over the corresponding months of the preceding year. Net after taxes amounted to $2,367,191, against $2,500,364 for the 12 months ended March, 1917. Surplus after charges for the period totalled $1,353,684, a decrease of $232,126 from the same period of the previous year.

Porto Rico Railways Company, Limited.—The following is a comparative statement of earnings of the company for April, 1918, and for the four months ending April, 1918:—

	1917.	1918.	Increase.
For April.			
Gross	$ 76,057.77	$ 86,677.35	$10,619.58
Net	25,455.30	37,480.71	12,025.41
For four months.			
Gross	292,861.36	335,124.83	42,263.47
Net	125,753.49	151,424.37	25,670.88

North American Pulp and Paper Company.—A surplus of $105,165 for the year ended December 31st, 1917, as against a deficit of $309,360 for the year previous, is the showing made by the company and its subsidiaries, according to the annual report of the concern, which has just been issued. Factors contributing to the report are a decrease of $524,000 in operating expenses and an increase of $421,137 in the item "other income."

The gross operating revenue for 1917 was $3,528,451, or $434,659 less than in 1916, while the operating expenses were $2,839,097, a drop of $524,000. Total income of $1,318,740 in 1917 compared very favorably with $808,262 the previous year, while the surplus recorded for the twelve months just reported was $105,165 in comparison with a deficit of $309,360, same period a year previous. Minority stockholders' interests' proportion of profits in controlled companies in 1917 were $59,563, while in the year 1916 they were but $3,052, making a final balance of $45,602 for the year just ended, as compared with a final deficit of $312,412 in 1916.

Illinois Traction Company.—The annual report of the Illinois Traction Company for the year ending 31st of December, 1917, has just been issued. The earnings and expenses were as follows:—

Total gross earnings	$14,040,870.35
Total operating expenses, including taxes	9,149,176.26
Net from operation	$ 4,891,694.09
Interest on bonds, etc.	3,082,121.33
	$ 1,809,572.76
Less: Depreciation for 1917	650,704.25
	$ 1,158,868.51
Less: Bond Discount for 1917	82,140.10
Surplus, 1917	$ 1,076,728.41

Each department showed an increase in gross earnings. These earnings were, however, more than offset by the increases in operating expenses and taxes. The additional cost of steam coal was over $450,000, of labor over $316,000, of taxes over $285,000. The net earnings were accordingly decreasing and it became apparent that an increase in rates would be necessary. This was made effective on the Inter-Urban Lines, and an effort is being made to substitute the meter system under steam heating, for the system of flat rates now in force.

Considerable property was acquired during the year, and the total assets now are over $26,000,000.

PERSONAL NOTES

MR. LEON J. BALCER, manager of the Hochelaga Bank in Three Rivers, died suddenly on May 19th at Lake Masketsy, heart disease being the cause.

SIR EDMUND OSLER was elected to the board of directors of the Imperial Oil Company at their meeting on May 18th. He succeeds the late Mr. T. H. Smallman.

MR. J. W. ALEXANDER, for three years branch secretary of the Canada Life in Vancouver, has been appointed provincial manager for British Columbia of the Western Empire Life.

MR. M. E. MANNING, who has been with the Mutual Life Assurance Company for ten years, has been appointed city manager for Toronto, of the Crown Life Insurance Company.

MR. W. H. MARTIN, who has been in charge of the United States loss department of the British-America Assurance Company, of Toronto, Canada, for several years, has been appointed assistant secretary by the directors of the company. Mr. Martin is also in charge of the United States loss department of the "Western," of Toronto.

MR. P. C. BANKS, of Calgary, has been appointed western inspector of the Pacific Coast Fire Insurance Company, of Vancouver, the Century Insurance Company, Limited and the Vulcan Fire Insurance Company, of Oakland, California. The latter two also have their Canadian headquarters in Vancouver. Mr. T. W. Greer is manager for all three.

MR. G. E. RODWELL, who has been for several years resident manager in Calgary for the General Accident Assurance Company of Canada, has been appointed manager of the company's branch office in Vancouver. Mr. Rodwell has taken offices in the Yorkshire Building. The J. O. Miller Insurance Agencies, Limited, have taken over the provincial managership for Alberta.

MR. VICTOR ROSS, who has been connected with the Toronto "Globe" for 21 years, and who has been financial editor for the past nine years, has been appointed assistant to the president of the Standard Oil Company, of New Jersey. The company has adopted a plan of having the employees elect their own representative to treat on question of wages, discipline, hours, etc., with the directors. In addition to his work on the "Globe," Mr. Ross has been contributing editor to the Canadian Bankers' "Journal."

BANK OF MONTREAL BUSINESS

The half-yearly statement of the Bank of Montreal for the six months ending April 30th, 1918, indicates another period of successful business. The assets now total $426,322,996 as compared with $386,806,887 on the 30th of April last year. This is a record level for Canadian Banks. The call and short loans in Great Britain and the United States, and balances due from banks and banking correspondents elsewhere than in Canada, have been reduced considerably, while holdings of Canadian municipal securities and of British, foreign, and colonial public securities other than Canadian, have increased largely. The deposits in the central gold reserves, now stands $13,500,000 compared with $7,000,000 formerly. The large business the company handled is reflected by total current loans of over $109,000,000 as compared with slightly over $98,000,000 a year ago, and loans to cities, towns, and municipalities have advanced from $11,380,184 to $18,136,406.

In spite of the fact that many millions have been withdrawn from deposits, by subscribers to the Victory loan, a net gain of over $33,000,000 is shown.

The profits for the six months are more than for the corresponding period last year, and the total available for distribution in the profit and loss account was $2,952.479. This was distributed as follows: Dividends and bonuses at the regular rates, $960,000; war tax and bank note circulation, $80,000.000; subscription to patriotic funds, $27,500; provision for bank premises, $100,000. The amount to be carried forward is $1,784,979 as compared with $1,557,034 a year ago.

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LIFE INSURANCE AND THE WAR

Mr. John M. Holcombe, president of the Phœnix Mutual Life Insurance Company, contributes an interesting paper to a recent number of the "Economic World," of New York, on the increased importance of life insurance since the outbreak of war. Mr. Holcombe rightly lays emphasis upon the fact that human life is everything, and natural resources nothing in comparison, in the real greatness of a nation. And yet, to the discredit of modern civilization, stress has been placed oftener than not upon wealth rather than upon human welfare.

The life insurance company places the value of human life in the very forefront of its programme. It does so because its success depends upon estimated mortality; and because financial resources making for the widening of the scope of its activities can be accumulated by lengthening the span of life. The directors of insurance organizations give emphasis, therefore, to the social benefits derived from proper housing, community parks and recreation grounds; and decent standards of living in general. Indeed, insurance men were the first to appreciate and further a programme for raising social and economic standards, realizing that a high standard of living means at one and the same time both national well-being as well as individual efficiency. A stagnant, poverty-stricken community has never yet accomplished anything for itself or for the nation at large.

It is for these reasons that insurance companies are so greatly concerned with future conditions, both economic and social. For one thing, their permanent prosperity depends upon the securing of new members from the generation just appearing upon the stage of life. And the soundness and security of their investments in the immediate future are matters of scarcely less importance. It should be abundantly clear, therefore, why life insurance directors are so deeply interested in making "the world safe for democracy." In no other kind of world can life insurance or any other business enterprise flourish.

One need not go very far beneath the surface of things to find that prosperity is based upon political and social justice. Business does not flourish in Turkey, Persia and Afghanistan. Life, liberty and property have no adequate guarantees under autocratic, government or under the reign of tyranny. There is sound common sense as well as psychological value in the appeal: Lend your money to your country, or pay tribute to the Kaiser!

As is well known, the United States government has placed over $12,000,000,000 of insurance upon the lives of its soldiers and sailors. Mr. Holcombe draws attention to the fact that the premiums paid will scarcely make good the losses sustained, simply because it has proved impossible to work out a dependable mortality table for the modern battle. In last analysis, part of this insurance must be made good from taxation; and the scheme, therefore, will differ in no essential detail from the pension programme of Canada and the other nations. It would be a sheer impossibility, of course, for any mutual or stock insurance company to carry war risks at ordinary rates without jeopardizing the interests of the average policyholder. It is doubtful whether even the payment of a special premium makes it advisable for the ordinary insurance company to carry war risks.

It is along other lines that Canadian and United States insurance companies can best support the government and the nation during these difficult times. Insurance officers and agents, because of their wide experience, have been able to render invaluable help to the nation in raising war loans and in promoting every sort of patriotic activity. In addition to all this, an army of agents are strenuously teaching the duty of thrift, day by day, and inculcating the lesson that economy and the elimination of waste make as much for economic progress and national self-sufficiency as business enterprise. Moreover, the insurance companies, by accumulating a vast reservoir of capital, have helped to sustain the industry, commerce and agriculture of the nation. The small, and relatively insignificant, premium paid by the individual amounts to a tremendous total in the aggregate. Here and now, in innumerable ways, and by fresh methods and devices, the insurance companies, through their agents, are preparing the nation to face the hard task that will confront it at the conclusion of hostilities.

The stimulation of patriotism, the emphasizing of the value of thrift, the fertilizing of industry and agriculture, the subscribing of huge sums to finance the war, are the main methods by which the insurance companies have "done their bit." Let this be kept in mind when the farmer and the laborer glance askance at the life insurance agent and feel inclined to sneer, "Non-producer."

TRADE IN EAST AND WEST

Winnipeg, the leading western clearing centre, has latterly been reporting large weekly decreases as compared with 1917, while the leading eastern centres have held their ground or shown increases. At the same time, the Grand Trunk Railway with its connections in the manufacturing east, during the first half of May shows a continuation of heavy increases in gross receipts while Canadian Pacific, the system of which is mostly in the western provinces, in May this year barely succeeded in equalling its record for the first half of the month in 1917. It was expected that the rate increase would enable the railways to substantially increase their gross receipts. So, it is clear that if the old freight and passenger rates had remained in force, Canadian Pacific at least would now be showing substantial decreases. In other words, there is some falling off in volume of western railway traffic; and the evidence of temporary recession of business activity is also seen in the story of the bank clearings.

This, however, is not taken as indicating an unfavorable situation, as it is clearly understood that the drop in clearings and railway traffic is chiefly due to the clean-up of the grain crop. The state of affairs in the grain trade makes a sharp contrast with the situation of two years ago. Then, owing to the great dimensions of the 1915 wheat crop of the prairie provinces, the railways were rushed to capacity through the spring and summer of 1916, right up to August when the new crop came in; while Winnipeg bank clearings were breaking previous records. Since then, the West has had two years of comparatively light harvests. Also, there has been urgent need in Great Britain and France of all the wheat Canada could ship. As regards the crop of 1917, its shipment was further expedited by the fixed prices. There was absolutely no object to be gained through deferring the sale or shipment of the grain—everybody was intent upon getting his stuff on the market as soon as possible. Consequently, in May this year, there has not been such a great volume of grain settlements passing through the Winnipeg clearing house, and the train loads of wheat rushing from the prairies to the Lake Superior terminals have not been so numerous.

Last week's heavy general rains and the excellent growing weather now prevalent in the West have dispelled the slight feelings of nervousness as to the 1918 crop outlook. Then, the general confidence over western prospects is enhanced by remembrance that that part of Canada has a habit of coming forward with a bumper yield in the season following two years of poor crops. A big western crop this year would have a decidedly favorable effect upon the railway traffic reports. The 1915-1916 experiences of the transportation companies would be repeated. Then, so far as the western bank clearings are concerned, the high prices now ruling would perhaps swell the volume of transaction far beyond the records of three years ago. Freight rates being higher, the railways will receive a greater revenue per ton of freight carried than in 1915-16. Also, the higher price of wheat will operate indirectly to swell the railway traffic—since it makes the farmers more prosperous and enables them to buy more general merchandise, which is transported by the railways.

THE TORONTO POSTMASTERSHIP

Further than any proper period that may be requisite out of respect to the honored memory of the late William B. Rogers, postmaster of Toronto, there should be absolutely no delay or hesitation in the appointment of a successor to his position. The Union Government should set at rest the idle rumors regarding the various political favorites who are said to be "slated" for the job, by taking the logical step of promoting William E. Lemon, the present deputy postmaster.

The Union Government has announced its adherence to the principles of promotion. It says that party patronage and petty politics are things of the past. Now there is an outstanding opportunity for the government to prove its sincerity. Mr. Lemon has been in the postal service in Toronto since 1882; there cannot possibly be anybody else so well versed in the requirements of that post office.

Mr. Lemon has been a keen student. He is a man of outstanding ability,—affable, courteous in his relations with the public, prompt in the despatch of business and fully entitled to and deserving of the promotion. His whole business training has been in the Toronto post office, consequently he is well known in that city and public sentiment would be strongly against his being ignored in any appointment that may be made. He joined the staff of the post office as a temporary clerk, but within a year was made clerk in charge of the night staff. After he progressed through the various departments, seeing service in practically every branch, he was impressed with the necessity for better facilities at terminal points, so as to obviate the expense and loss of time involved in carting mail from the Union Station to the General Post Office, there only to sort it and then return to the Union Station large quantities of mail addressed to other cities but which had been first brought to Toronto as the distributing point. Arguments in favor of this innovation so impressed Sir William Mulock, who was then postmaster-general, that "Station A" was organized at the Union Station in 1898, with Mr. Lemon in charge.

This principle of handling mail at railway stations has since greatly grown in favor throughout Canada and also in the United States, and when the new Union Station in Toronto is completed, practically all the sorting of mail that is brought to Toronto will be done at the depot. The post office department is thus utilizing to the limit Mr. Lemon's early ideas upon the subject. Mail that is destined for West Toronto, for instance, will go direct from the Union Station to a branch post office in West Toronto, and the Adelaide Street general post office will become merely a branch for its surrounding business district.

In 1904 Mr. Lemon was appointed office superintendent in charge of the various office staffs throughout Toronto,

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up - - - -	$16,000,000
Rest - - - -	$16,000,000
Undivided Profits	$1,664,893
Total Assets - - -	$403,980,236

BOARD OF DIRECTORS:

Sir Vincent Meredith, Bart., President
Sir Charles Gordon, K.B.E., Vice-President

R. B. Angus, Esq.
Lord Shaughnessy, K.C.V.O.
C. R. Hosmer, Esq.
H. R. Drummond, Esq.
D. Forbes Angus, Esq.
Wm. McMaster, Esq.
Major Herbert Molson, M.C.
Harold Kennedy, Esq.
H. W. Beauclerk, Esq.
G. B. Fraser, Esq.
Colonel Henry Cockshutt.
J. H. Ashdown, Esq.

Head Office: MONTREAL

General Manager—Sir Frederick Williams-Taylor.

Branches and Agencies {
Throughout Canada and Newfoundland
Also at London, England
And New York, Chicago and Spokane in the United States

A GENERAL BANKING BUSINESS TRANSACTED

THE CANADIAN BANK OF COMMERCE

Established 1867

Head Office .... TORONTO

Paid-up Capital . .	$15,000,000
Reserve Fund	$13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., *President*
SIR JOHN AIRD ... ... *General Manager*
H. V. F. JONES ... ... *Assistant General Manager*

Over 375 branches throughout Canada and in the United States, England, Mexico and Newfoundland.

NEW YORK AGENCY—16 Exchange Place
Francis Kemp & Stephenson, Agents.

LONDON, ENGLAND, OFFICE—2 Lombard St., E.C.3
C. CAMBIE, Manager

MEXICO BRANCH—Avenida San Francisco, No. 50
D. MUIRHEAD, Manager

ST. JOHN'S, NEWFOUNDLAND
H. M. STEWART, Manager

The large number of branches of this Bank in all parts of Canada enables it to place at the disposal of its correspondents unexcelled facilities for every kind of banking business with Canada, and especially for collections.

Savings Bank Department at every Branch
(Yukon Territory excepted).

INCORPORATED
1855

THE BANK OF TORONTO

HEAD OFFICE, TORONTO, CANADA

Capital ....$ 5,000,000
Reserved Funds.. $ 6,555,306

Directors

W. G. GOODERHAM, President. J. HENDERSON, Vice-President
WILLIAM STONE, JOHN MACDONALD, L. ENGLEHART
Lt.-COL. A. E. GOODERHAM, BRIG.-GEN. F. S. MEIGHEN,
WM. I. GEAR, PAUL J. MYLER, A. H. CAMPBELL.
THOS. F. HOW, General Manager.
JOHN R. LAMB, Assistant General Manager.
D. C. GRANT, Chief Inspector.

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

Bankers

LONDON, ENGLAND—LONDON CITY AND MIDLAND BANK, LTD.
NEW YORK—NATIONAL BANK OF COMMERCE
CHICAGO—FIRST NATIONAL BANK.

ESTABLISHED 1875

IMPERIAL BANK OF CANADA

CAPITAL PAID UP $7,000,000
RESERVE FUND - 7,000,000

PELEG HOWLAND, President.
E. HAY, General Manager.

HEAD OFFICE . . TORONTO

GOVERNMENT, MUNICIPAL and other
HIGH-CLASS SECURITIES
BOUGHT and SOLD

Correspondence Invited

ADDRESS:

THE MANAGER, BOND DEPARTMENT,
TORONTO

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and in 1907 he became deputy under Postmaster Thos. C. Patteson. In 1908 Mr. Rogers was appointed postmaster, the appointment at that time being admittedly political.

If the principles of promotion be not adhered to in this case, there will be no incentive to young men to enter the postal service. If efficiency and merit do not count in public service, private institutions will always have first call on the best brains of the country. This is especially true considering the inadequate salaries paid in the postal service. The present salary of the postmaster of Toronto is only $4,000 a year, which is certainly low, considering the very great responsibilities involved and the high order of technical work that must be done by someone,—either the postmaster or his deputy. The salaries of postmasters in the United States are very much larger. Mr. Lemon, however, is not the type of man who would value the position so much for the salary attached as for the opportunity that it would give him of rendering public service by placing Toronto second to no other city on the American continent in the accuracy and speed of its postal work.

VICTORY LOAN REMUNERATION

Supplementary Statement of Commissions to Dealers in Other Provinces

A further list of commissions to brokers and bond houses in connection with the last war loan, in addition to that shown in *The Monetary Times* last week, is as follows:—

Alberta.

Allan Thoburn, $1,817; Jas. B. Sutherland, $1,603; W. Ross Alger, $1,500; G. R. Peden, E. C. Pardee, Julian Garrett, Hamilton Martin, J. Matthews, E. C. Racey, Charles E. Darby, K. W. Townsend, H. D. Heaney, Jos. J. Duggan, $750 each; E. Taylor, C. P. McQueen, W. M. Connacher, H. A. Howard, Wm. Cousins, A. McTeer, William Ardern, R. B. Welliver, $505 each.

British Columbia.

McDougall & Cowans, S. W. Miller & Co., Johnson & Reid, Coperley, Rounsefell & Co., Pemberton & Sons, W. H. Nanson & Co., G. F. Hartley & Co., Wolverton & Co., A. E. Austin & Co., Lowen & Harvey, J. Kendall & Co., G. F. Lander, Robertson & Pennock, Royal Financial Corporation, $464.25 each.

Manitoba.

A. L. Crossin, $3,000; J. A. Anderson, $3,000; Harry Ford, $2,750; Peter Lowe, $2,250; J. B. Black, $2,000; J. A. Thompson, A. N. Strang, T. R. Billett, W. H. Gardner, G. M. Black, W. H. O'Neill, R. McKay, J. E. Botterell, D. L. Rossini, R. T. Riley, $2,500 each; Hon. E. Brown, $1,500; W. R. Allan, $1,250; W. T. Kirby, $1,250; E. E. Hall, $1,250.

New Brunswick.

Eastern Securities Co., $6,400; M. J. Robinson & Sons, $5,400; McDougall & Cowans, $2,000; Dominion Securities Corporation, $1,500; S. Allan Thomas, $500; G. W. Noble, $400; F. B. McCurdy & Co., $200; L. A. LeBlanc, $100.

Nova Scotia.

Fraser & Hoyt, $1,000; J. C. Mackintosh & Co., $6,800; W. F. Mahon & Co., $5,500; Sterling Securities Co., $5,000; Standard Bond Co., $4,000; F. B. McCurdy & Co., $4,000; Eastern Securities Co., $3,000; H. M. Bradford, $2,500; McDougall & Cowans, $1,650; Central Agencies, $750; C. A. Armstrong, $500; Miss Stewart, $350.

Prince Edward Island.

Eastern Securities, $1,000; H. M. Bradford, $1,000; J. S. Hinton, $1,000.

Quebec.

Credit Canada, Limited, $2,625; Quebec Bond Co., Limited, $2,625; St. Cyr, Gonthier & Frigon, $6,375; Nesbitt, Thomson & Co., $4,725; National Bond Co., Inc., $1,500; Mackenzie & Kingman, $6,625; A. E. Ames & Co., $3,000; Wood, Gundy & Co., $3,675; Rene T. Leclerc, $10,125; Hanson Bros., $23,250; Farrell, Mather & Co., $6,375; C. Meredith & Co., $19,500; Harris, Forbes & Co., Inc., $15,000; Municipal Debentures Corporation, $1,500; Dominion Securities Corporation, $3,525; Canadian Bond Co., $1,875; Credit Canadian, Inc., $5,250; Versailles, Vidicaire & Boulais, Limited, $3,375; Provincial Securities, $3,750; Hew R. Wood & Co., $1,875; J. P. L. Stewart, $1,000; Greenshields & Co., $4.650; W. Graham Brown. $7,750; Canadian Investment Co., $1,500; Rountree & Bowler, $500; Daniel McGee & Co., $750; Jas. Macnieder & Co., $300; Beaubien & Co., $1,800; Burnett & Co.. $1,200; Brunett, Porteous & Co., $600; Carsley & Co., $250; Connolly & Co., $900; Davidson & Co., $300; Dunlop and Sons, $50; G. W. Fairbanks & Co., $375; Farrell, Seely & Co., $250; Fenwick & Ryan, $100; Forget & Co., $150; R. Forget, $200; Fortier, Beauvais & Co., $75; Garland & Co., $310; C. E. Gault, $150; Hansons & Ferguson, $100; Herdman & Co., $1,600; Hodgson & Co., $1,500; Johnson, Grant & Co., $900; McCuaig Bros. & Co., $600; McDougall & Cowans, $16,500; J. L. Marler & Co., $300; C. Meredith & Co., $1,730; R. Moat & Co., $750; F. Nash & Co., $400; O'Brien & Williams, $4,000; Oswald Bros., $750; A. Paterson & Co., $3,500; Pithlado & Co., $1,800; A. E. Rex & Co., $400; Riddell & Co., $300; J. M. Robinson & Sons, $350; H. C. Scott & Co., $885; Smith, Fairbanks & Co., $375; Strathy & Co., $250; Tousawn, Hart & Anderson, $500; Turpin & Co., $600; A. A. Wilson & Co., $400; McCurdy & Co., $350; Taylor & Percy, $100.

Saskatchewan.

Hon. C. A. Dunning, $2,000; Wood, Gundy & Co., $3,000; W. L. McKinnon & Co., $3,000; Goldman & Co., $2,250; Kerr, Fleming & Co., $2,250; Nay & James, $4,000; H. W. Givins, $2,750; G. H. Bradshaw, $2,750; R. G. McCuich, $2,000; E. S. Miller, $1,250; A. F. Harwood, $750; H. M. Bing, $500; John Rogers, $500; J. H. Kern, $2,000; H. F. Stirk, $750; J. O. Hettle, $2,000; A. H. Hanson, $1,500; R. R Morgan, $750; N. W. Morton, $1,500.

Payments to Banks.

On the 20th inst. a further statement was made regarding the payments to the banks. The statement showed that $984,395 had been paid as follows: Bank of Montreal, $141,043; Bank of Nova Scotia, $57,299; Bank of British North America, $42,900; Bank of Toronto, $44,076; Molsons Bank, $35,260; La Banque Nationale, $17,630; Merchants Bank, $61,706; La Banque Provinciale, $8,815; Union Bank, $44,076; Bank of Commerce, $132,228; Royal Bank, $113,819; Dominion, $52,891; Bank of Hamilton, $26,445; Standard Bank, $30,093; Hochelaga, $35,260; Bank of Ottawa, $35,260; Imperial, $61,706; Home Bank, $17,165; Northern Crown, $12,600; Sterling, $10,715; Weyburn Security, $3,396.

TOWN OF ALLISTON DEBENTURES

The town of Alliston, in the County of Simcoe, has for sale 30-year hydro-electric debentures to the amount of $32,000, bearing interest at the rate of 6½ per cent.

MR. ARTHUR B. WOOD HONORED

At the annual meeting of the Actuarial Society of America, held at the Hotel Astor, New York, upon the sixteenth and seventeenth of May last, Mr. Arthur B. Wood, F.I.A., F.A.S., actuary of the Sun Life Assurance Company of Canada, was elected vice-president of the society. The honor is singularly appropriate and significant at a time when Canada and the United States are being drawn closer together than ever before..

Mr. Wood is an honor graduate in Arts of McGill University, and is a Fellow of the Institute of Actuaries of Great Britain, and a Fellow of the Actuarial Society of America. His successful business career, all of which has been spent with the Sun Life of Canada, has made him not only one of the best known actuaries, but one of the foremost life assurance executives of Canada and the United States.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital	-	$4,866,666.66
Reserve Fund	-	$3,017,333.33

HEAD OFFICE
5 GRACECHURCH STREET, LONDON E.C. 8

Head Office in Canada
ST. JAMES ST., MONTREAL

H. B. MACKENZIE, General Manager

ADVISORY COMMITTEE IN MONTREAL:
SIR HERBERT B. AMES, M.P.
W. R. MILLER, Esq. W. R. MACINNES, Esq.

This Bank has Branches in all the principal cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

Savings Department at All Branches

THE MOLSONS BANK

Capital Paid-Up, **$4,000,000** Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

HEAD OFFICE ... ... MONTREAL

BOARD OF DIRECTORS

WM. MOLSON MACPHERSON, President. S. H. EWING, Vice-President
Geo. E. Drummond Wm. M. Birks F. W. Molson
W. A. Black E. J. Chamberlin
EDWARD C. PRATT, General Manager

BRANCHES

ALBERTA
- Calgary
- Camrose
- Edmonton
- Lethbridge

BRITISH COLUMBIA
- Revelstoke
- Vancouver
- " East End

MANITOBA
- Winnipeg
- " Portage Av.

ONTARIO
- Alvinston
- Amherstburg
- Aylmer
- Belleville
- Brockville
- Brucefield
- Chesterville
- Clinton | Delhi
- Dutton | Drumbo
- Exeter | Forest
- Formosa
- Frankford
- Hamilton
- " Market
- " James & Barton
- Hensall
- Highgate
- Iroquois
- Kingsville
- Kirkton
- Kitchener
- Lambton Mills
- London
- Lucknow
- Meaford
- Merlin
- Morrisburg
- Norwich
- Ottawa
- Owen Sound
- Port Arthur
- Ridgetown
- Simcoe
- Smith's Falls
- St. Mary's
- St. Thomas
- " East End
- Teeswater
- Toronto
- " Queen St. W.
- " West Toronto
- Trenton
- Wales | Waterloo
- Williamsburg
- Woodstock
- Zurich

QUEBEC
- Arthabaska
- Bedford
- Chicoutimi
- Cowansville
- Drummondville
- Foster
- Fraserville and Riviere du Loup Station
- Knowlton
- Lachine
- Lachute | Matane
- Mont Joli
- Montreal
- " St. James St.
- " St. Catherine St.
- Montreal—Cont.
- " Market & Harbor
- " St. Henri
- " Maisonneuve
- " Cote des Neiges
- " St. Lawrence Boulevard
- " Cote St. Paul
- " Park & Bernard
- " Montreal, West
- " Tetreaultville
- Pierreville
- Quebec
- " Upper Town
- Richmond
- Roberval
- Sorel
- Sutton | St. Cesaire
- St. Ours
- St. Thérèse de Blainville
- Trois Pistoles
- Three Rivers
- Victoriaville
- Ville St. Pierre
- Waterloo

AGENTS IN GREAT BRITAIN AND COLONIES—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

FOREIGN AGENTS — France — Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

AGENTS IN UNITED STATES—Agents and Correspondents in all the principal cities.

Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

BANK OF NOVA SCOTIA
ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital paid-up	- $	6,500,000
Reserve Fund	-	12,000,000
Total Assets over		130,000,000

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS

CHARLES ARCHIBALD, President
G. S. CAMPBELL and J. WALTER ALLISON
Vice-Presidents
JOHN Y. PAYZANT HECTOR McINNES
HON N. CURRY JAMES MANCHESTER
W. W. WHITE, M.D. S. J. MOORE
W. D. ROSS HON. M. C. GRANT

General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

BRANCHES IN CANADA

30 in Nova Scotia	33 in New Brunswick
7 in Prince Edward Island	9 in Quebec
62 in Ontario	14 in Western Provinces

IN NEWFOUNDLAND

- Bay Roberts
- Bell Island
- Bonavista
- Bonne Bay
- Brigus
- Burgeo
- Burin
- Carbonear
- Catalina
- Channel
- Fogo
- Grand Bank
- Harbor Grace
- Little Bay Islands
- Old Perlican
- St. John's
- " East End
- Twillingate
- Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

THE GROWTH OF MONEY AND EXCHANGE

Different Forms of Money — Relative Values of the Different Coins

At a recent meeting of the Pacific Sub-section of the Canadian Bankers' Association a very interesting address was made by Mr. Ewing Buchan, liquidator of the Bank of Vancouver. Mr. Buchan outlined the development of exchange, its relation to the different coinage systems, and described some of its practical operations. Some thirty years ago Mr. Buchan was an exchange broker in Toronto, but later entered the banking business. Mr. Buchan addressed the meeting as follows:—

"It takes us back to very early times, when men began to trade with one another by means of barter. One man traded something he did not want to another man for something he did want, and this trade was naturally confined to localities until means of communication and transportation developed. Articles of considerable weight and bulk, approximately the same value, were to a great extent consumed at the place where they were producd. Flour went to feed those who, by their industry, produced the grain. Wool was spun and woven into cloth, and worn by people in the locality. It was only when gold, silver, precious stones and spices were sought after that transportation encouraged the receipt of these precious articles for the delivery of larger commodities of equal value between countries bordering on the Mediterranean Sea and the Far East. These transactions increased until Western Europe, India, Asia and other places became involved in business of that nature.

Beginning of Money.

"Through the process of evolution, so to speak, men began to look for some simpler means of obtaining value for what they had parted with, and very early in the history of commerce the much-coveted article, the love of which is said to be the 'root of all evil,' came into use, and was accepted as value for commodities disposed of, and, as international trade extended, the money of one country had to be exchanged for that of another, in order that the vendor of goods might receive final payment for the proceeds of his sale at his own domicile.

"The term 'exchange,' as we know it now, means a conversion of the money or currency of one country into that of another.

"The ancient Lydians, of whom Crœsus was the last monarch, were said to have first coined gold and silver for use as money. The Jew, as far back as Abraham, made use of money, for we learn from Holy Writ that the patriarch purchased a field with it, and the acquisition of money is said to be the ambition of the chosen people to this day.

Different Materials Used.

"Money has not, however, been confined to the precious metals, but has been represented by skins, shells and all sorts of things used to denote value, and it was in the time of Queen Elizabeth that money in the form of tokens, or bearing the official stamp of value, was introduced, and these so-called tokens were made of lead, tin, leather and other articles, some of them, perhaps, almost worthless in themselves, but valuable by reason of the official stamp or token. The English penny and other coins of copper, silver and gold were of true weight and value, according to their weight, and to them was applied the word "sterling," which word became in time applicable to all money of the United Kingdom, and has long been a synonym for the currency of Britain, and thus comes the term, 'sterling exchange.'

"The word 'token' was stamped on many of the original coins, and you will see it on Canadian pieces in the old coppers and pennies of the Bank of Montreal, the Bank of Upper Canada and others, which are, perhaps, yet in circulation to some extent, though the word has disappeared from our coins of the present day.

Paper Money.

"Other materials of even less intrinsic value gradually came into use as money when bearing the token of a nation, or a corporation under authority of a nation, though paper in course of time proved to be the most convenient, and today, you gentlemen accept an otherwise worthless piece of paper as money, the equivalent of gold up to the value of even $5,000, when it bears the token of the Dominion of Canada, and your $171,000,000 of bank notes in circulation represent value in the token of the respective banks issuing them under the authority of the government, and with its guarantee, under the provisions of the bank circulation redemption fund, whch insures their payment under all contingencies.

"While speaking of the extent to which paper is now used, as representing money and security, it is worth while to take one of the monthly bank returns, issued and published by the minister of finance, of which each individual bank represented here has its part in preparation, and look over the figures with a view to finding out the actual amount of cash in the way of gold or silver that is used to carry on the enormous amount of business transacted at the present time. You will probably be surprised to find that it is less than 3¾ per cent., which means that you are carrying on business of $2,237,800,000 with $82,440,000 actual cash.

Origin of the Process of Exchange.

"I have said the word 'exchange' means, in its broad sense, the conversion of money of one country to that of another, but I shall have to enlarge my scope, as by the gradual increase of international trade, it became inconvenient and restrictive to commercial operations for an exporter to wait until he received the money for the sale of his goods and have it converted into the currency of his own land.

"In or about the thirteenth century the Jews and Lombards, who had been making large profits by changing the various kinds of money, originated the use of the bill of exchange, whereby the exporter or drawer could make an order on the importer or drawee, for vice versa, for any term of days or months, presumably up to ninety days, or even more, and the Hebrew would, for a consideration, perhaps larger than some of you bankers get at the present time, involving the ramification and risk, advance money on a bill of exchange, and thereby provide the exporter with the means to go on with another transaction of the same kind without having to wait for his goods to arrive at a destination and be paid for. This custom became prevalent throughout all Europe in the fourteenth century, and has extended continually up to the present day, and is, as you gentlemen know, a large factor in the business of the chartered banks, and, no doubt, some of you are occasionally told by a customer that you have not altogether abandoned the precedent of charges established by the Jews.

"Through the medium of the banks and the facilities of transportation and communication by telegraph and mail business of this nature has become almost, shall I say, a science, but is now so common that we cease to marvel at the ease with which it is transacted.

"With your kind permission, though it may be like 'taking coals to Newcastle,' I shall instance a very common transaction, which you bankers take as a matter of course, but which is none the less marvellous.

Remitting Funds by Foreign Exchange.

"A merchant, who, we will say, is a wholesale dealer in produce, is in want of a carload of butter, but, owing to the cold weather, he cannot obtain it here, or on the prairie, or in Eastern Canada. He cables to his correspondent in New Zealand or Australia, and gets an offer of the quantity he requires which, at cost of transportation and insurance, he can supply to his customers here at a fair profit, provided he gets it in a given time, which means that it must be shipped from New Zealand by boat leaving there in two days. He consults his banker in regard to the transaction and the rate of exchange, and finds that he can provide for the exchange and still have a profit. He arranges with his banker to cable to his agent in, say, Wellington, instructing him to pay the money in pounds, shillings and pence to the exporter on delivery of his bill of exchange drawn upon him here, with bill of lading and other documents attached. He also cables the exporter to the same effect. The butter is shipped by the next boat, and in course of time he gets the bill of exchange from his banker, and, finding the ship in port, with the butter as ordered, he pays for it in our own money of dollars and cents, delivers the butter to his customer, who, in turn, supplies the hungry consumers, and all are happy but the banker, who does not think his profit has been sufficient.

The transaction I have outlined is, I believe, known as one of foreign commercial or documentary exchange. You can correct me if I am wrong. The reverse of this would be when one of your exporters, say, of lumber or pulp, is shipping a cargo to Japan or China. He hands you his bill of lading and other necessary documents, with a bill of exchange on the purchaser for the selling price, drawn for the

THE BANK OF OTTAWA

Established 1874
94 Branches in Canada
Capital paid up - $4,000,000
Rest - - - $4,750,000

A BANK WELL EQUIPPED TO SERVE THE PUBLIC

Drafts, Money Orders and Letters of Credit issued

Interest added half-yearly to Savings Balances

Toronto Branches: Cor. King East & Victoria Sts., Cor. Broadview Ave. & Gerrard St. Cor. Queen St. & Pape Ave.

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler - President
W. D. Matthews - Vice-President
C. A. Bogert - General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

The Standard Bank of Canada

Established 1873 130 Branches
Capital (Authorized by Act of Parliament) $5,000,000.00
Capital Paid-up 3,381,270.00
Reserve Fund and Undivided Profits 4,534,863.63

DIRECTORS

W. F. Cowan, President. W. Francis, K.C., Vice-President.
W. F. Allen, F. W. Cowan, T. B. Greening, H. Langlois, James Hardy, F.C.A., Thos. H. Wood.

Head Office, 15 King St. West TORONTO, Ont.
C. H. EASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital, $7,000,000 Total Deposits (Dec. 1917), $103,000,000
Reserve Fnnds, 7,421,292 Total Assets (Dec. 1917), 136,000,000

Board of Directors:

President - - - SIR H. MONTAGU ALLAN Vice-President - - - K. W. BLACKWELL

Thomas Long
F. Orr Lewis
Andrew A. Allan
Lt.-Col. C. C. Ballantyne
A. J. Dawes
F. Howard Wilson
Farquhar Robertson
Geo. L. Cains
Alfred B. Evans
E. F. Hebden
Thos. Ahearn
Lt.-Col. J. R. Moodie

Managing Director - - - - - E. F. Hebden General Manager - - - - D. C. Macarow
Supt. of Branches and Chief Inspector: T. E. Merrett

AN ALLIANCE FOR LIFE

Many of the large Corporations and Business Houses who bank exclusively with this institution, have done so since their beginning.

Their banking connection is for life—yet the only bonds that bind them to this bank are the ties of service, progressiveness, promptness and sound advice.

236 Branches in Canada, extending from the Atlantic to the Pacific

New York Agency: 63 and 65 Wall Street

Bankers in Great Britain: The London Joint Stock Bank, Limited; The Royal Bank of Scotland

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term agreed upon in the equivalent of yens or Hongkong dollars, as the case may be, and immediately gets credit in his account at the rate of exchange for conversion to dollars and cents. The bank, acting as your agent in the Orient, on payment by the drawee, places the Oriental funds to your credit, to be drawn on as you require, or will convert to sterling and place the funds at your disposal in London, charging you the rate of exchange for conversion, as you charged your customer in the first place. Should you elect to have the funds transferred to London, and wish to use them here, you proceed to sell what is called a 'bankers' bill of exchange' on London, and consider whether it would be to your advantage to draw it at sixty days' sight or on demand, or you might find a purchaser requiring funds in London immediately and sell a cable transfer. It is all a question of the rate of exchange, or the cost of conversion to dollars and cents, taking into account what your money is worth in London; the rate of discount there for a sixty-day bill, the street rate being generally lower than that of the Bank of England; the cost of stamps on a time bill, which, I think, is still one shilling per hundred pounds; the time to be allowed for remittance and acceptance; your London banker's charge for conducting your account, and other factors.

You have already paid out dollars and cents in the purchase of the documentary bill of exchange, and taken credit in yens or Hongkong dollars, and converted these into pounds shillings and pence, and your business is to make all you can in reason out of the transaction. If you sell your sterling in New York, you make allowance for the transfer of funds from that city, or you are in touch with Toronto and Montreal, and may, by telegraphic instructions, sell your London exchange in one of these cities, in which case you must sell a draft or telegraph transfer on either of these centres, keeping in mind the cost of transfer of what may now be termed 'domestic or inland exchange' in order to finally get the use of the money here.

"The experienced bankers will, I trust, pardon me for mentioning these supposed transactions for the benefit of some of the younger gentlemen, who may not be familiar with such procedure.

English System of Currency.

"It might be of interest to have a smattering of the history of some of the currency I have just referred to. The calculation of pounds, shillings and pence to the native-born Englishman is the very simplest thing in the world, and he cannot conceive of any mortal wishing to express value in any other way, and has no patience with the poor individual who experiences trouble in the computation of that involved and historical currency. He knows that a penny was, after a succession of experiments, found to be the weight of 24 grains of wheat, taken from the middle of the ear (long before Manitoba hard wheat was thought of), and he learned in early life that 24 grains make a pennyweight, and he knows also that 240 pennies make a pound, but he might not be aware of the fact this this was a pound weight in silver under the old Roman standard, and that this pound was coined into shillings (the word being an old one, meaning to divide), sometimes into 20, and in the time of Edward II., into 25, but thereafter always 20 shillings.

"The reckoning of pounds, shillings and pence is second nature to the Englishman. If you tell him that an article costs $6, he is entirely at sea, until by a mental calculation he converts it into one pound, four shillings and sevenpence halfpenny, and then the matter is absolutely clear to him, and he knows what you mean.

"Our currency of dollars and cents is a matter of evolution through many variations. Being a colony of Britain, our forefathers naturally computed their money in pounds, shillings and pence, but it became somewhat involved with the Spanish daler, or dollar, and in 1777 the old Halifax currency was established, taking the Spanish dollar at five shillings, or $4. to the pound sterling. They also used all kinds of money, including French, Spanish, Portuguese, Danish and Mexican, the real of the latter country being called a York shilling, and current as eight to the dollar. Some of you will remember when the British sixpence was called a York shilling. In 1812 army bills were freely used through the want of currency. In 1853 the decimal system of dollars and cents was established on the basis of the old Halifax currency, and in 1858 the decimal system of the United States was adopted, and still obtains. In this connection we should not call our five and ten-cent piece 'nickel' and 'dime.' Someone named the former 'chicken food.' Why not call it 'chick' and the latter 'dix,' thus displaying originality?

"The British colonies which formed the United States finding the Spanish dollar more convenient than the British currency, adopted it in the year 1702, a long time before their independence. The cent, of course, is the one-hundredth part of a dollar, and the word conveys the meaning.

"For over half a century, therefore, the monetary systems of Canada and the United States have been practically the same. By statute, the gold half-eagle, and multiples thereof, of proportionate weight pass current and are legal tender here, and gold coins may be struck in Canada of standard weight and fineness to that of the British pound or sovereign in such proportion as $5 bears to $4.86.2/3. This was the rate of conversion established by the statutes of Canada, chapter 25, section 2, which enacts that the British sovereign, of proper weight and fineness, shall be equal and pass current for $4.86.2/3 of the currency of Canada. The same rate of conversion obtained in the United States until the year 1873, when Congress fixed the exact value of the pound sterling at $4.86.65, and, if I may trouble you with one or two figures, I would say it was arrived at in this way, the conversion rates of both countries being so nearly alike that one illustration will serve:—

"The gold dollar in the United States contains
25.8 grains Troy weight, 9/10ths [fine
Deduct 1/10th .2.58.

Leaves the weight of gold 23.22. grains.

"The British sovereign or pound contains
123.274478 grains Troy weight, [11/12ths fine.
Deduct 1/12th 10.272873

Leaves the weight of gold 113.001605 grains.

Exchange between England and America.

"Dividing the former into the latter gives the result of 4.866563, but the United States, for convenience, fixed the value at 4.8665, as above stated. The pioneers in America, by which I mean Canada and the United States, in their attempt to ascertain the exact value of a pound in dollars and cents, appear to have become deplorably mixed, and settled the value in the first place at 4.4444, repeating, and so it stood for years until, through circumstances upon which I need not elaborate, it was ascertained that the pound sterling was really worth 9½ per cent. more than that, or 4.8666, repeating, as before stated, and the par of exchange between Britain and America was established at 9½ per cent. premium. This was an anomaly, to be sure, but in those days, time, though not as valuable as it is at present, did not permit of calculations by this complicated method, and many individuals compiled and published tables for conversion. The speaker, among others, acknowledges his appreciation to the gentlemen of the banks for recognition of a humble effort in this direction in days gone by.

"The enterprising Americans, if I may use the term, possessing less patience than we Canadians, after they had changed their standard to 4.8665, before mentioned, in the course of time changed their method of quotation to the dollar rate, instead of the complicated percentage, and have ever since quoted in this way.

"One of the leading Canadian bankers in New York at that time, a well-known Scotchman, told me he thought the United States method of quotation was a great mistake, as people would know what they were getting and the bank's profits would be that much less.

"The man on the street, who is constantly dealing in exchange, if asked why the par of sterling is 9½ per cent. premium, might reasonably answer something in the same way as the old railway engineer, who was constantly using the air-brake, when asked how it was made, said, 'It's easy enough. You just take a cylinder and fill it full of vacuum.'

(To be Continued.)

The new mill at the Patricia Mine at Boston Creek will be in full operation and another gold producer added to the list within ten days. The first ground was broken on the surface last fall and a large set of camp buildings erected.

The bill to amend the Income Tax Act was read a third time on Monday in the House. Mr. Lemieux suggested, in this connection, that the finance department should publish a primer, as was done in the United States, indicating how income tax returns were to be filled. Mr. Maclean replied that he understood such a publication was now being prepared.

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GOVERNMENT AND THE RAILWAYS

Temporary Assistance Necessary—Acquisition by Government Not Essential—Systems May Be Co-ordinated and Yet Be Independent

(This is the third of a series of three articles by Mr. W. T. Jackman, M.A., the first two of which have already appeared in The Monetary Times.)

What plan, then, shall be recommended for preserving the efficiency and the *esprit d'entreprise* of these private lines, rather than taking a retrograde step in handing them over to government ownership?

For the present time, and in view of the fact that the managements of our private railways have been invariably economical in their use of funds and efficient in the operation of their roads, I can see no better course to pursue than that the government should help them over the crisis until normal conditions are once more restored. Let these funds be spent under the careful supervision of the Board of Railway Commissioners, so that the properties will be conserved and built up and their earning power augmented. When the Railway Inquiry Commission could report that for the large government contributions that had been made to the Canadian Pacific Railway the country had received ample recompense, there is no reason to hesitate in adopting this course to aid the Canadian Northern and the Grand Trunk Pacific in the temporary emergency. If the minister of finance could say concerning the Canadian Northern that the majority of those most competent to judge considered that this system is "likely in time to be a decidedly paying concern," and that he felt "quite optimistic with regard to [its] future . . . once it gets over this trying period," it would seem as if prudence should have dictated the policy of emergency aid, rather than the radical, untried and unknown plan which the government adopted. If a reasonable amount of government aid could enable these roads to work their way out of the financial straits and get back to customary conditions, when they can carry their own burdens, it would appear that such assistance would be well advised. When the Canadian Northern Railway, during the time of war, with inadequate rolling stock and incomplete roadway and terminals, can increase its net earnings almost 100 per cent. in two years—from $6,600,000 in 1915 to $11,500,000 in 1917—it is evident that the government could have well afforded to aid this company in the same way as it did the Grand Trunk Pacific by giving a well-secured loan sufficient to enable it to carry on successfully.

Transportation After the War.

Then, when the war is over and the country has settled down to the pursuits of peace, when the mental unrest and social disquietude of the present has subsided, and we can think clearly and work uninterruptedly in securing the best means for the promotion of the national life, we shall be in a position to view the transportation problems in an entirely different light from that of to-day. Certainly, the means of conveying passengers, mail and light goods will be revolutionized by the introduction of the airplane and its speedy service; and the great changes in the carriage of heavy commodities by the use of motor trucks upon the highways and by the inter-urban lines, will bring readjustments of far-reaching influence. But, so far as we can see at present, the steam railways are not likely to be superseded, at least for some considerable time, as the most effective means of carrying heavy goods for the long distances; and, therefore, the great desideratum is to formulate some plan by which their greatest service can be rendered most economically to the public during the years of peaceful expansion ahead of us. How may this be attained?

Economy of operation and of capital requires that these railways should be permitted to work together, in order to eliminate the wastes of competition; and great economies of capital, as well as of operating expenses, can thereby be secured if a reasonable arrangement can be reached for the welfare of the existing rival interests. The plan submitted by Mr. Smith in the minority report bears clear evidence of the skilful railway strategist. It is a plan which is designed to save capital as much as possible, to disturb existing conditions to the least extent, and yet to bring out of the confusion such an adjustment of railway relations as would furnish to the country the maximum of service and to the railways the utmost frugality of expenditures. It seems to me, however, that one important factor has been omitted in his solution of the problem. If the Canadian Northern is to operate the lines west of Winnipeg, and at that city turn over all its traffic to, say, the Grand Trunk, which, by supposition, is operating the bridge lines between Winnipeg and North Bay and all the lines east of North Bay, it is evident that the through rate on grain, for example, from the far west to Montreal would be the sum of two rates, that of the Canadian Northern to Winnipeg and that of the Grand Trunk from Winnipeg to Montreal. Now, while the Board of Railway Commissioners would require these railways to put into effect for this traffic a through rate which would be less than the sum of the two locals, this through rate would not be so low as if the traffic went by only one line all the way from origin to destination—in the same way as it is carried by the Canadian Pacific. Moreover, it is the long haul through traffic that is most profitable to the railways. It seems, therefore, that some arrangement which would permit this traffic to go the entire length of its haul without change would furnish to shippers a lower rate and better service, while giving the railway larger net returns in earnings. I am well aware that an objection may be urged against this suggestion by saying that at the crop-moving period the Canadian Northern would need all its cars in the western sections in order to move the wheat to Winnipeg, and, therefore, it could not afford to have a large amount of its rolling stock engaged in taking the grain from Winnipeg to Montreal. I have anticipated these contingencies in the policy which I desire here to outline:—

A Division of Control.

Relieve the Grand Trunk entirely of its original obligation to lease the National Transcontinental and hand over this line from Winnipeg to Quebec to the Canadian Northern, to be operated by the latter in connection with the rest of its system. When the accounts of the National Transcontinental during its first year of private operation were made up, showing the balance of net earnings over expenditures, let this amount be divided equitably between the two parties according to a definite agreement. This agreement should continue for, say, ten years. When the government has equipped its line with rolling stock, there is no reason why a satisfactory arrangement cannot be made for its operation upon a partnership basis of this kind. It is reasonably certain that with the development of this northern country the earnings of the railway would continually increase; and this would suggest that at the expiration of the ten-year period a new adjustment should be made between the two parties for another term of years on a similar profit-sharing basis. As to the Grand Trunk Pacific, this should be handed over to the Canadian Northern upon a 99-year lease, the amount of the rental to be fixed at a sum equal to the fixed charges of the company. This would absolve the parent Grand Trunk from its liabilities for its guarantees which it cannot now meet, and would substitute the guarantee of the lessee company therefor. The fact that the Grand Trunk Pacific lines are interspersed with those of the Canadian Northern would indicate that marked economies could be obtained by having the operation and management of the two systems concentrated in the same hands. Upon this long lease, which would amount virtually to ownership, the Canadian Northern could well afford to build up the earning power of the Grand Trunk Pacific, so that, while thereby contributing to its own revenues, it would be developing another strong line for the upbuilding of the west. Then, as to the Canadian Northern itself. Let this company operate its western connections and also the direct line from Winnipeg to Montreal. As I have shown, its net earnings have been increasing rapidly. Give it the outlet for its great western traffic by allowing it to reach the greatest port and one of the greatest distributing centres of the east. Its long haul will be its most profitable business and, if for a few years it should require a small amount of aid from the government to put it on its feet, the company would be developing the country and its business upon a scale that would more than compensate for the temporary contributions of the government. The company's accounts would always be open for inspection by an authorized government official and so any misuse of funds could be readily avoided.

As to the Grand Trunk, let it confine its operations to the east, where it has been successful. It should be required to lease and operate all the lines of the Canadian Northern east of North Bay, except that company's main line to Montreal, paying therefor an amount of rent equal to the fixed charges of these lines. This lease likewise should continue for a period of 99 years, thereby giving the Grand Trunk practical ownership of the lines taken over. The elimination of the

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competition between these two companies which would thereby be effected would cause important economies of operation with consequent increase of net earnings. It is reasonably certain that the Grand Trunk, under these conditions, could make a decided increase in its net returns, and this would enable it to expend more in the provision of additional rolling stock, thus laying the foundation for larger service and still greater economies.

Further Government Aid Necessary.

It may be said by some that this would mean increased aid from the government for private railways. I acknowledge that it would mean expenditure of public funds in providing the National Transcontinental with a reasonable amount of equipment for a traffic which will, doubtless, increase in volume in the near and unfolding future; and it would also mean that for a few years there would have to be some contributions, becoming progressively smaller, in aid of the Canadian Northern. I am assuming throughout this plan that the Canadian Northern would be left in private hands. But, in carrying out this scheme, little, if any, aid would be required for the Grand Trunk, which would be relieved of the unduly heavy load which it has been trying to carry for its subsidiary. The plan would have the immense advantage of keeping the great railways in private hands. Does anyone doubt this advantage? Listen to the words of the Railway Inquiry Commission: "Government by a Cabinet responsible to a popularly elected parliament is . . . not a form of government suitable for the management of a railway undertaking." Do the people of this country want anything more strongly pronounced against the popular cry for government control of the railways? Would that this idea could become the rooted conviction of those for whom the words were written by the commissioners!

Monopoly May be Beneficial.

It is with some hesitation that I bring forward, at the close of this paper, the policy which to me seems the goal toward which we should work, that is, to join all the railways under some common organization so as to enable them to work in harmony. I do not think we are ready for this just yet; it will take perhaps some years of experience and education to cause the public to see the enormous savings and the vast improvement of service that might be secured by this change. At present, people hold up their hands in horror at the mere mention of a monopoly, not recognizing that we have many benevolent monopolies in our midst. To the great majority that word conveys the idea of extortion, deceit, illegal methods, exaggerated profits, and a multitude of other like enormities and excesses. It may take years before we shall learn that monopoly prices and profits are not necessarily extravagantly high. In fact, we have already seen, in the case of one or two of our industrial monopolies, that their prices are lower, much lower, than when competition prevailed. After many years of careful research and thorough study of the problems of transportation, I am impelled to believe, at least tentatively, that the best interests of Canada would be served by grouping all the railways under centralized control, so as to remove the baneful effects of competition and put an end to the prodigal waste of the people's money and the national capital. This centralization of management should, of course, be left to private enterprise, but under effective and discriminating regulation by some governmental body like our Board of Railway Commissioners. It appears to me that the sooner we can get our regulative machinery adjusted to this advanced point of view the better it will be for all interests. There are some businesses which are essentially competitive in their nature; but transportation is so unlike the mercantile or ordinary manufacturing business that for it the law of survival of the fittest, under the operation of competition, does not hold, for competition affects the strong more disastrously than the weak. In urging that the railways should be formed into a unified whole, I may appear to some as an *advocatus diaboli*, but those who will give the subject the earnest and prolonged study that it merits cannot fail to see the wide range of economies which might thereby be obtained. As I have intimated, this is a plan which, perhaps, we are not yet ready as a people to put into effect; nevertheless, my conversations with those who have large business interests at stake have shown me that these men would welcome such a change.

How could such a unification be accomplished? To give effect to it through the complete consolidation of all the companies would involve such amounts of capital and would meet with so much opposition, that I fear it could not be carried out without extreme difficulty. But if section 376 of the Railway Act were amended, so as to permit one railway company to invest in and hold the shares of other railway companies, the desired result could be secured easily by means of the holding company. Either form a new company, a pure holding company, with authority to own the stocks of the private railways and thus use this stock ownership for giving unity of direction to the various companies; or, perhaps, better still, give the strongest company of all, the Canadian Pacific, this right to invest in the stocks of the others. Then, when this company had secured 51 per cent. of the share capital of the Canadian Northern, Grand Trunk and Grand Trunk Pacific, it could so control the policy of these roads as to cause them to work in harmony with itself and with one another. It might be that, at a later time, the government would find it advantageous to hand over its lines to this holding company upon terms that would be mutually profitable. These shares need not all be paid for in cash; they might be purchased advantageously in exchange for the buying company's own securities, and thus there would be great saving in the use of capital. But one further benefit from this policy I must not forget to mention—namely, that by this means the Canadian Pacific could, through the sale of its own bonds, pour funds into the development of each of these other roads, that would render them entirely independent of government assistance. Besides, the holding company organization would preserve intact those effective official relations which have done so much for our Canadian railways and would leave the inducements of honor and profit as potent for good service as they have been hitherto. As I have said, this unification is earnestly to be desired; and along with it there would have to be an extension of the powers and duties of the Board of Railway Commissioners. Suitable legislation or taxation would also be required in order to prevent the monopoly from becoming oppressive in future. Thus we should have an integrated transportation system of great resources and wonderfully adapted to the increasing needs of the country; which would use its vast influence and exchange mechanism for securing the upbuilding of the country in all that contributes to the national wealth and for carrying our Canadian products half-way around the world.

DOMINION FISHING LICENSES

During the fiscal year ended March 31st, 1918, the Fisheries Branch of the Naval Service Department issued 26,465 fishery licenses, an increase of about 4,000 over the previous fiscal year. It is anticipated that a still larger number will be required during the current year.

IMPORTANT DECISION REGARDING SILVER MINING

The case of the Minerals Separation Company versus the Butte-Superior Mining Company, has recently been decided in favor of the latter by the Higher Courts of the United States. The former had brought a claim against the Butte Company for an alleged infringement of patent rights. The mining company has been using the oil flotation process and recovering silver from mill slimes since 1913. Plaintiff claimed that the process was theirs, and that the Butte Company not only owed them current royalty, but also back royalties, totalling several millions of dollars. The case was heard in the lower courts and decided in favor of the Minerals Separation Company.

Now, however, it is held that the method of recovery used by the mining company is not that controlled by the Minerals Separation Company by patent rights. This means that Cobalt companies can by using a similar method of recovery, avoid paying a royalty to the Minerals Separation Company. This would also permit the continued use of the Callow process. Most of the Cobalt companies which have large accumulations of mill slimes, have erected or are erecting oil flotation plants.

This decision does not, of course, conclusively settle the claims of the Minerals Separation Company, but rather limits its claims to the particular process defined in its patent.

A resolution was moved on the 16th inst., in the Australian House of Representatives, authorizing a loan of £80,000,000 at 5 per cent., subject to taxation.

IF YOU SHOULD LOSE A WAR BOND

If you should lose a War Bond it might be possible to have it duplicated by the Government, if it were registered, but it would cost much trouble and inconvenience, besides some legal expense. Does it not seem unwise to run needless risk with your Bonds when you consider how much safer and more convenient it would be to have a Private Box in our

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where Bonds and all other valuable papers may be kept strictly private and always accessible during business hours.

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Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

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OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

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Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited
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In Appointing Your Executor—

Let us suggest that you write or ask for YOUR copy of our recently-published brochure on WILLS. It will interest you and give you conclusive reasons also for the appointment of a corporate instead of an individual Executor and Trustee.

Ask at the same time for YOUR copy of farm land listings. These are assets arising out of estates in process of being wound up and where it is necessary to realize. Prices and terms moderate.

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An investor may rely either on the worth of the basic security offered for the safety of his funds, or on the reputation and resources of the institution in charge of this security.

Our Guaranteed Trust Investment plan combines these two grounds of confidence. Funds invested on this plan are placed in carefully-selected first mortgages on improved real estate; their safety is guaranteed directly by us; and they yield a satisfactory income. Booklet on request.

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FLAX-GROWING IN MANITOBA

More Dependable than Wheat Crop—Manitoba Not Generally Suited to Flax-growing—Results of Previous Efforts in the Industry

Flax has been grown for its fibre for a number of years in the provinces of Ontario and Quebec, but the acreage has been gradually decreasing in recent years. According to the official reports of the Provincial Government of Ontario, the area devoted to this crop in Ontario for the year 1911 was 12,128 acres, but less than half of this amount was sown in flax in 1915. For the production of good flax fibre, a climate with a long moderately warm growing season is required. The country should not be liable to drought and there should be a considerable amount of moisture in both the soil and air.

A bulletin has been issued by the Manitoba Department of Agriculture and Immigration which discusses the possibilities of flax as a local product. It is pointed out that the necessary conditions of climate do not exist in Manitoba except in rare isolated districts, and consequently the general production of flax for fibre is out of the question. Moreover, experience and skilled labor is not available. The production of flax seed for export purposes is more promising, according to experiments conducted by the Dominion Experimental Farms, the College of Agriculture at Saskatoon, and the Manitoba Agricultural College. The bulletin discusses the present opportunities as follows:—

Flax Growing as an Industry.

The present high price of flax on the market, coupled with the action of the Imperial government in loaning ten thousand bushels of fibre flax seed to the farmers in Western Canada and guaranteeing a fixed price of $4.50 per bushel for the crop produced from this distributed seed, is no doubt drawing particular attention to the desirability of including this crop in the list of those to be grown during the present summer. It may also be that the rust epidemic among many cereal crops of 1916 has suggested to many farmers that it would be very desirable to have a portion of the land devoted to some crop that is not so likely to be affected by rust. The results of experiments conducted in the college investigation field during the summer of 1916 show that a much greater profit could have been secured by sowing flax instead of wheat on the later-sown fields. Good yields of flax were secured in most sections even where the wheat was more or less a failure. It must, however, be understood that while the demand for flax on the market at present is strong, any very marked increase in the production is likely to depress the present high prices, owing to the demand being somewhat limited.

A Pioneer Crop.

To a large extent the production of flax has been a pioneer industry. This is due to the fact that as a crop it has been considered particularly well adapted to sowing on new breaking. Owing to the comparatively shallow root system of the flax plant, it is able to make good growth on a seed bed in which the available plant food is relatively close to the surface. Moreover, the threshed product brings a high price in proportion to its bulk, this making it a good crop for the new settler some distance from the railroad. With the settling up of large areas of the new land in the western provinces and the northern portion of the United States in the decade 1903-1912, the production of flax increased rapidly, reaching the highest point in all of the western provinces and the United States in 1912. The supply in 1912 exceeded the demand, with a consequent drop in prices, which was reflected in an immediate decrease of production. Since that time production has constantly declined and prices have gradually increased, until prices are now higher than ever before.

The Claim for a Permanent Place.

There is really no good reason why flax should not secure a permanent place in the list of crops grown in Manitoba. The soil and climate are adapted to its growth, and it may be handled with the ordinary farm machinery. The yields secured are such as to render it a profitable crop to grow except under such conditions as have already been mentioned. The day of the pioneer is passing, and it is scarcely likely that such a sudden increase in production will occur in this manner again. With uniform production, prices should tend to be steadier than in the past.

According to the report of the Department of Agriculture for 1915, the average yield of flax in Manitoba during the past 25 years has been approximately 12 bushels per acre. Yields varying from a few bushels to 30 bushels or more have been secured. The average cash price for flax on the Winnipeg market for the ten years, 1907-1916, was $1.61 per bushel. There are no figures available to show the acre value of flax in Manitoba, but it is significant that flax has shown under certain conditions a higher acre value than wheat, oats or barley. According to figures secured in Minnesota, the acre cost of production of flax is approximately the same as that of wheat. During the 10-year period from 1906 to 1915 in Minnesota, the acre value of flax was greater than that of wheat, oats or barley. From these figures it is apparent that flax was a profitable crop to produce within certain limits.

VANCOUVER MAY PURCHASE ELECTRIC RAILWAY

According to the franchise of the British Columbia Electric Railway Company, the city of Vancouver may purchase its property and lands, providing it signifies its intention of doing so not later than August of this year. The subject was discussed at a recent meeting of the Vancouver Board of Trade, and a letter addressed to the mayor of the city calling attention to this fact and placing the services of the board at the disposal of the city. The company owns and operates 334 miles of electric railway. It is an English limited company, incorporated in 1897, and carries on under powers conferred by acts of the parliament of British Columbia, a well-established electric railway, lighting and power business in Vancouver, North Vancouver, South Vancouver, Point Grey, New Westminster, Victoria and other adjoining municipalities. Most of the company's securities are held in England. The total share capital issued is £4,320,000, in addition to which there is over £1,800.000 of debentures and debenture stock. This is the largest public utility corporation in the province.

EDMONTON'S PUBLIC UTILITIES

The public utilities of the city of Edmonton are all on a satisfactory basis, with the exception of the street railway system, and new rates have been adopted with a view to wiping out the deficit on this account. The following is a statement of revenue and expenditure of the different departments for the month of March, 1918:—

Electric Light and Power:	
Revenue	$47,321.74
Operation and maintenance	23,597.31
Surplus	$23,724.43
Street Railway:	
Revenue	48,214.85
Operation and maintenance	33,129.90
Surplus	$15,084.95
Telephone:	
Revenue	23,199.08
Operation and maintenance	7,775.61
Surplus	$15,423.47
Waterworks:	
Revenue	28,985.43
Operation and maintenance	14,595.68
Surplus	$14,389.75
Surplus on operation	$68,622.60
Capital charges	63,219.57
Net surplus on all utilities	$ 5,403.03

The surplus for last month was somewhat larger, being $14,427.97. The surplus for the first three months of 1918 is $37,543.25, as compared with $20,122.36 for the same period last year.

A substantial increase in the Winnipeg tax rate is expected. At a recent meeting of the council, it was hinted that an increase of about 6 mills might be necessary.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance.* Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

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Paid-up Capital	$ 6,000,000.00
Reserve Fund (earned)	5,250,000.00
Investments	31,557,662.81

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The Corporation is a **Legal Depository for Trust Funds.** Every facility is afforded Depositors. Deposits may be made and withdrawn by mail with perfect convenience. Deposits of one dollar and upwards are welcomed. Interest at **Three and One-half Per Cent.** per annum is credited and compounded twice a year.

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CAPITAL AND UNDIVIDED PROFITS .. $3,750,000

5½% SHORT TERM (3 TO 5 YEARS) DEBENTURES YIELD INVESTORS 5½%

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Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

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Reserve	756,580.13
Assets	7,168,537.29

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Loans made on improved Real Estate on favorable terms.
WALTER GILLESPIE, Manager

PACIFIC COAST CONDITIONS

Business Greatly Improved in Vancouver—Shipbuilding is Very Active—The Loaning Situation

(Staff Correspondence.)

Vancouver, May 15th, 1918.

General conditions in British Columbia, and in particular, in Vancouver and Victoria, the two largest centres of population, are decidedly improved. The shipbuilding industry has assumed large proportions, and every available man not enlisted, and who knows how to handle a hammer is at work in the shipyards. Work is plentiful and wages are good. The problem of cheap labor is one that affects Vancouver and the Pacific coast generally, and if the enormous natural resources of the province of British Columbia are to be developed a solution of the labor problem will undoubtedly have to be found. Vancouver merchants and wholesalers are doing a better and more profitable business than ever before, and an air of prosperity is everywhere apparent.

Real Estate Conditions.

General loan conditions also reflect the changed situation. Payments of both interest and principal are better than at any time during the past three years, and the general tone in regard to mortgaged properties has vastly improved. Equities are being protected, but for the making of new loans, conditions are not yet ideal, and new mortgages are only being placed on a basis which has little attraction for owners of property and precludes new building operations where assistance is required. Values have stiffened, and although sacrifice sales are still being made, they have become fewer. Rents have increased materially, and the tendency is still upward; consequently, there is a moderate demand for medium priced homes, and sales are frequent at fairly reasonable prices.

Investments in Demand.

The manager of one of the large financial firms in Vancouver said to *The Monetary Times*:—

"We find a good market for Canadian war bonds, with but few sellers. Mortgage interest collections are steadily improving. Many mortgagors, who have been hitherto unable to make any payments, are now doing so. Also, many mortgaged properties are being sold into better hands.

"In the real estate market, house properties have been active since the first of the year, more so before the commencement of the present offensive. The movement has extended to all classes of residential property. There is practically no speculative or investment demand.

"Rentals have steadily increased, advancing from 25 per cent. to 100 per cent. for houses and apartments, with no vacancies. Business properties and offices remain fairly stationary.

"We have experienced an active demand for well improved farms since the beginning of the war, and good listings are now scarce. Farmers, we find, are doing well, but are apprehensive over the future of the local dried vegetable industry. Business seems to be on a steady up grade."

The Loaning Situation in Vancouver.

Speaking of the loaning situation in British Columbia and particularly in Vancouver, the local manager of one of the large eastern financial houses said to *The Monetary Times*:—

"I should say that very little money is being put out on mortgage. The fact that not only enlisted men but relatives directly or indirectly dependent upon such have been granted protection under the War Relief Act, limits the number of those who might be looked upon as desirable borrowers, for relief granted under the act is not given to such persons at the country's expense, but chiefly at the cost of the parties who loan money on the property and at the expense of municipalities which are unable to collect taxes in order to meet their own obligations. There is a growing feeling that protection for the enlisted man and his family should be the burden of the country at large and not of any one class or section of the community.

"The hesitancy of some of the leading municipalities to bring on a tax sale and clean up a truly embarrassing situation is something which all lenders must consider a drawback, for there is no assurance in loaning money on improved real estate that taxes will not be permitted to accumulate as a charge in priority to the first mortgage. Mortgagees would have some protection if they knew that payment of taxes in arrears for at the very most two years would be enforced by the municipality. Enlightened public opinion would back up the city council of Vancouver in any effort to ascertain its 'real' situation which must remain unknown until a tax sale is brought on. It would then be ascertained just what proportion of the outstanding taxes must remain uncollected until after the war is over.

"Speaking of conditions generally, a great improvement is noticeable. Residential property is renting better owing to the activity in shipbuilding and allied industries, but there is no demand for land. If there is much industrial expansion homes will be required for working men, but it is difficult to say how these are to be put up while capital is unwilling to advance money under conditions created by restrictive legislation."

A Veteran Banker's View.

"The greatest assets that Vancouver has is its port, facing on the Pacific," said Mr. Wm. Godfrey, manager of the Bank of British North America, in Vancouver, to *The Monetary Times'* western representative, "where it might be said commerce is only at its beginning. Its comparative nearness to the Orient, whose trade will undoubtedly come this way to a large extent, makes its possibilities as regards foreign trade in the future almost incalculable.

"The importance of the shipping business here is naturally great, and the coming of such people as the Robert Dollar Company, with their line of steamers, which formerly had their home port in San Francisco, is significant. No doubt this is partly owing to the impossible shipping laws that the United States have passed.

"Shipbuilding is practically a new industry on the coast, only having been started last year. Up to the present time 16 vessels, 12 auxiliary schooners, 4 steel steamers, have been completed, and two steel steamers and 11 wooden steamers have been launched, but not quite completed. Five steel steamers, 15 wooden steamers and 2 auxiliary schooners are at present building, and 46 other vessels are practically arranged for, but not yet started.

"With our resources in the way of iron and steel lying in close juxtaposition there are strong hopes that an iron and steel industry will be built up in this province, with perhaps a little judicious help from the Dominion government, a small quantity having already been granted by the provincial government. If this takes place, shipbuilding (which at the present time brings our steel plates from Pittsburg, which is somewhat unnatural and inconvenient), should be continued and enlarged. The new wooden ship, either auxiliary schooner or steamer also should stay. The schooner auxiliary power, can really kick along about as fast as the old tramp, so she can hardly be called a sailer. With the splendid wood we have here, which can be cut in great lengths, the Pacific coast is undoubtedly the best place for wooden shipbuilding in the world.

"Our mining last year produced a little less than before, but it is undoubtedly in a healthier condition than it has been for some years, although it is being hard hit by taxation. Almost every description of metal is found in British Columbia, and we are only at the beginning of this industry.

"The pulp business, of course, is an off-shoot which has only been started within a few years, but it is making strides.

Fishing.

"While salmon, and afterwards halibut, to a certain extent, were the only fish that were known a few years ago, herring, pilchard, oysters, etc., from British Columbia, are becoming known all over Canada now. The herring business in particular has been developed in the last few years till it is assuming an important size.

"While British Columbia in the ordinary way is not considered an agricultural country, during the last few years it has developed considerably, not only in grain growing in Kamloops and other up-country places, but our potatoes two years ago were sent down as far as Texas, and everywhere considered the best on account of their flavor, etc.

"The ordinary bean, too, is coming in for its own; large quantities being grown in Ashcroft, Lillooet, etc., and commanding the best prices going.

"The product of fruit runs up into millions of dollars worth, and small fruits, tomatoes, etc., are now being packed on quite an extensive scale, the flavor of our fruit commanding a ready sale wherever offered. An important side industry is being built up in jams, pickles, etc."

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NICKEL REFINERY FOR QUEBEC

A contract has been arranged between the British-American Nickel Corporation and Messrs. Bate, McMahon and Company, contractors, for the erection for the former of a nickel and copper refining plant at Deschenes, Quebec. The cost is expected to be over $1,000,000. This will be for the refining of ore from the Sudbury district, where the mines and smelters of the company are located.

INDUSTRIAL RECONSTRUCTION ASSOCIATION

An organization has been formed called the Canadian Industrial Reconstruction Association, for the purpose of considering and preparing to meet Canadian post-war problems in the industrial sphere. It is to be nation-wide in extent with headquarters in Toronto and Montreal. Baron Shaughnessy is honorary president of the association, and the executive councils in these two cities are composed of prominent business men.

The specific objects of the association are: (1) To maintain industrial stability; (2) to secure wise consideration and prudent treatment of problems of reconstruction. According to the manifesto issued by the association's provincial executive committee, it will investigate into conditions of various industries, the markets which they must supply, the particulars of labor as compared with competitive industry elsewhere, and the relative cost of transportation. They also intend to promote better relations between labor and capital and the social and industrial welfare of women. Technical and general education are to receive its support. Produce and land settlement, co-operation among rural producers and the improvement of rural conditions are also to be regarded sympathetically.

The association is to be educational and will devote much of its efforts to the presentation of facts, rather than to opinions, including the activities of other countries along similar lines. The members of the Toronto executive committee are as follows:—

Sir John Willison (chairman), Senator Nicholls, Senator N. Curry, Huntley R. Drummond, George E. Drummond, J. H. Sherrard, John F. Ellis, W. K. George, W. K. McNaught, C.M.G., S. R. Parsons, T. A. Russell, William Stone, H. D. Scully, R. Hobson, Lt.-Col. Harry Cockshutt, W. M. Gartshore, R. O. McCulloch, W. J. Bulman, E. A. Mott, Major A. N. Worthington (secretary).

The members of the Montreal executive committee include Sir Frederick Williams-Taylor, E. W. Beatty, Howard G. Kelley, Wm. McMaster, W. M. Birks, W. A. Black, W. J. McConnell, Wm. Rutherford, F. W. Molson.

On the 3rd inst. the United States Senate recorded itself in favor of increasing the Government minimum guarantee price for wheat, from $2 to $2.50 per bushel. This was done in spite of the fact that it had already been rejected by the House of Congress.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Dartmouth, N.S.—Tenders will be received by A. Elliot, town treasurer, for the purchase of $125,000 new school bonds and $5,000 water and sewer extension bonds. These bonds are dated July 2nd, 1918, redeemable in ten years, and interest at 6 per cent., payable half-yearly.

Essex County, Ont.—The finance minister has approved of the issue of debentures by the Essex Border Utilities Commission to pay for the construction of the trunk sewer for part of Sandwich East, Ford, Walkerville, Windsor, Sandwich, Sandwich West and Ojibway. The detail plans for the east interceptor to be built in Walkerville have been prepared, and it is expected bids will be asked on May 20th. This is the work endorsed by the ratepayers on March 30th by a large majority.

Calgary, Alta.—The manager of the Calgary branch of Molsons Bank was called into consultation with the city council in reference to a $2,000,000 demand note held by the bank against the city, according to a recent report. He stated that the note should be paid, and advised the city to finance the payment by a bond issue. He stated that the bank would not be willing to wait for payment until arrears in taxes were collected, and advised, further, that the city make a determined effort at once to get a fixed policy of finance.

Regina, Sask.—The city clerk has intimated that the city contemplates placing on the market another bond issue in the near future at terms more attractive than the previous ones. The issue referred to is the one for $55,000 to cover the damages in connection with the construction of the Broad Street subway and the $180,000 necessary to provide a new unit for the power-house. The city has not yet decided what method of sale for these debentures will be adopted, but it is presumed that it might be possible to sell the bonds locally.

Edmonton, Alta.—The council agreed to the recommendations of the finance committee in regard to the arrangements for securing the extension of the $2,000,000 issue of short-term debentures against the 1914 and 1915 tax arrears, and which fall due on July 1st of the present year. A by-law authorizing the extension and method of procedure was brought down and given the first reading. The method is to enter into special agreements with the bondholders, save in the case of the sinking fund trustees, who hold 653 of the issue, and have stated their willingness to extend the time for payment for a further two years from the date of maturity.

The mayor said that, taking the payments to the special agents into consideration, it meant that they would be paying 8 per cent. for the money, or, considering the present rate of exchange, about 7 per cent.

Toronto, Ont.—The city's issue of $736,000 5½ per cent. 20-year serial gold bonds was awarded to a syndicate comprising Messrs. A. E. Ames and Company, the Dominion Securities Corporation and Messrs. Wood, Gundy and Company, all of Toronto.

The following bids were received:—

Syndicate comprising A. E. Ames and Company, Dominion Securities Corporation, and Wood, Gundy and Company bid	95.265
Syndicate comprising Morrow and Jellett and Greenshields and Company bid	94.831
Syndicate comprising Canada Bond Corporation, C. H. Burgess and Company, and Campbell, Thompson and Company bid	94.73
Syndicate comprising A. Jarvis and Company and R. C. Matthews and Company bid	94.68
Kerr, Fleming and Company, for their own account, bid	94.222
Syndicate comprising W. A. Mackenzie and Company and Brent, Noxon and Company bid	92.212
Syndicate comprising Housser, Wood and Company, MacNeill and Young, and Mulholland, Bird and Graham bid	93.58

Saskatchewan.—The following is a list of authorizations granted by the local government board from May 6th to 9th, 1918:—

School Districts.—Allenby, $2,400 10-years not ex. 8 per cent. annuity; Harry Beanland, Wynot P.O. Golden Valley, $2,200 10 years not ex. 8 per cent. annuity; Wm. Isaacs, Ponteix. *Salvador, $600 10-years not ex. 8 per cent. annuity; James W. Whittaker, Salvador.

Rural Telephone Companies.—Bruce, $8,800 15-years not ex. 8 per cent. annuity; A. J. Hindle, Assiniboia. Last Chance, $1,000 15-years not ex. 8 per cent. annuity; James Wiggins, Grenfell.

The following is a list of debentures reported sold from May 6th to 9th, 1918:—

Rural Telephone Companies.—Hillburn, $3,400; Messrs. Nay and James, Regina.

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*Being sold by the local government board.

INTEREST PAYMENT ON VICTORY LOAN

The first semi-annual interest payment on the Victory Loan is due on June 1st. The interest on the $150,000,000 at 2¾ per cent. for the half-year will be $4,125,000. As interest coupons are not attached to the temporary certificates, the exchange of these for the definitive bonds must be completed before that date.

ONTARIO ISSUE SOLD AT HIGH FIGURE

The $3,000,000 bond issue of the province of Ontario has been awarded to a syndicate, comprising Messrs. R. C. Matthews and Company and A. Jarvis and Company, of Toronto, and Messrs. Hanson Brothers and C. Meredith and Company, of Montreal, at 99.49. The issue runs for ten years, and the rate of interest is 6 per cent.

The other leading bidders are as follows: Morrow and Jellett, Burgess and Company, Canada Bond Corporation and Greenshields and Company, at 99.381; Brent, Noxon and Company and W. A. Mackenzie and Company, at 99.321; Dominion Securities Company, A. E. Ames and Company and Wood, Gundy and Company, at 99.277; Osler and Hammond, at 98.863; G. A. Stimson and Company, at 97.53.

NEW CANADIAN FINANCIAL COMPANY ORGANIZED

A new Canadian company has been organized under the name of Aldred and Company, Limited, to act as investment bankers, and also fiscal agents for various companies here and abroad.

The company will be prepared to participate in financing corporations both in Canada and the United States, and will have the benefit of the extensive affiliations developed by Messrs. Aldred and Company, operating in New York, Paris and elsewhere. The firm of Aldred and Company has been prominently identified with many large corporations, both here and in the United States, and has had a very successful record. The organization of the new Canadian company will tend to facilitate still further the development of Canadian enterprises along the lines of those in which its principals have been interested for many years.

The company, it is added does not intend to engage in transactions which properly lie within the purview of chartered banks or stock exchange firms.

It will have at its head Mr. Howard Murray, well known as vice-president of the Shawinigan Water and Power Company, and more recently engaged in connection with the work of the Imperial Munitions Board at Ottawa.

The officers and directors of the company are as follows: President, J. E. Aldred; vice-president and treasurer, Howard Murray; secretary, H. Geoffrion; directors, J. E. Aldred, Howard Murray, Sir Herbert S. Holt, H. J. Fuller and Morton Otis.

Less than half the tillable land of European Russia, remaining in control of the Bolshevik Government, will be cultivated this year. The cause it attributed to the general unrest among the peasantry, and the shortage of seeds, horses and implements. This, of course, is not the most productive section of Russia, as Ukraine, which is now independent, has always produced the most grain in proportion to its size and population.

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It is good business to increase your holdings of Victory Loan Bonds, because the security is of the highest quality, the income return attractive, and you are not required to pay Dominion Income Tax.

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IRRIGATION FARMING

Irrigation Policy Justified—Extensive Rather Than Intensive System Required

BY G. R. MARNOCK.

Irrigation farmers in the Lethbridge, Coaldale, Magrath and Raymond Districts, have done well during the past year. Their crops of alfalfa and hay were good and were harvested in excellent condition. For such of these crops as were not fed on the farm and then walked off on the hoof, a good market at high prices has been available.

Success of the Irrigation Project.

As the irrigation farmers who came here during the past ten to fifteen years have become better established, they have increased their holdings of livestock, and they now find that their pioneer efforts are being well repaid. Most of them made the mistake of buying too much land, and they had a hard struggle to make payments on higher priced irrigated land which their limited labor force could not put under cultivation fully under irrigation. The present period of high prices for agricultural produce of all kinds enables them to take the fullest advantage of all their holdings by growing grain on acreage not brought under irrigation, and alfalfa and hay crops on the more fully developed irrigated land; and while the bye-product of the grain fields provides cheap feed through the stubble and from the straw stacks, the alfalfa and hay provide pasturage and succulent feed for their hogs, sheep and cattle.

Those same circumstances have been very advantageous to recent purchasers of irrigated lands, of whom there has been quite a considerable number this year. Their first broken land has gone under grain which has brought them excellent returns; and as the cultivation under grain provides both revenues and a proper means of preparing the land for irrigated crops, they have been very fortunate as to their choice of a time for settling here.

During the year practically all of the remaining land under the Alberta Railway and Irrigation project has been sold, and there will be a considerable accession of practical irrigation farmers in 1918 to the Lethbridge Irrigation District, which has consistently shown good results under that method of intensive cultivation.

Crops on Irrigated Land.

The general average crop of alfalfa on irrigated land ran from four to four and a half tons per acre. Timothy yielded one and a half to two tons. Both of these crops were harvested in good condition, and there has been a ready market for so much as could be spared for sale outside of this immediate district. Potatoes on irrigated land yielded from six to eight tons per acre, and the prices realized have been very good.

Extension of Irrigation.

The above remarks regarding the successful pursuit of irrigation farming in this district, in which climatic and soil conditions have proved so favorable, lead naturally to some consideration as to the best uses to which diverted waters may be put. In an address at the 1917 convention of the Western Canada Irrigation Association, the minister of agriculture for Saskatchewan, Hon. W. R. Motherwell, made some interesting remarks on the factors that limit agricultural production in various countries; in some the extent of the land itself is the limiting factor; in others the possibility of applying fertilizer; in others labor; while in a great part of our western prairies, particularly the southern portions of Alberta and Saskatchewan, moisture is the limiting factor. Farmers using dry-farming methods carry over this year's moisture to next by summer-fallowing; but a farmer having irrigation water available can rotate his crops and farm his land continuously. Mr. Motherwell mentioned the enormous advantage that would accrue to any farm in these areas if even a small acreage of each farm could be irrigated so as to ensure steady crops of alfalfa and pasture grasses.

This same view having been indicated many a time to the writer in the course of his talks with various farmers, he had prepared a short memorandum on the subject during 1916, raising the question generally as to whether we were guiding ourselves well as to the disposal of the limited amounts of water that are available for irrigation by diversion from our rivers and streams. A preliminary enquiry on this subject seems to indicate that it may be possible to carry some of the proposed diversions to greater distances than might have been originally contemplated, so as to serve a much greater territory with smaller amounts of water, rather than to concentrate our irrigation facilities in a broader, but less extended area. This latter is the practice that has been followed up till now, and all the engineering and economic considerations involved have hitherto pointed to that being the only feasible means for using available diverted waters. But our experience during the years of development points to the necessity for using all of our advantages for the greatest service of the greatest number. In other words, if a certain amount of water can be delivered to a much greater number of farms, it would seem to be better to do so than to deliver greater amounts of water to a smaller number of farms in a more concentrated area. Of course, it is at once apparent that the construction of longer ditches would make the per acre cost greater; but the universal desire of farmers who have no irrigation is to have water for a small area; and the greater cost per acre irrigated would not be such a drawback as might at first sight appear, particularly if it were arranged that the water allotted to each farm could be used on any part of the acreage; because this would enable a farmer to make rotations of his crops on different parts of his farm.

Lethbridge Northern Project.

It may be found upon investigation that the water which the Irrigation Branch of the Department of the Interior has shown to be available from the Old Man River above Macleod for this project may be used to greater advantage for established farmers and for the country generally, by spreading it, as indicated in the above discussion, to a much larger number of farms than had been contemplated originally. No doubt this matter will engage the attention of the irrigation branch in their further investigations regarding this project.

The same considerations will also doubtless guide the further investigations that will be made regarding the proposed distribution of diverted waters to the large areas that preliminary surveys have shown may be brought under irrigation in the districts to the south and east of Lethbridge.

It is essential for the best interests of the future development of this district, the productive quality of the soil of which has been so amply demonstrated, that there should be no cessation of the important work of continuing research into the engineering and economic possibilities for making the greatest use of such waters as may be available to be spread over the land.

Taber Project.

It was hoped that this project which provides for making use of the spill waters from the Alberta Railway and Irrigation Company's irrigation district, by carrying that water to irrigate some seventeen thousand acres of land near Barnwell and Taber, might have been gone on with in 1917, but no start has yet been made on this work. No great engineering work is required, and it should be possible to arrange the business details to enable the work to be carried through during 1918.

More Extensions Required.

The Lethbridge Northern project was originally designed to cover about 100,000 acres in a compact area, each farmer to take irrigation water for all of his land that would come "under the ditch," and would have cost about $23 per acre. But many farmers would prefer not to have all their land under irrigation, even at this low cost, because not experienced in this line of work.

Whereas hardly a single farmer would not welcome enough water to have, say, one-fourth of his land under irrigation, so as to grow alfalfa, clover and grasses; to have more feed and water for his live stock. For this he would be willing to pay much more per irrigable acre.

It is believed by some that the water could be carried to a very great many more farmers, giving each a little. The cost per acre would be greater, but they would be willing to pay up to even $40 per acre for this privilege for small areas.

If anything like 100,000 acres could be watered at something like that figure a capital sum of $4,000,000 would be required. Irrigation associations would be formed, so that land could be bonded just as a city bonds itself, repaid by taxation and sinking fund, or amortization plan over 25-40 years, splendid security, and should get a comparatively low

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rate interest in normal times, and be a desirable and easily marketable security.

The Canadian Pacific Railway have sold all their irrigated land around Lethbridge, the latest sales being at $65 an acre; allowing even $25 for the land, the added value for irrigation represents $40.

This is for future consideration. Material is high, labor is high, money is high, just now. But as a Lethbridge old-timer says, "When this western country moves it moves fast." There are also further possibilities for Mr. E. F. Peters, commissioner of irrigation, has shown that waters are available for over 500,000 acres in the region to the south and east of Lethbridge.

TORONTO BREAKWATER TO BE COMPLETED

The Dominion government has decided to vote the sum of $150,000 for Toronto harbor improvements during the current year. A delegation recently waited on the government regarding further expenditures on Toronto harbor, and particularly emphasized the fact that if the breakwater were not completed over $1,000,000 worth of work might be lost. The government, accordingly, has voted a sum sufficient to complete this part of the work.

A PLAN TO ENCOURAGE SMALL SAVINGS

The Dominion government is preparing a plan to raise money by war savings stamps, similar to the method used in the United States and in England. A special committee of the Canadian Bankers' Association is now inquiring into the situation. It is proposed that in Canada the system will be operated by the banks as is done in the United States. In England it is operated through the post-office. The principal objection in Canada has been the shortage of help in the banks.

The object is not only to raise money by this means, but also to encourage thrift. A blank book will be issued to applicants in which stamps may be inserted from time to time. When sufficient have been accumulated, the owner may purchase with them a war savings certificate. The system of war savings certificates has met with considerable success in Canada, but the predominating demand for the $100 certificates would indicate that small savings have been reached only to a comparatively small extent. The total amount of war savings certificates issued so far has been $12,893,734.90. The certificates are available through the post-office department and through the department of finance. It is by direct arrangement with the department of finance that the system of having employers encourage the purchase of these certificates has been applied. The post-office department has realized a total of $3,094,950.80, and the department of finance $9,798,784.10. Certificates have been redeemed to $874,224.75, so that the balance outstanding is slightly over $12,000,000.

The number of certificates outstanding as at May 11th, 1918, is: $10 certificates, 7,714; $25 certificates, 51,239; $50 certificates, 21,032; $100 certificates, 125,830; total, 205,815.

Another form of raising funds adopted by the government comparatively early in the war, was that of debenture stock. This stock bore 5 per cent. interest and might be turned in in subscription for war loans. The stock might, and may still, be purchased at any time, and one of the main objects of its issue, was to insure to a certain extent the success of the war loan. There have been 1,900 debenture stock certificates issued with a total value of $10,191,000. As the interest rate is considerably below the rate obtained on ordinary war loan, most of the debenture stock has been exchanged, the amount outstanding at present being $3,231,000.

Judging from the results of the war savings certificates, and of the debenture stock, the total result of a war saving stamp campaign could not be expected to form a very large proportion of the total borrowings. Moreover, the expenses of operation are high. On the other hand, the savings in this way represent, generally speaking, sums which would not be obtained otherwise, and on this account has been favored in England and United States as a part of the thrift campaign, as well as for its purpose of raising public funds.

Official reports from Washington state that the sugar crop for the year in British India was the highest on record, amounting to 3,220,000 tons.

FROST DAMAGE IN WEST NOT SERIOUS

Reports of probable damage of an extensive character to the growing grain in western Canada do not seem to be borne out in the weekly crop report of the Canadian Northern received a few days ago, bearing upon the developments in the territories served by its lines in Manitoba, Saskatchewan and Alberta.

Only 18 of the 279 agents reported serious frost, and of these but five indicated any damage from it. Only 17 reported real high winds and but 12 of these indicated any damage, and but six agents reporting reseeding on that account in the tributary areas.

It is possible that cool weather not permitting of rapid growth in some localities has been the means of preventing damage from either, high winds or frost along the Canadian Northern Railway. It is certain the rolling, wooded character of the northern areas served by the company affords a measure of protection of significance in itself.

Of the agents reporting, 94 gave wheat well above ground and doing well, while some 50 reported conditions as excellent. The report shows that oats seeding was in progress at 134 points and barley at 42.

SECURITY PRICES STEADY IN NEW YORK

Messrs. Spencer, Trask and Company, of New York, comment in their market letter of May 1st, on the recent Liberty Loan as follows: "It is pleasant to note that this successful result will have been accomplished with signal absence of liquidation in securities, a feature which figured so disagreeably in former loans. As a matter of fact, the average of both bonds and stocks is now even a trifle higher than on April 6th, when subscriptions to the new loan opened. Insofar as railroad securities are concerned, their steadiness has been all the more noteworthy, since the proposed contract, as recently submitted, between the government and the railroads was a distinct disappointment, the contract failing in several important respects to measure up to what the railroads felt they had a right to expect."

They also point out that before the war, approximately 40 per cent. of the turnover on the New York Stock Exchange was in railroad securities, while now they represent only about 10 per cent. Business in general is reported as fairly good and crops promise to be satisfactory. The acreage seeded is stated to be much larger than usual, and conditions of the soil are reported to be excellent. The increased cost of labor and the difficulty of obtaining raw supplies is causing the need for retrenchment in cost of production to be felt.

COAL PROSPECTS FOR THE WINTER

In the "Bache Review," for May 18th, attention is called to the fact that a worse coal shortage than that of last year is quite possible this year. It is pointed out that production in the early part of the year was held back by the establishment of a price at the mines so close to actual cost, that many coal sources were closed. Then came the car shortage which effected distribution. At the present time both car shortage and labor shortage are obstacles to production, and opinions of operators in the great coal areas east of the Mississippi, which furnishes more than 90 per cent. of the country's bituminous coal, are almost unanimously to the effect that the coal shortage next winter will be worse than that of last winter, unless the mines are furnished sufficient cars to enable them to increase materially their present rate of production. In fact, in many localities it is shortage of labor that has been the trouble all along, and not the lack of cars. The mine owners of West Virginia recently stated that the trouble in that state was that the miners were getting such large wages that they would work only a few days a week, and efforts to remedy this situation do not appear to have been successful. It is added that increases in price seem to be necessary to offset the increases in the cost of labor.

In view of the partial dependence of Canada upon the United States for coal, and the almost complete dependence of the province of Ontario, the coal position is extremely serious, and quite apart from the element of increased railway rates, there seems to be every prospect of still higher prices prevailing.

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BARRISTERS, SOLICITORS AND NOTARIES

Solicitors for:

The Bank of Montreal, The Canadian Bank of Commerce, The Merchants Bank of Canada, The Royal Bank of Canada, The Canada Life Insurance Company, The Great-West Life Insurance Co., The Hudson's Bay Co., The Massey-Harris Co., Limited.

W. J. BOWSER, K.C. R. L. REID, K.C. D. S. WALLBRIDGE
A. H. DOUGLAS J. G. GIBSON

Bowser, Reid, Wallbridge Douglas & Gibson

BARRISTERS, SOLICITORS, ETC.

Solicitors for Bank of British North America

Yorkshire Building, 525 Seymour St., Vancouver, B.C.

COLLECTIONS

R. G. DUN & CO.

ESTABLISHED 1841

Dominion Bank Building, Toronto, Canada

PROGRESS OF ST. JOHN

Increase in Exports and Imports—New Local Industries—Agriculture in New Brunswick—St. John Harbor

The Board of Trade Journal of St. John, New Brunswick, for April, 1918, contains a record of the progress of that city, and of the province of New Brunswick. The exports from the city of St. John for the fiscal year ended March 31, 1918, were over $20,000,000, or an increase of $10,000,000 over those for the previous year. The imports, which amounted to $16,787,200, were an increase of about $1,000,000 over the year 1914. The total trade was just a little more than $36,000,000. The enormous increase during the past four years is largely due to the fact that St. John offers the quickest route to the sea of any winter port on Canadian soil.

The grain exports through the Canadian Pacific Railway elevators at St. John for this season, up to April 15, reached a total of 16,500,000 bushels, an increase of 500,000 bushels over the figures for 1916-17. The arrivals and clearances of vessels for the year total 5,526 with a total tonnage of over 3,800,000. The customs receipts amounted to $3,333,982, a small increase over those for the previous year.

New Industries for St. John.

The first sardine packing plant to be established in St. John is now being erected by the Booth Fisheries Company, of Chicago. The plant will cost about $75,000, and will be capable of packing 100 hogsheads of fish per day. It is expected that 150 workers will be employed. The sardine industry of the Bay of Fundy originated about 30 years ago, the town of Eastport being its first home. It has now spread to a number of towns on both sides of the bay, and the presence of a factory at St. John may also lead to the erection of weirs farther up the bay. The industry is also carried on extensively on the coast of the state of Maine, although most of the fish packed in the factories there, come from the New Brunswick side.

The McAvity machine plant in St. John is being enlarged by the construction of a reinforced concrete and brick building to be used as a moulding shop.

In view of the increased activity of St. John harbor, it is being urged that it should to taken over by a commission appointed by the Federal government. One of the reasons proffered by the harbor committee of the St. John board of trade, why this should be done, is that its development as a national port must eventually place a greater burden upon the city than it can bear. The city has not obtained a large revenue from the port, and it has been necessary to keep it well equipped because of competition and this financial burden should be lifted off the shoulders of the city in order that it may devote the proper attention to its purely municipal functions. It is also pointed out that this is in line with modern ideas of harbor management, and will better enable the facilities of the port to be used by the Transcontinental lines of railway. The advantages of having it in the hands of a commission free from partizan influences, and with a permanent policy, are also described. By action of this kind about $2,000,000 of the city debt would be transferred to the shoulders of the committee, relieving the city of about 2/5 of its present burden. It is also stated that the harbor committee of the board has been assured by the Federal representatives who have been concerned in the negotiations, that certain expenditures would not become a charge upon the traffic of the port, that the charges would not increase beyond those of competitive ports and that none but the best men would be named as commisioners.

Conditions in New Brunswick.

The agricultural production of New Brunswick for the year 1917 was somewhat short, bad weather being indicated as the cause. The production of butter decreased, but the production of cheese increased. The wheat, oat, turnip and potato crops were less than for the year 1916. although the acreage sown in wheat and planted in potatoes was more for that year. The iron, antimony, tungsten and copper mines of the province ceased production during the year, and gypsum developments were hampered by lack of transportation. Oil and natural gas are, however, being developed to a considerable extent. The city of Moncton is provided with gas and gas tanks and gas forges of the Canadian Government railways are supplied from this source. The coal mining industry also received an impetus during the year as a result of the United States fuel conditions, but some difficulty was experienced by lack of labor.

The territorial revenue of the province for the year amounted to $549,565, being an increase of over $6,000 compared with that of the previous year.

NEW INSURANCE APPLICATION FORM

The Canada Life Assurance Company has recently prepared a commercial protection policy specially adated to business and partnership insurance. They have also adopted an application form in which is included the following question: "Is the insurance hereby applied for intended to replace in whole or in part, any insurance held by you in another company; if so, state name of company?" The purpose of this clause is to prevent a policyholder from losing by transferring his business from one company to another. The Canada Life points out that it is a frequent occurrence for Canadian companies to receive letters from other home offices in Canada and the United States advising that some applicant has stated that he is taking a policy in order to replace one he has with a Canadian company. It is desirable that agents should not encourage the "twisting" of business, as this almost invariably results to the disadvantage of the policyholder.

This company has also prepared a new table of rates based upon $50 or $100 premium as a unit. Therefore, instead of suggesting a $1,000 or $2,000 policy, an investment of $50, $100, $200 or more per annum can be suggested, and the amount of insurance which may be purchased by such an annual outlay, can be quoted at once.

EMPLOYMENT OF WOMEN IN BANKS

Summarizing information received from 65 city banks, women are generally working on the same salary basis as men, though there are a few exceptions. The usual method of hiring men is to take them in as messengers or office boys, and start them on the difficult upward path cashierwards. The new class of women employees are put at once upon routine work of a better class and at a higher wage. There is no reason why they, too, should not also plod their way cashierwards.

At the present early period of the feminine incursion women are found to be successful at remittance, statement and machine work (the operation of adding machines, addressographs, statement machines and typewriters) and bookkeeping. With a woman's greater tact she should be especially successful in meeting the public—window work of various kinds—though this involves a much more thorough banking experience than most of them now possess. The field of stenography has always been left largely to women, due probably to their greater respect for the appearance of the typed page, and a better training in English. With a greater variety of opportunities now opening, it will be interesting to observe whether this class of employee will care to strive for positions carrying a greater responsibility.

Bank work in some departments requires considerable physical and nervous endurance, and subjected to this strain men are naturally superior. They have been found to be able to work more efficiently and faster under pressure, and for this reason more women than men are required in these departments in the large banks. The proportion is about three to two, though some banks place it at five to four and others four to three. In positions that do not present these tense intermittent demands, the work of women is generally equal to that of men in quantity and quality, and is sometimes better.

On the whole, the employment of women in banks has been successful. Women applicants for positions usually have the advantage of men in education. The 20 largest banks in Minneapolis, St. Paul and Duluth employ 1,613 clerks. Fourteen of these banks report that the general educational qualifications of women applicants for positions are higher than those of men applicants; four report that they are about the same or no higher; two do not answer on this point. Local bankers may be interested in knowing that 65 banks in the three cities mentioned are at present employing 1,910 clerks. 599 of these are women.—Northwestern National Bank Review, Minneapolis.

DIVIDENDS AND NOTICES

BANK OF MONTREAL

Notice is hereby given that a Dividend of Two-and-One-Half per Cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, also a Bonus of One per Cent., both payable on and after Saturday, the First day of June next, to Shareholders of record of 30th April, 1918.

By Order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 23rd April, 1918.

UNION BANK OF CANADA

DIVIDEND No. 125

Notice is hereby given that a dividend at the rate of 9% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Saturday, the 1st day of June, 1918, to shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, 1918, both days inclusive.

By Order of the Board.
H. B. SHAW,
General Manager.
Winnipeg, April 19th, 1918.

THE NORTHERN CROWN BANK

HEAD OFFICE—WINNIPEG

DIVIDEND No. 19.

Notice is hereby given that a Dividend at the rate of 5% per annum on the paid-up Capital Stock of this Bank has been declared for the six months ending May 31st, 1918, and that same will be payable at its Banking House, in this city, and at all its Branches, on or after the first day of June next to shareholders of record at the close of business on the 16th day of May, 1918. The Transfer Books of the Bank will be closed from the 17th day of May to the 31st day of May, both inclusive.

By Order of the Board
ROBERT CAMPBELL,
General Manager.
Winnipeg, April 17th, 1918.

CITY OF EDMONTON

TAX SALE

An Auction Sale of lands for arrears of taxes will be held at the "Albion Hall," in the City of Edmonton, on Tuesday, the eighteenth day of June, 1918, commencing at the hour of 10 o'clock in the forenoon.

A full list of lands with all particulars can be had by applying to

F. BARNHOUSE,
City Treasurer
Edmonton, Alberta.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 125.

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 31st May, 1918, together with a bonus of one per cent., and that the same will be payable at the Bank and its Branches on and after Saturday, 1st June, 1918. The Transfer Books of the Bank will be closed from the 17th to the 31st of May next, both days inclusive.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 19th April, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of two per cent. (2%) on the Common Stock of the **Dominion Textile Company, Limited,** has been declared for the quarter ending **30th June, 1918,** payable **July 2nd,** to shareholders of record **June 15th, 1918.**

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 10th May, 1918.

PUBLICATION RECEIVED

Brazil.—By Rev. J. D. McEwen. This volume, written in a refreshing and spontaneous style, gives, in addition to an account of the author's work during his three years in the country, much useful information regarding its industries and trade. Montreal, the Witness Press. Price, $1.25.

June
Interest and Dividends

You cannot do better than re-invest the interest and dividends you will receive on June 1st in

Victory Loan Bonds

Denomination: $50, $100, $500, $1,000.

5, 10 or 20 years.

Canada's Premier Security

W. A. Mackenzie & Co.
Government and Municipal Bonds
TORONTO

Bank of Montreal

Statement of the Result of the Business of the Bank for the Half Year Ended 30th April, 1918.

Balance of Profit and Loss Account, 31st October, 1917		$ 1,664,893.08
Profits for the half-year ended 30th April, 1918, after deducting charges of management, and making full provision for all bad and doubtful debts		1,287,586.56
		$ 2,952,479.64
Quarterly Dividend 2½ per cent. paid 1st March, 1918	$400,000.00	
Quarterly Dividend 2½ per cent. payable 1st June, 1918	400,000.00	
Bonus—1 per cent. payable 1st June, 1918	160,000.00	
	$960,000.00	
War Tax on Bank Note Circulation to 30th April, 1918	80,000.00	
Subscriptions to Patriotic Funds	27,500.00	
Provision for Bank Premises	100,000.00	
		1,167,500.00
Balance of Profit and Loss carried forward		$ 1,784,979.64

General Statement—30th April, 1918.

Liabilities.

Capital Stock			$ 16,000,000.00
Rest		$ 16,000,000.00	
Balance of Profits carried forward		1,784,979.64	
		$ 17,784,979.64	
Unclaimed Dividends		5,589.00	
Quarterly Dividend, payable 1st June, 1918	$400,000.00		
Bonus of 1 per cent. payable 1st June, 1918	160,000.00		
		560,000.00	
			18,350,568.64
			$ 34,350,568.64
Notes of the Bank in circulation		$ 28,349,607.00	
Deposits not bearing interest		109,851,949.99	
Deposits bearing interest, including interest accrued to date of statement		247,904,855.58	
Deposits made by and Balances due to other Banks in Canada		1,840,789.57	
Balances due to Banks and Banking Correspondents elsewhere than in Canada		600,907.10	
Bills Payable		716,654.08	
			389,264,763.32
Acceptances under Letters of Credit			1,921,822.28
Liabilities not included in the foregoing			784,942.74
			$426,322,096.98

Assets.

Gold and Silver coin current		$ 20,931,133.00	
Dominion notes		60,457,838.75	
Deposit in the Central Gold Reserves		13,500.000.00	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	$15,679,641.07		
Call and Short (not exceeding thirty days) Loans in Great Britain and United States	96,584,365.63		
		112,264,006.70	
Dominion and Provincial Government Securities not exceeding market value		11,171,316.40	
Railway and other Bonds, Debentures and Stocks not exceeding market value		12,436,458.78	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian		45,280,436.87	
Notes of other Banks		1,985,554.00	
Cheques on other Banks		13,597,329.35	
			$291,624,073.85
Current Loans and Discounts in Canada (less rebate of interest)		$100,294.678.98	
Loans to Cities, Towns, Municipalities and School Districts		18,136,406.78	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest)		9,014,491.53	
Overdue debts, estimated loss provided for		375,430.23	
			127,821,007.52
Bank Premises at not more than cost (less amounts written off)			4,000,000.00
Liabilities of Customers under Letters of Credit (as per Contra)			1,921,822.28
Deposit with the Minister for the purposes of the Circulation Fund			790,000.00
Other Assets not included in the foregoing			165,193.33
			$426,322,096.98

VINCENT MEREDITH,
President.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

AGRICULTURAL CONDITIONS IN CANADA

Fall Wheat, Hay and Clover Partly Winter Killed—Spring Wheat Prospects Good

Ottawa, May 14, 1918.—The Census and Statistics Office issued to-day a report on the area and condition of fall wheat, the condition of hay and clover meadows and the progress of spring seeding, as compiled from the reports of crop correspondents at the end of April.

Winter Killing and Condition of Fall Wheat.

The winter killing of fall wheat in Ontario is reported as especially severe. It is estimated to amount to 56 per cent., which reduces the acreage under this crop in Ontario from 630,200 acres, as sown last fall, to 277,200 acres, the area to be harvested. This is the largest proportion of fall-wheat winter-killed in Ontario and the lowest acreage left for harvesting since the records were begun in 1909. In Alberta the percentage winter-killed is estimated at 10 per cent., thus reducing to 55,260 acres the area of 61,400 acres sown last fall. For the whole of Canada the area sown—viz., 711,000 acres, is reduced by 51 per cent. to 348,670 acres. The condition of fall wheat on April 30 is also the lowest on record—viz., 52 per cent. of the standard for Ontario and 59 per cent. for all the fall wheat provinces. Converted into a standard of 100 as representing the average condition on April 30 for the nine years 1909 to 1917, the condition of fall wheat for Canada on April 30, 1918, indicates a yield per acre of 71 per cent., or 29 per cent. below the average of the past nine years.

Hay and Clover Meadows.

About 11 per cent. of the area under hay and clover is reported as winter-killed, as compared with 9 per cent. last year. The condition in percentage of the standard representing a full crop is 84 for all Canada as compared with 86 last year. For the provinces the percentages are as follows: Maritime provinces, 92-96; Quebec, 86; Ontario, 78; Manitoba, 70; Saskatchewan, Alberta and British Columbia, 90-93.

Progress of Spring Seeding.

With an early spring, excellent progress has been made with seeding. For spring wheat in Manitoba 94, in Saskatchewan 85 and in Alberta 92 per cent. of seeding was estimated to be completed by the end of April. These proportions are higher than in any recent year, excepting 1915, and compare most favorably with last year, when for the prairie provinces the proportions only ranged from 5 to 27 per cent. For the six provinces to which the report applies—viz., Quebec, Ontario, the prairie provinces and British Columbia, the proportion of spring wheat seeded by April 30 is 66 per cent., as compared with 13 per cent. last year, 27 per cent. in 1916 and 94 per cent. in 1915. Good progress has also been made with the seeding of oats and barley, the proportion for the six provinces being for oats 24 per cent., as against 12 per cent. in 1917 and 8 per cent. in 1916, and for barley 20 per cent., as compared with 9 and 3 per cent. in 1917 and 1916. The following telegram from the Saskatchewan department of agriculture was received to-day (May 14): "Wheat seeding is completed; 40 per cent. of oats seeding done. No lack of moisture except in parts of west central district. Ten to 15 per cent. increase in spring ploughing. High winds reported but no damage to crop."

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railways for the first two weeks in May:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
May 7	$3,065,000	$3,033,000	—$ 32,000
May 14	3,123,000	3,109,000	— 14,000

Grand Trunk Railway.

May 7	$1,135,091	$1,434,727	+ $299,636
May 14	1,356,646	1,480,903	+ 124,257

Canadian Northern Railway.

May 7	$ 734,500	$ 827,500	+ $ 93,000
May 14	882,000	857,300	— 24,700

20,000 Horse Power Available

for industrial purposes in the city and vicinity of

QUEBEC, P.Q.

We own and offer suitable sites for industrial plants, with railway and water facilities, continuous power, lots of room for housing, good labor market.

Write for particulars

The Quebec Railway, Light, Heat & Power Co., Limited
Quebec, P.Q.

NIPISSING MINES COMPANY, LIMITED

The annual report of the Nipissing Mines Company, Limited, for the year ended December 31, 1917, shows a very successful year's business, 4,212,000 ounces of silver being produced, and the net receipts being approximately $2,700,000. The statement of revenue and expenses is briefly as follows:—

Gross value of ore produced	$3,756,889.77
Other receipts	71,420.88
Total	$3,828,310.65
Mining and other expenses	1,129,408.37
Net receipts	$2,698,902.28

Dividends amounting to $1,935,000 were paid, and after allowing $12,430.46 for the cost of special investigations, the net surplus is $2,731,598.69. Since 1906 the company has paid over $16,000,000 in dividends, or 269 per cent. on the par value of the stock.

IS KILLING AN ACCIDENT?

An interesting judgment was recently rendered by a Virginia Court on a case of accident insurance. A negro in Richmond, shot and killed his father, claiming that he mistook him for a burglar. He was acquitted of crime. The Standard Accident Company had a policy of $5,000 on the father and, not being satisfied, denied liability in the local courts. The insurance company undertook to prove that the son had threatened his father's life within three days of his death. The plaintiff claimed that, even if that question could be proven, it did not place the case beyond the range of an accident, and the Court upheld this contention.

The capital stock of the Massey-Harris Company is to be increased from $15,000,000 to $25,000,000. 100,000 new shares with a par value of $100 each, will be issued, it is stated.

Victory Bond Holders

Your coupons which are to be paid on June 1st can be used to the best advantage—by making further purchases of Victory Bonds.

A further purchase with your coupon money, means compound interest on your original investment.

If the amount you receive from your coupons is not sufficient to pay for a new purchase in full—use our Partial Payment Plan—your coupons accepted in payment for purchases.

Ask for booklet 92

Greenshields & Co.

Members Montreal Stock Exchange
Dealers in Canadian Bond Issues

17 St. John Street - Montreal
Central Chambers, Ottawa

Montreal and Toronto Stock Transactions

Stock Prices for Week ended May 21st, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations " and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi com.	....	....	....
Ames-Holden com.	21	20⅛	190
" pref.	60	....	137
Asbestos Corporation	....	15	35
" " pref.	....	....	....
Bell Telephone	130	....	2
British Columbia Fishing & Packing	....	....	....
Brompton	51⅜	54	637
Brazilian	34¼	31⅛	246
Canada Car com.	31½	30¼	155
" pref.	77¾	77½	394
Canadian Converters	43	....	38
Canada Cement com.	60¼	60	932
" pref.	....	90	115
Canada Cottons	64	....	....
" pref.	....	....	5
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	150	146½	....
Canadian General Electric	102¼	....	45
Canadian Locomotive	....	....	35
Canada Steamship Lines com.	....	....	585
" " " pref.	....	....	120
Can. Forgings	155	....	415
Civic Investment	....	....	....
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	217
Consumers Gas com.	....	....	....
Dominion Bridge	....	....	1
Dominion Canners	....	35½	361
Dominion Iron pref.	....	....	76
Dominion Steel Corporation com.	62⅛	62	9265
Dominion Textile	91⅞	90	107
" pref.	....	100	....
Goodwins Ltd.	....	....	....
Illinois Traction com.	....	....	....
Inter. Coal	....	....	50
Lake of the Woods Milling com.	....	....	38
" " " pref.	....	....	....
Laurentide Co.	....	....	112
Lyall Const. com.	78	....	....
Macdonald	....	13½	35
Mackay Cos. com.	....	....	....
" " pref.	....	....	....
Maple Leaf Milling com.	....	98	10
Montreal Tel.	....	....	....
Montreal Tramway deb.	72¾	....	2700
Montreal Light, Heat and Power	77	76½	497
Montreal Cotton com.	....	50	....
" pref.	....	....	....
Nova Scotia Steel pref.	....	....	....
Ogilvie Flour Mills com.	175	160	....
Ontario Steel com.	....	....	50
Ottawa L. H. & P.	....	70	215
Penmans	75	71	107
" pref.	....	....	15
Price Bros.	....	....	55
Riordan Paper	120	118¾	355
" pref.	....	....	....
Quebec Railway, Light, Heat & Power	21⅞	21½	3928
Shawinigan Water & Power	....	..	355
" " " rights	....	....	....
Spanish River com.	14	13⅞	131
" pref.	51	50	100
Smart Woods	....	61	413
Steel Co. of Canada	67	65⅞	9103
" " " pref.	91½	90	6
St. Lawrence Flour Mills com.	....	....	10
Toronto Railway com.	....	....	755
Wabasso Cotton	44	43	120
Wayagamack	50	...	....
Bank of British North America	...	....	....
Bank of Commerce	185	....	....
Bank of Montreal	210	....	....
Bank of Ottawa	....	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	140	....	13
Banque Nationale	....	....	....
Bank of Nova Scotia	248	....	....
Dominion Bank	202	....	....
Merchants Bank	167	....	10
Molsons Bank	....	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	....
Standard Bank com.	....	....	....
Union Bank	151	147⅞	....
Montreal Bonds			
Asbestos	....	69	....
Bell Telephone	....	....	....
Canadian Car	....	....	....
Canada Cement	....	....	....
Canadian Converters	....	....	....
Canada Felt	....	....	....
Cedars Rapids	....	....	500
Dominion Coal	....	....	....
Dominion Cotton	....	....	....
Dominion Iron and Steel	....	84	....
Dominion Textile A	....	....	9000
" " B	...	....	....
" " C	....	....	....
" " D	....	....	....
Lake of Woods Milling	....	....	....
Laurentide	....	101	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	75	....
Nova Scotia Steel	....	....	....
Ogilvie A	....	100	....
" B	....	100	....
" C	....	100	....
Penmans	....	....	....
Price Bros.	....	....	....

Montreal Bonds (*Continued*)	Opened	Closed	Sales
Quebec Railway, Light and Power	60	59½	11500
Riordan Paper	....	....	....
Steel of Canada	....	...	....
First Dominion War Loan	95	94⅞	1100
Second Dominion War Loan	94¼	93⅜	25000
Third Dominion War Loan	93	92¼	9900
Wabasso Cotton	84	....	....
Wayagamack	....	74½	....

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	21	.. .	....
" pref.	58	...	....
American Cynamid	34	30	15
Bell Telephone	....	....	....
Barcelona	9½	9⅜	114
British Columbia Fish	47	....	50
Brazilian	33¼	31	225
B. C. Packers	....	....	....
Canada Bread	20	19½	1210
" pref.	....	...	....
Canadian Car & Foundry	30¼	29¼	....
" " " pref.	78	75½	....
Canadian Canners	....	....	148
" pref.	....	....	50
Canadian General Electric	103	101½	....
" " " cum div. pref.	....	....	10
Canada Landed & National Investment	....	....	...
Canadian Locomotive	61	59	....
" pref.	....	82¾	....
Canadian Pacific Railway	....	....	....
Canada Permanent	....	162½	136
Canada Steamship	39¾	38⅜	10
" " pref.	70½	76	125
Can. Salt	....	....	....
Cement com.	60	59½	70
"	....	....	50
City Dairy	....	40	1
" pref.	....	81	....
Coniagas	310	290	....
Confederation Life	375	....	....
Consumers Gas	....	144½	78
Crows Nest	....	....	....
Dome	850	800	....
Dominion Canners pref.	35½	31½	....
Dominion Iron com.	....	....	....
Dominion Steel Company	63	62	820
Dominion Savings	....	....	....
Duluth Sup.	41	....	....
F. N. Burt	....	67	....
" pref.	....	...	52
Hamilton Provident	....	135	....
Huron & Erie com.	....	201	....
La Rose com.	50	44	210
Mackay Companies	77	76½	120
" pref.	65	64½	48
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	98½	98	118
" " " pref.	94	92	2
Monarch	....	39	51
" pref.	80	....	....
Nat. S. Car	10	8	5
" pref.	37	32	....
Nipissing	900	875	....
Nova Scotia Steel	65	....	99
" " " rights	....	....	....
Pacific Burt	34	....	....
" pref.	77½	....	....
Prov. Paper	55	....	....
Penmans com.	75	73½	....
Petroleum	1375	1325	...
Porto Rico	....	....	25
Quebec L. H. & P.	22	21½	565
Riordon	120	118	....
Rogers com.	....	....	..
Russell Motor	75	....	136
" pref.	80	77	27
Sawyer-Massey	15	....	....
" pref.	40	....	....
Spanish River	15½	13½	....
" pref.	53	50	21
Cons. Smelters	....	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	65¾	65½	700
" " " pref.	91	90	20
Toronto General Trust	....	200	....
Toronto Paper	....	70	....
Toronto Railway	61½	59	40
Trethewey S. Mines com.	17	16	....
Tucketts	19	....	....
" pref.	....	....	....
Winnipeg Electric	48	....	13
Twin City	46	44	151
Bank of Commerce	....	....	....
Bank of Ottawa	201	....	....
Bank of Hamilton	188	186	....
Bank of Montreal	....	....	....
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	....
Dominion Bank	202	....	...
Imperial Bank	185	....	15
Merchants Bank	....	....	....
Molsons Bank	....	....	....
Royal Bank	208	....	....
Standard Bank	200½	....	5
Union Bank	....	151	....
Toronto Bonds			
Canada Bread	....	....	....
Canada Locomotive	....	85	....
Colonial Loan	....	....	....
Penmans	....	85	....
Quebec Railway L. H .& P.	....	....	1000
Steel Company of Canada	....	....	....
First War Loan	95¼	94⅞	800
Secund War Loan	94	93½	1000
Third War Loan	93	92¾	35800

ANNOUNCEMENT

To the Policyholders of the Mutual Life Assurance Company of Canada, and others whom it may concern

The Board of Directors of the Mutual Life of Canada deeply regret to announce the death, on May 1st, of the Managing-Director of the Company, Mr Geo. Wegenast, F.A.S., after thirty-eight years of faithful and devoted service, the last twenty years as the chief officer of the Company, and they desire hereby to record their deep appreciation of the value of his services to the institution with which he was so long and happily associated

To fill the vacancy caused by Mr Wegenast's death, the Directors have appointed as General Manager the former Secretary of the Company, Mr Charles Ruby, who has been connected with the Mutual Life of Canada for thirty-four years, and intimately associated with the management for the past eleven years.

In making the appointment the Directors believe that their action will be heartily endorsed by the policyholders, whose interests alone have guided them in their choice of a successor to the late Mr. Wegenast. Mr. Ruby's long association with both the former managers is an assurance that the affairs of the Company will be carried on upon the same progressive and conservative principles that have controlled the policy of the Company during nearly half a century of steadily increasing usefulness.

E. P. Clement
President

Waterloo, Ontario, May 15, 1918

The Mutual Life
Assurance Company of Canada
Waterloo, Ontario

804

BUILDING PERMITS COMPARED

RETURNS FOR THIRTY-FIVE CITIES.

DEPARTMENT OF LABOUR FIGURES	February 1918	March 1918	March 1917	March 1918, compared with March, 1917. Increase+ Decrease− Amount	Per Cent.
CITIES	$	$	$	$	
NOVA SCOTIA	71,584	93,426	87,158	+6,268	+ 7.19
Halifax	68,075	47,768	68,475	− 20,707	− 30.24
Sydney	3,509	45,658	18,683	+ 26,975	+ 144.38
NEW BRUNSWICK	....	45,600	277,200	−231,600	−83.55
Moncton	....	1,500	....	+ 1,500	....
St. John	....	44,100	277,200	−233,100	− 84.09
QUEBEC	134,692	271,189	610,284	− 339,095	−55.56
Montreal Maisonneuve	77,045	241,660	470,840	−229,180	− 48.61
Quebec	25,147	22 329	129,699	−107,370	− 82.78
Sherbrooke	....	....	5,200	− 5,200	....
Three Rivers	17,000	7,200	3,795	+ 3,405	+ 89.72
Westmount	15,500	....	750	− 750	....
ONTARIO	492,492	1,001,699	1,234,530	−232,831	−18.86
Brantford	10,000	8,925	13,260	− 4,335	− 32.69
Port William	....	97,450	2,150	+ 95,300	+4,432.56
Guelph	2,800	11,820	14,369	− 2,549	− 17.74
Hamilton	65,890	94,625	287,180	−192,555	− 67.05
Kingston	....	5,660	11,040	− 5,380	− 48.73
Kitchener	425	14,970	15,480	− 510	− 32.95
London	16,560	29,615	46,300	− 16,685	− 36 04
Ottawa	15,800	94,470	63,175	+ 31,295	+ 49.52
Peterborough	1,230	3,250	4,945	− 1,695	− 34.28
Port Arthur	530	3,015	220,745	−217,730	− 98.63
Stratford	575	1,670	11,258	− 9,588	− 85.17
St. Catharines	7,675	32,305	22,835	+ 9,470	+ 41.47
St. Thomas	550	1,975	1,170	+ 805	+ 68.80
Toronto	347,282	529,664	414,508	+115,156	+ 27.78
Windsor	23,175	72,285	106,115	− 33,830	− 31.88
MANITOBA	54,900	137,902	159,610	−21,708	−13.60
Brandon	250	2.252	2,060	+ 192	+ 9.32
Winnipeg	54,650	135.650	157,550	− 21,900	− 13.90
SASKATCHEWAN	29,225	459.100	23,300	+ 435,800	+ 1,870.39
Moose Jaw	18,600	7,300	5,200	+ 2,100	+ 40.38
Regina	8,650	442,150	6.885	+435,265	+ 6,321.93
Saskatoon	6,975	9.650	11.215	− 1,565	− 13.94
ALBERTA	47.850	27,410	18,900	+ 8,510	+ 45.03
Calgary	32,200	23,000	14,300	+ 8,700	+ 60.84
Edmonton	15,650	4,410	4,600	− 190	− 4.13
BRITISH COLUMBIA	71,190	97,455	50,180	+47,275	+94.25
New Westminst'r	3,900	4,300	14,185	− 9,885	− 69.69
Vancouver	55,415	79,170	33,715	+ 45,455	+134.82
Victoria	11,875	13,985	2,280	+ 11,705	+513.38
Total	$901,930	$2,133,781	$2,461,162	− $327,381	− 13.32

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 7-64	1 3-16	......
Montreal funds	Par.	Par.	⅛-¼
Sterling—			
Demand	4.81	4.8120	4.83½
Cable transfers	4.82	4.8220	4.84½

Rate in New York—Sterling demand, 4.7545.

Bank of England rate, 5 per cent.

INDEX NUMBERS OF COMMODITIES

(DEPARTMENT OF LABOUR FIGURES)	No. of Commodities	Index Numbers *Mar. 1918	*Feb. 1918	*Mar. 1917
I. GRAINS AND FODDERS:				
Grains, Ontario	6	443.4	420.1	297.5
" Western	4	383.0	352.9	255.4
Fodder	5	215.3	210.7	201.1
All	15	353.4	332.4	251.1
II. ANIMALS AND MEATS:				
Cattle and beef	6	325.5	321.9	270.9
Hogs and hog products	6	358.1	345.6	273.1
Sheep and mutton	3	321.1	277.5	236.3
Poultry	2	382.?	381.3	305.7
All	17	312.5	330.5	289.1
III. DAIRY PRODUCTS	9	215.9	261.1	224.2
IV. FISH:				
Prepared fish	6	241.6	241.6	186.4
Fresh fish	3	225.8	225.8	212.7
All	9	236.3	236.3	195.1
V. OTHER FOODS:				
(A) Fruits and vegetables				
Fresh fruits, native	1	193.0	229.8	257.4
Fresh fruits, foreign	3	180.8	160.1	122.3
Dried fruits	4	272.0	269.5	192.3
Fresh vegetables	5	319.2	339.0	511.1
Canned vegetables	3	252.9	251.2	181 9
All	16	261.1	264.8	280.8
(B) Miscellaneous groceries and provisions				
Breadstuffs	10	261.2	260.4	203.2
Tea, coffee, etc.	4	151.6	151.6	141.6
Sugar, etc.	6	250.0	244.9	179.4
Condiments	5	225.1	225.1	157.8
All	25	233.8	232.2	178.5
VI. TEXTILES:				
Woollens	5	368.5	369.2	253.7
Cottons	4	300.5	291.1	192.2
Silks	3	133.4	131.5	115.0
Jutes	2	609.5	609.5	415.0
Flax products	4	388.4	388.4	280.7
Oilcloths	2	177.7	177.7	139.8
All	20	333.6	327.1	230.7
VII. HIDES, LEATHER, BOOTS AND SHOES:				
Hides and tallow	4	263.6	264.7	291 9
Leather	4	263.3	263.3	268.5
Boots and Shoes	3	230.9	232.9	221.1
All	11	254.6	255.5	264.1
VIII. METALS AND IMPLEMENTS:				
Iron and steel	11	279.8	282.6	190.3
Other metals	12	261.6	251.0	271 4
Implements	10	221.6	214.7	165.2
All	33	255.5	250.5	213.3
IX. FUEL AND LIGHTING:				
Fuel	6	236.7	235.8	222.3
Lighting	4	120.2	120.2	103.7
All	10	190.1	189.6	171.9
X. BUILDING MATERIALS:				
Lumber	14	251.8	233.2	193.5
Miscellaneous materials	20	216.9	212.7	191.3
Paints, oils and glass	14	297.4	273.7	241.4
All	48	250.6	236.5	207.1
XI. HOUSE FURNISHINGS:				
Furniture	6	207.3	207.3	177.5
Crockery and glassware	4	279.8	279.8	208.4
Table cutlery	2	150.7	150.7	132.2
Kitchen furnishings	4	239.7	222.9	160.3
All	16	226.4	222.2	170.2
XII. DRUGS AND CHEMICALS	16	290.6	294.4	216.3
XIII. MISCELLANEOUS:				
Raw Furs	4	535.4	511.5	403.7
Liquors and tobacco	6	214.7	207.9	164.8
Sundries	7	217.2	210.1	157.2
All	17	291.2	280 2	219.0
All commodities	†262	269.2	263.5	220.6

*Preliminary figures. †Nine commodities off the market, fruits, vegetables, etc. One line of spelter was dropped in 1915.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended May 21st, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........pref.	80	90	Can. Westinghouse	100	118	Ford Motor of Canada	....	214	Nova Scutia Steel 6% deb.	85	92
" ....6's	...	93.50	Can. Timber & Land	95	110	Great West Permanent	....	70	Ont. Pulp........ .... 6's	76.50	79.50
Alberta Pac. Grain..com.	102	....	Carter Crume.......pref.	....	68	Home Bank	....	65	Peoples Loan	80	90
Atlantic Sugar.........6's	78.50	85	Can. Fairbanks .....pref.	86.50	....	Imperial Oil	270	285	Rosedale Golf	....	320
" " ......pref.	31.50	35.50	Chapman Ball Bearing	23	29.50	Inter. Mill ....pref.	82.50	88.50	Sovereign Life	12.75	19.75
" " .....com.	9.50	16	Cockshutt Plow.....pref.	67	76	Lambton Golf Club	350	400	Sterling Bank	....	82.50
Belding Paul......... 5's	75	80	Continental Life	17.50	25	London Loan & Savings	90	109	Sterling Coal........com.	12.50	16.50
" " ......pref.	74	79.50	Dom. Fire	18.50	23.50	Matthew-Blackwell com.	42.50	50	" " ......bonds	69.50	73.75
Black Lake............6's	22	25	Dom. F'dry & Steel 8% pf.	86.50	93	Matthew Laing........6's	94	97.50	Toronto Power 5's 1924	79.50	83.50
Brand-Henderson.....6's	95.25	....	Dom. Glass ....com.	35.50	40.50	M'Donald ....pref.	75	80	Toronto Carpet.....com.	86	...
Can. Cons. Felt.....com.	5	7.50	" " ....pref.	76	83	Mexican Northern....5's	9.50	12.50	Toronto Paper........6's	85	90
" " " .....pref.	35	....	Dom. Iron 5's. 1939	74	77	Mississauga Golf	40	52	West. Assurance	7.50	8.75
Canada Machinery..pref.	48	52	Dom. Power ....com.	50	58.50	Morrow Screw........6's	85.50	92	Wt. Can. Flour.... com.	100	120
" " com.	12	....	" " ....pref.	92.50	96.50	National Drug 7% pref.	...	92	West Power...........5's	52	57
Can. Marconi	1.25	2	" " .... 5's	81.50	85	National Life	37.50	...	Dom. Explosives	....	25
Can. Mortgage & Invest.	....	82.50	Dunlop Tire..... . .. 6's	95.50	100	National Potash	...	1.35	St. Lawrence Flour...6's	95	100
Can. Oil..............pref.	80	90	Eastern Car...........6's	89.25	94.50	National Telephone...5's	52.25	56.75	North Amer. Pulp	2.75	3.50
Can Salt...............6's	92.50	....	....	...	....	....	...	...	....	....	...

The New York State Industrial Commission, through Mr. Wm. S. Coffey, secretary, has announced that under the 1918 amendments to the workmen's compensation law, which became effective on May 12th, all employers of four or more workmen, regularly engaged, must take out compensation insurance on these employees. Employers who neglect to take out compensation insurance are liable to both civil and criminal prosecutions.

"Safeguarding the Investor"

If you do not receive a copy of the pamphlet bearing the above title within a few days write to any member of the Toronto Stock Exchange and it will be forwarded without charge.

It covers the question of buying and selling all kinds of securities for cash or on credit.

Any Member of the Toronto Stock Exchange can buy or sell any security for which there is a market anywhere in the world.

Toronto Stock Exchange

Established Over 70 Years Ago.

THE EMPLOYERS'
LIABILITY ASSURANCE CORPORATION
OF LONDON, ENG. LIMITED

ISSUES

Personal Accident	Sickness
Employers' Liability	Automobile
Workmen's Compensation	Fidelity Guarantee
and Fire Insurance	Policies

C. W. I. WOODLAND
General Manager for Canada and Newfoundland

Lewis Building, MONTREAL
JOHN JENKINS, Fire Manager
Temple Bldg., TORONTO

The Imperial Guarantee and Accident Insurance Company of Canada

Head Office, 46 King St. W., TORONTO, Ont.

IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital	$200,000.00.
Authorized Capital	$1,000,000.00.
Subscribed Capital	$1,000,000.00.
Government Deposits	$111,000.

LONDON
GUARANTEE AND ACCIDENT COY.
Limited

Established 1869

Head Office for Canada:
TORONTO

Employer's Liability	Personal Accident	Sickness
Elevator	Fidelity Guarantee	Court Bonds
Contract	Internal Revenue	Teams and Automobile

AND FIRE INSURANCE

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance Sickness Insurance Plate Glass Insurance
Burglary Insurance Automobile Insurance Guarantee Bonds
The Oldest and Strongest Canadian Accident Insurance Company
Toronto Montreal Winnipeg Calgary Vancouver

P. R. REED, President.
T. B. REDDING, Vice-President.
B. M. WHITLEY, Secretary-Manager

Canada Security Assurance Company

HAIL DEPARTMENT
CALGARY - ALBERTA

$2,000,000

Province of British Columbia

10-Year 6% Gold Bonds

Sealed Tenders, endorsed "Tenders for Province of British Columbia Bonds," addressed to the undersigned at the Canadian Bank of Commerce, Head Office, Toronto, Ontario, will be received for the purchase of $2,000,000 (Two Million Dollars) Ten-year Gold Bonds of the above Province, dated 1st June, 1918, due 1st June, 1928, bearing interest at the rate of 6% per annum, payable half-yearly on the 1st June and 1st December. Principal and interest payable in gold at the Canadian Bank of Commerce, Victoria, B.C., Toronto, Montreal, and at the Agency of the Canadian Bank of Commerce in the City of New York, U.S.A., at the option of the holder.

Bonds to be in denominations of $1,000, $500 and $100, in amounts to suit the purchaser, with coupons attached, and may be registered as to principal only.

Payment for Bonds, with accrued interest to date of payment, to be made at the Canadian Bank of Commerce, Victoria, B.C.

Full payment at Victoria, B.C., on delivery of interim securities.

Interim Certificates will be supplied to be exchanged for Definitive Bonds on completion.

Tenders to be addressed to the Honorable John Hart, Minister of Finance for the Province of British Columbia, care of Head Office, Canadian Bank of Commerce, Toronto, Ontario, and delivered not later than noon on Tuesday, the 28th day of May, 1918.

Each tender must be accompanied by a marked cheque for $50,000.00. The cheque of the successful bidder to be retained and applied as part payment for the Bonds; other cheques to be returned immediately.

The highest or any bid not necessarily accepted.

JOHN HART,
Finance Minister, British Columbia.

Toronto, May 22nd, 1918.

GRAND TRUNK PENSIONS EMPLOYEES

According to a report from the Grand Trunk Railway Company, dated the 16th instant, 14 men were retired from active service under the company's pension plan for the month of May. The total number of officers and employees pensioned is now 14,047. The average service of the men retiring is 35 years, and eight of the 14 mentioned above have been with the Grand Trunk for more than 40 years.

BANK CLEARINGS

The following are the bank clearings for the weeks ended May 17th. 1917, and May 16th, 1918, respectively, with changes:—

	Week ended May 16, '18.	Week ended May 17, '17.		Changes.
Montreal	$ 89,566,988	$ 81,588,415	+	$7,978,573
Toronto	65,089,446	65,367,154	—	[illegible]
Winnipeg	41,514,059	54,884,943	—	13,370,884
Vancouver	9,228,154	7,471,407	+	1,756,747
Ottawa	6,104,854	5,809,549	+	295,305
Calgary	5,843,637	6,823,280	—	979,643
Hamilton	4,686,916	4,747,633	—	60,717
Quebec	4,831,089	3,683,882	+	1,147,207
Edmonton	2,937,548	2,366,494	+	571,054
Halifax	4,290,514	2,784,576	+	1,505,938
London	2,544,104	2,308,757	+	235,347
Regina	3,013,639	2,790,069	+	223,570
St. John	2,227,239	2,132,814	+	94,425
Victoria	1,975,119	1,528,304	+	446,815
Saskatoon	1,798,049	1,654,237	+	143,812
Moose Jaw	1,203,553	1,048,946	+	154,607
Brandon	484,022	419,179	+	64,843
Brantford	1,060,381	839,225	+	221,156
Fort William	597,856	649,511	—	51,655
Lethbridge	737,004	765,180	—	28,176
Medicine Hat	379,157	556,855	—	177,698
New Westminster	413,191	344,830	+	68,361
Sherbrooke	1,144,106	614,049	+	530,057
Kitchener	712,238	672,222	+	40,016
Windsor	1,335,718	....		....
Totals	....	$252,481,949		....

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

May 21st, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	83	8.45
Canada Cement	7	90	7.75
Canada Steamships	7	76	9.21
Mackay Companies	4	65	6.15
Maple Leaf Milling	7	94	7.44
Penmans	6	82	7.31
Steel of Canada	7	91	7.69
Common:			
Bell Telephone	8	128	6.25
B. C. Fishing and Packing	5	48	10.50
Canada Cement	6	60	10.00
Canadian Locomotive	6	58	10.34
Canadian General Electric	8	102	7.85
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	66	11.85
Maple Leaf Milling	10	98	10.20
Canadian Pacific Railway	10	145	6.90
Penmans	6	75	8.00
Dominion Steel Corporation	5	62	8.06
Steel Co. of Canada	6	65	9.08
Mackay Companies	6	76	7.89
Toronto Railway	4	58	6.89
Twin City	4	45	8.88
Bonds:			
Canada Bread	6	90	6.66
Canada Cement	6	97	6.18
Canada Steamships	5	80	6.25
Canadian Locomotive	5	85	7.12
Penmans	5	87½	5.72
First War Loan, 1925	5	95	5.26
Second War Loan, 1931	5	93¾	5.33
Third War Loan, 1937	5	92	5.70
Victory Loan, 1937	5½	98⅞	5.58
....	....	....	....
....	....	....	....

Official announcement was made on Monday, of the acceptance of a contract by the Motor Trucks, Limited, of Brantford, for the manufacture of material for the United States government. The contract involves an expenditure of approximately $7,000,000, and the terms call for completion by January 1st, 1920.

CONFEDERATION LIFE
ASSOCIATION

Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:
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Joseph Henderson, Esq. — Peleg Howland, Esq.
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Medical Director:
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HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION!

The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED	INCREASE 166%
ADMITTED ASSETS	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds	$ 66,500,000	Investments under Canadian Branch, over	$ 16,000,000
Deposited with Canadian Government and Government Trustees, over	7,000,000	Revenue, over	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

D. M. McGOUN, Mgr. P. W. DORAN, Chief Agent, Ont.

ENDOWMENTS AT LIFE RATES
ISSUED ONLY BY
The London Life Insurance Co.
LONDON ... ... CANADA
POLICIES "GOOD AS GOLD." 1

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.

BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE - TORONTO, CANADA

The Secret of a Wonderful Success

The rise and progress of The Mutual Life of Canada has been one of the romances in the history of Canadian Finance. Less than half-a-century ago a small group of men in an obscure Ontario town determined to establish a Life Insurance Company that would give the public the maximum of service at a minimum of cost. That being the aim it was resolved that the organization should be purely mutual. Five hundred prospective policyholders were gathered and formed the nucleus of the Company. From this small beginning in 1870 the Company has gone forward steadily with more regard to security and mutual serviceableness than big business. The result is that the Company to-day is enjoying a popularity that is phenomenal, writing during the past year more than $20,000,000 paid for assurances.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
Assets **$32,165,000** Surplus **$1,761,299** Assurance **$123,511,314**

AS GOOD AS THE WHEAT

Over 65,000 persons in Canada have arrived at the conclusion that the GREAT-WEST LIFE can give them the best possible value in Life Insurance—a "No. 1 Hard Policy."

Not through lavish advertisement, or the lapse of many years, has the Company attained its reputation, but solely through the attractiveness of its Policies.

Over $155,000,000 of business in force is the record for twenty-five years.

As the standard of profitable Life Insurance, GREAT-WEST POLICIES are well said to be "as good as the wheat."

Information on request.

The Great-West Life Assurance Co.
DEPT. "F"
HEAD OFFICE : : WINNIPEG

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

NEW INCORPORATIONS

Fairfax Forgings, Limited, With Capital Stock of $1,500,000. Receives Charter

The largest company incorporated during the past week. was the Fairfax Forgings, Limited, with a capital stock of $1,500,000, and head office at Montreal.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are the provisional directors:—

Burnaby Lake, B.C.—Burnaby Lake Fruit Growers Association, $1,000.

Longueil, Que.—Standard Foundry, Limited, $90,000; E. Colas, J. Colas, Miss E. Colas.

Verdun, Que.—Charland, Limited, $10,000; M.M. Z. Charland, Maggie-Louise Y. Charland.

Peterboro, Ont.—J. C. Turnbull Company, Limited, $100,000; G. H. Gilday, R. L. Webster.

Dunnville, Ont.—R. H. Harrison, Limited, $40,000; R. Harrison, J. P. Harrison, E. P. Harrison.

Hamilton, Ont.—Spittal-Sparks Company, Limited, $150,000; L. P. Spittal, C. E. Sparks, W. Rae.

Three Rivers, Que.—Bellefeuille and Trepanier, Limitée, $49,500; A. Bellefeuille, Bruno-J. Trepanier.

Plessisville, Que.—Gregoire Lumber Corporation, Limited, $45,000; M.M. N. Gregoire, J.-L. Gosselin.

Windsor, Ont.—Saxon Motors Corporation of Canada, Limited, $50,000; A. R. Bartlet, H. L. Barnes.

Welland, Ont.—Dillon Crucible Alloys, Limited, $100,000; L. B. Spencer, L. C. Raymond, C. Henderson.

The Pas, Man.—Herb Lake Gold Mines, Limited, $1,000,000; C. J. McLeod, M. S. Everall, H. M. Hughes.

East Broughton, Que.—Dominion Asbestos Spinning Company, Limited, $149,000; A. Pare, J. E. Murphy, A. Morisset.

Vancouver, B.C.—Frank Waterhouse and Company of Canada, Limited, $50,000; F. Waterhouse, N. H. Begley, J. R. Lane.

Saint-Amedee-de Peribonka, Que.—Quebec-Saguenay Pulp and Paper Company, Limited, $799,999; M.M. Joseph-Philias Galibois; H. Godbout.

Winnipeg, Man.—Northern Implement Company, Limited, $25,000; W. J. Leaney, F. Nilan, N. W. Stowell. Robinson-Alamo, Limited, $30,000; H. S. Ross, E. R. Angers, H. M. Gardner. Flaxlinum Sales Company, Limited, $25,000; J. D. Armstrong, A. P. Hendrickson, F. Evans.

Quebec, Que.—L.-A. Duval Company, Limited, $20,000; L. Duval, A. F. Rudd, A. H. Cunning. Corporation d'Energie de Montmagny, $400,000; E. Roy, H. R. Wood, M. Rousseau. Steamer Muriel W., Limited, $10,000; Wm. Q. Stobo, H. C. Thorn, C. St. J. Griffis. Canadian Ferro Alloys, Limited, $250,000; L. Macfarlane, Gordon-Walters MacDougall, William-Bridges Scott.

Montreal, Que.—Fairfax Forgings, Limited, $1,500,000; L. A. David, L. P. Crepeau. Aldred and Company, Limited, $1,000,000; J. E. Aldred, H. J. Fuller. Canadian Buttons, Limited, $25,000; M. Goldstein, J. A. Engal. Desjardins, Limitée, $49,000; M.M. A. Desjardins, L. Desjardins. L-H. Cantin and Compagnie, Limitée, $10,000; F. Pauze, J.-Arthur Beaudoin. Hannans, Limited, $20,000; M.M. C. M. Cotton, F. T. Enright. Masterman, Limited, $99,000; M.M. C. H. Skelton, R. C. Stevenson, A. W. Knowles. Laurence and Robitaile, Limitée, $20,000; J. Laurence, E. Charron.

Toronto, Ont.—Canadian Guide to Bonded Lawyers, Limited, $40,000; A. E. Wilson, M. Cumming, M. J. Martin. Dixie Produce Company, Limited, $40,000; W. E. Caldwell, N. I. Caldwell, M. Caldwell. Hallman Company, Limited, $40,000; A. B. Elder, W. F. Hallman, S. Elder. Lookout Mines, Limited, $40,000; A. Rowland, N. D. Tytler, R. K. Sproule. Swan Lake Farm, Limited, $50,000; J. F. Gundy, H. W. Gundy, G. S. Bell. Oppenheimer Casing Company of Canada, Limited, $5,000; A. L. Reid, K. D. Mackenzie, W. W. Perry. Sunbeam Chemical Company, of Canada, Limited; G. H. Gilday, M. P. Procter, L. Flynn. Petroleum and Gas Products, Limited, $1,000,000; G. J. Valin, F. Woods, F. W. Rogers.

INCREASE IN BRITISH TRADE

The board of trade figures for the month of April show an increase in imports of £35,300,000 over the same period of last year, and an increase also in exports of £4,272,000.

The principal increases in imports were:—

Food	£16,000,000
Cotton	3,000,000
Manufactures	13,000,000

The principal increases in exports were of cotton manufactures.

LARGE OIL WELL IN DOVER TOWNSHIP

The Union Gas Company has bought in an oil well in Dover township which, it is estimated, may develop four to five hundred barrels a day. A definite estimate cannot be made yet, because a rather heavy gas pressure is throwing a stream of oil almost as high as the derrick. Efforts are being made to quickly control the well. This well is down 3,275 feet, which is the lowest drilling in the county, and lower than the Bothwell and Lambton field. A well just 600 feet from this one is down less than 3,000 feet. It developed gas very strongly at first, and later turned to oil, the flow of which reduced some, but is still fairly strong. The Dover field is a comparatively new one, which the Union company is exploiting, following the reduction in the gas pressure in the Tilbury field.

RAND GOLD OUTPUT

The output of gold at mines of the Rand in April was 717,099 fine ounces, valued at £3,046,045. In March the outturn was 696,281 fine ounces, valued at £2,957,614. The following table gives the output of gold and the total value at the Rand (in fine ounces) for the first four months of the year, with comparisons:—

Output—	1918.	1917.
January	714,182	782,634
February	659,759	721,321
March	696,281	787,094
April	717,099	742,778

Value—	1918.	1917.
January	£3,033,653	£3,324,418
February	2,802,477	3,063,976
March	2,957,614	3,343,363
April	3,046,045	3,155,121

PROVINCIAL AND MUNICIPAL BONDS

Including the $3,000,000 Ontario issue just made, almost $10,000,000 of Canadian provincial bonds have been sold this year. The particulars are as follow:—

1918.	Government.	Amount.	Securities.	Rate.	Term years.	Offered at %
Jan.	Saskatchewan	$ 630,000	Gold bonds.	5	15	6½
Jan.	Manitoba	1,000,000	Gold bonds.	5	2	6¼
Jan.	Manitoba	1,000,000	Gold bonds.	6	10	6¼
Feb.	New Brunswick	1,000,000	Coupon gold bonds.	6	10	6⅛
Feb.	Ontario	3,000,000	Coupon gold bonds.	6	10	6
May	Ontario	3,000,000	Coupon gold bonds.	6	10	6

Judging from the success of three large issues which have been placed on the market during the past two weeks, there is good sale in Canada at present for high-grade government and municipal bonds. The $346,000 Hamilton bonds, which were offered at 6 per cent., have been practically disposed of. The same is true of the $736,000 Toronto bonds offered the end of last week at the same price. Following the offering of the $3,000,000 Ontario bonds, also to yield 6 per cent., on Tuesday, the 21st inst., the syndicate reported towards the end of the day that $2,000,000 had already been disposed of, and it was expected that the issue would be entirely disposed of very shortly. Institutional buying has been responsible for a considerable proportion of the sales

Solid Growth

UP-TO-DATE business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

To-day, they exceed by far those of any Canadian Life Assurance Company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE
PROSPECT BUREAU
BULLETIN SERVICE,
ADVERTISING and
ALL ROUND SUPPORT

YOU { Travel without expense,
Are better equipped for the journey,
Sure of getting there, with the

CANADA LIFE
ASSURANCE CO.
Home Office - Toronto

CROWN LIFE

Investments may come and investments may go but a Crown Life Policy stands as the best combination of safety, earnings and protection that you can get.

There is a Crown Life Policy to suit every insurance need. Write us for advice today.

Crown Life Insurance Co., Toronto

Agents wanted in unrepresented districts 61

War Conditions — Liberal
Premiums — Recently Reduced
Agency Contracts — Profitable

AGENTS WANTED

Gresham Life Assurance Society
LIMITED
Head Office for Canada ∴ MONTREAL
Established 1848. Funds Exceed $50,000,000

Orders for the new issue of H. M. P. Eckardt's
Manual of Canadian Banking
are now being received
Postpaid anywhere $2.50
The Monetary Times Printing Company, Toronto, Ont.

The Travellers Life Assurance Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

According to a cable received recently by the Canadian Food Board from the British minister of food, the consumption of wheat in Canada must be reduced still further. The cable read as follows: "Wheat importations are not arriving in quantities sufficient to meet our weekly requirements. Every effort that can be exerted in Canada to increase shipments of wheat and meat will be invaluable."

The Board of Trade figures for the United Kingdom for the month of April, shows an enormous increase in imports over the figures for April, 1918. The increase in imports was £35,300,000 and in the exports £4,272,000. The principal increases in imports were in food, raw cotton and manufactures, while the principal increases in exports were in cotton manufactures.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Agincourt, Ont.—May 19—Barn of Ira Gooderham, and a herd of dairy cattle were destroyed.

Arnprior, Ont.—May 21—Lumber yards of Lachlin Brothers, containing 2,000,000 feet of rough lumber, were destroyed. Estimated loss, $75,000.

Belleville, Ont.—May 21—Choir loft of St. Michael's Church was damaged.

Brockville, Ont.—May 20—Large cottage at Devil's Lake, owned by Wright Brothers, was damaged. Estimated loss, $2,000.

Carlevale, Sask.—May 20—The Muldoon Brothers' livery stable, Shannon's hardware store and Hoff and Jackes' warehouse were destroyed. Estimated loss, $75,000.

Edmonton, Alta.—May 17—Office of the Oliphant-Munson Mines was damaged.

Entwistle, Alta.—May 14—Principal portion of the business section of the town was destroyed. Estimated loss, $40,000.

Guelph, Ont.—May 17—Top story of the Robson Motor Car Company's building was damaged. Estimated loss, $100.

Komoka, Ont.—May 19—Thames Valley cheese and butter factory was damaged. Estimated loss, $10,000.

Lucan, Ont.—May 16—Mr. D. B. McVicar's large brick blacksmith shop was destroyed.

Pike Bay, Ont.—May 15—Mr. Dan Stewart's store was damaged. Estimated loss, $3,000.

Scarboro, Ont.—May 18—Farm buildings of John Jarvis, near Armadale were damaged.

May 20—House of Herbert Hotchkiss was destroyed.

Toronto, Ont.—May 18—Building of Lyman Brothers, 183 Front Street E., was damaged. Estimated loss, $2,000.

Trout Mills, Ont.—May 16—Town pump-house was damaged after struck by lightning.

Stratford, Ont.—May 17—Frame mill of the Sebringville Flax Company was destroyed. Estimated loss, $25,000.

Winnipeg, Man.—May 15—Building occupied by Richardson and Bishop was damaged. Cause reported as incendiarism. Estimated loss, $150,000. The Clifton school building was damaged. Estimated loss, $500.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Ottawa, Ont.—April 25—The premises of the Victoria Foundry Company were damaged. A total insurance of $118,000 was carried. The following companies are interested: Union of Paris, $5,000; New York Underwriters, $5,000; Niagara Fire, $5,000; Century, $5,000; Palatine, $7,500; Nova Scotia, $5,000; Globe and Rutgers, $7,500; National, $10,000; National-Ben Franklin, $2,500; Mount Royal, $5,000; North-West National, $5,000; Springfield, $5,000; Phœnix of Hartford, $2,500; North-West Fire, $10,000; Liverpool and Manitoba, $10,000; Queen, $5,000; Fidelity-Phenix, $2,500; Norwich Union, $5,000; Rochester Underwriters, $4,000; General, $5,000; Union of Canton, $6,500.

BRITISH COLUMBIA BOND ISSUE

The British Columbia government has decided to ask for tenders for $2,000,000 of gold bonds, bearing interest at 6 per cent. and running for ten years. The money is being raised to liquidate outstanding obligations, including some incurred on account of the purchase of the Great Eastern Railway, and for which advances were made to the government by the banks. The last bonds of this province to be offered in the market, which was some months ago, were offered on a 6½ per cent. basis. An advertisement for tenders appears on another page of this issue.

The 8th Austrian war loan will, it is reported, be issued shortly. The loans will carry interest at 5½ per cent. per annum, and the price will probably be 93.

DOMINION SUPPLEMENTARY ESTIMATES

On the 20th instant supplementary estimates totalling $46,957,312 were tabled in the House of Commons. This includes a vote of $37,000,000 to cover the working expenses of the Canadian government railways. Of the amount asked for, $5,170,313 is chargeable to capital expenditure.

INSURANCE INSTITUTE ANNUAL MEETING

The annual meeting of the Insurance Institute of Toronto was held on May 21st, and the nineteenth annual report presented. The various reports read at the monthly meetings during the year will be printed shortly. The membership of the Institute has shown a substantial increase during recent years, being now 465, as compared with 422 in 1913-14.

In spite of enlistments of the younger men, the educational work of the association is progressing satisfactorily. Of 22 candidates at examinations during the year, slightly less than one-half were successful. Of the Institute's members, 116 student members, and 111 active members, are at war. As their fees are remitted, the revenue for the year was somewhat less than usual.

Mr. H. C. Cox, of the Canada Life, the retiring president, becomes honorary president, and Mr. H. W. Crossin, of the Employers' Liability, becomes president. The other officers are vice-president, Mr. J. B. McKechnie, Manufacturers' Life Insurance Company; librarian, Mr. B. R. Smith, of the Confederation Life; secretary-treasurer, C. Elvins, Imperial Life Assurance Company. The council includes the past presidents and Messrs. C. W. Fuller, J. B. McKechnie, A. H. Rogers, G. C. Moore, C. S. Wainwright, A. P. Muckle, D. E. Kilgour, W. A. P. Wood, J. R. Stewart, P. C. Keys, J. G. Parker, C. A. Withers, and T. H. Hall.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent. extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

Commercial Union Assurance Co.
LIMITED, OF LONDON, ENGLAND
Total Annual Income Exceeds .... $ 51,000,000
Total Funds Exceed 151,500,000
Total Fire Losses Paid 193,774,045
Deposit with Dominion Government .. 1,245,467
Head Office Canadian Branch:
COMMERCIAL UNION BLDG. - MONTREAL
JAS. McGREGOR, MANAGER
Toronto Office - 49 Wellington St. East
GEO. R. HARGRAFT
General Agent for Toronto and County of York.

PUBLISHED EVERY FRIDAY
BY
The Monetary Times
Printing Company
of Canada, Limited

Publishers also of
"The Canadian Engineer"

Monetary Times
Trade Review and Insurance Chronicle
of Canada

Established 1867 — Old as Confederation

JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Call Loans Increase in April

Increase in Savings Deposits, in Circulation, and in Call Loans —Savings Deposits Are Again Nearing the Billion Dollar Mark— Practically Whole Banking Business Shows Gain Over Last Year.

	April, 1917.	March, 1918.	April, 1918.	Year's Inc. or dec.	Month's Inc. or dec.
Deposits on demand	$471,312,285	$561,042,236	$558,509,221	+ 18.4	— .5
Deposits after notice	874,948,724	921,080,803	933,644,668	+ 6.7	+ 1.3
Current loans in Canada	880,523,897	886,995,222	884,089,402	+ .5	— .2
Current loans elsewhere	86,058,220	102,217,679	99,267,660	+ 15.1	— 3.0
Loans to municipalities	35,931,998	50,652,061	55,685,350	+ 57.1	+ 10.0
Call loans in Canada	82,737,417	74,257,877	77,497,360	— 6.1	+ 4.1
Call loans elsewhere	159,156,054	167,296,701	179,818,531	+ 12.6	+ 7.2
Circulation	145,550,619	191,328,665	192,969,079	+ 32.5	+ .5

THE changes in the banking business for the month of April are very similar to those for March. Savings deposits, loans and circulation continue to increase, although in the case of circulation the increase is only a fraction of the increase for March. Call loans in Canada is the only item above which shows a decline as compared with last year.

The following table gives record of deposits for the past thirteen months:—

	Deposits payable on demand.	Deposits payable after notice.
1917—April	$471,312,285	$874,948,724
May	443,839,847	892,562,657
June	449,689,670	900,510,552
July	450,849,356	929,442,340
August	443,317,275	806,774,687
September	451,749,532	965,393,541
October	495,058,449	985,790,850
November	538,869,362	1,008,657,874
December	569,441,871	995,978,013
1918—January	559,777,237	900,314,256
Februry	569,266,642	908,822,988
March	561,042,236	921,080,803
April	558,509,221	933,644,668

Demand deposits continue their decline, but savings deposits have again increased substantially. Since January the increase in savings deposits has been $33,000,000, at which rate the billion-dollar mark should be reached before the issue of the next war loan.

The course of the deposits account during the past six years is shown in the following table:—

April.	On demand.	After notice.	Total.
1913	$365,340,002	$631,160,280	$ 996,500,282
1914	350,515,993	653,679,223	1,004,195,216
1915	347,325,937	686,075,124	1,033,401,061
1916	402,060,955	748,359,957	1,150,420,912
1917	471,312,285	874,948,724	1,346,261,009
1918	558,509,221	933,644,668	1,492,153,889

While the savings deposits are far in advance of those of previous years, the gain in 1918 as compared with 1917 is not as large as the gain in 1916 or 1917. In the case of demand deposits, however, it is larger.

The trend of the Canadian loans account for the past thirteen months is shown in the following table:—

Loans.	Current in Canada.	Call in Canada.
1917—April	$880,523,897	$82,737,417
May	844,890,589	78,514,798
June	839,355,782	76,085,220
July	829,560,700	71,376,788
August	836,429,670	71,204,351
September	855,306,953	72,421,187
October	883,986,860	71,653,719
November	868,973,714	72,178,345
December	858,533,298	71,779,020
1918—January	855,506,506	76,239,201
February	859,363,147	76,722,163
March	886,995,222	74,257,877
April	884,089,402	77,497,360

Call loans in Canada for April, 1918, are somewhat smaller than for April, 1917, on account of the exceptionally high figure last year. Current loans are about the same as during March, and as a year ago.

The following table shows the call loans abroad in April as compared with previous returns:—

	1915.	1916.	1917.	1918.
January	$ 85,796,641	$134,248,552	$155,747,476	$132,687,066
February	89,890,982	139,138,651	162,344,556	160,239,494
March	101,938,685	141,889,989	161,616,735	167,296,701
April	121,522,071	147,146,443	150,156,054	179,818,531
May	136,098,835	163,400,659	168,692,675	....
June	124,604,875	182,757,015	150,309,133	....
July	117,821,174	177,121,733	151,875,676	....
August	120,607,677	171,380,353	176,610,625	....
September	135,108,412	173,877,586	166,480,004	....
October	120,681,624	189,346,216	151,018,747	....
November	135,530,562	183,250,389	130,832,552	....
December	137,157,869	173,878,134	134,483,482	....

Chartered Banks' Statement to the

	NAME OF BANK	Capital Autborized	CAPITAL STOCK		Amount of rest or reserve fund	Rate per cent. of last dividend declared	Notes in circulation	Bal. due to Dom. Gov. after deducting advances for credits, pay-lists, etc.	Balances due to Provincial Govern-ments	Deposits by the public, payable on demand in Canada	Deposits by the public, payable after notice or on a fixed day in Canada	Deposits elsewhere than in Canada
			Capital Subscribed	Capital Paid Up								
		$	$	$	$		$	$	$	$	$	$
1	Bank of Montreal	25,000,000	16,000,000	16,000,000	16,000,000	10	28,349,607	4,836,130	748,217	120,222,626	151,452,980	77,850,042
2	Bank of Nova Scotia	10,000,000	6,500,000	6,500,000	12,000,000	14	12,652,431	2,913,464	77,680	22,640,228	54,499,696	20,187,091
3	Bank of British North America	4,866,666	4,866,666	4,866,666	3,017,333	8	6,030,562	1,837,020	122,728	15,872,528	30,446,047	4,918,433
4	Bank of Toronto	10,000,000	5,000,000	5,000,000	6,000,000	11	5,169,325	2,140,187	163 389	23,230,389	36,988,660	....
5	The Molsons Bank	5,000,000	4,000,000	4,000,000	4,800,000	11	6,361,093	8,859,764	177,037	12,048,895	32,192,794	....
6	Banque Nationale	5,000,000	2,000,000	2,000,000	2,100,000	9	4,260,980	5,444,435	221,403	4,876,831	20,949,282	1,211,921
7	Merchants Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	10	12,327,168	8,188,007	3,301,437	37,782,518	60,412,301	1,149,468
8	Banque Provinciale du Canada	2,000,000	1,000,000	1,000,000	750,000	7	1,195,408	2,253,601	241,057	3,084,379	11,725,746	....
9	Union Bank of Canada	8,000,000	5,000,000	5,000,000	3,400,000	9	9,079,197	2,955,345	4,835,682	38,394,573	53,611,623	2,550,254
10	Canadian Bank of Commerce	25,000,000	15,000,000	15,000,000	13,500,000	10	23,048,224	18,537,101	2,416,973	91,949,889	118,066,278	21,207,062
11	Royal Bank of Canada	25,000,000	12,911,700	12,911,700	14,000,000	12	26,820,997	7,815,750	711,141	71,120,708	113,629,344	73,984,094
12	Dominion Bank	10,000,000	6,000,000	6,000,000	7,000,000	12	7,919,752	6,786,872	22,537	23,445,913	51,706,297	415,083
13	Bank of Hamilton	5,000,000	3,000,000	3,000,000	3,300,000	12	4,172,171	2,349,047	154,094	15,481,557	32,706,211	....
14	Standard Bank of Canada	5,000,000	3,475,700	3,471,785	4,471,785	13	5,687,953	2,872,564	240,654	18,641,143	35,129,457	....
15	Banque d'Hochelaga	10,000,000	4,000,000	4,000,000	3,700,000	9	5,969,112	1,239,628	99,956	8,863,302	25,072,056	....
16	Bank of Ottawa	5,000,000	4,000,000	4,000,000	4,750,000	12	5,695,925	3,508,785	390,578	11,443,946	32,130,462	....
17	Imperial Bank of Canada	10,000,000	7,000,000	7,000,000	7,000,000	12	9,908,544	6,917,864	1,732,444	21,886,160	44,858,182	....
18	Home Bank of Canada	5,000,000	2,000,000	1,947,430	300,000	5	1,774,320	3,162,454	981,855	3,770,215	8,463,450	....
19	Northern Crown Bank	6,000,000	1,431,200	1,431,200	715,600	5	2,614,690	1,170,137	1,082,741	8,122,622	10,883,159	....
20	Sterling Bank of Canada	3,000,000	1,266,600	1,216,932	350,000	6	1,257,320	911,532	115,280	4,401,027	7,547,520	....
21	Weyburn Security Bank	1,000,000	643,200	385,920	175,000	5	360,275	71,532	9,869	1,229,772	1,171,123	....
	Total	189,866,666	112,095,066	111,731,633	114,329,718	....	180,654,964	94,771,219	17,846,752	558,509,221	933,644,666	203,473,448

ASSETS

	NAME OF BANK	Current Gold and Subsidiary Coin			Dominion Notes			Deposit with Minister of Finance for security of note circulation	Deposit in central gold reserves	Notes of other banks	Cheques on other banks	Loans to other bks. in Canada, secured, including bills rediscounted	Dep'sits made with and bal. due from other banks in Canada	Due from banks and banking corres-pond'ts in the United King.	Due from bks. and banking corres-pond'nts else-where than in Canada and U.K.
		In Canada	Else-where	Total	In Canada	Else-where	Total								
		$	$	$	$	$	$	$	$	$	$	$	$	$	$
1	Bank of Montreal	17,059,221	3,871,911	20,931,133	60,429,743	28,095	60,457,838	790,000	13,500,000	1,985,554	13,597,329	......	....	4,605,380	11,074,260
2	Bank of Nova Scotia	7,819,355	1,896,058	9,715,413	6,328,018	3,471	6,331,489	823,353	7,500,000	1,839,293	5,824,298	....	....	1,842,541	1,960,725
3	Bank of Brit. North America	825,513	194,526	1,020,039	5,197,220	267	5,197,487	245,822	2,920,000	449,514	2,709,592	....	7,458	160,600	1,703,223
4	Bank of Toronto	965,228	....	965,228	8,315,356	....	8,315,356	262,273	1,000,000	639,625	2,506,917	....	....	8,206	1,322,049
5	The Molsons Bank	555,737	....	555,737	3,128,117	....	3,128,117	217,000	2,000,000	457,159	2,325,228	......	24,608	2,588	1,755,665
6	Banque Nationale	285,089	1,001	286,091	2,232,862	128	2,232,990	100,000	1,700,000	398,120	1,203,692	....	815	....	381,561
7	Merchants Bank of Canada	3,886,879	1,003,182	4,8-0,061	5,912,092	....	5,912,092	855,000	6,000,000	893,076	5,311,786	....	4,704	82,580	1,357,843
8	Banque Provinciale du Canada	115,871	....	115,871	270,837	....	270,837	64,286	....	381,794	1,390,518	....	1,505,409	10,008	194,281
9	Union Bank of Canada	969,971	15,950	985,921	7,230,002	216	7,230,218	260,000	4,500,000	629,666	2,774,702	......	57,265	831,243	2,140,825
10	Canadian Bank of Commerce	7,929,925	9,540,663	17,470,589	18,612,099	12,245	18,624,344	831,173	10,500,000	2,470,423	8,806,822	....	12,966	567,059	5,426,101
11	Royal Bank of Canada	4,011,420	8,635,930	12,647,351	12,898,357	2,373	12,900,731	645,585	14,500,000	9,401,935	12,015,049	....	144,090	285,409	12,805,704
12	Dominion Bank	1,950,392	154	1,950,547	11,406,736	....	11,406,736	306,750	3,300,000	956,918	3,971,510	....	8,950	138,695	1,945,545
13	Bank of Hamilton	885,105	....	885,105	3,846,741	....	3,846,741	157,000	1,500,000	584,787	2,314,050	....	1,054	....	725,995
14	Standard Bank of Canada	1,506,367	....	1,506,367	5,079,968	....	5,079,968	175,000	2,800,000	462,968	3,041,590	....	....	138,085	614,708
15	Banque d'Hochelaga	386,192	....	386,192	1,842,952	....	1,842,952	200,000	2,200,000	921,135	1,788,658	....	210,606	37,705	713,601
16	Bank of Ottawa	1,019,522	....	1,019,522	2,438,465	....	2,438,465	210,000	1,800,000	403,480	2,324,237	....	47,936	98,692	1,321,299
17	Imperial Bank of Canada	2,580,284	....	2,580,284	10,446,486	....	10,446,486	375,126	3,500,000	805,649	3,175,645	......	506,759	364,342	6,768,003
18	Home Bank of Canada	121,382	....	121,382	856,821	....	856,821	105,000	....	244,064	803,285	......	111,965	17,742	354,477
19	Northern Crown Bank	168,851	....	168,851	749,815	....	749,815	75,500	1,250,000	201,806	1,083,502	......	494,896	106,492	358,137
20	Sterling Bank of Canada	63,345	....	63,345	1,918,854	....	1,918,854	62,994	....	119,088	597,228	....	5,000	27,871	489,644
21	Weyburn Security Bank	18,278	....	18,278	156,738	....	156,738	17,705	....	34,480	6,178	....	221,930	....	130,662
	Total	53,123,927	25,159,375	78,283,307	169,298,279	46,795	169,345,075	5,779,567	80,470,000	24,260,534	77,572,016	....	3,366,413	9,325,438	53,564,308

Of the deposit in Central Gold Reserves $19,710,000 is in gold coin; the balance is in Dominion Notes.

Call loans abroad continue to increase substantially, and are now higher than for any month since November, 1916.

The following table shows the course of the principal loan accounts during the past six years:—

April.	Current loans in Canada.	Current loans elsewhere.	Call loans in Canada.	Call loans elsewhere.
1913	$898,964,181	$36,310,033	$69,757,912	$103,212,185
1914	835,705,064	54,362,513	68,523,774	139,937,027
1915	762,931,851	37,705,039	68,599,095	121,522,971
1916	777,764,682	57,008,965	82,572,448	147,146,443
1917	880,523,897	86,058,220	82,737,417	159,156,054
1918	884,089,402	99,267,660	77,497,360	179,818,531

Current loans in Canada are now back about their pre-war level, and call loans have fallen off from the 1916 and 1917 figures. Outside of Canada, call and current loans of Canadian banks have increased steadily, with the exception of a drop in 1915.

ST. CATHARINES BONDS AWARDED

Messrs. Wood, Gundy and Company, of Toronto, have been awarded a block of $127,798 63 city of St. Catharines bonds. These bonds bear interest at the rate of 6 per cent. per annum, and are payable in 7, 15 and 20 annual instalments. The price paid was 97.08.

Dominion Government---April, 1918

LIABILITIES

Loans from other banks in Canada secured, including bills re-discounted	Deposits made by and balances due to other banks in Canada	Due to banks and banking correspondents in the United Kingdom	Due to banks and banking correspondents elsewhere than in Canada or the U.K.	Bills payable	Acceptances under letters of credit	Liabilities not included under foregoing heads	Balances due to the Imperial Government	Total Liabilities	Aggregate amount of loans to directors, and firms of which they are partners	Average amount of current gold and subsidiary coin held during the month	Average amount of Dominion Notes held during the month	Greatest amount of notes in circulation at any time during the month	
$	$	$	$	$	$	$	$	$	$	$	$	$	
....	1,840,789	....	600,907	716,654	1,921,822	3,437,340	....	391,977,117	501,000	30,354,749	62,654,557	29,274,507	1
....	211,621	124,295	2,566,830	....	504,670	9,814	....	118,387,824	621,621	9 661,946	6,068,328	13,069,357	2
....	....	318,104	2,450,580	457,466	2,240,363	2,355,009	....	67,050,840	....	1,254,348	6,686,624	6,421,527	3
....	186,154	548,216	738,242	....	524,583	2,249	....	69,691,398	215,482	963,088	8,374,105	5,951,200	4
....	389,797	552,006	267,701	....	1,090,012	566,587	....	62,505,690	468,800	549,380	2,777,111	6,588,953	5
....	184	13,902	3,135	....	43,430	34,425	....	37,059,930	489,567	321,050	1,261,500	4 399,715	6
....	1,400,941	10,763	1,151,213	....	598,851	176,900	....	126,499,571	690,101	5,856,530	9,818,465	13,266,668	7
....	1,044	....	450,000	....	....	38,352	....	18,989,589	....	110,778	239,716	1,245,773	8
....	261,701	398,720	967,172	95,370	2,815,289	10,082	....	115,975,012	719,718	984,715	7,523 007	10,281,182	9
....	41,665	1,348,669	9,670,500	174,709	4,962,967	6,370	....	291,430,411	932,213	21,859,000	23,023 000	24,873,185	10
....	412,577	129,547	7,669,034	796,868	6,324,215	10,400	....	309,424,680	422,532	12,473,618	15,689,847	27,890,374	11
....	233,971	6,239	1,855,013	210,000	154,715	395,562	....	93,151,958	506 660	1,931,000	11,224,000	8,485,082	12
....	358,155	189,071	731,934	....	85,209	....	....	56,227,452	476,310	869,082	2,331,138	5,535,761	13
....	1,065,573	717,390	607,694	....	177,081	....	....	65,139,511	172,001	1,497,005	5,224,515	6 106,842	14
....	1 076	63,074	519,790	....	23,591	....	....	41,851,589	136,800	375,746	1,667,310	6,815,327	15
....	30,368	10,247	306,832	....	10,217	58,901	....	53,586,265	869,896	1,007,384	2,534,359	6,165,890	16
....	270,932	1,109	746,126	....	81,600	....	....	86,402,966	259,672	2,574,922	9,648,028	10,484,431	17
....	75,613	....	610,238	....	....	20,507	....	18,858,654	240,616	118,920	983,630	1,944,040	18
....	1,527	....	7,715	....	1,088	80,850	....	23 964,533	408,501	170,581	891,222	3,014,780	19
....	242,497	....	....	....	3,969	3,154	....	14,482,212	356,960	61,594	1,324,034	1,257,325	20
....	....	....	....	....	....	55,085	....	2,897,659	17,986	18,172	162,811	397,160	21
....	....	....	....	....	....	....	....	....	....	....	....	....	
....	7,026,185	4,431,352	31,920,656	2,451,067	21,563,672	7,261,587	....	2,063,554,861	8,004,424	93,013,608	179,705,307	192,969,079	

ASSETS

Domin'n Government and Provincial Government securities	Can. municipal securities, and Brit., foreign and colonial public securit's other than Can.	Railway and other bonds, debentures and stocks	Call and short loans in Canada on st'cks debentures and bonds (not exceeding 30 days)	Call and short loans elsewhere than in Canada (not exceeding 30 days)	Other current loans and discounts in Canada	Other current loans and disco'nts elsewhere than in Canada	Loans to the Government of Canada	Loans to Provincial Governments	Loans to cities, towns, municipalities and school districts	Overdue debts	Real estate other than bank premises	Mortgages on real estate sold by the bank	Bank premises at not more than cost, less amounts (if any) written off	Liabilities of customers under letters of credit as per contra	Other assets not included under the foregoing heads	Total Assets	
$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	
11,171,316	45,280,436	12,436,458	....	96,584,365	99,470,750	9,041,491	....	1,036,519	18,136,406	375,430	59,970	56,784	4,000,000	1,921,822	48,437	426,561,688	1
5,758,584	15,251,630	3,704,846	4,236,881	14,053,404	44,298,330	7,492,210	....	....	1,994,461	312,924	89,600	2,650	2,954,568	504,670	69,213	136,081,093	2
2,050,000	10,314,334	125,031	2,760,860	6,155,905	28,722,390	4,295,576	....	....	3,368,699	409,050	32,028	7,485	2,416,426	2,240,363	253,278	77,565,160	3
4,776,928	9,672,244	811,870	4,372,305	1,500,000	39,576,463	....	....	....	2,382,666	213,965	....	....	3,510,884	524,583	....	82,361,569	4
3,051,517	9,162,105	1,040,147	4,360,019	....	36,208,259	....	....	....	3,891,084	33,905	96,064	10,787	2,299,625	1,090,012	332,550	72,042,187	5
4,461,000	1,503,746	1,082,665	2,235,169	....	22,846,701	250,000	....	....	525,586	25,085	399,661	206,888	1,170,552	43,430	141,402	41,195,179	6
5,435,464	14,589,065	4,060,204	5,223,953	3,908,648	74,422,545	839,987	....	270,983	1,500,487	272,226	312,928	265,124	4,886,438	598,851	45,490	140,937,544	7
675,843	3,502,533	1,284,429	2,742,104	....	7,558,964	....	....	....	350,145	71,685	150,173	21,521	332 197	....	196,383	20,815,989	8
4,691,344	26,080,983	2,947,265	6,531,988	3,923,316	51,214,750	3,101,231	....	1,001,070	2,163,891	303,201	358,719	98,830	1,206,186	2,815,289	65,650	125,943,561	9
12,639,373	29,272,780	6,127,539	14,849,917	21,999,094	136,139,539	18,114,885	....	2,455,268	4,134,555	270,290	1,142,539	213,695	5,363,521	4,962,967	140 209	322,535,658	10
9,944 819	26,497,910	14,169,516	10,758,067	26,980,303	101,727,164	55,692,998	....	361,605	3,871,721	495,195	1,041,001	....	6,636,667	6,324,215	155,873	339,802 917	11
4,534,812	13,029,841	3,278,659	5,201,370	4,715,496	45,346,805	648,069	....	....	467,830	132,966	23,480	23,143	5,326,148	154,715	....	106 868,993	12
2,570,892	6,339,206	671,965	3,411,068	....	34,480,931	260,000	....	27,201	2,444,595	173,623	407,328	49,921	2,145,639	85,209	258,869	63 341,186	13
3,003,591	8,051,813	894,017	2,512,110	....	43,120,256	....	....	....	614,028	264,209	18,836	1,085	1,345,835	177,081	18,305	73,839,860	14
2,314,447	6,887,189	251,618	2,500,257	....	24,294,740	....	....	....	2,040,713	381,749	547,868	115,815	2,134,554	23,591	412,022	50,235,421	15
7,485,653	13,973,174	585,459	1,907,557	....	24,969 065	....	....	....	1,773,945	843,778	208,825	48,838	1,815,442	10,217	102,721	62,889,514	16
5,361,758	13,781,872	799,441	2,470,097	....	40,362,958	....	....	500,000	5,684,013	243,486	456,092	513,963	3,064,996	81,600	35,131	101,817,909	17
2,957,179	1,369,385	790,815	1,011,971	....	11,299,385	31,213	....	....	164,924	61,995	75,058	73,494	680,066	....	68,588	21,398,816	18
6,226,565	2,864,811	1,424,752	248,045	....	10,186,252	....	....	....	270,129	182,024	110,544	78,697	355,081	1,088	38,593	26,475,591	19
2,291,726	3,038,309	543,734	163,622	....	6,254,192	....	....	....	64,135	12,046	....	....	306,028	3,969	146,476	16,108,267	20
332,100	515,139	16,900	....	....	1,648,963	....	....	....	41,337	71,223	10,276	13,105	163,021	....	52,015	3,450,656	21
....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	
101784911	260978505	57,048,350	77,497,360	179,818 531	884,089,402	99,267 660	....	5,652,646	55,685,352	4,650,055	5,570,990	1,801,825	52,313,874	21,563,672	2,581,205	2,312,271,158	

T. C. BOVILLE, *Deputy Minister of Finance.*

ONTARIO FISH PRICES

The fish being supplied by the Ontario government is not sufficient to cope with the demand. There is, therefore, a tendency for the price to be raised above the price fixed by the government. The government is determined to keep the price at 15 cents, and if overcharging is proved, will cancel the dealer's right to handle the fish. It has, moreover, been decided to refuse further sales, at wholesale prices, to the big restaurants, as it is held that the householder has first call upon the supply.

The Australian government is arranging for the sale of next year's exportable surplus of butter to the Imperial government.

A CONTINENTAL AIR SERVICE

Assistant Postmaster-General Praeger, in a statement recently to a Baltimore correspondent, predicted big developments for the aerial mail service, including a five-cent mail service by airplane; flights between Chicago and other middle west cities and eastern points, and finally transcontinental flights; Washington to Chicago flights in from seven to nine hours; establishment of flights in sections not accessible by trains; aerial routes where circuitous approaches due to canyons, lakes and other natural objects make ordinary mail deliveries unusually slow; final interlocking of the entire country after the war with airplane mail service for letters and packages.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Dominion Textile Company.—A large increase in quick assets from $4,856,594 at the end of the previous year to $7,344,607 is shown in the company's annual statement for the year ended March 31st last. The latter figure is more than double current liabilities of $3,722,321. Net profits totalled $1,873,371, compared with $1,582,760 last year. Total sales during the year were $16,850,279, compared with $13,375,750 for the previous year.

P. Lyall and Sons Construction Company, Limited.—Gross earnings of the company for the year ended March 31st last are $1,491,082, as compared with the $915,449 reported a year ago, and the $234,644 of two years ago.

As in 1916, a large part of the year's earnings went to amortization of the company's munition plant. A year ago a sum of $625,000 was written off; this year the write-off is $894,638, and the entire outlay on the special plant and equipment has now been provided for.

Eastman Kodak Company.—The company earned a net profit of $14,542,567 last year, a decline of $2,747,361 from the result in 1916. The profit was calculated after setting aside $4,750,000 for the Federal war taxes. After paying $369,942 preferred stock dividends, the balance remaining was equal to $72.53 per share of common stock, against $86.62 the year before. The annual statement just issued showed cash on hand amounting to $12,738,726, against $10,448,846 at the end of 1916, while the inventory was $17,774,338, compared with $16,760,084. The surplus as of December 31st, 1917, totalled $26,982,024, an increase for the year of $8,811,105.

Twin City Rapid Transit Company.—The gross earnings of the company for April were $776,967, a decrease of $62,105, and the net income was $66,194, a decrease of $83,029. For the four months gross earnings amounted to $3,234,357, a decrease of $246,627, and the net income to $176,365, a decrease of $390,242. The following are the comparative figures for the month of April:—

	1918.	1917.
Gross revenues	$776,967.20	$839,072.05
Operating expenses	555,212.01	534,446.17
Net revenue	221,755.19	304,625.88
Fixed charges and taxes...	155,560.31	145,402.44
Net income	66,194.88	159,223.44

Dominion Steel Corporation.—The April production o' the corporation is shown, in tons, by comparison with March production as follows:—

	April.	March.
Pig iron	28,000	25,000
Ingots	31,000	30,000
Billets	12,000	24,000
Rails	13,000	.....
Rods	7,200	9,600
Merchant bars	1,200	4,200
Wire and wire products	2,300	2,300

The output of the Dominion Coal Company was 290,000 tons, as compared with 267,000 tons in March.

Consolidated Mining and Smelting Company of Canada.—The company makes the following statement of ore receipts at Trail Smelter from May 1st to May 7th, 1918, inclusive, and from October 1st, 1917, to date, in tons:—

Company's Mines—		
Centre Star	733	40,589
Le Roi	1,451	53,082
Sullivan	1,569	47,430
St. Eugene	.....	656
Emma	1,034	21,397
Lucky Thought	.....	516
Molly Gibson	.....	867
Ottawa	.....	29
Highland	.....	362
No. One	180	3,565
Richmond Eureka	.....	36
Other mines	2,522	49,067
Total	7,489	217,596

Montreal Light, Heat and Power Consolidated.—The second annual report of the directors will be presented to shareholders on June 5th, 1918.

The following is a report and financial statement of the company's operations for fiscal year ended April 30th, 1918:—

Gross revenue		$10,390,684.14
Expenses and taxes	$4,767,869.41	
Depreciation and renewal reserve	1,039,068.41	
		5,806,937.82
Net revenue		$ 4,583,746.32
Fixed charges		995,022.39
Net income		$ 3,588,723.93
Dividends paid	$1,916,367.00	
Dividend payable May 15th, 1918.	639,658.00	
		2,556,025.00
Surplus		$ 1,032,698.93
Less appropriations:—		
Pension fund		20,000.00
Transferred to general surplus		$ 1,012,698.93

The surplus earnings from the year's operations amounted to $1,032,698.23, out of which $20,000 has been appropriated for pension fund; the balance, amounting to $1,012,698.93, has been carried forward to general surplus, bringing the accrued surplus as at the close of the year to $1,585,313.54.

During the year regular quarterly dividends have been declared and paid on the stock of the company at the rate of 4 per cent. per annum.

There were redeemed for sinking fund purposes, in accordance with the mortgages securing the respective issues, $56,000 of mortgage debt, as constituted by $36,000 of the Montreal Light, Heat and Power Company's Lachine division sinking fund bonds and $20,000 of Provincial Light, Heat and Power Company's sinking fund bonds.

During the year there was expended on maintenance account $455,302.73, which, with the appropriation for depreciation and renewal reserve, represents a total expenditure and provision in this connection of $1,494,371.14.

BANK CLEARINGS

The following are the bank clearings for the weeks ended May 23rd, 1917, and May 23rd, 1918, respectively, with changes:—

	Week ended May 23, '18.	Week ended May 23, '17.		Changes.
Montreal	$ 86,671,849	$ 73,770,097	+	$12,901,752.
Toronto	66,190,521	54,903,325	+	11,287,196
Winnipeg	39,349,428	51,775,210	—	12,425,782
Vancouver	10,156,268	6,444,400	+	3,711,868
Ottawa	6,078,984	4,528,834	+	1,550,150
Calgary	5,777,491	5,828,292	—	50,801
Hamilton	5,319,316	4,638,093	+	681,223
Quebec	4,181,190	4,140,570	+	40,620
Edmonton	3,385,421	2,112,753	+	1,272,668
Halifax	3,980,303	3,464,845	+	515,458
London	2,244,681	1,801,716	+	442,965
Regina	3,175,619	2,576,147	+	599,472
St. John	2,218,922	1,692,540	+	526,382
Victoria	1,847,490	1,083,591	+	763,899
Saskatoon	1,621,654	1,324,102	+	297,552
Windsor	1,473,724	......		......
Moose Jaw	1,356,891	932,334	+	424,557
Brandon	512,097	427,227	+	84,870
Brantford	1,063,494	697,845	+	365,649
Fort William	553,850	556,917	—	3,067
Lethbridge	727,236	633,868	+	93,368
Medicine Hat	413,831	508,995	—	95,164
New Westminster ..	422,875	288,005	+	134,870
Peterboro	745,948	514,563	+	231,385
Sherbrooke	994,392	770,171	+	224,221
Kitchener	671,667	551,627	+	120,040
Totals	$251,135,142	$225,966,067	+	$23,695,351

The Toronto bank clearings for the current week are $64,269,439, compared with $66,780,889 for the same week in 1917, and $49,951,714 in 1916.

Monetary Times

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BANK PROFITS IN 1918

Thus far in 1918 half a dozen banking institutions have issued their reports. These reports exhibit the same general tendencies—deposits and holdings of securities tending rather sharply upwards, with net profits showing a relatively smaller increase. Some of the banks also show substantial appropriations from current profits, subsequent to their declaration, to cover depreciation of bonds and debentures. It is well known that since the commencement of the war, and especially since April, 1917, when the United States entered the struggle, rates of interest on high-class securities have been rising more or less steadily. This is reflected in the yields obtained by investors in the successive issues of provincial and municipal bonds. Every rise of ¼ or ½ per cent. in the interest yield offered to investors has meant a corresponding decline in the actual market value of the investment securities held by the banks; and the bankers have been obliged to recognize and provide for the resultant depreciation. The amounts written off need not be considered as irretrievably lost. If the bank sells the securities while prices are depressed the paper losses become actual losses; but if, in the course of a few years, the general interest rate should fall, it is probable that a part, perhaps a substantial part, of the amounts now being appropriated would be recovered.

One reason why the increase of profits has not kept pace with the growth of resources is seen in the rising costs of operation. In this respect the banks have been subject to the same influences as have affected other corporations and businesses. It has been necessary to recognize the increased cost of living and to grant larger salaries and bonuses to bank employees. There is, of course, at all times a more or less steady succession of increases given to the individual employee as the employee adds to his or her experience and rises to more responsible positions; but on the present occasion it has been necessary to generally raise the scale of pay applying to the several posts or positions. Then, in connection with the salary list, the great increase in number of inexperienced and untrained clerks has been another source of extra expense. Also, additional expenses have been met in various other directions. Municipal and provincial taxes have been increased the cost of the stationery supply and of fuel for heating the hundreds of bank buildings has risen sharply; the increase of the postage rate and the stamp tax on bills and cheques have also been factors.

As regards the growth of banking resources, it is a satisfactory circumstance that a large part is represented by increase of the notice deposits. In the two years ending March, 1918, the notice deposits increased $183,000,000. There is good reason for presuming that this reflects a very extensive accumulation of savings by farmers and working people, and that it will constitute a permanent addition to Canada's store of liquid capital. The increase of resources represented by the rise in demand deposits is not so permanent—this has amounted to $171,000,000 in the last two years. Apparently it is the wise desire of the government to avoid unnecessarily loading the banks with war securities. Holdings of these have risen $268,000,000 since March, 1916; but this accounts for less than half the increase of total assets. As the government will require to borrow rather extensively from the banks in July, August and September, in anticipation of the flotation of the fifth domestic war loan, it would not be surprising if the bank's security holdings increase further in those months, with consequent further expansion of their total assets; but in view of the large amounts now carried, it is scarcely to be expected that the increase will be as large as in the two preceding years.

ANNUITIES FOR CHILDREN

A number of suggestions have been made by the press and by the public during the past few months in favor of a part of the expense of raising children being paid by the State. The project has been, unfortunately, termed "Mothers' Pensions," which conveys a wrong idea of the purpose of the scheme. So far there has been no discussion of it in the Canadian House, but partial measures in this direction have been adopted by other governments.

Five years ago, the Commonwealth government of Australia adopted what is known as the "maternity allowance," a payment of £5 to the mother of every child born. This is merely a cash bonus, and does not pretend to pay any of the expense of raising the child. The amount paid out in 1913, the first year of its operation, was £417,375, and in 1916, £650,715. The claim must be entered in the name of the mother in each case.

A somewhat different project was adopted in 1916 by Manitoba, where it is known as "mothers' allowances." The circumstances of each case are investigated, and payment made in accordance with the individual need. This is, of course, a more restricted form, and is more in the nature of a charitable allowance. So far, about $11,000 has been paid out by Manitoba for this purpose. Similar measures have also been contemplated in Saskatchewan and Alberta.

Other schemes of the kind have been tried by some of the states and municipalities in the United States, with varying degrees of success. One point at least is clear, and that is that no uniform plan of action has been evolved, and actual experience so far is too limited to admit of any comprehensive conclusions being reached in this way. One thing is apparent, however, and that is that the project can never be a complete success so long as it is of the nature of charity. Payments should be automatic, and inclusive of all classes. Again, an allowance merely to widows with children, is not sufficient, as many families with both parents alive are in more difficult circumstances. The payments are not for service rendered, as has been maintained in some quarters, but of the nature of trust funds for the proper care of children, which can be more satisfactorily administered by the parent than by the State directly.

There are various arguments in favor of an allowance of this kind. It would relieve the economic pressure on large families, and should result in the raising of healthier children. It would shift a part of the burden to the shoulders of the taxpayers, the rich, the single, and the childless. Moreover, the payments could be conditional upon the proper care of the child, and state control facilitated in this way.

On the other hand, as it savors of socialism, it meets with strenuous objection in many quarters. If, however, the State undertakes to educate the young, the same arguments might be used to favor providing the more essential physical requirements.

Again, the financial burden involved in a complete measure of this kind would be enormous. A payment of $50 per year for every child in Canada, under the age of 16 years, would amount to about $100,000,000 per year, or much more than the interest on the present national debt. For this reason the present is an inopportune time to adopt such a measure, even were it found to be desirable. Our revenue-raising ability is already being put to the test, and will be increasingly so for several years to come. If after the war we find ourselves with a surplus revenue, the question might be taken up, but in any case at least a part of the revenue required should be in sight.

FIRE INSURANCE IN 1917

An interesting feature of the Dominion report on fire insurance business in Canada in 1917, as shown on pages 42 and 44 of *The Monetary Times* of May 17th, is the very large proportions of "gross cash received for premiums in 1917" paid out in reinsurances and return premiums, the "gross cash received" being $9,206,601 of which $4,310,758 was paid out for return premiums and reinsurances or nearly 47 per cent.

The gross cash received by British and colonial companies was $20,091,342, of which $3,800,321 was paid out for reinsurances and return premiums, or about 19 per cent.

The gross cash received by companies of United States and other countries was $13,514,629, of which $3,431,815 was paid out for reinsurances and premiums, or about 25¼ per cent.

The net premiums received by all the companies reporting to the Dominion Bureau for 1917 was $31,269,677, the gross cash received being $42,812,572, of which $11,542,894 was paid out for reinsurances and return premiums, or a little over 27 per cent.

The gross cash received for premiums in 1917 by Canadian companies was $9,206,601 as against $8,378,043 in 1916, but the net cash received in the two years was about equal; their losses incurred during the year 1917 were $2,499,145, being very nearly 50 per cent., a slight decrease from 1916.

It must be borne in mind that some of the Canadian companies are really adjuncts to British or American companies. The gross cash received for premiums in 1917 by British and colonial companies was $20,091,342, an increase of nearly three million dollars over 1916, whilst their losses in 1917 were but $285,544 over those of 1916, being about 54½ per cent.

The gross cash received for premiums in 1917 by the companies of the United States and other countries amounted to $13,514,629, being nearly two and a half millions over 1916, whilst their losses incurred during 1917 were a little over one million dollars more than in 1916, about 60 per cent. of their net premiums, but their ratio of losses to net premiums in 1917 was very slightly lower than in 1916.

The ratio of losses to net premiums received by all the companies in 1917 was a little less than 56 per cent. whilst in 1916 it was about 59 per cent.; some of the United States companies appear to have been particularly unfortunate. It is possible that some of their representatives were not well informed as to local conditions.

The apparently excessive caution of the purely Canadian companies in 1917, if continued in 1918, may have already been justified by the too frequent occurrence of fires entailing heavy amounts of losses.

On the whole, the report shows careful attention on the part of the managers of all the companies, with results remarkably steady, whilst the aggressions of the outside companies have not generally involved them in disaster during the past two years.

TRADE OF THE PORT OF ST. JOHN

In our issue of May 24th, in the article "Progress of St. John," we referred to the export figures for the year ended March 31st, 1918, as being over $20,000,000. The correct figure is over $200,000,000, and the total trade for the year was $217,570,847.

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A DEFECT IN TRANSPORTATION

Canadian Roads and Equipment Has Outdistanced Distributive Organization

BY J. L. PAYNE.

Although we have built up a huge transportation system, connecting all parts of the Dominion, and providing adequate facilities for our rapidly developing commerce, there is still something lacking. The primary purpose of railways is to enable marketing to be done—expeditiously and economically—and to bring producers and consumers within ready reach of each other. We have a sufficient mileage of tracks, as well as the locomotives and cars to accomplish all that; but we do not get the results. This is not the fault of the railways. It is the fault of the people. And it is one of the things which not only calls insistently for adjustment, but will continue to cause vast and quite needless waste until it is adjusted. Let me make myself clear by a few homely but pertinent illustrations.

In 1916 there was a short crop of potatoes in Ontario and Quebec. In the province of New Brunswick there was a normal yield, while in Prince Edward Island there was a phenomenal harvest. Here was, to a very large extent, a mere problem in distribution. By both rail and water there were ample means of meeting the shortage in the two central provinces out of the surplus of the two maritime provinces. The situation ought to have been met by the full use of these means, to create which money had been provided out of the common treasury of the whole people. But nothing of the kind occurred. Instead, the people of the upper provinces were made to pay an exorbitant price for potatoes. The railways should have made it possible to equalize in some measure the needs of Ontario and Quebec and the plenty of the people down by the sea. Freight tolls remained unchanged. Trains were moved without interruption. Steamers and sailing vessels passed from port to port. Yet the prime object of these ample facilities for the meeting of just such an emergency failed for the want of some controlling tribunal to deal with this simple problem in distribution.

The foregoing is merely a simple example of what is taking place every day in the year throughout the length and breadth of the Dominion. It costs not more than one cent per dozen to move eggs by rail, even by express, for a distance of a hundred miles, more or less; yet within a radius of one, two or five hundred miles it is a common thing to find a difference of from ten to thirty cents in the market price. Last fall, when eggs were selling at 65 cents in Montreal and Toronto, I myself purchased a crate in the open market at 35 cents, although the transportation charge from the point where I bought to either of the two cities named was not more than two cents per dozen. Eggs have frequently sold in Vancouver for $1 when they could have been got in Edmonton for 65 cents, and five cents would have carried them from one point to the other. The same thing is true of many commodities, and it shows quite plainly how far we have fallen short of realizing the full practical benefits of our available means of exchange.

Producer and Consumer not in Close Contact.

If this unsatisfactory situation were irremediable, then it is a sheer waste of time to talk about it. But it is not. It merely shows that we have been so busy getting the transportation facilities which we felt were necessary for the expansion of our commerce, and properly so, that we have not taken the time to arrange for the full realization of the accruing advantages. The railways are there, with their trains and reasonable charges for the moving of commodities from the point of production to the point of consumption, and yet the people for whom all this elaborate service has been provided fail to take advantage of it. In other words, producers and consumers are not in easy touch with each other, and both undoubtedly suffer from the absence of contact. To say that this is unavoidable is to say that those who want to sell and those who want to buy can neither co-operate nor get together. Their interests are unquestionably mutual.

This matter is bigger and far more important than these somewhat trivial illustrations may seem to indicate. The aggregate of all the inequalities in market prices is very large. More than that, there are good reasons why, at this time of reconstruction and effort to avoid waste, we should look ahead. Within thirty years Montreal, Toronto, Hamilton, Ottawa, and a score of other centres have doubled in size. Winnipeg, Vancouver, Calgary and Edmonton have become big cities. The process of centralization is proceeding with considerable speed. It will continue as a vital operating force in the growth and consolidation of the Dominion. When one fixes his thoughts on that aspect of national development he cannot fail to see the tremendous importance of concentrating the best sagacity of our commercial forces—boards of trade, organizations of business men, parliament, and so on—on this problem of distribution. The whole population of the country is divided into two classes—producers and consumers. Both are deeply concerned. Both are losers by existing defects. The interests of both would be served by a well-digested and practicable plan for the equalization of market prices.

No Substitute as yet for Middleman.

A great deal has been said since the outbreak of war and the flight of prices about the part played by middlemen in the general scheme of distribution of food commodities. Most of the criticism has been hostile, and, it must be frankly confessed, not without cause. These agents, operating between producer and consumer, have obviously been responsible for the creation of part of the present scale of high cost. But, all said and done, they merely took advantage of the opportunity which lack of organization among those vitally concerned created. The remedy was all the time within reach of the people who were being made to pay for their indifference. Clearly, however, the only difficulty in the way was the means of bringing producers and consumers together. The railways provided that link; and all that was really necessary was for some independent, disinterested and properly ordained body to act as a go-between. We might assume that the Board of Food Control was designed to serve that purpose; but, whatever may have been the underlying reason, that tribunal has not exercised any such function. Such a tribunal might, however, if vested with adequate powers, very well do so.

There is much talk at the present time about the Canadian railway problem, and much of it is, happily, constructive in character. It is undoubtedly a very big problem, and beset by many complications; but it will be solved. The matter to which these observations relate is merely collateral to the larger issue. It can be dealt with by itself. While plans are maturing for the consolidation of various units, the cutting out of overlapping mileage, the rescue of certain lives from insolvency, and the creation of a comprehensive system capable of being operated with needed economy, this matter of distribution could receive separate attention. At all events, until it is carefully looked into and a sound plan evolved the waste to which allusion has been made will go unchecked—a serious defect in our scheme of transportation will remain.

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Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

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MORTGAGE LOANS ASSOCIATION OF ALBERTA

Annual Meeting in Edmonton—Results Achieved by the Association

The third annual meeting of the Mortgage Loans Association of Alberta was held in Calgary on April 23rd, and among those present were: Mr. Wm. Toole, of the Canada Life, president; Mr. W. T. Creighton, of the Canada Permanent, vice-president; and Mr. John Appleton, secretary-treasurer of the Dominion Mortgage and Investments Association. Mr. Toole's speech regarding general loan conditions in Alberta appeared in *The Monetary Times* of May 10th.

Mr. W. T. Creighton, the vice-president, gave a résumé of the work carried on by the association, in the way of promoting beneficial legislation. He stated that it had been considered best to confine their efforts to the more urgent matters. Mr. Creighton outlined the work as follows:—

A meeting of the executive of the Mortgage Loans Association was held at Edmonton, January 9th, 1918, at the office of the Canada Permanent Mortgage Corporation, when proposed amendments to Alberta legislation were considered. After some discussion it was decided not to attempt to obtain amendments to all undesirable legislation at the approaching session, but in view of the fact that a new premier had lately taken office, it would be better rather than embarrass him with a long list of demands, to confine our requests to those that are the most needed at the present. These were declared to be as follows: The Dower Act, the Volunteer and Reservist Relief Act, and Personal Covenant in Mortgages and Agreements.

The following members were then appointed to wait upon the premier: Messrs. H. A. Howard, H. Melvin, George H. Gowan, J. Garrett and W. T. Creighton

Dower Act.

With regard to the Dower Act it was asked that legislation be passed to protect lenders and purchasers on the lines passed by the government of Saskatchewan as set forth in chapter 27, section 3 of 1916, being an act to amend the Homestead Act. It was also asked that provision be made for barring the dower in the case of married women under the age of 21 years, and also that provision be made for such cases as where married women are lunatics and where they are living apart from their husbands.

Volunteer and Reservist Relief Act.

With regard to the Volunteer and Reservist Relief Act, it was suggested that in view of the uncertainty as to whether draft men are protected under the present act, that it be repealed and a new act passed giving these men protection and also making it clear that this protection extends only to overseas men. It was also asked that some means be provided by amendment to make clause 8 of the said act relating to the collection of rental value operative.

Personal Covenants.

With regard to the personal covenants it was pointed out that in the Statute Law Amendments of 1916, all personal covenants were practically cancelled and it was asked that these be restored.

The delegation was well received by the premier, and after a very full discussion of the proposed amendments, during which the premier appeared disposed to favor all three amendments, the question was left for further discussion between the premier and Mr. Creighton at a later date.

During the following weeks and during the session, Mr. Creighton had several discussions with the premier and also enlarged on the various points in letters addressed to the premier and the provincial treasurer. Before the session ended, our president, Mr. Toole, interviewed the premier, provincial treasurer and others, again going over with them these and other matters of interest to the association.

Now that the House has prorogued, definite information will soon be on hand showing to what extent the wishes of the association have been complied with.

Mr. Creighton then outlined the amendments which he understood had been made to the Dower Act and the Volunteer and Reservist Act, pointing out the several changes made, and their resulting effect on the loaning interests in the province.

Mr. G. H. Gowan, in moving the adoption of the reports of the president and vice-president, said:—

"I have no extended remarks to make but the work of our association is very evidently bearing fruit, as we see from time to time with satisfaction that some of the barriers raised against the free investment of capital in our province have been removed, and we can only express the hope that our continued efforts will be more abundantly productive in the near future."

The motion was seconded by Mr. Mackay, who, in a few words, told of his attendance at the annual meeting of the Dominion Mortgage and Investments Association held recently in Toronto.

Foreclosing on Property of Volunteers.

Mr. John Appleton, secretary-treasurer of the Dominion Association, reviewed the work accomplished, and mentioned that among the matters which the parent body had under consideration, and which was being brought to the attention of the government, was the question of the Dominion government taking over its share of the enlisted man's then existing liabilities.

Two recent judgments on this subject were quoted, in both of which cases the judgment was given in favor of the mortgagee, with costs; the fact that the mortgagor was a volunteer or reservist was held as not denying the right of the mortgagee to foreclosure.

Mr. Wm. Toole was elected honorary president, Mr. W. T. Creighton president and Mr. W. A. Howard vice-president. Executives at Calgary and Edmonton were also elected.

NEW WESTMINSTER BOND ISSUE

The city of New Westminster is advertising for sale an issue of $500,000 5-year 6 per cent. bonds. Tenders will be received up to June 10th, and the official advertisement appears on another page of this issue. *The Monetary Times* has been advised by Mr. R. S. Gilchrist, the city treasurer, that the city has an issue of notes maturing on August 16th for which they have funds on hand, but for which the general treasury is to be reimbursed by the present issue. The issue will be secured by $614,000 of long-term bonds.

STERLING BANK OF CANADA

The complete annual report of the Sterling Bank of Canada, mention of which was made in our issue of last week, appears in full upon another page of this issue. The Sterling Bank, together with other Canadian banks, has experienced during the year a very large increase in total assets and considerable increase in circulation and savings deposits. The latter is very gratifying, considering the heavy war loans which have been floated. The bank has increased its own holdings of government securities, and profits for the year showed a satisfactory increase.

RAILWAY COMMISSIONERS' RULING

At a sitting of the Board of Railway Commissioners for Canada on May 22nd the question of rates on shipments made prior to March 15th, and held over for a period was considered. These were shipments made to interior elevators and mills, with provision for milling, malting, storage or cleaning in transit.

The commissioners ruled that in cases such as these, reshipments made within six months shall be entitled to the balance of the through rate existing at the time of the original shipment of the grain under the transit tariffs applicable.

Wheat shipped on or after the 15th day of March, and reshipped from a stop-over point west of Fort William before the first day of June to destinations west of and including Port Arthur and Armstrong, shall be entitled to the balance of the through rate to the said destinations existing at the time of the original shipment of the wheat under the transit tariffs applicable.

The charge for the terminal service at the stop-over point, also the charge for the haul, if any, out of the direct line of transit, in accordance with the tariffs applicable, are to be additional.

THE BANK OF OTTAWA

Established 1874

Capital paid up -	$4,000,000
Rest - - -	$4,750,000

94 Branches in Canada

Conservation of Resources Means Success

Conserve YOUR Assets by building up a Bank Account.

Savings Department at all Branches.

2

The Dominion Bank

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The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

The Standard Bank of Canada

Established 1873 130 Branches

Capital (Authorized by Act of Parliament)	$5,000,000.00
Capital Paid-up	3,381,270.00
Reserve Fund and Undivided Profits	4,534,863.68

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W. F. Allen, F. W. Cowan, T. B. Greening, H. Langlois, James Hardy, F.C.A., Thos. H. Wood.

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C. H. EASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital, $7,000,000 Total Deposits (Dec. 1917), $103,000,000
Reserve Funds, 7,421,292 Total Assets (Dec. 1917), 136,000,000

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Managing Director - - - - - E. F. Hebden General Manager - - - - D. C. Macarow
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AN ALLIANCE FOR LIFE

Many of the large Corporations and Business Houses who bank exclusively with this institution, have done so since their beginning.

Their banking connection is for life—yet the only bonds that bind them to this bank are the ties of service, progressiveness, promptness and sound advice.

236 Branches in Canada, extending from the Atlantic to the Pacific

New York Agency: 63 and 65 Wall Street

Bankers in Great Britain: The London Joint Stock Bank, Limited; The Royal Bank of Scotland

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ASTOUNDING GROWTH OF CANADIAN TRADE

Canada's Trade Since Confederation—Most Rapid Growth During Past Five Years

The aggregate foreign trade of Canada for the fiscal year ended March 31st last amounted to $2,548,691,639. This represents surprising growth. In 1901 the late Hon. William Patterson, addressing a public gathering, said: "I do not wish to seem unduly optimistic, but I feel warranted in saying the trade of Canada will soon reach the $400,000,000 mark." If he had said: "We shall, within twelve years pass the billion mark," he would have been set down as a visionary, a reckless and irresponsible boaster. Had he predicted a total of two billions within seventeen years, he would probably have been disqualified in public judgment for the high office which he held. In his modest forecast of 1901, he stood almost alone; for at that period of relatively slow development everybody was disposed to place a limitation on trade probabilities. Nevertheless, we have now passed the two billion standard by a larger sum than the late Minister of Customs fixed as a mark which might be taken as exhibiting exceptional progress; and the amazing thing is that this advance has aroused little if any enthusiasm. It has been accepted as the natural corollary of other great and unexpected events. It has happened during a period of vast and striking changes, which have in large degree prepared the public mind for the placid acceptance of almost any happening.

In order that the eye may help the mind to grasp the marvellous expansion in our foreign trade, the following table is presented:—

	Exports.	Imports.	Total.
1898	$164,152,683	$ 130,698,006	$ 294,850,689
1903	225,849,724	233,790,516	459,640,240
1908	280,006,606	358,428,616	638,435,222
1913	393,232,057	675,517,045	1,068,749,102
1918	1,589,661,195	974,801,020	2,548,691,639

Striking as is the presentation of the facts in this form, by leaps of five years, the full significance of the increase for the last period is not realized until the rate of progress is measured by the gauge of percentage. It then stands out as follows:—

	Exports. Increase %.	Imports. Increase %.	Total trade Increase %.
1903	37.6	79.3	55.2
1908	23.9	53.3	38.9
1913	40.4	88.4	67.4
1918	147.9	135.3	138.6

It will serve to emphasize the foregoing results if it is pointed out that the growth of the past three years was $185,056,789 more than the total gain made during the 47 years following Confederation. In exports, the betterment since 1915 was $706,788,693; whereas from 1867 to the end of 1915, the increase was but $433,240,989. Putting it in still another way, the increment in aggregate trade for the single year just closed, as compared with 1917, was millions more than the increment for the 35 years preceding 1903. It is only when the case is put in this comparative form that one gets a positive suggestion of the real advance which has been made by the foreign commerce of Canada during the past five years, and especially during the past three pregnant years.

Exports Now Exceed Imports.

There is another aspect of the matter which has a vital meaning to the people of Canada at this time of immeasurable crisis. Since Confederation the balance of trade has been, on the whole, heavily adverse. Only in the years 1880, 1881, 1894 and for the decade 1894-1903, did exports exceed imports. For the ten years commencing with 1904 the excess of imports went bounding upward, until in 1913 it stood at $282,284,988. Such a situation, joined to our heavy obligations to Great Britain for interest charges on loans, meant a considerable drain on the resources of the country. In 1915 a marked swing of the pendulum took place, and in 1918 the balance in favor of the Dominion reached the large figure of $614,860,175. We see this change reflected in swelling bank deposits.

In measuring the growth of trade by dollars, however, it is quite easy to attach a false meaning to comparative results. There is at the present time a tremendous inflation of values. It would, therefore, be helpful if we could ascertain with some degree of accuracy, what has been the rise in volume. But it cannot be done. All that is possible is to apply one or two more or less superficial tests, which are indicative but not necessarily conclusive. The variety of our exports has been multiplying as our industries have developed. For example, we sent abroad in 1917 manufactures to the value of $487,312,766; whereas 30 years ago we had exports of that class valued at but $3,079,972. That fact alone, throws a strong light on the changing character of our trade, which precludes anything like a trustworthy measurement of volume now, with volume in years gone by, when the conditions were vitally different. Nevertheless, it must be very clearly borne in mind that a considerable proportion of the betterment which has taken place in recent years, notably since the outbreak of war, is accounted for in the mere upheaval of values. Thus, in 1913, we exported 93,166,009 bushels of wheat at a valuation of $88,608,730, or an average of 95.1 cents per bushel. In 1917 we sent out 189,643,846 bushels at a valuation of $244,394,586, or $1.29 per bushel. There was thus a difference of 114 per cent. in volume and 38 per cent. in value; but in 1918, although the details are not available, there was a much higher jump in the average. Butter, which does not take a large place, but is nevertheless suggestive of the change which has accurred in a considerable number of commodities, rose from an average of 18 cents per lb. in 1887 to 31 cents in 1917. Bacon is still more striking, the average having gone up from 7.9 cents per lb. 30 years ago to 20.7 cents in 1917; but, whereas the volume was only 11,030,689 lbs. in 1887, it was 207,213,267 in 1917. If these comparisons were carried over a wide range of classes, both in exports and imports, they would show gains in volume as well as value. The betterment in market prices, however, would rise above the betterment in volume in its effect on aggregate trade.

Greater than United States Trade in 1900.

At this time, when patriotic feeling rises above all other considerations and sentiments, it is distinctly inspiring to observe the wonderful growth which has taken place in the foreign trade of the Dominion. It has created general and genuine prosperity. It has given us a larger place among the nations. If we desire to give a fillip to our sense of fast developing strength, we should find it in the fact that our total trade in 1918 was greater than was the total trade of the United States in 1900. Such a comparison affords ground for deep satisfaction and gratitude. We are growing and growing with unexampled rapidity. Let us rejoice; but there should not be any unjustified assumption of either present or prospective strength. All wars have been accompanied by inflation and followed by reaction. We can scarcely hope to escape the operations of a law which has been constant through the centuries. The evils which grew out of unpreparedness for war should teach us to prepare for peace when, please God, it shall come. The conditions which have made for great gains in both volume and value during the past three years will inevitably change. Happily, the experience of these momentous years in handling big problems has fitted us to deal in a brave and competent spirit with other big things which will grow out of reconstruction when the fighting has ceased.

EXPRESS MERGER IN THE UNITED STATES

An agreement has been reached among the four leading American Express Companies for their union in a single company with a capital of more than $30,000,000, to be known probably as the Federal Express Company. The four companies concerned are: the Adams, the American, the Wells-Fargo, and the Southern Company. It is said that Mr. George C. Taylor, president of the American Express, will be head of the new concern. The combination is to become effective on July 1st. The company will be the express carrying agency of the railroads, operating privately, but under contract to turn over 50¼ per cent. of their gross revenues to the railroads for transportation privileges. An application for a 10 per cent. increase in rates, filed before government operation of railways was contemplated, will be passed upon soon by the Interstate Commerce Commission. There are altogether over 100,000 employees of the four companies. According to Mr. Taylor, wages will be raised in many cases after the scale of wage advances ordered for railway employees has been examined. There are a number of smaller railway-owned express companies left, such as, the Western, the Great Northern and the Northern.

THE STERLING BANK
OF CANADA

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King and Bay Streets, Toronto 74

The National Bank of Scotland
Limited
Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	4,000,000

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BANK OF NEW SOUTH WALES
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	AUSTRALIA
PAID UP CAPITAL - - - -	$ 19,524,300.00
RESERVE FUND - - - -	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

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ESTABLISHED 1865
Union Bank of Canada
Head Office - WINNIPEG

Paid-up Capital - - - -	$ 5,000,000
Reserve - - - - -	3,400,000
Total Assets (Over) - - -	140,000,000

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Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches.

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The Bank, having 305 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies.
Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world. 199

BANK OF HAMILTON
HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

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Niagara Falls
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Oakville
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Paris
Port Arthur
Port Elgin
Port Rowan
Princeton
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Simcoe
Southampton
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West Toronto
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MANITOBA
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Elm Creek
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Kenton
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Winkler
Winnipeg
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Redvers
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Vulcan

BRITISH COLUMBIA
Armstrong
Kamloops
Port Hammond
Salmon Arm
Vancouver
Vancouver E.
N. Vancouver
S. Vancouver (Cedar Cottage P.O.)

THE GROWTH OF MONEY AND EXCHANGE

Relative Values of Foreign Coins — Britain May Adopt a Decimal System

(This article is a continuance from last week of an address given by Mr. Ewing Buchan before the Pacific subsection of the Canadian Bankers' Association.)

"The instance of the standard gold par value of the sovereign and the dollar of America (I use the word in its broad sense) is applicable to all foreign money. French francs, German (pardon the name) marks, Danish crowns, Dutch guilders, Russian roubles, Spanish pesetas, etc. The following are the several values:—

Franc	19.3 cents
Mark	23.8 "
Crown	26.8 "
Guilder	40.2 "
Rouble	51.5 "
Peseta	19.2 "

"The methods of quotation vary, as you gentlemen know, francs being in the number of francs to the dollar, marks in the number of cents to 4 marks, the others being in the number of cents to the foreign piece mentioned, the rates of conversion being above or below the par value, as the case may be.

The Rate of Exchange.

"The rate of exchange between any two countries, would, under normal conditions, be generally governed by the cost and facilities for exporting or importing gold, barring transactions in securities. When I was in business in Toronto, the figures as between America and Britain were normally 8⅞ or 4.84 for import, and 10¼ or 4.90 for export, but under present abnormal conditions, making it impossible to import gold from Britain in settlement of large trade balances, following enormous exports of supplies and munitions, sterling exchange rules at a figure far below the normal gold import basis, and I doubt if you gentlemen can say what its future course will be.

"The other side of the question is presented in the abnormal premium you are paying to place funds in New York, it being impossible to ship gold to cover the trade balances against unprecedented imports, the cost of which, in ordinary times, would be considerably less than ¼ of 1 per cent. between financial centres of Toronto or Montreal and New York.

Mexican and Oriental Exchange.

"Mention has been made of some Oriental funds in which the Mexican dollar, having a par value of 47.7 cents has been and is yet a large factor, Mexico being one of the oldest and chief silver producing countries in the world. Hongkong has its own currency in dollars. That exchange has advanced about 60 per cent. since 1914 proportionately to silver bar. The young gentlemen, no doubt, have quite enough to do with the versatile Mongolian, during business hours, when he purchases his Hongkong exchange or gold, if he can get it, and I would spare them any further reference. The tael obtains largely in China with a value varying from 64.8 to 72.2 cents according to local conditions and the price of silver in London. Japan used the yen, having a standard gold value of 49.8 cents.

Silver and Gold Standards.

"Oriental and Mexican exchanges, not being all on a gold basis, have been and are subject to severe fluctuations, and students of monetary systems have advocated the use of silver as a standard. One of the noted advocates, as some of you will remember, was defeated in an election to the presidency of the neighboring republic on a platform of a dual standard of sixteen to one for silver and gold respectively, the value of the former to be sustained by the government purchasing silver for coinage purposes, or the issuance of certificates against it.

"In the year of that election, the average price of silver in London was 29 pence per ounce, and it stood thereabouts until 1915, since which time, as I have said, it has risen about 60 per cent. Present London quotations are about 43 pence, though it touched 55 in the interval, but at 43 it bears a ratio of 21⅝ to one, as compared with the Bank of England's buying price for gold. In view of Canada being the world's third largest producer of silver, there would have been a profit in silver, for coinage purposes, at 21⅝ to 1, or even 16 to 1, which would make the most astute banker blush.

"But greater authorities than the silver-tongued pacifist have given the world their views on the much debated subject of 'bi-metallism,' such, for instance, as Sir Thos. Gresham of the 16th century, whose conclusion was, that, under the dual standard of gold and silver, the cheaper metal would displace the dearer, from time to time, as governed by supply and demand, and there would thereby be an alternating standard, which, though variable, would lead to greater stability and a more equitable monetary system than a single gold standard.

"Viscount Goschen, who passed away in 1907, leaned somewhat to the same view, believing that gold, as the sole standard throughout the world, would surely cause a severe monetary crisis.

"Mr. Moreton Frewen, a present-day authority, who addressed our Canadian Club in 1909 on the subject of our exchanges with Asia, holds similar views of thought, and looked to the free coinage of silver as a panacea for all monetary ills.

"Silver is, of course, more or less in use in every country, but under the gold standard, it is only token money, not representing the intrinsic value of the coin and only legal tender to a limited extent, as you gentlemen all know. But, if silver were purchased by governments and coined without limit, one would think it might lead to a depreciated currency, with a result somewhat akin to the currency of the United States during the civil war, when greenbacks declined in value until in 1864, they were only worth 38 cents on the dollar, driving gold out of sight, to be bought and sold as a speculative commodity, reaching a corresponding price of 263. The value of currency was only restored to par in 1879, when gold payments were resumed and a stable currency was established.

Reasons for Use of Gold as Standard.

"My own opinion, if I may presume to offer it, is that there can be only one standard to insure stability, and gold has proved to be the choice from long experience. It is the most beautiful, and the most treasured of all metals. It is almost imperishable, and requires very little alloy to give it sufficient hardness for coinage purposes. It is of little bulk, and therefore easily transported. It is known as the royal metal.

"Gold is the only commodity in the world, the value of which, under normal conditions, is established by law. No matter how great the volume produced may be, the Bank of England, the world's banker, is empowered to buy with its notes at 3 pounds, 17 shillings and 9 pence per ounce, 11/12 fine. The bank may pay more, but never less. It might be interesting to note the holdings of gold, per capita, in some countries as they were shortly before the beginning of the war:—

Australia	33.19
France	23.57
Argentine	23.30
United States	18.58
Germany	17.23
Britain	12.65
Egypt	12.50
Canada	11.05

"The world's output of gold in 1913 was estimated at $455,000,000, and the average for 12 years has been $409,910,000 per annum with a minimum of $298,812,000 in 1902, and maximum $474,333,000 in 1912.

"Political economists, some of whom I have mentioned, have expressed varied opinions on the gold standard, and it would be a very interesting subject for debate in your association, as to whether gold has depreciated, and all other commodities have correspondingly increased in value; though, gold is harder to obtain now, than, perhaps, at any other time in the world's history.

Some Pioneers in Canadian Banking.

"My early reference to the bank managers in Toronto, 30 years ago, brings to my mind the passing away of some notable men, such as R. H. Bethune, Duncan Coulson, John L. Brodie and Daniel R. Wilkie, men of outstanding character and originality. Let me relate a little personal incident regarding the last-named gentleman. He always asked me what was the news, when I would go into his office, and we would exchange ideas on the affairs and the finances of the day. On one occasion after the ending of the last Riel Rebellion, Mr. Wilkie called me in and whispered in my ear: 'Did you

Northern Crown Bank

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Capital (authorized) $6,000,000 Capital (paid up) $1,431,200
Rest and Undivided Profits $920,202

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Kenaston
Kinley
Lancer
Langham
Laura
Liberty
Lloydminster
Lockwood
Macoun
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	$5 = £1		
Subscribed Capital	$124,532,160	Deposits	$1,102,758,840
Paid-up Capital	25,944,200	Cash in hand and at Bank of England	220,551,765
Reserve Fund	21,714,130	Money at Call and Short Notice	155,017,800
		Bills of Exchange	175,264,955

This Bank is the Proprietor of The Belfast Banking Company, Limited, and will facilitate transactions between Canada and Ireland

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CAPITAL, ISSUED AND SUBSCRIBED ...$1,171,700.00
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HEAD OFFICE: WINNIPEG, CAN.

BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY VANCOUVER AND VICTORIA 1 hear of the very big suspension to-day, Buchan?' I did not like to display my ignorance, but at the same time had heard nothing, and replied: 'No, Mr. Wilkie, what is it?' The popular banker replied, with a broad smile: 'I thought you knew everything; didn't you hear that Riel was hung to-day?'

"You gentlemen have been good enough to follow me in my attempt to describe the origin of money in coins and paper, and its equivalent in gold, the standard of value in all countries, with few exceptions, and you have listened patiently to what most of you already know, and I thank you for your patience. Perhaps I dwelt at length on the currency of Britain, though I forgot to mention that the British florin, or two-shilling piece, which you occasionally see, was coined with the intention of introducing the decimal system, but was not followed up. There have been recent suggestions of changes along the same line, and also of making British exchange payable in dollars and cents for convenience of America, but Britain is very conservative, and not likely to make innovations quickly."

SWEDISH FOREIGN TRADE ASSOCIATION

There was recently brought before the Swedish Chamber a bill providing for the creation of a corporation with the object of promoting foreign trade. Ten million kronor of government 5 per cent. bonds are to be issued, which will be deposited as security for bonds issued by the company. The money raised by the company is to be used to finance foreign purchases in Sweden, and the project is, therefore, aimed at continuing or increasing Sweden's exports to foreign countries. It was considered hardly suitable that this credit should be provided directly by the state, and it was decided that the best course would be that arrangements should be made through the medium of a private financial institution, subject to the control and under the guarantee of the state. Funds raised by the government loan within the country are, therefore, to be used to promote Swedish industry.

The capital of the company is to be 10,000,000 kronor, and is to be subscribed by the banks, with whom the preliminary agreement has been concluded. Credit will be furnished to foreign banks and bankers. The yearly dividend to the shareholders is not to exceed 6 per cent. of the capital. Payments to a reserve fund are also required, and the remainder is to be distributed in such a manner that two-thirds shall go to the company and one-third to the state. The board of the company is to consist of seven persons. The government is to appoint the chairman, the Riksbank and the national debt office one member each, and the shareholders the remaining four. The business of the company is to be concluded not later than the end of the year 1923.

PUBLICATIONS RECEIVED

Canadian Fire Insurance Year Book, 1918, containing complete details of all forms used in fire insurance, with summaries of laws and finances of companies and complete short-period tables. Published by Stone and Cox, 6—10 Johnson Street, Toronto. Price, $1.25.

Private Wealth of Australia.—By G. H. Knibbs, Commonwealth statistician of Australia. Published by the Commonwealth Bureau of Census and Statistics. This volume discusses the nature of national wealth and the distinction between private and public wealth. The total wealth of Australia is estimated by various means, such as income, probate returns, by inventory, etc. Similar estimates made in the United Kingdom, France, Germany and the United States are also compared.

Poor's Manual of Industrials for 1918.—The general information in this book has been revised to April 18th, 1918, and the book is the largest work of its kind. It contains the latest income accounts and balance sheets of all industrial companies in which there is a public interest. These are, in most cases, presented in a comparative form, showing at a glance the growth of the business. The book also gives complete information regarding the present income tax on industrial securities. It states whether the companies assume a 4 per cent. tax, or only 2 per cent. tax, or no tax at all. The work is invaluable to the investor or banker interested in industrial securities.

Poor's Manual Company, 80 Lafayette Street, New York. Price, $10 a copy.

FIGHTING LIFE AND PROPERTY FIRE LOSSES

Regulations Recommended for Municipalities, States and Provinces—Assistance of Public Required

Mr. Alcide Chausse, city architect and superintendent of buildings of the city of Montreal, and chairman of the committee on fire prevention of the American Society of Municipal Improvements, recently made his annual report to that society, noting the activities relative to fire protection during the past year.

The report noted the recommendations made at its last annual meeting of the National Fire Protection Association regarding the warfare against the needless sacrifice of human life and property by fire which were as follows:—

Recommendations of the Association.

1. The adoption by municipalities of the standard building code of the National Board of Fire Underwriters to the end that fire-resistive building construction may be encouraged, the use of inflammable roof coverings prohibited, adequate exit facilities from buildings assured, and interiors so designed and firestopped as to make easy the extinguishment of fires therein.
2. The adoption by all states of minimum building requirements for the protection of state and county hospitals, asylums and similar institutions outside city limits and of small communities in which the establishment and enforcement of a building code is impracticable.
3. The enactment by each state of the fire marshal law advocated by the Fire Marshals' Association of North America to the end that official investigation may be made of the causes of all fires. Preventable fires may be eliminated by public education, and the crime of arson stamped out.
4. The adoption of the association's suggested ordinance providing for the systematic inspection of all buildings by city fire marshals or local firemen, to insure the vigorous enforcement of rules for cleanliness, good housekeeping and the maintenance of safe and unobstructed exits, fire-fighting apparatus and other protective devices.
5. The enactment of ordinances similar to that of Cleveland, Ohio, fixing the cost of extinguishing preventable fires upon citizens disregarding fire prevention orders, and a more general legal recognition of the common law principle of personal liability for damage resulting from fires due to carelessness or neglect.
6. The wider general use of the automatic sprinkler as a fire extinguishing agent and life saver, and the more general adoption of the fire division wall as an important life saving exit facility.
7. A careful study of the technical surveys of cities made by the engineers of the committee on fire prevention of the National Board of Fire Underwriters covering the items of water supplies, their adequacy and reliability, fire department efficiency, fire alarm systems and conflagration hazards; and of the possibility of co-operation among neighboring cities through mutual aid and the standardization of hose couplings.
8. The adoption of the association's suggested laws and ordinances for state and municipal regulation of the transportation, storage and use of inflammable liquids and explosives.
9. The universal adoption and use of the safety match and legislation prohibiting smoking in all parts of factories, industrial and mercantile buildings except in such fireproof rooms as may be especially approved for the purpose by fire departments.
10. The education of children and the public generally in careful habits regarding the use of fire.
11. The co-ordination of all these activities, through a central administrative officer or body of the state or city having primary jurisdiction, for the purpose of promoting uniformity of action and efficient co-operation.

The assistance of the public is requested, both in the dissemination of literature, and in the actual work of prevention.

The report then reviews the recommendations that have been adopted by various municipalities on the continent looking to reduction of fire waste—Kansas, Ohio, Louisiana, Chicago, Minnesota, Texas, etc. The report ends with a discussion of the treatment of chimneys and the penalty that should attach to neglect in keeping them clean; the by-law in force in Montreal is quoted as a model which would probably also be effective in other cities.

Name Your Executor

After toiling and sacrificing to acquire property, it is reprehensible for a man to leave his estate to be administered by an appointee of the court, instead of wisely making a Will and appointing an Executor of his own selection.

It is merest business foresight to see that one's Will names a **reliable, competent** and **willing Executor.** No individual Executor can give such constant attention and expert service in administering an estate as a Trust Corporation like this is experienced in giving.

Booklet on Wills Mailed on Request.

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Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

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The making of a Will TODAY will not accelerate death a single instant, but rather tend to make us satisfied with an act timely and properly done.

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It has been proven by the experience of years that, regardless of size, estates are more satisfactorily and economically administered by trust companies than by private individuals.

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Capital Paid-up $1,500,000 Reserve $1,500,000
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DISTRIBUTION OF FEED FOR LIVESTOCK

Flour Not Forced on Canadian Market—Lower Grade Flour Means Less Feed

Frequent statements appear that mills are insisting upon dealers buying large amounts of flour in order to get feed. This is not the case, and has not been for some time, according to a bulletin just received from the educational division of the Canada Food Board. The bulletin goes on to say: "The mills are able to sell all the flour they can make for export to the Allies, for cash, and at a price equivalent to that allowed by the Canada Food Board to be charged to the Canadian trade, and there is no necessity for attempting to force sales in Canada, as otherwise might be the case, for feed cannot be made unless flour is made and can be sold.

"The Canada Food Board, the Feed Branch of the Department of Agriculture, and the millers have been working together for months upon the very difficult problem of the fairest method of distributing bran and shorts. The demand in Canada for these feeds is many times the total output of Canadian mills and comes from all parts of the country. The prices fixed for bran and shorts have made them relatively cheaper than other feeds, such as oats and barley, and this has increased the demand and, moreover, in many parts of the country, oats and barley were a short crop last year, as was also hay.

Extraction is Lengthened.

"The extreme need of our Allies in Europe for every pound of flour and every bushel of wheat that could be spared has necessitated the lengthening of the extraction in milling. Under ordinary conditions about 270 pounds of wheat would be used to make 196 pounds of flour, and allowing three pounds for waste there would remain 71 pounds of offal, but about 10 pounds of the lower grade flour would be added to the shorts to make middlings so that there would be a total of about 81 pounds of feed produced. Under the order now in force the mills must make 196 pounds of flour out of 258 pounds of wheat and cannot turn any back into the shorts, so that to-day only 59 pounds of feed is made in the process of grinding a barrel of flour and the richer feeds cannot be made at all. Taking an equal amount of wheat in each case, this means that almost 25 per cent. less feed is being made than before, which, of course, has made the feed problem still more difficult.

No Financial Object.

"It is entirely out of the question for the mills, under these conditions, to ship full carloads of bran and shorts to meet the demand for feed without causing users at other points to suffer. It would make no difference to the miller whether he sold in full carloads or in less than carloads, for his price to the trade is fixed at the same amount per ton in both cases, but the best and fairest method of distribution has required shipment in smaller quantities. If a dealer does not require flour or some other cereal produce to fill a car, this, of course, involves the payment by the dealer of the higher freight rate charged upon less than carload shipments. This difference in freight may run from $1 to $10 per ton, according to distance. Dealers are naturally anxious to avoid this extra cost, which might put them at a disadvantage as compared with competitors in the same district who could fill a mixed car, and although there is no extra profit to them the millers do not desire their customers to be at a disadvantage if they need oats, barley, oatmeal or flour which could be used to fill the car. There is, however, no such thing as compulsion on the part of the miller nor any financial object on his part in insisting, since he can make no more money by doing so and already has a bigger market for all his products than he can fill.

New Regulations in Force.

"The critical condition of food supplies for the Allies during the next few months has led the Canada Food Board to pass additional orders affecting wheat and flour. It has been made illegal for farmers, or anyone else, to use any millable wheat for feed for any kind of animals. Consumers are prohibited from accumulating stocks of flour beyond their actual current needs and must return to dealers any excess they may have been hoarding, and dealers must report their excess stocks which will be returned to the millers or disposed of as the Canada Food Board directs."

INFORMATION FOR LAND SEEKERS

In these days of increased activity in the interests of greater agricultural production, particularly of that readily exportable commodity—namely, wheat, it is imperative that all agencies shall render assistance in the furtherance of that nationally important movement. Authentic information, therefore, regarding agricultural lands that are not at present under cultivation, as illustrated in the maps, reports and bulletins, which contain particulars regarding the availability, accessibility to transportation and adaptability to agriculture of the free homestead lands in western Canada that are issued by the Department of the Interior, should prove useful to the prospective settler.

The rapid exhaustion of Crown lands in close proximity to the railway, that are available for homesteading, together with the recent reservation in the interests of returned soldiers' settlement, has resulted in an increased demand for information with regard to choicely located quarter-sections that might be available for purchase rather than homesteading. With the object in view of providing a source from which authentic information regarding agricultural lands that are likely to be purchasable might be obtained, the department, through its natural resources intelligence branch at Ottawa, has undertaken the compilation of lists containing the names and addresses of the owners of practically all quarter-sections that are at present unoccupied and non-producing, the presumption being that from either a financial or patriotic point of view, the owners would be interested in the sale or lease of their holdings.

Prospective settlers when applying to the department for information on the subject of either homesteading or purchasing land in western Canada should state the province or district in which they are interested as the literature embraces a rather wide range of maps and reports.

NEW ASSURANCE COMPANY IN AMERICA

The Australian Provincial Assurance Association, Limited, is planning to commence writing business in the United States and Canada. Mr. Selby P. Wood, the managing director, is at present on his way to San Francisco in this connection. While this company has been organized only six years, it has already become one of the most important of Australian companies. The head office is in Sydney, New South Wales, and branch offices are located in each of the other five states of Australia, and in New Zealand. The company writes life and accident lines. The annual report for the year ended October 31st, 1917, includes the following figures:—

Liabilities—	
Subscribed capital	£ 76,001
Funds and other liabilities	30,371
Total	£106,372
Total assets	106,372

The total revenue for the year was £110,245, including £47,801 of premiums on new life business and £23,290 of accident premiums. The life claims for the year amounted to £2,632, and the accident claims £6,705. Complete details will be found upon another page of this issue.

The progress of the company during its five years has been quite remarkable, the revenue and expenditure being as follows:—

	Revenue, less re-insurance.	Expenditure.	Increase of revenue over previous year.
1913	£ 10,219	£26,561	......
1914	17,287	30,950	£ 7,068
1915	28,662	30,858	11,374
1916	56,978	47,991	28,316
1917	101,258	85,276	44,280

Last year the company secured business exceeding £1,250,000 in the ordinary department, and accident premiums exceeding £23,000. This year they aim at £2,000,000 and £40,000, respectively. The business in the United States and Canada will be furthered by the establishment of a branch or by the formation of a subsidiary company.

The Hamilton Provident and Loan Society

Capital Subscribed	$2,000,000.00
Capital Paid-up	1,200,000.00
Reserve and Surplus Funds	1,163,994.20
Total Assets	4,697,757.31

Debentures issued for terms of from one to five years at highest current rate of interest.

Savings Department Deposits received, and interest allowed on *daily balance*. Withdrawable by cheque.

Trustees and Executors are authorized by Law to invest Trust Funds in the Debentures and Savings Department of this Society.

MONEY TO LOAN.

Head Office, King Street, HAMILTON, Ont.

GEORGE HOPE, President D. M. CAMERON, Treasurer

CANADA PERMANENT
MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of TEN PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board.

GEO. H. SMITH, Assistant General Manager

Toronto, May 29th, 1918.

"OLDER THAN THE DOMINION OF CANADA."

Paid-Up Capital $2,500,000. Reserve $3,100,000

THE HURON & ERIE MORTGAGE CORPORATION

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CAPITAL AND UNDIVIDED PROFITS .. $3,750,000

5½% SHORT TERM (3 TO 5 YEARS) DEBENTURES YIELD INVESTORS 5½%

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Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

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WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

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One of the best AUTHORIZED investments for TRUST FUNDS is our

5½% DEBENTURE

Ask for Booklet "About Debentures."

Paid-up Capital	$2,412,566.31
Reserve	756,580.13
Assets	7,168,537.29

The Great West Permanent Loan Company

WINNIPEG, TORONTO, REGINA, CALGARY,
EDMONTON, SASKATOON, VANCOUVER, VICTORIA,
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THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

London & Canadian Loan & Agency Co., Ltd.

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Paid-up Capital, $1,250,000 Rest, $850,000 Total Assets, $4,855,944

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

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Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

THE TORONTO MORTGAGE COMPANY
Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00
Total Assets, $3,141,401.68

President, WELLINGTON FRANCIS, Esq., K.C.
Vice-President, HERBERT LANGLOIS, Esq.

Debentures issued to pay 5%, a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on improved Real Estate on favorable terms.

WALTER GILLESPIE, Manager

BOARD OF TRADE AND CIVICS FOR WINNIPEG

A Comprehensive Plan to Include Many Special Organizations

A plan is being devised in Winnipeg to erect a body to be known as a Board of Trade and Civics, which would include in its membership the present Board of Trade, Industrial Bureau, Civic Improvement League, Citizens' Research League and many other local bodies. The matter was recently submitted to the Citizens' Research League for investigation and a definite plan has been prepared along the lines of the American City Bureau of New York, and the National Association of Commercial Organization Secretaries of Minneapolis. A plan is outlined in bulletin number ten of the league as follows:—

Representative business men and citizens generally recognize the desirability of one comprehensive Winnipeg organization commensurate with the growing importance of the city and province, and capable of working actively and unitedly for business and community progress. Much activity is now directed to these ends, but owing to the large number of unrelated agencies there is an immense waste of time, energy and money, and a consequent loss of general effectiveness through overlapping or needless competition. Membership in several bodies, which have scarcely sufficient reason for separate existence, often entails waste effort. As one example of lost motion, individuals frequently receive from three to six communications relative to the same matter from different associations. Lastly, the community suffers by the expenditure of effort which is merely sectional, and from the fact that the average citizen has not yet been brought to realize sufficiently his personal responsibility for the development of the whole.

The Benefits of Co-ordination.

"The benefits of co-ordination would be immediate and obvious. The multiplicity of membership fees and consequent expense to individuals would be lessened by the organization of one strong body efficiently managed and with departmental activities. A large saving would be effected in overhead charges alone. But more important, though less obvious, results would be achieved in the near future. Centralized effort along community lines would have beneficial consequences, such as could never be brought about by unco-ordinated sectional activities. Organization and co-ordination of the kind here suggested: (1) Would make it possible to coordinate more fully with the government in utilizing all energies and resources for winning the war and in making preparation for the difficult period of reconstruction; (2) would more effectively meet the urgent need of economy, public and private, and assist to increased production in manufacturing, mining and agriculture; (3) would help mobilize the services of the best available leadership in education, science, agriculture, mining, commerce and industry, for the systematic development of the community; (4) would make it possible to undertake definite programmes of work, not only for the city at large, but for the various interests represented; (5) would make a very much larger number of people feel themselves responsible for community progress.

Revised Ideas and Methods of Organization.

The war has tended to destroy many old ideas, amongst others sectionalism and unrestrained individualism. In Great Britain the government appointed committees on reconstruction have emphatically recommended large schemes of cooperation that will cover every department of the national life. In all directions in the United States old chambers of commerce have become revivified with the new idea of association for community ends, and in many places too numerous to mention, commercial organizations are being formed or reconstituted with definitely civic and community purposes. So widespread is the idea, that agencies have come into existence which devote themselves to conducting (with an avowedly civic purpose) reorganization campaigns for chambers of commerce and similar bodies.

The American City Bureau.

"Of these, the most successful is the American City Bureau, which claims to have organized upwards of 75 chambers of commerce. The plan of the bureau is to carry on rapid fire educational campaigns appealing for membership on an individual and democratic basis. The membership fee (subscribers are asked to pledge themselves to contribute for three years) is $25 for single memberships. The bureau looks upon general community problems as more important than any sectional or trade problem, and therefore rejects the idea of a mere federation of existing organizations, though in some instances there has been later creation of subsections for the consideration of the interests of special groups.

Outlines of Suggested Scheme of Organization.

"The desirability and, indeed, the necessity of building up an organization representative of all classes, interests and useful activities in the community have already been emphasized. The present war-time spirit of co-operation will be no less needed to meet the difficult period of reconstruction. Every class and every individual in the community can contribute something useful in common service. The Citizens' Research League gratefully acknowledges the valuable help it has received from Labor men on its committees and strongly suggests, particularly in view of the period of reconstruction, the desirability of having representatives of the various labor unions amongst the membership. This would give an opportunity for organized labor as such to be represented on the governing body and committees, etc., of the new organization. Similarly, representatives of all professions and Winnipeg officials of agricultural organizations should find a place in the reorganized board.

Basis of Membership.

"Membership should be on a personal basis with fee of $25 per annum, if possible pledged for three years. Firms and corporations should be invited to nominate for election to the board as many of their members or staff as will ensure participation in the board's activities and subscriptions to its working funds commensurate with their interest in the affairs and in the development of the city. Voting should be on the basis of one vote for each individual member. For example, a large wholesale firm might nominate for membership its executive officers and also heads of departments (the firm as such paying the fees)."

It is suggested that the officers should be a president, vice-president and treasurer, chosen by popular election, and a secretary appointed by the council, the latter body should consist of 20 members, ten to be re-elected each year. Certain section bureaus and standing committees should be appointed to deal with special questions It is anticipated that an institution of this kind would, through its size and strength, not only be able to promote the city's progress, but also be able to co-operate with outside organizations more easily than any of the smaller organizations of Winnipeg.

CONSCRIPTION OF WEALTH

They tell an old story in Dublin, Ireland, of a big private bank which became unpopular. At a meeting of protest many of those present lit their pipes with bills issued by the bank and passed a resolution asking holders of them to do likewise, thinking that burning its obligations would put the bank out of business. We have people in America with equally hazy ideas about banking and finance, including those who talk about confiscating wealth to pay the costs of this war.—New York Commercial.

CANNING TRADE TO BE LICENSED

The canning trade will be brought under the license system of the Canada Food Board by June 15th. Licenses will be required to engage in the manufacture for sale of canned or preserved fruits or vegetables, meats, poultry, soups, grains, and products made therefrom, jellies, jams, sauces, pickles. condensed, evaporated, dried or powdered or canned milk, or dried, evaporated or desiccated vegetables or fruits.

Licenses are not required when the canning factory is operated in connection with a commercial meat packing factory. The order issued by the Food Board also requires that no manufacturer of canned or evaporated fruits or vegetables, without the written consent of the Canada Food Board, shall at any time contract for the sale of more goods than he reasonably expects to be in a position to pack, and in no case shall the amount contracted for exceed 100 per centum of the average yearly delivery of such articles made by him during the four years preceding 1918.

IMPERIAL BANK OF CANADA

Proceedings of the Forty-Third Annual Meeting of the Shareholders, Held at the Banking House of the Institution, in Toronto, on Wednesday, 22nd May, 1918, at 12 Noon

The Forty-third Annual General Meeting of the Imperial Bank of Canada was held in pursuance of the terms of the Charter at the Banking House of the Institution, 22nd May, 1918.

THE REPORT

The Directors have pleasure in submitting to the Shareholders the Forty-third Annual Report and Balance Sheet of the affairs of the Bank, as on 30th April, 1918, accompanied by statement of Profit and Loss Account, showing the result of the operations for the fiscal year:—

The balance at credit of Profit and Loss Account carried forward from last year was	$1,164,876.20
The net profits for the year, after deducting the cost of management, paying of Auditors' fees, the interest due to depositors and after making provision for bad and doubtful debts and for rebate on bills under discount amounted to	1,185,066.71
Making a total at credit of Profit and Loss of	$2,349,942.91

This amount has been applied as follows:—

Dividends at the rate of 12 per cent. per annum	$ 840,000.00
Annual Contribution to Officers' Pension and Guarantee Funds	7,500.00
Contributions to Patriotic and other War Funds	27,500.00
War Tax on Bank Note Circulation	70,000.00
Contingent Appropriation to cover Depreciation in Bonds and Debentures	200,000.00
Balance of Account carried forward	1,204,942.91
	$2,349,942.91

During the year a Branch of the Bank at Ferintosh, Alta., has been opened as a sub-Branch to New Norway. The following Branches have been closed: In the Province of Ontario—Marshville, Port Robinson and Niagara Falls Upper Bridge Branch; in the Province of British Columbia—Arrowhead and Athalmer; in the Province of Saskatchewan—Pilot Butte.

The Head Office and Branches of the Bank, now numbering 126, were inspected during the year. The Auditors appointed by the Shareholders have also made their examinations as required by the Bank Act, and their report and certificate is attached to the Balance Sheet.

A further subscription of $25,000 (being the fourth for a similar amount) has been made to the Canadian Patriotic Fund, the payment of which will be made during the course of the coming year.

It is with deep regret that your Directors have to report the loss of their co-Director, Honorable Richard Turner, of Quebec, whose death occurred on December 22nd, 1917. He occupied a seat on the Board since May, 1906. His place has been filled by the election of Mr. E. Hay.

The Directors testify with pleasure to the loyalty, zeal and faithfulness of the staff, which under the present conditions is laboring under a heavy strain. It is the intention to ask your authority to contribute substantial sums to the Pension Fund of the Staff.

All of which is respectfully submitted.

PELEG HOWLAND, President.

LIABILITIES.

Notes of the Bank in circulation		$ 9,908,544.00
Deposits not bearing interest	$ 19,916,368.98	
Deposits bearing interest, including interest accrued to date of statement	55,478,283.68	
		75,394,652.66
Balances due to other Banks in Canada	$ 270,932.81	
Due to Banks and Banking Correspondents in the United Kingdom	1,109.92	
Deposits by and Balances due to Banks elsewhere than in Canada and the United Kingdom	746,126.75	
Acceptances under Letters of Credit (as per contra)	81,600.00	
		1,099,760.48
Total Liabilities to the public		$ 80,402,966.14
Capital Stock paid in		7,000,000.00
Reserve Fund Account	$ 7,000,000.00	
Dividend No. 111. (payable 1st May, 1918) for three months, at the rate of 12 per cent. per annum	210,000.00	
Balance of Profit and Loss Account carried forward	1,204,942.91	
		8,414,942.91
		$101,817,909.05

ASSETS.

Current Coin held by the Bank	$ 2,580,284.78	
Dominion Government Notes	10,446,486.00	
		$ 13,026,770.78
Deposit in the Central Gold Reserves		3,500,000.00
Deposit with the Minister for the purposes of the Circulation Fund		375,126.86
Notes of other Banks		805,649.00
Cheques on other Banks		3,175,845.24
Balances due by other Banks in Canada		506,759.55
Due from Banks and Banking Correspondents in the United Kingdom		364,342.79
Due from Banks and Banking Correspondents, elsewhere than in Canada and the United Kingdom		6,768,002.65
		$ 28,522,497.87
Dominion and Provincial Government Securities, not exceeding market value	$ 5,361,758.99	
Canadian Municipal Securities, and British, foreign, and Colonial Public Securities other than Canadian	13,781,872.46	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	799,441.82	
		19,943,073.27
Loans to Provincial Governments	$ 500,000.00	
Loans to Cities, Towns, Municipalities and School Districts	5,684,013.31	
Call and Short Loans (not exceeding thirty days) in Canada on Bonds, Debentures and Stocks	2,470,097.07	
		8,654,110.38
		$ 57,119,681.52
Other Current Loans and Discounts in Canada (less rebate of interest)		40,302,958.38
Liabilities of Customers under Letters of Credit (as per contra)		81,600.00
Overdue Debts (estimated loss provided for)		243,486.07
Real Estate (other than Bank premises)		456,092.00
Mortgages on Real Estate sold by the Bank		513,963.58
Bank Premises, at not more than cost, less amounts written off		3,064,996.03
Other Assets, not included in the foregoing		35,131.47
		$101,817,909.05

AUDITORS' REPORT TO SHAREHOLDERS.

We have compared the above Balance Sheet with the books and accounts at the Chief Office of Imperial Bank of Canada and with the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on 30th April, 1918, we certify that in our opinion such Balance Sheet exhibits a true and correct view of the Bank's affairs according to the best of our information, the explanations given to us and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and securities at the Chief Office and certain of the principal Branches were checked and verified by us during the year and found to be in accord with the books of the Bank.

All information and explanations required have been given to us and all transactions of the Bank which have come under our notice, have in our opinion, been within the powers of the Bank.

G. T. CLARKSON, F.C.A.,
R. J. DILWORTH, F.C.A.,
of Clarkson, Gordon and Dilworth.

The number of Shareholders in the Bank has been increased during the year from 1,879 to 1,921.

The customary motions were made and carried unanimously.

Mr. G. T. Clarkson, F.C.A., Toronto, and Mr. R. J. Dilworth, F.C.A., Toronto, were appointed Auditors of the Bank for the ensuing year.

The Scrutineers appointed at the meeting reported the following Shareholders duly elected Directors for the ensuing year: Messrs. Peleg Howland, Elias Rogers, William Ramsay (Bowland, Stow, Scotland), Cawthra Mulock, William Hamilton Merritt, M.D., (St. Catharines), Sir William Gage, Sir James Aikins, K.C., (Winnipeg), Hon. W. J. Hanna, M.P.P., John Northway, J. F. Michie, J. W. Woods, E. Hay.

At a subsequent meeting of the Directors, Mr. Peleg Howland was re-elected President, and Mr. Elias Rogers Vice-President for the ensuing year.

PELEG HOWLAND, President.
E. HAY, General Manager.

VICTORIA, THE GARDEN CITY OF CANADA

Progress in Shipbuilding—Great Increase in Export Trade —Many Municipal Improvements

(Staff Correspondence.)

Victoria, May 23, 1918.

Victoria, the capital city of British Columbia, is fast becoming a thriving industrial centre for shipbuilding. During 1917 and the first four months of 1918 no less than seven vessels were launched. These vessels have a carrying capacity of 1,500,000 to 1,750,000 feet of lumber each, and are equipped with auxiliary, gas fuel, engine power. They were all loaded with lumber and sent away to various overseas ports, but with one or two exceptions they have been diverted from carrying lumber and are now being used for other purposes. The Cameron-Genoa shipbuilders are now engaged in a contract with the Imperial Munitions Board for four wooden vessels, to be driven by steam engine power, one of which is launched, and the remaining three are nearing completion and will soon be off the ways.

The Foundation Company, Limited established a shipyard, almost adjoining the Cameron-Genoa Shipbuilders' yard, during the summer of last year. They have a contract with the Imperial Munitions Board for five wooden vessels, 250 feet long, with a dead-weight carrying capacity of about 2,800 tons. Three vessels have been launched by this company and two will soon be ready to leave the slips.

Orders from the Imperial Munitions Board.

Contracts made with the Imperial Munitions Board are for vessels of standardized design in respect to both hull and machinery, and as soon as the hulls are launched they are taken by the board to Pier No. 2, at Ogden Point, where the machinery is installed. The engines are triple expansion, developing 1,000 indicated horse-power, two marine boilers of the Howden water tube type, three furnaces, with forced draught, for either coal or oil.

Our outer docks, Piers 2 and 3, under construction by Messrs. Grant, Smith and McDonnell, Limited, since May, 1914, were completed in March, 1918, at a total cost of $2,440,000, the work during the past year consisting of filling behind the parapet walls. The amount of filling placed during the year was 510,000 cubic yards.

In October, 1917, the same firm started the construction of a freight shed, 700 feet by 200 feet, on Pier No. 2, with a ferry slip off the bulkhead north of Pier No. 3, and the necessary connecting trackage of nearly 1½ miles.

Exceptionally good progress was made with the shed and the Imperial Munitions Board were able to take over occupancy of it early in January, while the ferry slip was in operation before the end of March. The total cost of the shed, which is the largest on the Pacific coast, was $218,000, while the track and ferry slip cost $65,000,000.

Trade of Victoria.

The following are the principal trade returns for the 12 months ended March 31st, 1918, compared with the preceding similar period:—

	1918.	1917.
Imports	$ 6,714,324	$ 6,828,375
Exports	4,690,703	600,523
Customs collections	1,170,786	1,075,869
Inland revenues	158,329	215,542
Bank clearings	88,390,038	80,708,690

As a place of residence Victoria is unique. Nature has provided advantages in respect to climate and scenery, but the citizens have supplemented these with an ample supply of good water for domestic and manufacturing purposes, and this together with the excellent systems of sewage, surface drains, street cleaning, garbage collection and disposal, is reflected in the citizens' general good health and low death rate. About 70 miles of the streets are paved, and the city is furnished with ample electric light.

Although Victoria is situated on an island there are practically no disadvantages. Freights are handled in cars, and connected with the transcontinental railways by car-ferry barges. Passenger traffic is carried on fast, seaworthy vessels, on which comfort is unsurpassed and worthy of the reputation of the operators, the Canadian Pacific and Grand Trunk Railway companies. Other coastwise services are provided by the Union Steamship Company and the steamship "Sol Duc."

CANADA PERMANENT ACQUIRES NEW BRANCH

Oxford Permanent Loan and Savings Society To Be Absorbed by Canada Permanent

It has been announced that arrangements have been made for the purchase of the Oxford Permanent Loan and Savings Society of Woodstock, by the Canada Permanent Mortgage Corporation. The Woodstock company is one of the oldest loan companies in western Ontario, having been established 52 years ago. While its business has been confined for the most part to Woodstock and the vicinity, its administration has been very sound, and a large reserve has been accumulated. The capital stock amounts to $291,640, and the reserve is now $144,300. Deposits, with interest, total $357,242, and debentures, with interest, $246,555. The total liabilities are somewhat over $1,000,000. Most of the assets are invested in real estate mortgages. There are also over $180,000 of government and municipal debentures, some stock owned by the company and some loans on stocks and debentures. The company's mortgages are practically all secured on real estate in Woodstock and in Oxford county, and are, therefore, all of the very best grade.

Shareholders to Receive Par and One Half.

The shareholders have been receiving 7 per cent. per annum in dividends, and it will be observed, the reserve fund account is just about 50 per cent. of the capital stock. According to the arrangement between the directorates of the companies, each shareholder in the Oxford Permanent will receive $150 of Canada Permanent 5-year debentures bearing 5½ per cent. interest in exchange for every $100 of Oxford Permanent stock; his interest return will, therefore, be 8¼ per cent. in place of 7 per cent. as formerly. The exchange appears to be an attractive one to the Oxford Permanent shareholder, as the Canada Permanent is one of the oldest and strongest Canadian loan companies, having a paid-up capital of $6,000,000, and a reserve fund of $5,000,000, both of which are behind the debenture issues.

The agreement is subject to the approval of the shareholders of the respective companies, for which purpose a special meeting of the Oxford Permanent is to be held in Woodstock on July 10th and by the Canada Permanent in Toronto on July 23rd. As some of the Canada Permanent stock is held abroad, it was necessary to postpone their meeting in order to properly notify the foreign shareholders. The business is to be continued in Woodstock as a branch of the Canada Permanent, and the facilities of the Canada Permanent Trust Company will also be offered there. Mr. Malcolm Douglas, who has been managing director of the Oxford Permanent for a number of years, will continue in the management, and the same staff will also be employed. The regular half-yearly dividend at the rate of 7 per cent. per annum has been declared by the directors of the Woodstock Company, and will be paid as usual on July 2nd, 1918.

The debenture holders and depositors of the Oxford Loan will also benefit by reason of the large assets of the Canada Permanent and its sound financial position. The Canada Permanent, on the other hand, acquires a business which has been long established and enjoys an excellent reputation, in one of the wealthiest sections of Ontario, and reputed to be the best agricultural district in Canada.

LONDON STREET RAILWAY COMPANY

The Board of Conciliation working on the wage adjustment between the London Street Railway Company and its employees met with a special session of the city council on Tuesday afternoon. The council backed up its refusal to the company of the right to increase its fares. The company claims it is unable to grant an increase to its men at the present revenue.

That the apple crop of Nova Scotia will be away below normal, even if it is not a complete failure, is indicated by the poor showing of blossoms. In several sections a frost recently destroyed the blossoms of the early varieties. On account of the prospects many orchardists are abandoning spraying operations.

Atlas Assurance Company, Limited

OF LONDON, ENGLAND

(ESTABLISHED 1808)

Extracts from the Report for the Year ended 31st December, 1917.

FIRE DEPARTMENT

The NET PREMIUMS were **$6,963,490**, and the LOSSES **$3,262,141**. The underwriting profit of the account after increasing the reserve for unexpired risks by **$282,741**, amounts to **$817,315**, which has been transferred to Profit and Loss Account.

FIRE INSURANCE ACCOUNT

Amount of Fire Insurance Fund at the beginning of the year:—		
Reserve for unexpired risks, being 40 per cent. of premium income for the year 1916.	$2,305,720	
Additional reserve	4,694,275	
Reserve for unexpired risks, "Essex and Suffolk"	196,925	
		$ 7,196,920
Premiums		6,963,490
Interest, dividends, and rents	$ 293,680	
Less income tax thereon	17,760	
		277,920
		$14,438,330

Claims under policies paid and outstanding	$3,229,839	
Contributions to Fire Brigades	32,304	
		$ 3,262,143
Commission		1,411,135
Expenses of management		1,078,380
State and municipal Taxes (Foreign)		111,743
Transfers to Profit and Loss Account, viz.:—		
Profit	$ 817,315	
Interest	217,920	
		1,095,235
Amount of Fire Insurance Fund at the end of the year:		
Reserve for unexpired risks, being 40 per cent. of premium income for the year 1917	$2,785,395	
Additional reserve	4,694,277	
		7,479,672
		$14,438,330

BALANCE SHEET, 31st DECEMBER, 1917

LIABILITIES.

	Total.
CAPITAL SUBSCRIBED:—$11,000,000 in 220,000 Shares of $50 each, $6 paid	$ 1,320,000
"Essex & Suffolk" 4 per cent. Debenture Stock	480,140
Life Assurance and Annuity Funds	10,934,710
Investment Reserve Funds	2,300,850
Fire Insurance Fund	7,479,670
Employers' Liability, Accident, and General Insurance Funds	311,350
Sinking Fund and Capital Redemption Insurance Fund	436,080
Contingency Fund	110,175
Provision for completion of Dividend for the year (1917) payable 30th April, 1918	275,000
Profit and Loss Balance	348,505
	$24,216,480
Claims admitted or intimated but not paid:—	
Life Assurance	149,815
Fire Insurance	934,140
Due to other Offices for reinsurances	1,407,705
Sundry unclaimed Dividends and Debenture Stock Interest.	6,305
Outstanding commission and other accounts	437,205
Bills payable	10,325
Loan from the Company's Bankers against Security	350,000
	$27,532,375

($5 taken as equivalent of £1 stg.)

ASSETS.

	Total.
Mortgages on property within the United Kingdom	$ 1,641,875
" " out of the United Kingdom	132,500
Loans on parochial and other public rates	647,845
" Life interests	318,750
" Reversions	39,300
" Personal Security	20,000
" Company's policies within their surrender values	639,400
" Company's policies coupled with 5 per cent. War Stock	212,800
" Policies in other Offices	8,125
" Security of Rents	5,365
Investments:—	
Deposit with the High Court, viz.:— London County Council 3 per cent. stock	100,000
British Government Securities	4,909,415
Municipal and county securities, United Kingdom	149,375
Indian and Colonial Government securities	2,606,175
" " provincial securities	461,735
" " municipal securities	674,425
Foreign Government securities	2,203,495
" provincial securities	316,210
" municipal securities	932,535
Railway and other debentures and debenture stocks—Home and Foreign	4,075,100
Railway and other preference and guaranteed stocks	1,039,040
" ordinary stocks	465,165
Stocks and Shares (other than railway stocks)	525,765
Copyhold ground rents	53,380
House and Landed property	1,352,260
Life interests	27,795
Reversions	4,635
	$23,802,855
Branch and Agents' balances	2,066,283
Due by other Offices for reinsurances	209,920
Outstanding premiums	215,950
" commission and other accounts	77,105
" interest, dividends, and rents	19,465
Interest, dividends, and rents accrued but not payable	208,895
Bills receivable	8,570
Cash:—	
On deposit	201,850
In hand and on current account	701,380
	$27,532,375

MATTHEW C. HINSHAW, Montreal, Manager for Canada

The Sterling Bank of Canada

Statement of the Result of the Business of the Bank for the Year Ending 30th April, 1918

GENERAL STATEMENT

Liabilities.

Notes of the Bank in circulation		$ 1,257,230.00
Deposits not bearing interest	$3,759,199.90	
Deposits bearing interest (including interest accrued to date of statement)	9,216,160.53	
		$12,975,360.43
Balances due to other Banks in Canada		242,497.41
Acceptances under Letters of Credit		3,969.60
Total Liabilities to the Public		$14,479,057.44
Capital Stock paid-up	$1,216,932.32	
Reserve Fund	350,000.00	
Dividends unpaid	3,154.85	
Dividend No. 45, payable 15th May	18,248.85	
Balance of Profit and Loss Account carried forward	40,873.81	
		$ 1,629,209.83
		$16,108,267.27

Assets.

Current Coin held by the Bank	$ 63,345.10	
Dominion Notes held	1,918,854.75	
Deposit with the Minister for the purposes of the Circulation Fund	62,994.00	
Notes of other Banks	119,088.00	
Cheques on other Banks	597,228.39	
Balances due by other Banks in Canada	5,000.00	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	517,515.99	
	$3,284,026.23	
Dominion and Provincial Government securities not exceeding market value	2,291,726.26	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	3,038,309.06	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	543,734.96	
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks	163,622.48	
		$ 9,321,418.99
Other Current Loans and Discounts in Canada (less rebate of interest)	$6,318,327.80	
Overdue Debts (estimated loss provided for)	12,046.25	
Bank Premises, at not more than cost, less amounts written off	306,028.30	
Liabilities of Customers under Letters of Credit, as per contra	3,969.60	
Other Assets not included in the foregoing	146,476.33	
		$ 6,786,848.28
		$16,108,267.27

Toronto, April 30th, 1918.

G. T. SOMERS, President.
A. H. WALKER, General Manager.

AUDITOR'S REPORT

This statement has been duly vouched by comparing all entries with the books at the Chief Office and certified Returns from the Branches, and in my opinion is properly drawn up so as to exhibit a correct view of the condition of the Bank.

Cash and Securities have been checked at the Chief Office at 30th April, 1918, as well as at another time during the year, as required by section 56 of the Bank Act.

I have obtained all the information and explanations required, and am of the opinion that the transactions of the Bank, which have come under my notice have been within the powers of the Bank.

SHERMAN E. TOWNSEND, C.A., Auditor.

NEW INCORPORATIONS

Fuel Company Capitalized at $5,000,000 and Mining Company Capitalized at $3,000,000 Receive Charters

The largest company incorporated during the past week was the Canadian Western Fuel Company, Limited, with a capital stock of $5,000,000, and head office at Nanaimo, B.C. The Hill Gold Mining Company, Limited, of Toronto, with capital stock of $3,000,000, receives charter.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are the provisional directors:—

Sandon, B.C.—Silversmith Mines, Limited, $750,000.

Kelowna, B.C.—Cawston Canning Company, Limited, $20,000.

Nanaimo, B.C.—Canadian Western Fuel Company, Limited, $5,000,000.

Hatzic, B.C.—Trufruit Products Manufacturing Company, Limited, $50,000.

Ottawa, Ont.—Irving's, Limited, $20,000; S. Vineberg, C. M. Cotton, R. Stuart.

Quebec, Que.—Mile End Milling Company, Limited, $200,000; E. Turgeon. E. Turgeon.

Port Stanley, Ont.—Howe Fish Company, Limited, $25,000; J. Howe, H. A. Short, A. Grant.

Hamilton, Ont.—Walker-Vallance, Limited, $40,000; F. J. Walker, W. E. Vallance, C. V. Langs.

Winnipeg, Man.—Allied Securities, Limited, $100,000; W. T. Maddaford, T. D. Fenly, A. W. Lewis.

Stratford, Ont.—McDermid and Kyle, Limited, $40,000; T. J. Kyle, M. A. McDermid, E. McDermid.

Kamloops, B.C.—Mountain Sawmills, Limited, $50,000; Canoe River Lumber Company, Limited, $10,000.

Emo, Ont.—Langstaff Mercantile Company, Limited, $40,000; C. R. Langstaff, R. B. Langstaff, F. C. Gill.

Admaston, Ont.—North Bonnechere Telephone Association, Limited, $100,000; J. Barr, J. Payne, R. B. Leich.

Montreal, Que.—Sugar Sales Corporation of Canada, Limited, $500,000; W. Lorimer, R. Shanks, F. G. Bush, G. R. Drennan.

Victoria, B.C.—National Motor Company, Limited, $10,000; Haddington Quarry Company, Limited, $10,000; Fred Foster, Furrier, Limited, $20,000; Colleen Company, Limited, $20,000.

Toronto, Ont.—Select Pictures Corporation. Limited, $50,000; J. M. Bullen, N. S. Robertson, W. Osbourne. Davenport Investments, Limited, $40,000; A. Fasken, G. H. Sedgewick, J. Aitchison. Hill Gold Mining Company, Limited, $3,000,000; W. Gilchrist, J. Stewart, H. J. Stewart.

Vancouver, B.C.—Hughes, Pickering, Hughes, Limited, $15,000; Beaver Cove Lumber and Pulp Company, Limited, $1,000,000; Dominion Trading and Export Company, Limited, $10,000; O'Connor Logging Company, Limited, $10,000; Tack Logging Company, Limited, $30,000; Southgate Logging Company, Limited, $200,000; Point Hydraulic Mining Company, Limited, $25,000; Esplanade Pavilion, Limited, $25,000; Spartan Oil Company, Limited, $250,000; Cunningham Drug Stores, Limited, $10,000; Central Drug Store, Limited, $10,000; Seymour Tire and Rubber Company, Limited, $10,000; Terminal City Coal Company, Limited, $10,000; North Wellington Collieries, Limited, $25,000; Lockeport Canning Company, Limited, $50,000; Yamato Warehouse Company, Limited, $10,000; Harold D. Carey, Limited, $10,000.

Loading at Montreal is a big Russian steamer, one of a fleet of thirteen ships taken over by the British government in part payment of the debts repudiated by the Bolsheviki government. The commandeered steamers will add 130,000 tons to the shipping at the disposal of the Allies.

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NOVA SCOTIA MINING FOR THE YEAR

The annual report of the Department of Public Works and Mines of Nova Scotia for the year ended September 30th, 1917, shows a considerable falling off in the output of coal and a decided increase in the output of gold. In the coal industry the shortage of men in the collieries and inadequate means of transportation were acutely felt as compared with the previous year. The output of coal decreased by 692,811 tons, and the sales by 790,636 tons. The reductions were mostly in the shipments to Quebec and to the United States. There was a small increase in the amount sold within the province, and the quantity on hand at the end of 1917 is somewhat more than the amount held at the end of 1916. The total coal production was 5,803,660 tons, compared with 6,496,472 tons for the previous year. The falling off in the gold output is attributed to the great scarcity of, and the advance in the cost of, labor and materials. The gold production for the year was 2,296 ounces, as compared with 4,963 ounces for the previous year, or less than one-half.

The production of gypsum, cement blocks, pig iron and steel ingots increased somewhat. A total revenue of $740,687.28 from mining was derived by the province, most of which came from the royalty on coal and from rentals. A number of borings were made during the year by the government department, some of which were successful in reaching coal.

Drawings are included in the report regarding the production of coal in Nova Scotia during the past thirty years. These show that the number of men employed increased from a little over 4,000 in 1898 to over 12,000 in 1908. After a slight decline from 1908 to 1910, the number then increased to over 14,000, since when it has dropped to about 10,000. The variations in production follow approximately the same course, although there has been a gradual increase in the output in tons per man.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

The following table, compiled by *The Monetary Times*, shows the volume of bank loans to municipalities since January, 1915:—

	1915.	1916.	1917.	1918.
January	$35,952,805	$32,015,371	$24,487,272	$40,015,466
February ...	38,437,903	35,149,915	26,121,324	43,535,628
March	41,227,449	38,649,462	29,877,911	50,652,061
April	43,031,360	44,371,050	35,931,996	55,685,350
May	43,948,436	43,924,036	39,790,191	....
June	46,889,816	46,773,032	42,757,673	....
July	44,029,446	42,385,096	43,989,207	....
August	46,020,730	39,882,811	43,940,176	....
September ..	43,928,331	38,708,745	42,721,563	....
October	45,682,230	37,613,530	41,204,781	....
November ..	41,064,550	32,945,963	36,459,598	....
December ..	30,878,028	24,056,797	36,353,039	....

Truro, N.S.—Messrs. J. C. Mackintosh and Company, of Halifax, have purchased a block of $22,600 6 per cent. 30-year refunding bonds at 97.27.

Fitzroy, Ont.—Messrs. C. H. Burgess and Company, of Toronto, have purchased a block of $7,000 6 per cent. bonds, payable in 25 annual instalments.

York Township, Ont.—Messrs. W. L. McKinnon and Company, of Toronto, have purchased a block of $7,060 6½ per cent. bonds, payable in 10 annual instalments.

Smith's Falls, Ont.—Messrs. Neely's, Limited, of Toronto, have been awarded a block of $28,000 6 per cent. consolidated debt debentures, payable in 20 annual instalments.

County of Lincoln, Ont.—A block of $150,000 6 per cent. 10 and 20-year bonds has been awarded to the Dominion Securities Corporation, of Toronto. The issue was sold at 99.17.

Quebec, Que.—The civic issue of 6 per cent. bonds, offered to the public, met with a successful close last week. The whole amount of the loan of $470,000 was fully subscribed.

New Westminster, B.C.—Sealed tenders will be received by R. S. Gilchrist, city treasurer, up till June 10th, 1918, for the purchase of $500,000 6 per cent. 5-year bonds, authorized by special act and secured by various bond issues.

Red Deer, Alta.—Tenders will be received by A. T. Stephson, city commissioner, until June 21st, for the purchase of $24,000 6 per cent. treasury bills, payable in one, two and three equal annual instalments. Interest is payable semi-annually at the Bank of Montreal at Toronto, Montreal, Red Deer and New York City.

Sherbrooke, Que.—The city's bonds to the amount of $500,000 have not as yet been placed on the market, and may not be for some time, according to the information received at Sherbrooke, from Hanson Brothers, who are handling the bonds.

Montreal, Que.—The loan of $2,500,000, with interest at 6 per cent., issued by the Central Catholic School Commission of Montreal, has been oversubscribed, according to reports from that city. The loan comprises $1,500,000 5-year gold bonds and $1,000,000 2-year treasury gold notes, issued in denominations of $100, $500 and $1,000, with semi-annual interest. This loan was offered at par without commission, and the Bank of Hochelaga pays interest and principal for the commission.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from May 13th to May 17th, 1918:—

School Districts.—Springwater, $2,300 10-years not ex. 8 per cent. instalment; R. F. Watson, Springwater. Schoeman, $400 10-years not ex. 8 per cent. instalment; D. J. Weins, Herbert. *Flinton, $2,000 10-years not ex. 8 per cent. annuity; Mrs. May Rolufs, Handsworth. *Northgate, $1,200 10-years not ex. 8 per cent. annuity; H. C. Holloway, Northgate. Newport, $2,300 10-years not ex. 8 per cent. annuity; Wm. F. Beck, Forres. *Rosefield, $2,500 10-years not ex. 8 per cent. annuity; M. F. Klotz, Coriander. Rosetown, $5,000 10-years not ex. 8 per cent. annuity; W. Maseltine, Rosetown. Sunshine, $2,500 10-years not ex. 8 per cent. annuity; Sinai Briere, Jr., Billiman. Beehive, $2,500 10-years not ex. 8 per cent. annuity; B. Pugh, Ruthilda. Mawer, $4,000 20-years not ex. 8 per cent. annuity; J. Nouch, Mawer. Hill Sixty, $2,300 10-years not ex. 8 per cent. annuity; Wm. Palin, Craigsland. Little Cut Arm, $1,600 10-years not ex. 8 per cent. annuity; Wm. N. Carney, Hazel Cliffs.

Rural Telephone Companies.—Neptune, $8,900 15-years not ex. 8 per cent. annuity; W. H. Stovin, Neptune. Garden Valley, $1,800 15-years not ex. 8 per cent. annuity; W. H. Holman, Outlook. Turvin, $13,000 15-years not ex. 8 per cent. annuity; S. R. Fakeley, Kindersley. Cotham, $1,350 15-years not ex. 8 per cent. annuity; E. Kendrick, Cotham. Short Creek, $4,600 15-years not ex. 8 per cent. annuity; H. A. Koehm, Roche Percee. Clayton, $500 15-years not ex. 8 per cent. annuity; Chas. Detweilker, Gainsboro. Dunleath, $17,000 15-years not ex. 8 per cent. annuity; W. Redlach, Dunleath. Lorndale, $1,050 15-years not ex. 8 per cent. annuity; J. D. Woodard, Colgate.

Rural Municipality of Montmartre, $1,200 10-years not ex. 8 per cent. instalment; H. Browning, Montmartre.

The following is a list of debentures reported sold from May 13th to 17th, 1918:—

School Districts.—Kalyna, $1,200; Nay and James, Regina. Martindale, $2,200, Viewland, $2,300; Waterman-Waterbury Manufacturing Company, Regina. Beblo, $1,500; Saskatchewan Life Insurance Company, Regina.

Rural Telephone Companies.—Deer Lodge, $1,000, S. Flaxcombe, $8,400; W. L. McKinnon and Company, Regina. Holyrood, $9,900; Kerr, Fleming and Company, Regina. S. Girvin, $1,000; Wm. Orken, Girvin..

Town.—Govan, $3,000; Wood, Gundy and Company, Saskatoon.

NEW BRUNSWICK BONDS

Messrs. Wood, Gundy and Company, of Toronto, have purchased a block of $70,500 5 per cent. bonds, due August 1st, 1937.

ONTARIO SELLS MORE BONDS

The province of Ontario has sold an additional $1,000,000 of bonds to the same syndicate which recently purchased the $3,000,000 issue. The price received was the same, viz., 100.49 and interest. The provincial treasurer considered that, in view of the good market for bonds of this kind at present, it was better to provide for all of the province's immediate needs. It is understood that most of the issue has been cleared off the market, although small amounts are still for sale.

FINANCES OF KENORA

The town of Kenora, Ontario, which has just issued its annual financial report for the year 1917, appears to be in a satisfactory financial condition, except for the fact that a considerable sum of taxes is unpaid. The town operates all its own public utilities, which are valued as follows: Electrical department, $601,443.21; telephone plant, $41,393.56; general utilities, $24,304.62. There are $768,773.73 of debentures issued in connection with these utilities, but after making allowances for sinking funds, etc., the net liabilities outstanding against the utilities total $676,703.01, so that there is a substantial surplus of assets over and above liabilities. The other assets of the town are valued at $485,117,10, and the funded debt and other obligations total about $300,000. The receipts for the year from the public utilities total $97,672.12, and, after paying all expenses, including extensions, sinking fund, etc., a surplus of $7,840.84 was paid into ordinary municipal funds. The ordinary income of the town for the year was $131,005.70, including some advances from the Imperial Bank. Some matured debentures were paid off during the year, and considerable expense was incurred on account of the Tourist Hotel Company. The collection of the outstanding taxes will be necessary, and it is evidently the intention of the town to take every possible step in this direction.

According to a despatch from Milan, Italy, the adoption by Austria of the German mark as the unit of currency is a part of the Austro-German treaty.

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A PLEA FOR MINING IN BRITISH COLUMBIA

Industry Should be Developed as Factor in War—United States Capital Gaining Hold

"Being in the mining business, and having dealt in mines more or less for the past 20 years," said Mr. Donald Cramer, of Vancouver, in an interview with *The Monetary Times*' special representative, "one is struck with the incongruity of things when he sees a heading in the paper as follows: 'The Dominion government has agreed to purchase all the pig-iron manufactured in British Columbia during the next three years at current rates,' and then further on a statement made by Sir Robert Borden, which, while not made altogether in connection with the mining business still has a bearing on it, that the Dominion government has not an inexhaustible supply of money.

"The first statement was made in answer to a delegation of reputable business men from the province of British Columbia, asking the Dominion government to aid in starting the iron and steel industry in the province of British Columbia. They, no doubt, made an appeal to the government, not only from an economic, but also from a patriotic standpoint. If the war is going to continue much longer, and there are no signs of abatement yet, we are going to need all the iron and steel that can be produced in British Columbia and elsewhere in Canada, as a war measure, and while at the beginning of the war, before munition plants had started in Canada, millions of dollars were advanced to manufacturers of munitions in the United States by the Munitions Board to enable them to produce munitions for the Allies, until such time as our own plants could start and get into proper shape, do you not think it would be a wise plan for the government to look upon the iron and steel industry in British Columbia in the same light as the manufacture of munitions was looked upon in the early days of the war?

"We read with a great deal of interest that the United States government has given an order to the shipbuilding plants in Seattle for ships, amounting to a hundred million dollars, the reason being that the yards in the east were crowded with work. In order to facilitate the building of ships, and to give the whole country a fair chance, this immense order was placed in the west.

Conditions are Suitable for Steel Industry.

"Now there is no reason to believe that all the iron and steel manufactured in eastern Canada cannot be absorbed by eastern Canada itself, and a great deal more. Then why should not this idea apply in the same way to the iron and steel industry in British Columbia, and why should not the Dominion government develop such a scheme? This is not only patriotic—it is good business.

"This bugaboo of not having the minerals is not right. We have the minerals,—we have some of the finest minerals in the world with which to manufacture steel. Some of the most eminent engineers from foreign countries, such as Norwegians, Swedes and men from the United States, have passed upon our ore, and every one of them is high in the praise of British Columbia iron ore. A mere promise to buy all the iron and steel made in British Columbia during the next three years, while it adds a certain zest to the industry, is really nothing more or less than a nicely phrased shelving of the matter. Personally I am not in the stock jobbing business, but am dealing with the properties themselves, and for the information of the Canadian public I may say that there are several groups of very wealthy Americans who are buying up properties in British Columbia with the view of holding and developing them later, or with the view of developing them and shipping the raw material to the States of Washington, Oregon and California, and there manufacturing, and no doubt reselling to us our own original product fabricated in a foreign country.

"From the viewpoint of a resident of the United States this is all well and good, but from the viewpoint of a Canadian and a citizen of the British Empire, it is all wrong, economically wrong.

"The people in British Columbia are not a wealthy people; most of the people here enjoy a good living, but there is no great personal wealth, and one part of the country has got to help the other, so why do not the wealthy Canadians who are attracted to this class of investment make their investments in British Columbia instead of in foreign countries?

"We have often heard it said that so many deals have been "put over," as it were, on unsuspecting investors. Very often it is the unsuspecting investor, as he calls himself, who invites these particular deals. Men who go into this class of business must be prepared to see the thing through to a finish. We have a great many examples in British Columbia of success attained in the mining field, and simply because the people who invested their money in mines stayed with it and developed it, as they would an ordinary business. Mining after all is a business; it can be made a speculation the same as anything else; but mining run in a businesslike manner and run on a business basis in the aggregate pays as well as any other business.

Energetic Department of Mines Needed.

"Another thing strikes one as rather out of the ordinary. The Department of Mines, which is maintained by the province for the benefit of the public, and is there to investigate deposits and see what can be done with them, frequently makes reports which are quite unintelligible. A live department would be a great boon to the province and to Canada, and they should keep their ears to the ground, as it were, and as soon as they heard of new discoveries, and as soon as they heard of minerals that would be of value to the country, they would have men on the spot to investigate, and men to give a report on that particular mineral without fear Sometimes their judgment may be at fault, but still it is better to give a thorough report as to what an engineer sees and what he thinks than to issue a report in such a way that the meaning is obscured to the public.

"I would suggest that branches of the Mining Department should be placed in every mineral province in Canada, with active heads in charge of each branch, whereby properties could be investigated with the least possible delay, and the results given in plain, understandable language.

American Capital Acquiring Hold on Properties.

"Finally, I would further suggest that some of our wealthy eastern capitalists should take it upon themselves to aid in developing the mineral resources of British Columbia instead of leaving it to the people from the United States, who are, as I have previously stated, tying up several properties with a view to either holding them, or developing them so that the raw material can be manufactured in the United States, much to the detriment of Canada as a whole, and it is only by the development of our natural resources that we can ever think of being able to wipe out our immense debt, and if our resources in this province were developed, it would not take long for them to place the country on a sound economic basis, and provide for the wiping out of our war debt, besides being primarily a patriotic duty."

ENORMOUS EXPENDITURE ON RAILROADS

The railroad administration of the United States has prepared a budget providing for a capital expenditure of $1,000,000,000 on the railroads, for means and equipments. This sum is approximately equal to the total capital expenditures of the railroads for the past three years. Practically all of the sum is to be expended for additions and betterments and for equipment, only a small item of $18,000,000 being allowed for extensions.

DOMINION BANKRUPTCY BILL

The Bankruptcy Bill, introduced at the opening session of the Dominion House by Mr. S. W. Jacobs, of Montreal, has been under consideration by the special bankruptcy committee of the House. The bill as drafted is based largely upon English law, the principles of which are adjusted to Canadian conditions. There has been no comprehensive Canadian act on bankruptcy for some thirty years, and the system prepared in this act is expected to be more satisfactory, both to creditor and banker. The bill has been discussed with accountants and lawyers of several of the provinces, and several weeks ago a deputation of Ontario accountants went to Ottawa in order to suggest certain amendments to the draft. A final draft has now been completed, which will be printed by the committee and circulated among the various associations and accountants for consideration and criticism. Nothing further will, therefore, be done until the next session of the legislature, when it is expected that a bill with any further amendments which may be deemed advisable will be passed.

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SENDING MONEY BY MAIL

Liability of Sender—Method of Sending Not Always Specified

BY M. L. HAYWARD.

If A sends B money by mail to pay a debt, and the same is lost, it is a serious matter for one or the other. If the money were sent under such circumstances that the sending constituted a payment of the debt, then B is the loser. On the other hand, if A were not justified in sending the money by mail, then he must pay it over again.

In this connection a case recently decided by the King's Bench Court of England is instructive. In the case mentioned an insurance company sent a notice to a debtor, requesting him to pay a debt of £48, at the office of the insurance company, and asking him "when remitting," to return the notice.

The debtor sent the company the £48 in treasury notes by registered post, but the parcel was stolen before it reached the company, and they never received the money. The question then was whether sending the money by registered post under the above circumstances constituted a payment of the debt.

The King's Bench Court held that the company, by using the words, "when remitting," in the notice, impliedly authorized the debtor to remit through the post in the *ordinary* way, so that, if the remittance by post had been made in the usual way, it would have cleared the debtor.

On the other hand, however, the Court also held that sending as large an amount as £48 in treasury notes by post was not a remittance in the *ordinary* way, that the debtor therefore had failed to prove that he had paid his debt, and that he was bound to pay it over again.

If no intimation is given, however, of the manner in which money should be sent, a little different question arises, and in this connection a case recently decided by the Washington Supreme Court lays down the principle governing such cases, and makes rather interesting reading.

In this case a resident of Garrison, Montana, was a depositor at a bank in Deer Lodge in that state, and asked the bank to forward to him $2,500 in cash to his address in Garrison. As a matter of banking convenience the Deer Lodge bank asked a bank in Helena, Montana, to forward the cash to the depositor at Garrison, and the Helena Bank made up the cash in five, ten and twenty dollar bills, and registered it in the post office at Helena addressed to the depositor at Garrison. The registered package never reached the Garrison post office.

The day after the package should have arrived at Garrison, a Japanese employee of the railway company, whose duty it was to take the mail bags from the depot to the post office, obtained leave of absence and started for his old home in Japan. When he reached Seattle, he made a number of purchases of "goods, wares and merchandise," a watch, a diamond ring, a motorcycle, drafts on banking houses in Japan and a ticket from Seattle to Japan. In all he paid out about $2,400 in five, ten and twenty dollar bills.

Then, just as he was going aboard the steamer, he was arrested by the officers, taken back to Montana, and placed on trial for the theft of the registered package. The Jap decided that he needed legal assistance, and employed an attorney to defend him, who, naturally, not wanting to work for his health, took a claim on the watch, ring, motorcycle and one of the bank drafts which the Jap had purchased with the money which the government alleged had been stolen from the registered package. These articles had been taken from the Jap by the officers who arrested him, used as evidence against him on his trial in Montana, and then brought back to Seattle, where the attorney brought suit against the officer holding them and the bank at Helena which sent the money, claiming the articles or their value.

Mailing Did Not Constitute Delivery.

At the trial the first point raised by the attorney was that when the Helena bank addressed the package of money to the depositor at Garrison, and registered it in the Helena post office, it was a delivery to the depositor which vested the ownership in him, and that the depositor would be the only party who could make a claim for the money, or the articles purchased with it, and that the Helena bank would have no claim in any case.

The Court decided against this view, holding that the sending of the registered package as stated above was not a delivery to the depositor, that the title therefore still remained in the bank, and, after pointing out that "it is undoubtedly a general rule that when goods are ordered by a purchaser from a dealer without any stipulation as to the manner of their delivery, a delivery of the goods by the dealer to a common carrier for the account of the purchaser, is a delivery to the purchaser, subject only to the right of the dealer to stoppage in transit," went on to say:—

"But it seems that the present case is not a case of the ordering of goods to be delivered in the ordinary way, but is more in the nature of the payment of an obligation. If it be a fact that the Deer Lodge bank receiving the original order from the depositor was indebted to the depositor, or obligated in some way to him for the payment of the money demanded, it would not be a compliance with this obligation for it to deposit in the United States mail a package containing the money addressed to the depositor. A creditor has the right to payment in person or through his duly authorized agent, and a debtor cannot select an agent for him, even although the agent selected be the United States mail, or some other common carrier.

"So in this case, contrary to the presumption that might arise in the sale of goods, delivery in the mails of a package containing the money addressed to the consignee in the the absence of some showing of an agreement or custom to that effect, does not raise the presumption that the carrier was the consignee's agent. In fact, the presumption is the other way. The money is presumed to belong to the sender till after the receipt by the person to whom it is sent, and if the same is lost in the mails, it naturally follows that the sender, and not the consignee, must stand the loss."

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended May 24th, 1918:—

Dominion Reduction Company, 86,000; Nipissing Mining Company, 65,045; Mining Corporation of Canada, 196,435; Buffalo Mines, 175,552; Coniagas, 144,106; O'Brien, 126,865. Total, 794,003.

The total shipments since January 1st now amount to 10,198,873.8 pounds, or 5,009.3 tons.

SHORTAGE OF HELP IN BANKS

The Canadian Bankers' Association, on behalf of Canadian banks, is requesting the co-operation of the public in meeting the shortage of bank clerks. Customers are requested to transact their banking business in the morning as far as possible, and to avoid a rush at closing time. It is also asked that small payments be made in cash rather than by cheque on the bank. The banks are also discontinuing receiving payments for tax bills and bills of gas, electric and other public service corporations. On and after June the 1st the banking hours will be 9.30 to 2.30, and on Saturdays, 9.30 to 12. This arrangement is intended to give the staff more time to complete the large amount of work which cannot be taken up until after the office is closed to the public.

COMMONWEALTH BANK OF AUSTRALIA

The annual report of the Commonwealth Bank of Australia for the year ended December 31st, 1917, shows total current deposits of over £30,000,000, and savings bank deposits of over £13,000,000. The total liabilities are over £47,000,000, including the reserve and redemption funds. The bank holds almost £13,000,000 of British, colonial and Commonwealth securities, and has also £5,820,000 of coin, bullion and cash balances. The profits for the half-year ended December 31st, 1917, were £232,659, one-half of which was carried to the reserve fund and the other half to the redemption fund. There is now at the credit of each of these funds the sum of £379,475. The bank has twenty-nine branches in Australia, and has agents and correspondents throughout the world. In Canada its business is attended to by the Canadian Bank of Commerce and by the Bank of British North America.

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CONDITIONS IN ALBERTA AND EDMONTON

Greatly Increased Acreage—Backward Weather But No Damage—Snowstorms Supply Needed Moisture

(Staff Correspondence.)

Edmonton, May 23, 1918.

In Central and Southern Alberta a very conservative estimate of the increase in wheat acreage would put it at 20 per cent., with possibly a considerably larger increase in the northern part of the province. *The Monetary Times'* representative was given access to reliable reports from practically 100 important centres by the manager of one of the large farm implement firms in Calgary, and from these a very satisfactory outlook at date of writing is shown. Seeding is completed and under the most favorable conditions. The weather for the past two weeks has been somewhat backward, but no damage is reported. The increase in acreage in oats and other crops from the above-mentioned reports could be placed at 25 per cent. The season is easily two weeks ahead of last year. Cultivation this spring has been the best in years. Several good falls of snow in the past week have been a great help in supplying the necessary moisture, and while good, warm rains are needed, nothing is suffering at this date. Hay and fodder crops are in excellent shape.

Edmonton Facing Problems.

Under the guidance of the new energetic mayor of the city of Edmonton, Mr. H. M. E. Evans, the city is resolutely tackling the problem of making its income and expenditure meet. The city is prosperous and general business is good. Important new legislation has just recently been obtained which the council is proceeding to put into effect. It gives the city important sources of revenue. The single tax system has been set aside for the time being at least. The new systems of taxation include the assessment of improvements as well as of land, business, rental tax and graduated income tax. Drastic changes have also been made in connection with the municipal street railway. The new rates of fares which went into effect on May 1st, already show an increased revenue. The new rates are: Cash fare 7 cents, or four tickets for 25 cents; tickets if bought off the cars (most of which have been converted to the one-man system), are five for 25 cents. These tickets can be bought in stores and public places. Five cents is charged for large bundles and five cents for baby carts, etc. Mayor Evans is confident of good and lasting results in the changes in revenue that have been made, and is most optimistic as to the future. The city has adopted the policy of economizing to the last cent, and they are to be commended for so doing.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railways for the first three weeks in May:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
May 7	$3,065,000	$3,033,000	— $ 32,000
May 14	3,123,000	3,109,000	— 14,000
May 21	3,074,000	2,847,000	— 227,000

Grand Trunk Railway.

May 7	$1,135,091	$1,434,727	+ $299,636
May 14	1,356,646	1,480,903	+ 124,257
May 21	1,425,554	1,576,508	+ 150,954

Canadian Northern Railway.

May 7	$ 734,500	$ 827,500	+ $ 93,000
May 14	882,000	857,300	— 24,700
May 21	860,400	866,300	+ 5,900

On May 25th a steamer arrived at Vancouver with 6,500 tons of raw sugar from Hawaii. This is the first shipment of a total of 25,000 tons which has been arranged.

NEW STEAMSHIP COMPANY

A company is being formed to operate a line of steamers from Montreal to Quebec, Cape Breton, Magdalen Islands and intermediate ports on the north and south shores of the St. Lawrence. Stock subscription books are open to raise $1,000,000 to acquire the necessary ships. Attempts are being made to secure a subsidy from the Dominion government, and Captain Bernier and J. De S. Bosse have gone to Ottawa in this connection.

MILLING PROFITS IN CANADA

The report of the Cost of Living Branch of the Department of Labor was issued on May 27th. It covers the years 1913 to 1917, and shows that the milling companies' profits have increased substantially, and that the limitation of profits to twenty-five cents per barrel has not been very effective in keeping down profits. Millers can handle flour with this margin and still make large profits, and the report affirms that on a margin of fifteen cents ample dividends and reserves can be realized.

Generally speaking, the increase in profits has been due to the increase in production and turnover, although there are cases of increases in profit per barrel of flour.

Another point brought out by the report is that the smaller companies, producing less than 100,000 barrels of flour a year, would find difficulty in surviving on a profit of twenty-five cents per barrel. Large companies, on the other hand, can make enormous profits on this basis.

In some cases the companies have been able to declare a dividend on the common stock for the first time. In other cases the regular dividends have been augmented; in the case of the Ogilvie Flour Mills Company, the regular dividend was 8 per cent. up to 1916, when it was raised to 12 per cent., and in 1917 to 25 per cent. Large sums have also been placed at the credit of profit and loss and surplus accounts, and in reserves for war taxes. Unprecedented amounts have also been set aside for depreciation.

While the Ogilvie company is much the largest, and produces about one-fourth of the total produced by the nine largest companies, there are several others of the first rank, producing over 500,000, and three producing over 1,000,000 barrels annually.

MERCHANTS BANK ANNUAL REPORT

The annual report of the Merchants Bank for the year ended April 30th, 1918, has been prepared for the general meeting of the shareholders on Wednesday, June 5th. The net profits for the year were $1,236,680.96, and this, together with $421,292.96 at the credit of profit and loss, gave a total available for distribution of $1,657,973.92. This has been disposed of as follows:—

Dividends (at 10 per cent. per annum)	$ 700,000.00
Government war tax on note circulation	70,000.00
Contribution to officers' pension fund	50,000.00
Transferred to contingent fund	400,000.00
Balance carried forward	437,973.92
	$1,657,973.92

While the profits were larger than for last year, the increase in the balance on hand is comparatively small on account of the sum of $400,000 being carried to a contingent account.

A very satisfactory increase in general business is shown. The following figures illustrate the growth:—

	1918.	1917
Notes in circulation	$12,327,168	$ 9,483,468
Deposits not bearing interest	34,886,747	27,101,587
Deposits bearing interest	75,946,985	65,000,484
Balances due to other banks in Canada	1,400,941	628,863
Balances due abroad	598,851	411,806

The total assets of the bank are now $140.937.544. an increase of almost $20,000,000 over last year. Holdings of government and municipal securities and current loans in Canada have been largely increased. and the deposit in the central gold reserve has been increased from $3,500,000 to $6,000,000.

DIVIDENDS AND NOTICES

UNION BANK OF CANADA

DIVIDEND No. 125

Notice is hereby given that a dividend at the rate of 9% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Saturday, the 1st day of June, 1918, to shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, 1918, both days inclusive.

By Order of the Board.
H. B. SHAW,
General Manager.
Winnipeg, April 19th, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of two per cent. (2%) on the Common Stock of the **Dominion Textile Company, Limited,** has been declared for the quarter ending **30th June, 1918,** payable **July 2nd,** to shareholders of record **June 15th, 1918.**

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 10th May, 1918.

BARCELONA TRACTION, LIGHT & POWER COMPANY, LIMITED

(Incorporated under the Laws of the Dominion of Canada.)

To the holders of the
5% First Mortgage 50-Year Bonds.

Notice is hereby given that Coupon No. 13 in respect of the half-yearly interest due 1st of June, 1918, on the 5% First Mortgage 50-year Bonds of the Company may be lodged on and after 1st of June, 1918, at the offices of the Company, 19 Manning Arcade, Toronto, Canada, or 3 London Wall Buildings, London, England, to be exchanged for Interim Certificates in respect of the 5% 10-Year Notes to be issued in discharge thereof.

For and on behalf of
BARCELONA TRACTION, LIGHT & POWER
COMPANY, LIMITED.
R. H. MERRY,
Secretary.
27th May, 1918, Toronto, Canada.

BARCELONA TRACTION, LIGHT & POWER COMPANY, LIMITED

(Incorporated under the Laws of the Dominion of Canada.)

To the holders of the
7% Prior Lien "A" Bonds.

Notice is hereby given that the Coupon Number 6 in respect of the interest due and payable on the 1st of June, 1918, on the 7% Prior Lien "A" Bonds of the Company will be paid on and after the 1st of June, 1918, at the Bank of Scotland, 30 Bishopsgate, London, England, and as their Agents, at the Canadian Bank of Commerce, 23 King St. West, Toronto, and at the Agency of the Canadian Bank of Commerce, 16 Exchange Place, New York.

Dated this 27th day of May, 1918.
For BARCELONA TRACTION, LIGHT & POWER
COMPANY, LIMITED.
R. H. MERRY,
Secretary.

THE NORTHERN CROWN BANK

HEAD OFFICE—WINNIPEG

DIVIDEND No. 19.

Notice is hereby given that a Dividend at the rate of 5% per annum on the paid-up Capital Stock of this Bank has been declared for the six months ending May 31st, 1918, and that same will be payable at its Banking House, in this city, and at all its Branches, on or after the first day of June next to shareholders of record at the close of business on the 16th day of May, 1918. The Transfer Books of the Bank will be closed from the 17th day of May to the 31st day of May, both inclusive.

By Order of the Board
ROBERT CAMPBELL,
Winnipeg, April 17th, 1918. General Manager.

THE CANADA LANDED AND NATIONAL INVESTMENT COMPANY, LIMITED

DIVIDEND No. 125.

Notice is hereby given that a **Dividend of Two and One-Quarter per Cent.** (being at the rate of nine per cent. per annum) on the amount paid up on the Capital Stock of this Company, has been declared for the quarter-year to the thirtieth day of June, 1918, and that the same will be payable at the office of the Company, 23 Toronto Street, Toronto, on and after the **second day of July, 1918,** to Shareholders of record at the close of business on the fifteenth day of June, 1918.

By Order of the Board.
EDWARD SAUNDERS,
Managing Director.
Toronto, May 22nd, 1918.

DEBENTURES FOR SALE

BOND ISSUE OF TOWN OF DALHOUSIE. $20,000, BEARING 6 PER CENT.

Tenders endorsed "Tenders for Town of Dalhousie Industrial Bonds," will be received for the purchase of $8,000 Town of Dalhousie Industrial Bonds dated June 30th, 1918, due June 30th, 1948, bearing 6% interest, payable half-yearly.

Tenders endorsed "Tenders for Town of Dalhousie Water and Electric Light Bonds," will also be received for the purchase of $12,000 Town of Dalhousie Water and Electric Light Bonds dated June 30th, 1918, due June 30th, 1938, bearing 6% interest, payable half-yearly.

Bonds in denominations of $500 each. Tenders to be addressed and delivered to Chairman of Finance Committee, Dalhousie, N.B., not later than June 20th, 1918.

The highest or any bid not necessarily accepted.

Information concerning the Town of Dalhousie may be had on application to "Clerk and Treasurer, Dalhousie, N.B."

DEBENTURES FOR SALE

RED DEER, ALTA.

Tenders will be received up to noon June 21, 1918, for $24,000 Red Deer Treasury Bills, dated July 1st, 1918, payable one, two and three years in equal instalments. Interest at rate of six per cent. and payable semi-annually at Bank of Montreal, Toronto, Montreal, Red Deer and New York City.

A. T. STEPHENSON,
City Commissioner.
Red Deer, Alta., May 28, 1918.

The Standard Reliance Mortgage Corporation and the Sterling Trusts Corporation are now housed in their new offices, 12 King Street East, Toronto.

CANADIAN NORTHERN ARBITRATION AWARD

Arbitrators Value Stock at More Than Limit Set by Government

The award of the Board of Arbitration sitting on the Canadian Northern Railway case was announced on Monday. The 600,000 shares of stock are valued at $10,800,000, and the award also stated that the assets of the road are worth $25,000,000 more than the amount of its obligations.

The Canadian Northern Railway had been pushed forward at an unprecedented rate up to the beginning of the war. It then found itself practically cut off from a money market, and was in a bad way for equipment and for the completion of connections. The Dominion government already held 400,000 of the 1,000,000 shares of common stock; Mackenzie and Mann owned 510,000, a controlling interest, and the remaining 90,000 shares were scattered among smaller holders. The company entered into an agreement for the taking over by the government of the 600,000 shares, at a price to be set by arbitration, a limit of $10,000,000 being set. The board consisted of Sir Wm. Meredith, C.J.O. (chairman), Chief Justice Harris and Mr. Wallace Nesbitt, K.C. The board sat in Osgoode Hall, Toronto, from March to May 15, on 50 days altogether. The evidence has totalled 1,500,000 words, 211 exhibits have been produced and the total cost will be $100,000.

Text of the Award.

The award reads as follows:—

"(1) That the value of the said six hundred thousand shares as of the date of the agreement was the sum of $10,800,000.

"(2) That the parties shall respectively pay and bear their own costs of the arbitration, except that the government of Canada shall pay the expenses of taking and transcribing the evidence, the remuneration of the secretary and messenger employed by us, and the incidental expenses incurred by the secretary.

"The question to be determined by the arbitrators was one of great difficulty and one which, of necessity, admitted of great diversity of opinion. We heard much testimony and had the benefit of assistance of experienced and able counsel on both sides, and carefully investigated every matter which seemed to throw any light upon the question to be determined.

Assets Exceeds Liabilities.

"As to whether or not there was a surplus of assets over liabilities was naturally a subject which engaged much time and consideration. It is, of course, not a conclusive test as to the value of the stock, but it is an element which cannot be ignored. Its importance was, perhaps, emphasized by the fact that a Royal Commission had reported the assets and liabilities of the company to be about equal. This report, which was made in a proceeding to which the company and its shareholders were not parties, was admittedly based on a misconception of some of the facts, and there were omissions of both assets and liabilities. It should also be pointed out that the work of the Royal Commission had reference to a date anterior to the first day of October, 1917, that there were changes in the interval.

Accept Depreciation Estimate.

"In arriving at the surplus of assets over liabilities, the report of Professor Swain as to the reproduction cost new of the physical property, based on pre-war prices, and also his estimate of the depreciation, have been adopted, and, after a careful examination, we found the surplus of assets over liabilities of the company on the 1st day of October, 1917, on a conservative basis, to be not less than $25,000,000, after deducting the full amount of depreciation found by Professor Swain, and making such reduction in the value of the land grants and other assets as deemed reasonable.

"It is to be pointed out that a valuation of the physical property of a railway company by the reproduction new method, less depreciation, is not to be regarded as an ascertainment of the actual value. It is only a means to that end, but as it was the best, and, in fact, the only estimate available, it has been adopted as a basis for the foregoing calculations.

"While the surplus of assets over liabilities is an element for consideration, as has been already pointed out, it is not conclusive as to the value of the stock of the company. Its prospective earning power is perhaps more important than any other element in ascertaining such value, and in arriving at a conclusion we have given careful consideration to the past history of the company, its earnings and expenditures, the present financial position of the company, the location of its lines and their construction, the other railways already existing in competition, the rate of interest on the funded and other debts of the company, the probable future growth of the population and business of the country, and all other factors which seemed to us to have any bearing upon the question.

"It is apparent that there was great room for difference of opinion in a matter involving so many elements of uncertainty and speculation, but after taking into consideration all the circumstances which appeared to us to be entitled to weight in determining so difficult a question, we came to the conclusion we have mentioned."

THE FEDERAL LAND BANKS

The first consolidated statement of the condition of the twelve Federal Land Banks of the United States as of April 30th, 1918, has been made public. The Farm Land Act requires that the board shall, from time to time, require examinations and reports of condition of all land banks established under the provisions of the act, and shall publish consolidated statements of the results. Because of the fact that the year's business has practically been completed, the board has supplemented the statement of condition with a statement of income account. The banks have made loans to farmers to the amount of $91,865,586. There is considerable accrued interest on these loans, and the banks also hold United States government bonds and certificates to the amount of $1,350,030. The total assets are over $104,000,000. The capital stock of the banks has been increased during the year from $9,000,000 to $13,594,895. The United States government owns about two-thirds and the balance is held by various farm land associations. The bulk of the funds required are secured by the issue of farm land bonds, of which $83,750,000 are now outstanding.

The operations for the year resulted in a deficit of $411,954, which is about 3 per cent. of the capital. It is officially stated that the excess of expenses and charges over earnings represented at one time about 7 per cent. of the capital stock, and has been rapidly reduced during the last four months as the volume of business on the banks' books increased. The figures represent practically twelve months' expenses and six months' receipts. The expenses include the cost of appraisal and part of the costs of determination o title on additional loans to the amount of about $83,000,000, which have been approved but not yet closed. These expenses, incurred on future business, represent about 60 per cent. of the apparent deficit to date. Most of the loans are at 5 per cent. and the balance at 5½ per cent. Two of the banks already show an actual surplus, and before the end of the present calendar year it is expected that a majority of them will be in the same position. One bank has doubled its capital stock of subscriptions by farm loan associations, and will from now on be repaying semi-annually, in accordance with the provisions of the act, the capital originally subscribed by the government and individuals. The total payments by borrowers overdue on April 30th amounted to less than $14,000, which is less than 2 per cent. of the total amount due, and more than half of this is only 30 days overdue, the amount 90 days overdue being less than half of 1 per cent.

The federal farm loan bonds are continually offered to the public by the Federal Farm Loan Board of the treasury department, Washington. The bonds are in denominations of $25, $50, $100, $500 or $1,000, in either coupon or registered form. They bear 5 per cent. interest, payable semi-annually, May and November, and are exempt from all taxation, federal, state, municipal and local. They are acceptable at par as security with all public securities, and are legal investments under the laws of the United States and a majority of the States. The price of the bonds is 101, accrued interest netting over 4¾ per cent. to the redeemable date and 5 per cent. thereafter. The bonds are secured, dollar for dollar, by the pledge of first mortgages on farm lands, cultivated by the owner, and worth at least twice the amount of the mortgage. In addition to this, the prompt payment of principal and interest is guaranteed by the capital of the issuing bank and the joint liability of the whole twelve Federal Land Banks for every bond issued by any one of their number.

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(ESTABLISHED 1912)

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PAID-UP CAPITAL	334,000
GOVERNMENT DEPOSITS	175,000

The Association has completed, in the Ordinary Department, New Business for the past five years totalling

$14,431,535

The New Business for the Fifth Financial Year exceeded

$6,250,000

The Revenue totalled $505,000

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SELBY P. WOOD, Managing Director.

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LOWER PREMIUMS

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The Northwestern provides the highest reserves of any Canadian Company.

The Northwestern Life

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WINNIPEG CANADA

Montreal and Toronto Stock Transactions

Stock Prices for Week ended May 29th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi com.	....	....	....
Ames-Holden com.	18½	16	50
" pref.	59	....	125
Asbestos Corporation	18	16	159½
" " pref.	....	48	....
Bell Telephone	130	....	5
British Columbia Fishing & Packing	....	....	....
Brompton	53	52	66
Brazilian	33¾	33½	70
Canada Car com.	30½	30	265
" pref.	77	76½	681
Canadian Converters	43	....	150
Canada Cement com.	59⅞	59½	720
" pref.	90½	90	28
Canada Cottons	....	....	40
" pref.	76	....	12
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	150½	147½	25
Canadian General Electric	....	101½	10
Canadian Locomotive	59	....	67
Canada Steamship Lines com.	39¼	....	75
" " " pref.	76	....	120
Can. Forgings	....	....	25
Civic Investment	....	....	....
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	67
Consumers Gas com.	....	....	....
Dominion Bridge	....	....	....
Dominion Canners	39¾	35½	437½
Dominion Iron pref.	....	90	....
Dominion Steel Corporation com.	58⅞	58½	2985
Dominion Textile	90	58	75
" pref.	....	100	....
Goodwins Ltd.	....	....	....
Hillcrest	....	15	80
Inter. Coal	....	....	....
Lake of the Woods Milling com.	....	....	....
" " " pref.	....	....	....
Laurentide Co.	....	161	....
Lyall Const. com.	78	....	110
Macdonald	11½	....	5
Mackay Cos. com.	....	....	25
" " pref.	....	....	25
Maple Leaf Milling com.	98	96	....
Montreal Tel.	....	120	....
Montreal Tramway deb.	....	....	....
Montreal Light, Heat and Power	....	....	360
Montreal Cotton com.	....	....	5
" pref.	....	....	....
Nova Scotia Steel pref.	....	....	....
Ogilvie Flour Mills com.	....	....	....
Ontario Steel com.	....	....	20
Ottawa L. H. & P.	82	80	139
Penmans	71½	72½	55
" pref.	....	82	12
Price Bros.	....	....	....
Riordan Paper	119	118¾	215
" pref.	....	..	....
Quebec Railway, Light, Heat & Power	20½	19¾	1678
Shawinigan Water & Power	....	110½	185
" " " rights	....	....	....
Spanish River com.	14	13	110
" pref.	....	...	60
Smart Woods	....	.	809
Steel Co. of Canada	62¾	62½	2244
" " " pref.	90½	....	8
St. Lawrence Flour Mills com.	65	60	2
Toronto Railway com.	60	....	19
Wabasso Cotton	42	38	25
Woods	70	64½	208
Bank of British North America	....	....	....
Bank of Commerce	....	....	12
Bank of Montreal	210	....	13
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	....	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	218	....	....
Dominion Bank	202	....	....
Merchants Bank	167	....	19
Molsons Bank	179⅞	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	18
Standard Bank com.	....	....	....
Union Bank	....	148	....

Montreal Bonds

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	69	....
Bell Telephone	....	....	....
Canadian Car.	....	....	....
Canada Cement	....	....	....
Canadian Converters	....	82	....
Canada Felt	....	....	....
Cedars Rapids	84½	....	....
Dominion Coal	....	....	....
Dominion Cotton	....	....	4000
Dominion Iron and Steel	....	....	....
Dominion Textile A	....	....	....
" " B	...	....	....
" " C	....	....	....
" " D	....	....	....
Lake of Woods Milling	....	....	....
Laurentide	....	....	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	80	....
Nova Scotia Steel	....	....	....
Ogilvie A	....	....	....
" B	....	....	....
" C	....	....	....
Penmans	....	....	....
Price Bros.	....	....	....

Montreal Bonds (*Continued*)	Opened	Closed	Sales
Quebec Railway, Light and Power	....	....	2300
Riordan Paper	....	....	....
Steel of Canada	....	....	2500
First Dominion War Loan	....	95	4000
Second Dominion War Loan	94	93⅝	9100
Third Dominion War Loan	92⅞	92¼	38100
Wabasso Cotton	....	....	....
Wayagamack	....	....	800

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	21	.. .	....
" pref.	58	...	....
American Cynamid	....	32	....
Bell Telephone	....	....	42
Barcelona	9¾	9⅝	200
British Columbia Fish	17	....	....
Brazilian	33½	33¼	1136
B. C. Packers	....	....	....
Canada Bread	18¾	18½	215
" pref.	....	....	....
Canadian Car & Foundry	30	....	....
" " " pref.	77	75	....
Canadian Canners	....	....	5
" pref.	....	....	10
Canadian General Electric	102	101	30
" " " cum div. pref.	....	....	....
Canada Landed & National Investment	....	148¾	....
Canadian Locomotive	60	58	10
" pref.	....	82¾	10
Canadian Pacific Railway	....	....	....
Canada Permanent	....	162½	506
Canada Steamship	39¾	....	5
" " pref.	76	75¾	62
Can. Salt	....	....	....
Cement com.	59½	59	190
"	....	....	16
City Dairy	....	10	....
" pref.	90	85	1
Coniagas	310	290	....
Confederation Life	....	....	....
Consumers Gas	....	141½	18
Crows Nest	....	....	....
Dome	825	775	....
Dominion Canners pref.	38	33	....
Dominion Iron com.	....	...	....
Dominion Steel Company	58¾	58½	675
Dominion Savings	....	....	....
Duluth Sup.	11	....	....
F. N. Burt	67	66	....
" pref.	....	...	10
Hamilton Provident	....	137	....
Huron & Erie com.	....	....	....
La Rose com.	50	12	....
Mackay Companies	76	75½	120
" pref.	65½	64¼	26
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	97	93	10
" " " pref.	92	....	10
Monarch	....	39½	....
" pref.	80	....	....
Nat. S. Car	10	....	60
" pref.	37	30	....
Nipissing	900	875	....
Nova Scotia Steel	65	....	...
" " " rights	....	....	....
Pacific Burt	34	....	....
" pref.	77½	....	....
Prov. Paper	55	....	....
Penmans com.	75	73½	....
Petroleum	1375	1325	....
Porto Rico	....	....	25
Quebec L. H. & P.	20½	19	150
Riordon	119½	118	....
Rogers com.	....	....	..
Russell Motor	75	70	65
" pref.	78	76	10
Sawyer-Massey	15	....	....
" pref.	40	....	....
Spanish River	15	13	....
" pref.	53	50	....
Cons. Smelters	24⅝	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	62¾	62½	2841
" " " pref.	90	89	175
Toronto General Trust	....	200	....
Toronto Paper	....	70	....
Toronto Railway	60	58	....
Trethewey S. Mines com.	17	15½	....
Tucketts	19	....	....
" pref.	....	....	....
Winnipeg Electric	..	....	....
Twin City	43½	42½	10
Bank of Commerce	....	....	3
Bank of Ottawa	201	....	....
Bank of Hamilton	....	....	....
Bank of Montreal	....	....	....
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	....
Dominion Bank	202	....	...
Imperial Bank	185	....	57
Merchants Bank	....	....	....
Molsons Bank	....	....	....
Royal Bank	208	....	....
Standard Bank	200¼	....	....
Union Bank	....	150	8

Toronto Bonds

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	....
Canada Locomotive	....	85	....
Colonial Loan	....	....	....
Penmans	....	85	....
Quebec Railway L. H. & P.	....	....	....
Steel Company of Canada	92	....	....
First War Loan	95½	94½	200
Second War Loan	93¾	93½	1800
Third War Loan	92⅞	92⅝	13600

FOOD COMMODITIES IN CANADA

Large Stocks of Produce in Storage—Overseas Shipments of Meat Have Increased

The statements for May 1st, compiled by the Department of Labor, show that foods are being kept moving reasonably well. The stocks of butter are low and have decreased since April. Stocks of eggs are increasing, as it is right they should at this season of the year, when the new crop is coming in. The very low figure in egg holdings on April 1st indicates that the storages were entirely cleared of last year's stock. Cheese has also decreased markedly since last month.

The stocks of beef are larger than a year ago, but they are being moved rapidly. Stocks of pork are not so large as a year ago, judging by the records of the firms reporting this May and a year ago, but they have increased above last month. Mutton and lamb are in storage in less quantities than usual. Taking the meat situation as a whole, it is found that there are large stocks, large movement, and an opportunity for a still larger overseas shipment.

This export has been centralized in the hands of the Allied Provisions Export Commission, and thereby Canadian consumers as well as the Allies are being saved still higher prices which would result from the old system of competitive buying by a dozen different commissions bidding against each other. The commission stated that they had been taking available surplus of pork products, beef, cheese and butter, and that they shall undoubtedly require all that Canada can spare of these products.

Commodities in Storage.

The amount of food commodities in storage May 1st, 1918, were:—

	Pounds.
Butter	1,182,211
Cheese	3,141,771
Eggs (dozen)	3,766,997
Beef (fresh and pickled)	21,592,408
Pork (fresh and pickled)	27,235,400
Bacon, ham and smoked meats	13,279,961
Mutton and lamb	1,449,655
Fish, all varieties	15,534,328
Fowl, all varieties	1,640,150

The preceding figures cover only goods reported as held in storage. To estimate the quantity of any of such goods available from cold storage companies for consumption and export, ten per cent. may be added to represent goods in transit and certain comparatively insignificant quantities unreported.

Owned by Firms.

The following comparative statement shows goods owned by firms reporting May 1st, 1918, who also have reported May 1st, 1917:—

Commodity.	May 1st, 1917. Pounds.	May 1st, 1918. Pounds.
Butter	994,693	873,016
Cheese	1,199,585	1,952,573
Eggs (dozen)	1,633,842	2,934,594
Beef (fresh and pickled)	8,904,857	17,866,506
Pork (fresh and pickled)	27,679,144	25,548,857
Bacon, ham and smoked meats	23,001,405	12,984,219
Mutton and lamb	2,767,430	1,227,073
Fish, all varieties	9,235,692	9,992,208
Fowl, all varieties	3,021,004	1,042,407

Comparison of Holdings.

Comparison of holdings of April 1st, 1918, with May 1st, 1918, are as follows:—

Commodity.	April 1st, pounds.	May 1st, pounds.
Butter	2,804,201	1,182,211
Cheese	4,266,207	3,141,771
Eggs (dozen)	276,898	3,766,997
Beef	30,285,941	21,592,408
Pork	25,335,862	27,235,400
Bacon, ham and smoked meats	13,328,750	13,279,961
Mutton and lamb	2,933,231	1,449,655
Fish, all varieties	14,721,956	15,534,328
Fowl, all varieties	2,090,038	1,640,150

PERSONAL NOTES

MR. C. J. BRITTAIN, manager of the Canadian Fairbanks-Morse Company, Limited, Winnipeg, has been appointed to the directorate of that company.

MR. F. J. COOMBS was this week elected president of the Empire Club of Toronto. Mr. Coombs is a member of the firm of A. E. Ames and Company, and manager of the bond department.

MR. GEORGE HENRY, M.P.P. for East York, has been appointed minister of agriculture in the provincial government, relieving the prime minister, Sir William Hearst, of the duties of the agriculture portfolio.

MR. JOHN APPLETON, secretary-treasurer of the Dominion Mortgage and Investments Association, has returned from an absence of several weeks in the West, during which he attended the annual meetings of the four provincial mortgage associations.

MR. JAMES GRAHAM, F.I.A., manager of the Mutual Life and Citizens Assurance Company, Limited, of Melbourne, Australia, died recently. Mr. Graham was formerly actuary of the Australian Widows' Fund Society, with which the Mutual Life and Citizens Assurance Company amalgamated some years ago.

MR. F. J. GILLESPIE, provincial manager for British Columbia of the Excelsior Insurance Company, has been appointed commissioner for South Vancouver, by the Hon. John Hart, minister of finance. Mr. Gillespie will operate the city of South Vancouver, the management and financing of which has been taken over by the provincial government, with a view to once again placing the city in a solvent condition.

MR. EDWARD HAY, general manager of the Imperial Bank of Canada, has been appointed to the directorate of that bank. He has been with the institution since its inception, and in the financial community much of the credit for the substantial growth of the bank is accorded to the new director. Mr. Hay and Mr. Peleg Howland, who was the first junior in the bank, and is now president, are the only survivors of the original staff.

According to a recent statement of the Acting Premier of Australia, the debt of the Commonwealth is now £609,000,000 sterling, including £148,000,000 of Commonwealth war loans and £49,000,000 war loans from the Imperial government. This represents an annual interest of £25,000,000 sterling.

The Northern Trusts Co.
Executor, Administrator, Trustee
No moneys on deposit; No Bonds or Debentures issued

The clause in the Company's Charter enabling it to include in its activities the acceptance of moneys on deposit and the issue of Bonds and Debentures was, at the special request of the original Directorate, struck out.

Sole liability to the public represented by Guaranteed Mortgage Investments to an amount not exceeding the paid-up Capital of the Company, and secured in each instance by improved Farm and City Property to the value of more than double the amount of the mortgage investment.

Head Office .. Winnipeg

COLLECTIONS
R. G. DUN & CO.
ESTABLISHED 1841
Dominion Bank Building, Toronto, Canada

PRODUCTION OF BREAD IN CANADA

March Statement Shows Slight Decrease in Cost—Statement of Principal Cities

The minister of labor reports the following statement, with tables, showing the cost of bread, as in the principal cities of the Dominion.

The consumption of flour for the month of March, covering the corresponding reports as in month of February, and allowing for the extra days in March, shows a decrease of 4,000 barrels of flour.

The average production cost stands for February, 6.85 cents, compared with 6.81 cents in March, or 1-25th of a cent less, which would indicate less ingredients used.

In the 23 groups of towns of manufacture, seven show increases in cost, eleven slight decreases, while five are stationary. On the whole, the changes are small, practically no change in Ottawa, a slight increase in Montreal, Toronto stationary. In western centres, Winnipeg, Port Arthur and Edmonton are practically the same as last month, while Calgary is slightly lower.

Statement of Cost by Cities.

The following statement shows the cost (in cents) of producing one pound of bread in the principal cities of Canada:—

Halifax, New Glasgow, Amherst and Sydney Mines, 6.422; St. John, N.B., 7.983; Montreal and Westmount, 7.441; Sherbrooke and St. Hyacinthe, 6.669; Ottawa, 6.369; Toronto, 6.557; Kingston, Belleville and Peterborough, 6.040; Hamilton, 6.705; Brantford, 6.460; St. Catharines and Niagara Falls, 6.653; London, 6.659; Guelph, Stratford and Kitchener, 7.126; St. Thomas, 6.299; Chatham, 6.655; Cobalt, 6.714; Port Arthur, 6.584; Winnipeg, 6.665; Moose Jaw, 7.414; Medicine Hat, 6.213; Edmonton, 6.788; Calgary, 6.357; Victoria, Vancouver and New Westminster, 7.241. The Dominion average for March is 6.809 cents per pound.

The total bread produced during March, 1918, amounted to 18,114,521 lbs., and 15,167,055 lbs. were sold. The total flour manufactured during that month amounted to 69,193 lbs.

Flour Purchased.

The following statement shows the average cost of flour per barrel in March, 1918, compared with February of the same year:—

Locality.	February.	March.
Halifax, New Glasgow, Amherst and Sydney Mines	$11.31	$11.20
St. John, N.B.	11.20	11.15
Montreal and Westmount	10.89	11.11
Sherbrooke and St. Hyacinthe	11.00	11.03
Ottawa	10.92	10.80
Toronto	10.89	10.95
Kingston, Belleville and Peterborough	11.08	11.10
Hamilton	10.83	10.95
Brantford	10.82	10.83
St. Catharines and Niagara Falls	11.03	10.95
London	10.71	10.95
Guelph, Stratford and Kitchener	10.90	10.91
St. Thomas	10.48	11.02
Chatham	10.93	11.02
Cobalt	11.40	11.45
Port Arthur	10.46	10.52
Winnipeg	10.41	10.50
Moose Jaw	10.27	10.45
Medicine Hat	10.06	10.01
Edmonton	10.08	10.09
Calgary	10.00	10.21
New Westminster, Victoria and Vancouver	10.41	10.52

The total flour purchased during March, 1918, amounted to 60,492 barrels.

DOMINION SAVINGS BANKS

BANK	Deposits for Mar. 1918	Total Deposits	Withdrawals for Mar. 1918	Balance on Mar. 30th, 1918.
Manitoba:—	$ cts.	$ cts.	$ cts.	$ cts.
Winnipeg	4,077.00	512,070.84	3,807.20	508,263.64
British Columbia:—				
Victoria	26,103.81	1,122,987.72	21,036.56	1,098,951.17
Prince Edward Island:—				
Charlottetown	27,452.00	1,850,753.36	30,311.93	1,820,441.43
New Brunswick:—				
Newcastle	1,864.00	239,830.65	7,977.83	231,852.82
St. John	57,835.44	4,649,370.68	71,534.82	4,577,835.86
Nova Scotia				
Amherst	....	....	....	....
Barrington	145.00	102,267.19	404.85	101,862.34
Guysboro'	1,311.00	96,318.03	1,165.67	95,152.36
Halifax	51,113.02	2,379,705.90	35,775.22	2,343,930.68
Kentville	3,149.00	240,703.23	6,013.62	234,689.61
Lunenburg	3,072.00	438,715.74	10,292.81	428,422.93
Pictou	....	....	....	....
Port Hood	541.00	71,941.45	25.00	71,916.45
Shelburne	1,360.86	219,895.75	2,745.12	217,150.63
Sherbrooke	289.10	79,077.91	664.68	78,413.23
Wallace	....	....	....	....
Totals	178,313.23	12,003,638 45	194,755 30	11,808,883.15

POST OFFICE SAVINGS BANKS

Dr JANUARY, 1918 Cr.

Balance in hands of the Minister of Finance on 31st Dec., 1917..	$ cts. 10,478,123.47	**Withdrawals** during the month.........	$ cts. 1,521,038.12
Deposits in the Post Office Savings Bank during month......	843 317.29		
Transfers from Dominion Government Savings Bank during month:—			
Principal......... **Interest** accrued from 1st April to date of transfer...	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	6,360.76		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month......	13,832.26	**Balance** at the credit of Depositors' accounts on 31st Jan., 1918.........	39,820,625.66
	41.341,663 78		41,341,663 78

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto.
(Week ended May 29th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......com.	45	48	Can. Mortgage & Invest..	....	83	Ford Motor............	....	210	Ont. Pulp....... .... 6's	76	79.50
" " ....pref.	80	90	Can Salt.............. 6's	92.50	....	Goodyear Tire...........	170	195	Peoples Loan.....	80	90
Amer. Sales Book..pref.	....	90	Can. Timber & Land.....	96	110	Home Bank..... ..xd, 1¼	....	64	Robertson Screw, P L...	....	40
Ashdown Hardware..5's	85	92	Can. Westinghouse......	105	120	Imperial Oil..........	268	285	Rosedale Golf	....	315
Atlantic Sugar.......pref.	32.50	36.50	Chapman Ball Bearing..	22	29.50	Imperial Trust..........	....	40	South Can. Power..pref.	35	42.50
" " .....com.	9	16	Chinook Coal........	....	30	Lambton Golf Club....	350	400	Sovereign Life..........	12.75	20
Belding Paul........com.	12	16	Cockshutt Plow.....pref.	69	78	Maritime Coal......com.	19	25	Sterling Bank.... ...	...	82
" " ......pref.	77	84.50	Continental Life.........	17.50	25	Matthew-Blackwell com.	42.50	50	Sterling Coal........com.	14	16.50
Black Lake............6's	22.50	25.50	Dom. Fire	18	23.50	Matthew Laing.......6's	94	97.50	" " ......bonds	69.50	73.50
Brompton Paper	52.25	54.50	Dom. F'dry & Steel 8% pf.	85	90	M'Donald...........pref.	76	80	St. Lawrence Sugar 6's..	90	95
Burns & Co., P. 6's, 1931.	93	98	Dom. Glass ....pref.	75	82.50	Mexican North........5's	7.50	11	Toronto Power 5's 1924..	79.50	83
Can. Cereal & Flour Mill.	....	.75	Dom. Iron 5's. 1939.......	73	77	Mississauga Golf	40	52.50	Toronto Carpet.....com.	87	....
Can. Fairbanks .....pref.	85	92	Dom. Linseed Oil........	70	....	Morrow Screw........6's	85.50	93	Toronto Paper........6's	85	90
Can. Cons. Felt.....pref	32	40	Dom. Power... .....pref.	92	96.50	National Life...........	37	....	Toronto York Rad.....5's	93	97.50
Can. L. & P..........5's	44	....	" " ....com.	50	58.50	National Potash.........	...	1.50	West. Assurance	7	8.75
Canada Machinery..pref.	48.50	54	Dunlop Tire..... . . 6's	95.50	100	North-Amer. Pulp.......	2.25	3.25	Wt. Can. Flour.... com.	100	125
" " bonds	75	82	Eastern Car...........6's	89	94.50	N. S. Steel, 6% deb.......	85	92	....	....	....
Can. Marconi............	1.25	2.00	" " ... .pref.	45	52	....	....	....	....	....	....

"Safeguarding the Investor"

Any Member of the Toronto Stock Exchange will be glad to supply you, without charge, with a copy of a very useful pamphlet dealing with buying and selling all kinds of securities for cash or on credit.

Write or telephone for one to-day.

The following is a complete list of the members:

Ames, A. E., & Co.
Anderson, T. O., & Co.
Baillie, Jas. W., & Co.
Blaikie, Geo. W., & Co.
Bongard, Ryerson & Co.
Brent, Tovell & Co.
Brouse, Mitchell & Co.
Buchanan, Seagram & Co.
Burritt, A. P., & Co.
Cassels & Biggar.
Cassels, Browne & Co.
Cassels, Son & Co.
Croft & Murphy.
Cronyn, Edward, & Co.
Deacon, F. H., & Co.
Duncanson, How & Co.
Dyment, Albert E., & Co.
Fergusson, G. Tower, & Co.
Fletcher, Macfarlane & Co.
Green, Dodds & Co.
Hambly, G. W., & Co.
Heron & Co.
Jarvis, Æmilius.
Lawson, Edward E., & Co.
Lyon & Plummer.
Martens, A. H., & Co.
Mitchell, W. G., & Co.
McMillan, Nicholson & Co.
Morris and Wright.
Morrow & Jellett.
Mulock, Cawthra, & Co.
Niven, J. K., & Co.
O'Flynn, H. H.
O'Hara, H., & Co.
Osborne, J. Ewart.
Osler & Hammond.
Osler, A. E., & Co.
Pardoe, Avero & Co.
Pellatt & Pellatt.
Perry, Norman D., & Co.
Playfair, Paterson & Co.
Stark, John, & Co.
Stewart, Fred. J.
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Toronto Stock Exchange

Established Over 70 Years Ago.

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Head Office: Winnipeg, Man.

The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments. Embracing the entire Dominion of Canada.

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Our accident and health policy is the most liberal protection ever offered for a premium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.

Good Openings for Live Agents

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The Imperial Guarantee and Accident Insurance Company of Canada

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IMPERIAL PROTECTION

Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.

A STRONG CANADIAN COMPANY

Paid up Capital - - -	$200,000.00.
Authorized Capital - -	$1,000,000.00.
Subscribed Capital - -	$1,000,000.00.
Government Deposits - -	$111,000.

LONDON GUARANTEE AND ACCIDENT COY.

Limited

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Head Office for Canada: TORONTO

Employer's Liability
Elevator
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AND FIRE INSURANCE

THE DOMINION OF CANADA GUARANTEE & ACCIDENT INS. CO.

Accident Insurance
Burglary Insurance
Sickness Insurance
Automobile Insurance
Plate Glass Insurance
Guarantee Bonds

The Oldest and Strongest Canadian Accident Insurance Company

Toronto Montreal Winnipeg Calgary Vancouver

P. R. REED, President
T. B. REDDING, Vice-President.
B. M. WHITLEY, Secretary-Manager

Canada Security Assurance Company

HAIL DEPARTMENT

CALGARY - ALBERTA

New Westminster, B.C.
CANADA

Bonds for Sale

Tenders are invited for an issue of five hundred thousand dollars, City of New Westminster, British Columbia, five-year six per cent. Municipal Bonds, authorized by Special Act, and secured by various bond issues. Delivery at the Bank of Montreal, New Westminster. Sealed tenders will be received by the undersigned up to 2 p.m.,

10th June, 1918,

when same will be opened in the Mayor's office, City Hall. Highest or any tender not necessarily accepted.

Official permission for the issue of these securities, as required by Order-in-Council (3439) of December 22, 1917, has been duly obtained. Such permission, however, does not constitute an approval of the issue as regards its merits or security in any respect. It signifies merely that the sale of these securities is not considered to be incompatible with the requirements of Canada's War Finance. Further particulars on request.

R. S. GILCHRIST,
City Treasurer.

New Westminster, B.C.

CITY OF OTTAWA BOND ISSUE

The city of Ottawa sold on the 9th of May an issue of $473,694.26 of bonds to the Bank of Ottawa by private arrangement. The bonds bear 6 per cent. interest, payable semi-annually on the 1st of January and July, and mature 1919-1948. The price was 99 and interest, or approximately a 6⅛ basis. This issue was made for various purposes, as follows:—

		Years.
Local Improvement—		
Sidewalks	$ 21,222.69	10
Pavements	106,162.86	15
Sewers and street openings	18,808.71	20
Total	$146,194.26	
By-Law No. 4530—Soldiers' Home	$ 40,000.00	20
Central Canada Exhibition Association overdraft	18,000.00	20
Equipping workshop	15,000.00	20
Halifax Relief Fund	15,000.00	20
Isolation Hospital	20,000.00	20
Discount on debentures-general	29,000.00	20
Canadian Patriotic Fund	125,000.00	10
Ottawa South sewer extension	34,000.00	30
Discount on waterworks debentures	11,500.00	30
Detention Home	20,000.00	20
Total	$473,694.26	

NEXT CANADIAN LOAN IN FALL

The Dominion executive, which handled the war loan of last fall, is already preparing for the next issue, and the finance minister, Sir Thomas White, has been discussing it with them. No official announcement has as yet been made regarding the terms, and it is understood that they have not yet been determined. It is expected, however, that the loan will be floated in a manner similar to the Victory loan, and that it will be issued about November 1st. The rate of interest cannot, of course, be determined until the conditions at the time are known.

BRITISH COLUMBIA ISSUE NOT SOLD

The tenders for the $2,000,000 issue of British Columbia bonds were opened on Tuesday. The following bids were received:—

(1) Syndicate comprising Wood, Gundy and Company, Dominion Securities Corporation; bid 94.78, for $500,000, with an option on the balance at the same price.

(2) Syndicate comprising the Canada Bond Corporation, C. H. Burgess and Company; bid 94.68 for $2,000,000; all or none.

(3) Syndicate comprising A. Jarvis and Company, W. A. Mackenzie and Company, Brent, Noxon and Company, C. Meredith and Company, Hanson Brothers, R. C. Mathews and Company; bid 94.00 for $1,000,000, with an option on the balance at the same price, or 93.00 for $2,000,000, all or none.

(4) A. E. Ames and Company, for their own account; bid 93.80 for $1,000,000, with an option on the balance at the same price, or 93.255 for $2,000,000, all or none.

As Premier Oliver and Minister of Finance Hart did not consider any of these bids satisfactory, it was decided not to accept any of them, as the province does not need to dispose of the bonds at present. It is understood that a loan can be obtained from the Dominion government at about a 6½ per cent. basis.

ATLAS ASSURANCE COMPANY, LIMITED

The annual report of the Atlas Assurance Company for the year ended December 31st, 1917, appears on another page of this issue. In the life department, new policies, numbering 1,457, were issued, assuring £674,644, at annual premiums of £28,022, and single premiums of £766. The sum of £29,050 was reassured, leaving the net new sums assured for the year, £645,594. Deaths claims numbered 314, and amounted to £145,861; 84 of these claims were on lives over 70, and 30 of these were on lives over 80 years of age. The sum of £27,399 was carried to life investment reserve fund to cover depreciation of stock exchange securities during the year, and in the fire department the losses were less than 50 per cent. of premiums. The reserve for unexpired risks was increased by £56,548, and the balance, £163,463, was transferred to profit and loss account. The total at the credit of the fire reserve fund is now £1,439,385 The life assurance and annuity funds amount to £2,107,159. The company has almost £1,000,000 invested in British government securities, and has also large sums in India, colonial and foreign securities. Total assets are now £5,506,479. Considerable profit was also realized during the year from the employers' liability, accident and general account—namely, £16,345. The sinking fund and capital redemption account now stands at £91,216. The total at the credit of profit and loss account amounted to £316,198. This was appropriated for income tax and excess profits. duty, interest on debenture stock, war bonuses to staff, written off leaseholds, etc., transfer to shareholders, investment reserve fund, etc. The dividends for 1917 amounted to £79,750, and the balance carried forward is £69,701, or slightly more than last year.

The company's manager for Canada is Mr. Matthew C. Hinshaw, of Montreal, and the year's Canadian business has been excellent.

An increase of 50 cents a ton upon the present retail price of coal is forecasted by leading dealers here as a direct consequence of the decision of the United States Railroad administration to raise freight rates 25 per cent.

CONFEDERATION LIFE
ASSOCIATION
Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.
OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:
W. D. MATTHEWS, ESQ.
Vice-President
SIR EDMUND OSLER, M.P.
John Macdonald, Esq. Lt.-Col. J. F. Michie
Joseph Henderson, Esq. Peleg Howland, Esq.
Lt.-Col. A. E. Gooderham Lt.-Col. The Hon. Frederic Nicholls
Thos. J. Clark, Esq. John Firstbrook, Esq.
Gen. Supt. of Agencies, J. TOWER BOYD. Actuary, V. R. SMITH, A.A.S., A.I.A.
Secretary, J. A. MACDONALD.
Medical Director:
ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)
HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION!
The Western Life Assurance Company
made (among others) the following remarkable increases in 1917:
NEW BUSINESS RECEIVED .... INCREASE 146%
ASSURANCES, NEW AND REVIVED .... INCREASE 147%
NEW PREMIUMS RECEIVED .... INCREASE 166%
ADMITTED ASSETS .... INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh
Established 1825. Head Office for Canada: MONTREAL, Que.
Invested Funds.........$ 66,500,000
Deposited with Canadian Government and Government Trustees, over.............. 7,000,000
Investments under Canadian Branch, over...$ 16,000,000
Revenue, over............... 7,900,000
Bonus declared 40,850,000
Claims paid 151,000,000
D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

PROFITS EXCEED ESTIMATES
ONLY IN THE
London Life Insurance Co.
LONDON ... ... Canada
POLICIES "GOOD AS GOLD." 2

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies
THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE - TORONTO, CANADA

The Secret of a Wonderful Success

The rise and progress of The Mutual Life of Canada has been one of the romances in the history of Canadian Finance. Less than half-a-century ago a small group of men in an obscure Ontario town determined to establish a Life Insurance Company that would give the public the maximum of service at a minimum of cost. That being the aim it was resolved that the organization should be purely mutual. Five hundred prospective policyholders were gathered and formed the nucleus of the Company. From this small beginning in 1870 the Company has gone forward steadily with more regard to security and mutual serviceableness than big business. The result is that the Company to-day is enjoying a popularity that is phenomenal, writing during the past year more than $20,000,000 paid for assurances.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
Assets $32,165,000 Surplus $1,761,299 Assurance $123,311,314

Who Takes the Chances?

Who runs the risk when the breadwinner neglects to secure the protection of Life Insurance for those dependent upon him?

Not himself surely, but those for whom it is his duty to provide run the risk of his untimely death.

Whatever chances a man may rightly take for himself, there can be no excuse for subjecting others to a risk against which they cannot guard.

The Great-West Life Policies offer all that can be desired in Life Insurance; low rates, high profit returns, and the safeguard of careful, conservative management.

The Great-West Life Assurance Co.
DEPT. "P"
HEAD OFFICE : WINNIPEG

ALWAYS A PLACE
FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine
ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR
For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.
For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Brampton, Ont.—May 27—Garage belonging to Jack Birss was damaged. A car owned by Mr. Birss, and containing $300 worth of sample boots, was destroyed.

Brandon, Man.—May 20—Hospital for the Insane was damaged.

Brilliant, B.C.—May 18—Doukhobors planing mill and pipe factory were destroyed Estimated loss, $20,000.

Carlevale, Sask.—May 20—Coades' corner block and warehouse in the rear, were damaged.

Dundas, Ont.—May 23—Frame shed at the rear of the Dundas Drug Company's premises on King Street, owned by J. W. Lawrason and used by William Aitkins, was destroyed. Estimated loss, $1,500.

Dundas, N.B.—May 24—House and two barns of Abner West, MacLaughlin Road, were destroyed. Estimated loss, $3,000. Insurance carried, $750.

Fort William, Ont.—May 23—Plant of the Canadian Car and Foundry Company was damaged. Estimated loss, $15,000.

Hawkesbury, N.S.—May 26—Seven buildings were destroyed as follows: Mrs. Norman McIntyre's house and store, the Western Union Telegraph building, the homes of A. C. Chisholm, John D. McPherson and Andrew Strong and the customs house.

Hull, Que.—May 26—Residence of Peter Gagnon at 62 Florence Street was damaged. Estimated loss, $500. Old Scott farm on Aylmer Road was damaged. Estimated loss, $1,500.

Locherby, Ont.—May 25—Barn of Richard Daniels was destroyed after struck by lightning. Insurance carried, $1,200.

London, Ont.—May 25—Gurd's broom factory on Blackfriars Street was damaged. Estimated loss, $5,000.

Lorway Mines, N.S.—May 18—Tenement house was damaged.

North Burnaby, B.C.—May 19—Pearson and Company's shingle mill was damaged. Estimated loss, $59,000. Insurance, $25,000.

Montreal, Que.—May 24—The George Hall coal yards and 10,000 tons of coal were damaged. Estimated loss, $100,000.

May 26—Premises of Cartier and Roch, wood and coal dealers, on West Notre Dame Street, were damaged. Estimated loss, $8,000.

O'Connor, Ont.—May 18—Barn of Mrs. V. Lindal was damaged.

Pembroke, Ont.—May 23—Plant of the Union Box and Shook Mills, Limited, was damaged. Estimated loss, $150,000. Insurance carried, $80,000.

Port Burwell, Ont.—May 22—Barn of T. Emery Chalk was damaged. Estimated loss, $4,000.

St. Ann's, Ont.—May 22—Wm. Mitchener's planing mill was destroyed. Estimated loss, $10,000.

St. Catharines, Ont.—May 15—Hardware store of A. W. Moore and Company was damaged. Cause reported as spontaneous combustion. Loss on building, $400; on contents, $2,687. Insurance carried, $43,000.

May 21—Shed of Chas. A. Denness, 20 Haynes Avenue, was damaged. Estimated loss, $475. Insurance carried, $700.

South Vancouver, B.C.—May 17—Two dry kilns and yards of the Ontario Lumber Company were damaged. Estimated loss, $15,000.

Toronto, Ont.—May 20—George Abbott's car at 25 Alberta Avenue was damaged. Estimated loss, $1,000. Small car at the Gold Medal Furniture Company's plant was damaged. Estimated loss, $250.

May 25—Delta Chemical Company's plant at 790 Broadview Avenue was damaged. Estimated loss, $3,500.

May 27—F. Henry's store at 237 Gerrard Street was damaged. Caused by mice chewing matches. Estimated loss, $700.

May 28—Six-house tenement on Simcoe Street was damaged.

Tillsonburg, Ont.—May 23—Frame elevator adjoining the Grand Trunk Railway station and owned by J. Chandler, was damaged.

May 24—Storehouse on Main Street was destroyed. Estimated loss, $1,000.

Vancouver, B.C.—May 23—Premises and stock of Lawrence and Company, furniture dealers, were destroyed. Estimated loss, $8,000.

Winnipeg, Man.—May 18—Moyer shoe store was damaged.

May 21—Part of Wentworth Block, owned by the Douglas Fur Company, was damaged. Estimated loss, $2,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Alvinston, Ont.—May 9—Flax mill, occupied by James McColl and Company and owned by R. Meddell, of Trenton, Ont., was destroyed. There was a loss of $2,000 on stock and $5,000 on building. A total insurance of $1,400 was carried.

Arnprior, Ont.—May 21—The lumber yards of McLachlin Brothers were damaged. Caused by a careless smoker. The following is a partial list of insurance companies interested: Acadia, $14,500; Alliance of London, $30,000; Atlas, $18,500; British Colonial, $1,500; Caledonian, $10,000; Canada Accident, $17,500; Commercial Union, $60,000; Employers, $15,000; Connecticut, $5,000; Glens Falls, $5,000; Guardian, $107,000; Hudson Bay, $15,000; Law Union, $5,000; Liverpool and London and Globe and Liverpool-Manitoba, $58,000; London Assurance, $17,500; North British and Mercantile, $90,000; Occidental, $22,500; Palatine, $11,500; Phœnix of Hartford, $5,000; Phœnix of London, $32,500; Queen, $15,000; Royal, $15,000; Royal Exchange, $70,000; Union of London, $20,000; Westchester, $7,500; Yorkshire, $10,000. The insurance loss about $130,000.

Cobalt, Ont.—May 10—The power-house and contents of Penn-Canadian Mines, Limited, were damaged after being struck with lightning. Estimated loss on stock, $3,243; on building, $2,242.55. Total, $5,485.55.

A total insurance of $101,600 was carried. The following companies are interested:—

Ætna, $5,940; British America, $5,890; Commercial Union, $9,565; Great American, $7,075; Mercantile, $12,890; National, $7,390; Northern, $12,465; Providence-Washington, $8,215; Union Assurance, $15,890; Yorkshire, $7,890.

The amount of insurance received by the company was $700 on building and $3,243 on contents.

Leamington, Ont.—May 10—Frame barber shops, occupied by Geo. Tilley and Casper, and owned by Bertha Wigle, were damaged. The loss on stock was $600; on building, $2,000. A total insurance on the building of $2,400 was carried in the Perth Mutual Insurance Company.

St. Roch, Que.—May 11—Building of Louis Beaubien, Limited, was damaged. The amount of loss on stock was $47,458; on building, $4,750. A total insurance of $5,000 was carried. The following companies are interested: German, $3,000; Scottish, $2,500; Home, $3,000; British, $2,000: Hartford, $2,000; Globe and Rutgers, $5,000; Royal Exchange, $15,000; General Fire, $20,500; Royal Insurance, $13,000; British Empire, $3,500; Nova Scotia, $7,500; Occidental, $9,000.

Quebec, Que.—May 11—Wholesale stores of the Louis Beaubien Company, St. Valier Street, were damaged. A total insurance of $31,500 was carried. The following companies are interested: Globe and Rutgers, $5,000; Royal Exchange, $4,500; General of Perth, $5,000; Royal, $8,000; British Empire, $3,500; Nova Scotia, $7,500; Occidental, $9,000; General, $5,000. Total, $47,500. Loss, about 50 per cent. On Batisse in same building: Nova Scotia, $5,000; Royal, $7,000; Royal Exchange, $6,000. Total, $18,000. Loss, about $5,000. On Canadian Consolidated Rubber Company: Nova Scotia, $12,500; Occidental, $6,500; Royal, $5,000.

Saskatoon, Sask.—May 11—Sleeping car No. 9613, of the Canadian Northern Railway, was damaged. The amount of loss was $6,000, and the amount of insurance carried was $18,000.

Sault Ste. Marie, Ont.—May 2—The hydro-electric power station, owned by the Great Lakes Power Company, Limited, was destroyed. Cause reported as heated bearing on shaft

Solid Growth

UP-TO-DATE business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

To-day, they exceed by far those of any Canadian Life Assurance Company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE - MONTREAL

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE
PROSPECT BUREAU.
BULLETIN SERVICE.
ADVERTISING and
ALL ROUND SUPPORT

YOU { Travel without expense,
Are better equipped for the journey,
Sure of getting there, with the

CANADA LIFE
ASSURANCE CO.
Home Office - Toronto

THE MONARCH LIFE
SECURITY AND SERVICE
HEAD OFFICE - WINNIPEG

THE PRUDENTIAL has a large force of Canadian employees at work in every large city in the Dominion selling Gibraltar-like life insurance policies and industriously paying death claims in afflicted homes day after day. The Prudential has throughout the United States and Canada Fifteen Million Policies in Force, equal to nearly twice the population of the Dominion, and indicating the popularity of this big American Company.

AGENTS WANTED.

The Prudential Insurance Co. of America
Incorporated under the laws of the State of New Jersey.
FORREST F. DRYDEN, President. Home Office, NEWARK, N.J.

EQUITABLE ADVANTAGES

The holder of an Equitable agency contract benefits not only by the impregnable strength and prestige of the Society, but also through being able to offer a variety of policies that meet with precision the requirements of the insuring public. Profitable openings at various points in Canada for men of character and ability, with or without experience in life insurance.

The Equitable Life Assurance Society of the U.S.
120 Broadway, New York

Orders for the new issue of H. M. P. Eckardt's
Manual of Canadian Banking
are now being received
Postpaid anywhere - $2.50
The Monetary Times Printing Company, Toronto, Ont.

The Travellers Life Assurance Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

TOWN OF DALHOUSIE BONDS

Tenders will be received by the clerk and treasurer of Dalhousie, N.B., up till June 20th, 1918, for the purchase of $8,000 industrial bonds, dated June 30th, 1918, due June 30th, 1948, and bearing interest at the rate of 6 per cent., payable half-yearly, and for the purchase of $12,000 water and electric light bonds, dated June 30th, 1918, due June 30th, 1938, and bearing interest at the rate of 6 per cent., payable half-yearly.

IMPERIAL BANK OF CANADA

The annual report of the Imperial Bank of Canada appears in full on another page of this issue. Mention was made last week of the more important features of the report. In addition to paying the regular dividends at the rate of 12 per cent. per annum, the bank is able to carry $200,000 to contingent account to cover depreciation in bonds and debentures, and the balance at the credit of profit and loss is still somewhat ahead of the preceding year.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

(Continued from page 46.)

under wooden floor. Estimated damage on stock and electrical equipment, $95,000; on buildings, $50,000. A total insurance of $141,500 was carried. The following companies are interested: Royal Exchange Assurance, Palatine Insurance Company, Protector Underwriters, Ocean Accident and Guarantee Corporation, Limited, Firemen's Insurance Company, Employers Liability Assurance Corporation, Imperial Underwriters, British North-West Fire Insurance Company, British America Assurance Company, British Crown Assurance Corporation, Limited.

Vancouver, B.C.—Fire Chief Carlisle submits the following report for the month of April to *The Monetary Times:*

The estimated total damage resulting from fires for this period was $18,503, of which amount $17,538 was covered by insurance, leaving the property loss above insurance at $965. The total value of the property involved by fire for the month was $493,775.

The following shows the cause of fires for the month: Carelessness with cigarettes 3, children playing with matches 4, defective chimney 1, electrical origin 5, firewood left to dry in oven 1, flying sparks (chimneys, burners and smokestacks) 22, gaspipe breaking 1, gas tank bursting 1, hot rivet 1, overheated furnace 1, overheated gas stove 1, overheated stovepipe 1.

Vermilion, Alta.—April 11—Explosion of gas tank caused destruction of town hall, Royal Bank, post office, and many other buildings. Insurance was carried as follows: North America, $5,000; Canadian Fire, $5,300; Phœnix of London, $7,685; Home, $10,000; Caledonian, $2,000; Union, $4,100; Union of Paris, $4,000; Norwich Union, $3,500; Commercial Union, $7,800; New York Underwriters' Agency, $1,000; Queen, $3,000; North-West National, $4,500; Liverpool and London and Globe, $10,300; Connecticut, $7,125; Guardian, $6,000; Hartford, $1,800; Canada Accident, $3,000; Liverpool-Manitoba, $2,000; Pacific Coast, $6,000; London Assurance, $2,700; American Central, $1,600; Northern, $4,400; London and Lancashire, $2,500; Nova Scotia, $6,000; General of Perth, $6,000; St. Lawrence Underwriters, $2,000; Equitable, $2,000; Scottish Canadian, $2,000; Yorkshire, $4,000; Phœnix of Hartford, $2,400; British-America, $1,500; Canada National, $1,500; British Crown, $1,500; Sun, $1,500; Springfield, $2,000; Mercantile, $5,500; Occidental, $2,500; Royal Exchange, $8,000; Royal, $13,150; North British and Mercantile, $2,000; total, $169,160.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

May 29th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	83	8.45
Canada Cement	7	91	7.69
Canada Steamships	7	76	9.21
Mackay Companies	4	65	6.15
Penmans	6	82	7.31
Steel of Canada	7	90	7.77
Maple Leaf Milling	7	92	7.60
Common:			
Bell Telephone	8	130	6.15
B. C. Fishing and Packing	5	47	10.57
Canada Cement	6	60	10.00
Canadian Locomotive	6	60	10.00
Canadian General Electric	8	103	7.76
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	68	11.76
Maple Leaf Milling	10	97	10.37
Canadian Pacific Railway	10	147	6.80
Ottawa Traction	6	70	8.57
Penmans	6	75	8.00
Dominion Steel Corporation	5	59	8.47
Steel Co. of Canada	6	63	9.52
Mackay Companies	6	76	7.89
Toronto Railway	4	60	6.66
Twin City	4	44	9.09
Bonds:			
Canada Bread	6	92	6.52
Canada Cement	6	97	6.18
Canada Steamships	5	80	6.25
Canadian Locomotive	6	86	7.05
Penmans	5	67½	5.72
First War Loan, 1925	5	95	5.26
Second War Loan, 1931	5	94	5.31
Third War Loan, 1937	5	93	5.37
Victory Loan, 1937	5½	98⅞	5.58
....	....	....	....

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

WANTED.—Accountant and Office Manager. Must be capable, efficient and have executive ability. State experience, give references and salary expected. Revelstoke Sawmill Company, Limited, Calgary, Alberta.

LOW RAILWAY RATES FOR FARM WORKERS

The Quebec provincial government has obtained, through the Canadian Passenger Association, special reduced rates for all townspeople going out to work on the country farms. Any workers going to a point from 33 to 100 miles distant will get a first-class ticket for one dollar. All workers going to a point from 100 to 300 miles distant will get a first-class ticket at the rate of one cent per mile.

Certificates will be issued to said workers by the Provincial Department of Farm Hands and at branches of this department established throughout the province.

NEW PRESIDENT OF MANUFACTURERS' ASSOCIATION

The annual convention of the Canadian Manufacturers' Association is to be held in Toronto on June 12th and 13th. The retiring president is Mr. S. R. Parsons, of the British American Oil Company, of Toronto. It is said that Mr. W. J. Bulman, of Bulman Brothers, Limited, Winnipeg, will be the new president. Mr. F. P. Howard of the Phoenix Bridge and Iron Company, Toronto, is mentioned as the first vice-president.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times:*—

	Buyers.	Sellers.	Counter.
N.Y. funds	1¼	1 9-32	.....
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	4.8125	4.8150	4.83½
Cable trans.	4.8230	4.8250	4.84½

Rate in New York for sterling demand, 4.75½.
Bank of England rate, 5 per cent.

Shipments of gold totalling $4,000,000 have been made from Canada to New York during the past two weeks. These will at least to some extent remedy the acute exchange relations between the two countries.

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JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Financial Future of the Empire

British Finances Are Sound—Germany is Near Bankrupt, But Struggle Can Be Carried on Long After This Stage is Reached—London Will Retain Position as Financial Centre—Canada to Remain a Borrowing Country.

AT the outbreak of war the United Kingdom's external investments amounted to not less than $26,000,000,000. Since that time the United States has liquidated its obligations to Great Britain; but, as Mr. Bonar Law recently explained in his budget speech, the credit balance has been increased to a like extent elsewhere—mainly by advance to the Allies, Belgium, Serbia, Italy and Russia. What is the significance of this financial showing in terms of peace-time trade?

Astonishing as it appears, the foreign trade of Great Britain is as great as before the war. It has altered fundamentally in character, to be sure; but in volume and value is still as extensive as in days of peace. Only the scarcity of shipping has prevented the nation from drawing imports from all parts of the world. Yet it must not be forgotten that the great trade routes have been kept open, commercial connections maintained, and favorable credit balances preserved unimpaired. The reverse is true in each particular, for the United Kingdom's chief commercial rival, Germany.

From the financial standpoint Germany is in a bad way. Mr. Bonar Law outlined the credit position in that country and asserted that, if Great Britain were facing an identical situation, bankruptcy admittedly would not be far distant. And it is no sufficient answer to say that Germany is battling vigorously for a near-bankrupt. The American Confederacy continued the struggle long after its currency and credit had been shot to pieces. Economic and material exhaustion ended that struggle. Lee won the battles, but Grant won the war.

Now, while it is admitted that Germany's financial condition, black as it is and desperate as it is, will not in itself bring that tyrannical oligarchy to its knees, yet it will render the waging of war increasingly difficult. There will be no indemnities, no loot to salvage from the wreck. Already the German national debt has passed the $31,000,000,000 mark; credit has been pyramided to the toppling point; the paper money of the country has gone to a heavy discount. The Reichsbank, which holds the gold reserves of the nation, shows a favorable balance of the yellow metal amounting to some $675,000,000; but how much of it belongs to Austria is a matter of speculation. Even before the United States entered the war American financiers had their suspicions of the validity of the Reichsbank's claims to this big gold balance. Since then German gold has flowed to all the neutral nations of Europe—they will take nothing less for food and other essential products. Even that part of the indemnity extorted from France in 1871, laid up in the treasury at Spandau as a war reserve, has been dissipated. This has been proved beyond peradventure or doubt, since it consisted of newly-minted British sovereigns of that period; and these have appeared everywhere throughout the neutral states of Europe. Germany simply can not maintain its credit on a gold basis at the close of the war, having long since abandoned domestic gold payments.

Reference has been made above to the undiminished amount and security of British foreign investments. How does Germany fare in this particular? At the outbreak of hostilities its foreign investments were second only to those of the United Kingdom, amounting to $8,500,000,000. But note their location: a small part in Canada and the United States; heavy holdings in Sao Paulo and Chili and Kiao Chou; very large investments in Russia, the Balkan States, Turkey and Asia Minor. Needless to say, Germany has drawn neither interest nor dividend from Canada, Russia, Turkey or Asia Minor since August, 1914; Kiao Chou is in the hands of Japan and will remain there or revert to China; the African colonies have vanished; the grandiose schemes in Palestine and Mesopotamia have gone glimmering. The United States has sequestrated German property; Brazil has followed suit; Turkey is bankrupt; Austria-Hungary cannot pay for years to come; Russia has repudiated her obligations. True, Germany has placed its money in Russian industrial and commercial enterprises, and not in government bonds; but these investments are as good as lost unless Russian credit be rehabilitated. On the other hand, the Russian nation will some day make good its $8,000,000,000 of obligations to France, the United Kingdom and the United States. The Bolsheviki Soviet has, of course, repudiated all foreign debts; but the time inevitably will come when Russia must seek an outlet for its products, and secure capital for industrial expansion and the development of its wonderfully rich natural resources. When that hour strikes, peace and good government will make the nation's credit good.

German financiers were unable to restrain their glee when the Bolsheviki announced the repudiation of all foreign obligations. It was asserted that France would take years to make up its loss of $4,000,000,000 in Russia; and that this loss, together with the war debt, would cripple French finance. And so it appeared on the surface. Yet sober second thought has made it clear to even the extremists in Russia that sound credit is the corner-stone of international commerce; that without credit standing the products of Russia will be unable to find a market; and that without outside financial aid Russia's industrial and commercial future is hopeless. Already the Bolsheviki leaders have informed the American ambassador, Mr. Francis, that Russia's support can be won most quickly and effectively by a loan from the Entente Allies. The lesson has been quickly learned. Loans are not granted to the absconder and the morally bankrupt. The sane, conservative elements in Russia are bound to come to the forefront, be it soon or late; and that great country will thereupon assume its rightful place among the family of nations.

Both domestic and foreign trade were carried on largely by the use of credit before the war. Canada, in proportion to population, was one of the heaviest borrowers in the world. We had constructed our railroads, our canals, our cities and public utilities largely on borrowed capital. It had become the fashion, just prior to the outbreak of war, to assert that the borrowing process must cease; that the nation must now turn to the production of wealth. The criticism was absurd.

There is nothing wrong, whether in theory or in practice, in borrowing. Our biggest and most progressive corporations have been, and must continue to be, borrowers. The banks operate on borrowed capital. Every alert business man must borrow. The individual who has made the biggest commercial or financial success in life, at some stage or other in his career, has been a heavy borrower. It is impossible to conceive of the functioning of modern business without the use of credit. The real point that needs careful consideration is, of course, the use to which such funds are put.

Canada to Continue a Borrowing Nation.

Canada, then, and every other country in the like stage of development must be a borrower for years to come. Our resources have hardly been scratched. A veritable empire is still in the making in the West. Just consider this one fact: the province of Saskatchewan has scarcely 15 per cent. of its arable lands under cultivation. The Hon. James Calder announced while still minister of railways of the province, that there was imperative need for the quick construction of 5,000 miles of branch railroads, to open up and connect virgin territory with the main trunk lines. The stock industry, farming, mining and lumbering are still in the pioneer stage in the prairie provinces. Their future is assured: but it is a far bigger future than most of us have ever envisaged. The alleged over-expansion of public building of all kinds in the West will be found to be, in effect, under-expansion when the great tide of European immigration shall have set in once more toward our shores.

Canada is Not Over-equipped.

Certainly, all our past and future borrowing must be for a purpose. The vast economic equipment that has been constructed in this country during the past decade must be put to productive use. It is being put to such use. Instead of the country being over-equipped, the factories, farms, mines and railways are scarcely able to meet the demands placed upon them. It is of after-the-war conditions, however, that we are mainly concerned. To keep the nation's credit good—and that is of imperative importance—not a single bit of machinery or equipment must be allowed to remain idle. The object of the vast expenditures, of the past, on economic equipment was the production of wealth. Unless we can produce efficiently and in sufficient volume what the world needs the fabric of Canadian credit will collapse. But there is no danger of that. Canadian business men and Canadian labor can, on their war record, face the future with confidence.

Let it never be forgotten, however, that this country must be a borrower for years to come. And until we are wealthy enough to supply our requirements the greater part of the necessary capital must come from abroad. Hitherto Canada has depended upon the United Kingdom and the United States for loan funds. Both these markets have been largely closed to us during the course of the war. Thrown upon its own resources, the nation has shown astonishing financial strength—astonishing to itself, its friends, and enemies alike. The government, from first to last, has asked the people for $450,000,000 to finance the war. They responded with the offer of $982,000,000. At the close of hostilities, however, we must seek funds in outside markets, both on government and private account.

London Will Retain Its Position.

Many have predicted that New York will displace London as the financial centre of the world. We do not believe it; and there is little or no evidence to support it. For the United States is also in the pioneer stage—the stage of swift commercial and industrial expansion and of economic development. Its population is increasing at the rate of more than 1,000,000 per annum; and it will be a long time before it reaches the point of saturation. That means, every ten years, an addition to the Republic's population greater than the entire population of Canada. The United States will be put to it to finance its own domestic requirements. And—without going at length into the question at the present time—it must be remembered that the customs and habits of the commercial world cannot be altered over-night. What London has hammered out in a century of hard work, New York cannot achieve in a day by the accident of war.

But will London have the money to finance the empire, and the pioneer nations of the world? Will English credit survive the strain of prolonged war? Sir George Paish, the distinguished editor of the "Statist," has recently asserted that British credit is stronger than ever; that it will not only carry every war-time burden that may be imposed upon it, but that it will emerge from the struggle strong and triumphant. Where does the key to this enigma lie? In the tremendous development of banking and investment in the United Kingdom before the war; in the fact that war expenditures have been made in large part upon permanent industrial equipment; in the preservation of British foreign trade; in the maintenance of the gold standard. British credit is sound to the very core.

In conclusion it may be said, then, that there is only one type of loan that Canada cannot rely upon for the future—the kind of loan that the speculator and the gambler demand. For normal credit purposes, credit for the actual production of wealth in manufacturing, mining and agriculture, there will be available in London all the capital required. There is, therefore, no need or room for the pessimist in Canada. There is, moreover, no need for any crisis at the close of the war, whether financial or industrial. Should stagnation come upon the nation's economic life it will be due to wilful carelessness and neglect.

As only a part of the temporary Victory Loan bonds had been exchanged for definitive bonds on the first of June, the government issued an announcement authorizing banks to pay the six months' interest on the temporary certificates.

TRANSFERS OF STOCK

Endorsement and Delivery Held by Oklahoma Court to be Legal Transfer

BY M. L. HAYWARD, B.C.L.

"This certificate is transferable only on the books of the corporation by the holder hereof in person, or by attorney, upon surrender of this certificate properly endorsed."

The foregoing paragraph, or one to the same general effect is printed on every stock certificate, and transfers of stock certificates and the rights of the various parties concerned are questions of considerable importance. In this connection, a case recently decided by the Oklahoma Supreme Court, is one which lays down some important principles, and will repay a careful perusal, as it would, no doubt, be followed by the Canadian Courts under the same circumstances.

In the case referred to—Litchfield vs. Henson Oil Company—the facts were as follows:—

One, W. L. Norton, was the holder of a certificate for 200 shares of the Henson Oil Company, and by an assignment in due form he transferred the stock to the Exchange Land Company. When the Exchange Land Company forwarded the certificate to the Henson Oil Company, to have it transferred upon the books of the company, the secretary returned the certificate to the Exchange Land Company, refused to register the transfer, and, by Norton's request, the following entries were made upon the transfer book of the Henson Oil Company:—

Disclaims Having Assigned Stock.

"This certificate, No. 6, has never been pledged by me (referring to Norton), but is out of my possession, and I hereby apply for its reissuance, and direct that it be reissued to L. A. Rowland."

Acting upon this entry the Henson Oil Company reissued Certificate No. 6 to L. A. Rowland, as directed by Norton. A few months later the Exchange Land Company, by a proper resolution, sold the stock transferred to it by Norton, as above stated, to one R. S. Litchfield, and Litchfield brought suit against the Henson Oil Company in order to compel them to recognize him as the owner of the 200 shares of stock, and to account to him as a stockholder. The Henson Oil Company claimed the stock by virtue of its reissuance to Rowland, as above stated, as Rowland was holding it as collateral security for a debt which Norton owed to the Henson Oil Company. Litchfield claimed the stock by the above purchase and transfer from the Exchange Land Company.

The laws of the State of Oklahoma, at the time, provided that:—

"Whenever the capital stock of any corporation is divided into shares, and certificates therefor are issued, such shares of stock are personal property, and may be transferred by indorsement by the signature of the proprietor, or his attorney or legal representative, and delivery of the certificate; but such transfer is not valid except between the parties thereto, until the same is so entered upon the books of the corporation as to show the names of the parties by and to whom transferred, the number or designation of the shares, and the date of the transfer."

The stock certificate in controversy also provided that it was "transferable only on the books of the corporation by the holder in person, or by attorney, upon surrender of this certificate, properly indorsed."

Reissued Certificate Held Void.

The Supreme Court of Oklahoma held that, as the requirements of the certificate itself had not been fulfilled, the reissued certificate to Rowland was void as against the rights of Litchfield, the holder of the original certificate.

"Shares of stock in a corporation organized under the laws of Oklahoma," said the Court, "are personal property, and may be transferred by indorsement and delivery of the certificate; and, where such shares of stock when issued provide that they are transferable on the books of the corporation only on surrender of the certificate, such provision is binding upon the corporation, and it cannot reissue such stock without the surrender of the original certificate to a person in whose name they stand on the books of the company, and thereby escape liability to a person who holds such stock by assignment and delivery of the same. Such reissued stock is fraudulent and void as against the rights of the bona fide holder of the original.

"Applying the rule laid down in this case to the case at bar, it would seem that the transfer of the stock 'by indorsement by the signature of the proprietor' (Norton) to the Exchange Land and Oil Company vested the title in the stock assigned in that company; and, of course, the subsequent assignment thereof to the plaintiff (Litchfield) had the effect of vesting title thereto in him, as in the case of ordinary personal property. It is well known that stock certificates of all kinds have been construed in such a way that they have become the basis of commercial transactions in all the large cities in the country, and are sold in open market the same as other securities; and, whilst they are neither in the form or character of commercial paper, they approximate it as nearly as practicable. The reissuance of the stock to Rowland, to be held as collateral security for the Henson Oil Company, was not an ordinary business transaction, nor can we find any authorization therefor in the law. On the contrary, as an Oklahoma case holds, 'such reissuance of the stock is fraudulent and void, as against the right of the bona fide holder of the original.'"

CALEDONIAN INSURANCE COMPANY

The Caledonian Insurance Company, whose 113th annual report for 1917 appears in this issue, is the oldest Scottish insurance company, and one of the oldest insurance companies in the world. The report for 1917 indicates the success which has accompanied the sound and reliable policy which it pursues.

The net premiums for 1917 were $2,735,750, a considerable increase over the amount for the preceding year. Losses were slightly higher, but other expenses lower. The surplus is $277,365 as compared with $243,865 for 1916, and there is now $717,480 at the credit of the profit and loss account. The amount in the fire insurance fund is $1,930,155. The life and annuity fund is $17,384,695, or less than last year, and the total funds are $21,100,575.

The company has been writing fire insurance business in Canada since 1883, and for the past seven years its Canadian business has been under the management of Mr. John G. Borthwick, of Montreal. The net premiums for the year amount to $438,103, a considerable increase over the previous year. The loss ratio is 55.87 as compared with 66.41 in 1916, a very satisfactory decline. The company enjoys an excellent reputation in Canada.

CANADA'S RANK AS A FARM PRODUCER

In a recent publication, issued by the Canada Food Board, an interesting statement was given regarding Canada's standing as a farm producer.

Referring to the production of pork, it was stated that, in 1916, Canada's net exports amounted to 130,304,947 pounds, compared with Britain's imports of 1,261,082,032 pounds. The average of Canada's beef exports for the last three years was 20,680,000 pounds, compared with the British imports of 1,077,154,000 pounds.

Twelve years ago Canada exported 33,880,074 pounds of butter, compared with Britain's normal imports of 452,795,264 pounds. In 1916, Canada's net exports of butter dropped to 6,993,100 pounds, compared with British imports of 209,148,784 pounds. Sixteen years ago Canada's net exports of eggs amounted to 10,862,536 dozen. In 1916 the net exports dropped to 2,128,500 dozen.

The following table shows the number of hogs, cattle and sheep produced to the hundred acres by various nations:—

	Hogs.	Cattle.	Sheep.
Great Britain	5	16	52
Canada	3	6	2
Australia	..	8	58
Ireland	7	..	..
United States	8	8	6
France	6	12	13
Italy	4	10	21
Holland	19	29	12
Denmark	22	25	3
Germany	14	16	4
Argentina	..	..	15

AGRICULTURE IN PRINCE EDWARD ISLAND

Production for 1917 Less Than for 1916, But Greater Than for Preceding Years

The annual report of the Department of Agriculture of Prince Edward Island reviews the results of 1917 as follows:—

"The past year has been a successful one for the mixed farming pursuits of the Prince Edward Island farmer. True it is, that problems of new and serious importance have been felt, but a timely anticipation has done much to guide the welfare of the usual undertakings safely past the danger points. The labor problem, the appeals, and the demands of the markets, and the urgent patriotic duty to increase the production of the herds and fields, have in turn and in combination, been admirably dealt with by all concerned. In all parts of the province, there is evidence of sincere and well organized effort to arouse a full consciousness of the dependence upon our own resources, as a part of Canada, for the continuance of our share in prosecuting the war.

"The provincial production for 1917 will compare favorably on an average basis with a number of preceding years and in total valuation will exceed all others. Compared with 1916 crop production was approximately ten per cent. less, while the return from the herds and flocks was at least ten per cent. greater.

"The season just past has been a striking example of the rapidity of growth known to be a prominent factor of 'The Island's' agriculture, and due in no small measure to the responsiveness of the soil. The spring season opened with more cold, wet weather than is usually expected and proved to be a strain on the past winter's supply of fodder. Seeding was late throughout the greater part of the province, but it was followed so closely by warmth and growth, that the result can only be expressed as phenomenal.

"The pastures, although late, were full, but much of the hay was termed 'light' or 'lacking body.' On the higher land where growth commenced earlier, the hay crop was reported as average or over average. The rapid, short season, especially when it ended in dry, warm weather, left a part of the grain crop, with a short period of ripening, which has caused a lack of proper filling. This will apply more especially to the oat crop, and will bring home a demand for seed that will leave a smaller proportion to fill the export demand that has grown to be an established trade during late years.

"The wheat crop which has always held a permanent place in the rotations of the province, principally for home consumption has been increased and is proving of valuable assistance in reducing the demand on the nation's supply. The past season's crop was affected in some quarters by the ravages of the joint worm, associated with blight. This has reduced the yield per acre, but through the increased acreage, the full yield has been well maintained.

"Root crops in general gave an average yield, though reduced in acreage on account of labor shortage. The harvesting season was more acceptable than that of 1916, and will result in a better keeping of the crop. Potatoes were increased in acreage from 10 to 20 per cent., depending on the section, and have given a usual heavy yield. A large part of the crop has been marketed and a surplus remains for further shipments with sufficient for home consumption and seeding. Spraying for late and early blights is becoming a general practice and is proving of value beyond anticipation, especially as it not only improves the yield, but greatly improves the keeping quality, and allows the general use of varieties that were formerly prohibitive through rot. The hope is that a full appreciation of such work will develop the markets that the province merits and can supply.

"The year's production of live stock has furnished a report that is an improvement over past records. An increase in quantity is in evidence and on account of high market prices the industry promises to assume a standard of quality that will prove more of a balance than we have often been led to report.

"With quality and quantity as recognized and related factors of importance, especially for the markets of to-day, the province is in a position to advance, and advance it must, or lose an opportunity. Regret can be expressed that our production is not greater, and the factor of over-production is so remote that a greater effort will most surely bring greater returns. Gratification comes with knowing that many of the principal classes of farm stock are being gradually increased as evidenced by the sales of the past season and the retaining of breeding stock for future use.

"The dairy industry, a provincial pillar, is showing an increase of small, but reliable proportions. Instruction and demonstration work is now being backed by sales, according to quality and the affect is influential toward a more reliable progress. A proper regard for the factors that influence improvement in the dairy cow is being shown. During the past season, a ready market was open for the producer of medium to low standard. Through this procedure we can hope for the raising of the average production.

"Sheep raising has marked a greater increase during the past year than for some time past. The co-operative wool sale at unthought of prices, with the high ruling of the market for lambs and breeding sheep has revived a kindly regard for the 'golden hoof' that will remain. Swine are also being kept in greater numbers by virtue of bacon being demanded for the soldiers, which has directed promoting influences toward that class of stock. Poultry raising is gaining in rapid proportions, largely due to the co-operative influences exerted by that division of the Live Stock Branch, operating in the province. The trade in horses has been constant, but is not receiving as much attention as formerly. Buyers are more discriminating, but are willing to recognize the 'good' horse and pay a remunerative price.

"The campaigns for increased production, economy of consumption and kindred subjects, in which we have participated during the past, have engendered a regard for our agricultural work that will mean much toward its future development. The problem of a falling production, especially when associated with a need, has brought a keen regard for the underlying elements of "stock-taking." Markets are now being studied and forecasted with an accuracy that was not previously taken as a possibility. Supply and demand will no longer be accepted as elementary factors governing present markets, but will be taken as forces of vital importance in their bearing on future production. A standard of quality will bear its relation to the country or person of its origin and will be a trade mark for its acceptance or refusal. In short, haphazarded method and unorganized effort has had its day, and the future has much in store for the advocates of concerted action.

"The underdraining of farm lands has marked steady progress. A number of farms have been surveyed and a considerable area of otherwise partially productive land has been underlaid with tile through the operation of the traction ditcher purchased by the Department of Agriculture. This work is filling a long-felt need and is only in the initial stages of its development.

"The Rural Science Department of the Prince of Wales College, through its teaching, is developing a definite and lasting regard for the underlying principles of agriculture, through the teachers in training, and through the home projects and school fairs held throughout the province.

"The Women's Institute Branch has also established an important phase of training, for a useful education, in giving the girls of the city schools the benefit of a household science course. Such work is also being carried on through a number of local women's institutes and household science short courses."

NEWFOUNDLAND BOND ISSUE

The syndicate which last week purchased $3,000,000 of Newfoundland 6½ per cent. bonds has secured another $1,000,000 of them. The $3,000,000 were entirely disposed of almost immediately, and a considerable part of the additional $1,000,000 has, it is understood, already been sold. The selling price is the same, viz., par and accrued interest.

The Maritime Linen Mills, Limited, has been incorporated with a capital of $24,000 to manufacture worsted and linen goods. The new company will establish its plant at Moncton, N.B., taking over the machinery and raw material of the Eastern Linen Mills, formerly of Dorchester, N.B.

The crop outlook in New Brunswick, so far as weather and soil conditions are concerned, was never better than it is this year. The acreage under cultivation will be somewhat less than last year. It is expected that in both potatoes and grains the returns will exceed those of last year.

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STOPPING THE NATIONAL WASTAGE

During the past fortnight, attention has again been called to the necessity for still further economies. Sir George Foster in speaking of the cost of the war to Canada, said we had no idea of the burden that was resting on the country and would be for years to come. "The gospel of thrift," he said, "must sift into the Canadian people; it is making progress but the goal is not yet reached." There seems, in fact, to be a general agreement upon this point. It is when the question of ways and means is discussed that differences of opinion arise. During the past two weeks, however, two or three events have impressed upon us the necessity and advisability of further increases in taxation. There is no lack of evidence of ability to bear a much heavier burden than is at present imposed. Taxation in Canada is much lighter than in Great Britain, but even there it was reported the other day that musical instruments, which if not luxuries, are, at least, not articles of necessity, are in greater demand than ever before.

In our own case in Canada, while imports have been heavily taxed, the income tax, even as revised this year, merely touches the surface, and the individual who restricts his expenditures to necessities or near-necessities has a large margin still. In fact, were this not the case, there would be no necessity whatever for such government regulations as those regarding the consumption of food and other restrictions of expenditure.

President Wilson, in addressing a joint session of Congress on the 27th of May, emphasized the same point. "Only fair, equitably distributed taxation," he said, "of the widest incidence and drawing chiefly from the sources which would be likely to demoralize credit by their very abundance, can prevent inflation and keep our industrial system free from speculation and waste. We shall naturally turn, therefore, I suppose, to war profits and incomes and luxuries for the additional taxes."

There could be no more direct acknowledgment of the fact that economy is more satisfactorily realized by taxation than by any other means, and by cutting off the income of the individual, unnecessary expenditure is prevented at its very source. This is the case with the income tax, and once the machinery for collection is created in Canada, an increase in the tax will involve little or no increase in the cost of collection. Taxation of the incomes of corporations is the next great source to which the President referred. In this case, income is obtained immediately after its acquisition and before it is distributed among individuals. The war profits tax or excess profits tax is merely a special case of the business profits tax, which is considered a fit subject for a special high rate of taxation.

In the report of the Cost of Living Department on millers' profits, the fact that millers' profits have increased enormously since the commencement of the war appears to be clearly established, but the method of dealing with these excess profits that is recommended by the report is not that of legislation of a regulative character, but as the report states: "It is clear the only way to reach the profits of the milling companies is to increase the tax on the net profits on total investment for the year." The same point is brought out in the speech of President Wilson mentioned above. "Profiteering that cannot be got at by restrictions of conscience can be got at by taxation."

The simplest and obviously the most effective method of restricting private expenditure, is taxation, which taps springs of extravagance at their very source. The best judge of individual necessities is always the individual himself, and a more satisfactory result can be secured by permitting the individual to decide upon what he shall expend his income, than by prescribing it by government regulations.

THE NEW DEBENTURE STOCK

The new debenture stock of the Dominion of Canada, issue of which was announced at Ottawa by Sir Thomas White on May 31st, will furnish a satisfactory temporary investment for parties having funds in hand, pending the appearance of a new domestic war loan. The average investor is constitutionally averse to having his funds idle; and in cases where individuals or corporations come into possession of blocks of investment capital during the summer months, the chances are that unless some special investment like the debenture stock referred to were available, much of the money would become permanently fixed in securities other than the national war bonds. With the interest rate at 5½ per cent., the debenture stock conforms reasonably to the prevailing market; and, as it is likely that the next war loan will bear a slightly higher rate, the debenture stock bought meantime will be converted into the war bonds. In case of this issue small capitalists may participate—for the stock is in denominations of $50 and multiples thereof. It may be had in terms of one, two or three years from June 1st, 1918. By means of the stock issue and the war savings certificates, it is assured that the government will receive for war purposes a larger proportion of the savings and other accumulations of the people during the next three or four months.

As regards the war loan, it is understood that the arrangements therefor are now being made. Although the question of amount has not yet been definitely settled, the expectation in financial circles is that the issue will be for $300,000,000. With the banks and other financial institutions in sound condition, and good crop prospects in Western Canada, it may be assumed that the country will again respond whole-heartedly to the government's appeal. War loans already issued in the domestic market have an aggregate of $750,000,000. This represents approximately $95 per capita, or, say, $475 per family. If the new loan in the fall is for $300,000,000, that flotation will bring the total of domestic loans to $1,050,000,000. Even when allowance is made for the fact that Americans took perhaps $75,000,000 or more of the first four domestic loans, it will constitute a wonderful performance for Canada, with less than 8,000,000 population, to have raised over a billion dollars in a little more than three years for war purposes. The fact that we hold so large a proportion of our national debt will count importantly in our favor when the post-bellum financial settlements are being worked out. A billion dollars in domestic war loans will represent roughly $125 per capita; and when that is accomplished we shall still be slightly ahead of the United States in the matter of amount of war loans raised at home relatively to population.

The financial experts are aware that the energetic labors of all the participating organizations will be required to make the prospective loan the success that it should be. Although the figure now mentioned as the probable amount of the loan, is considerably less than the Victory Loan, it is to be remembered that war taxation since effective, will impair the subscription capacity of some of the parties who took large amounts of the preceding war issues. The income tax payable next month will absorb some funds that formerly were available for war bonds; and the increase of the income tax rate provided for in the recent budget, will make further inroads upon the investment funds of the wealthy and of the corporations. Thus Canada is obliged to look more and more to the small savers and parties of moderate means. Wherever possible or practicable, these parties should arrange now to save or provide in such manner as to enable them to take up more of the new loan than they took of the Victory Loan.

PIONEERS IN BANKING ON THE PACIFIC

During the past twenty-five years, the province of British Columbia has made enormous industrial progress, and its banking business has grown accordingly. The year 1871 saw British Columbia united with Canada politically, but it was not until 1885 that railroad connections were completed. From this year, the progress of commercial and financial unification was rapid.

Two of the earliest bankers to be sent from the east to British Columbia are also two of the veteran bankers of the Dominion. Mr. Wm. Godfrey, manager of the Bank of British North America in Vancouver, has been in the province since 1890, and Mr. H. H. Morris, superintendent of Pacific Coast branches of the Canadian Bank of Commerce, has been there since 1898. Both of these bankers joined their respective banks in 1875. Mr. Godfrey entered the service of the Bank of British North America in Kingston as a junior, became accountant in Halifax in 1883, in St. John in 1885, in Montreal in 1889, and manager at Vancouver in 1890. Mr. Morris joined the Bank of Commerce at Toronto, and became accountant at Hamilton in 1880. In 1886 he was appointed manager at Barrie, and in 1898 manager at Vancouver. The latter year marked the extension of the bank's business to the Pacific Coast. When the Bank of British Columbia was amalgamated with the Bank of Commerce in 1901, Mr. Morris became inspector, and in 1907 received his present appointment as superintendent of the Pacific Coast branches of the Bank of Commerce.

When the western representative of *The Monetary Times* was in Vancouver a few weeks ago, Mr. Godfrey called his attention to an editorial which appeared in *The Monetary Times* of November 25th, 1898. Under the heading "Animated Banking Proceedings," this editorial called attention to the "frantic rush made by different banks to be first in the field in the far west of Canada." One branch was started in a Rossland barber shop and another in a tent and later in a log hut at Dawson City. At Greenwood, B.C., a banking business was commenced under a cotton sign, and gold or checks were received on a billiard table. Banking business was even transacted at the dining tables of a restaurant. The experience of the past twenty-five years, however, has unquestionably justified the aggressive efforts put forth by the Canadian banks and amply repaid the initial expenditures. Mr. Godfrey and Mr. Morris have both played an active part in developing the province and we hope to see them complete a half century of service in the banking sphere.

Mr. J. D. McGregor, director of labor, Canada Food Board, says that seeding was never so well advanced in the history of the west as it is this year. It is up to the men in non-essential industries now to plan to help with the harvest.

"Let me draw the attention of the farmers of Canada to the grave need of planting every acre in wheat that is in shape to grow it. There should not be an idle man in Canada to-day who is physically fit to work"—Hon. T. A. Crerar, Minister of Agriculture for Canada.

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up - - - - $16,000,000
Rest - - - - - $16,000,000
Undivided Profits $1,784,979
Total Assets - - - $426,322,096

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Reserve Fund $13,500,000

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The large number of branches of this Bank in all parts of Canada enables it to place at the disposal of its correspondents unexcelled facilities for every kind of banking business with Canada, and especially for collections.

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INCORPORATED
1855

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HEAD OFFICE, TORONTO, CANADA

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Reserved Funds.. $ 6,555,306

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ESTABLISHED 1875

IMPERIAL BANK OF CANADA

CAPITAL PAID UP $7,000,000
RESERVE FUND - 7,000,000

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HEAD OFFICE - - TORONTO

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THE MANAGER, BOND DEPARTMENT,
TORONTO

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RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Burnaby, B.C.—May 31—One of the British Columbia electric stations was destroyed.

Cloverdale, B.C.—May 27—House of Mr. and Mrs. Baner on the Pacific highway was destroyed. Estimated loss, $1,000.

Halifax, N.S.—May 31—Paint shop at the Nova Scotia Car Works was damaged. Estimated loss, $6,000.

Hamilton, Ont.—June 1—House of Mrs. Lane, 46 Main Street, was damaged. Cause reported as incendiarism.

Huntsville, Ont.—June 1—Store and stock of the Huntsville Trading Company was damaged. Estimated loss, $14,000.

Newcastle, N.B.—May 30—Residence of Thomas Maltby was damaged.

New Westminster, B.C.—June 1—Plant of the Brunette Sawmills was damaged. Estimated loss, $25,000.

Niagara Falls, Ont.—May 31—Stock pens in Grand Trunk yards were destroyed. Estimated loss, $60,000.

Poplar Island, B.C.—May 31—New Westminster Construction and Engineering Company's plant was damaged. Caused by the burning out of a 125 horse-power electric motor. Estimated loss, $1,200.

Port Robinson, Ont.—May 26—House of Mr. Smith was damaged.

Thorold, Ont.—June 2—Pulpwood pile of the Ontario Paper Company was damaged. Estimated loss, $50,000.

Vancouver, B.C.—May 29—Dwelling of R. H. Wise at 1378 Pender Street West was damaged.

May 31—Premises occupied by A. T. Martin, bicycle dealer, 319 Main Street, were damaged.

Vermont, Que.—May 30—The Y.M.C.A. at Island Pond was damaged.

Welland South, Ont.—June 4—Home of John Rumsan was damaged.

Welland, Ont.—June 4—Planing mills owned by Frank Rounds were damaged. Estimated loss, $10,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Quebec, Que.—May 8—Foundry and pattern department of the plant of La Fonderie de Victoriaville, Limiteé, was destroyed. Loss on stock, including patterns, $10,000; on building, $3,000. A total insurance of $5,000 was carried. The following companies are interested: Mutuelle de Commerce, Nationale de Paris and the London Mutual Fire Insurance Company.

Steveston, B.C.—Cannery buildings and wharf, owned and occupied by the Steveston Cannery Company, Limited, were damaged. Estimated damage on stock, $5,725; on buildings, $500. A total insurance of $7,500 was carried. The following companies are interested: Nova Scotia Insurance Company, $2,000; Connecticut Fire, $5,000; Springfield, $500. A few dwellings on the estate of the late David Mackey were damaged.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 23-32	1 25-32	....
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	4.8350	4.8375	4.86
Cable trans.	4.8460	4.8485	4.87

Rate in New York:—Sterling demand, 4.75⅜.
Bank of England rate, 5 per cent.

A pamphlet has been issued by the Toronto Stock Exchange, entitled "Safeguarding the Investor." The services of the exchange and of its members are outlined and the various facilities for safe investment. A complete list of the members of the Toronto Stock Exchange is also given.

BANK CLEARINGS

The following are the bank clearings for the weeks ended May 31st, 1917, and May 30th, 1918, respectively, with changes:—

	Week ending May 30, '18.	Week ending May 31, '17.		Changes.
Montreal	$ 73,666,953	$ 88,359,388	—	$14,692,435
Toronto	64,269,439	66,780,889	—	2,511,450
Winnipeg	36,972,260	65,511,313	—	28,539,053
Vancouver	10,156,268	7,601,091	+	2,555,177
Ottawa	5,306,992	5,358,805	—	51,813
Calgary	4,663,118	6,744,510	—	2,081,392
Hamilton	4,698,092	5,034,577	—	336,485
Quebec	3,858,998	4,395,463	—	536,465
Edmonton	2,564,740	2,660,845	—	96,105
Halifax	3,406,370	3,081,816	+	324,554
London	1,947,013	2,054,561	—	107,548
Regina	2,445,617	3,122,983	—	677,368
St. John	1,775,605	2,252,152	—	476,547
Victoria	1,497,944	1,790,232	—	292,288
Saskatoon	1,415,298	1,871,375	—	456,077
Moose Jaw	999,034	1,109,103	—	110,069
Windsor	843,522	....		....
Brandon	435,035	420,611	+	14,424
Brantford	777,126	827,924	—	50,798
Fort William	456,504	663,080	—	206,576
Lethbridge	651,869	888,863	—	236,994
Medicine Hat ...	370,946	534,091	—	163,145
New Westminster .	404,389	345,323	+	59,066
Peterboro	587,047	671,787	—	84,740
Sherbrooke	661,362	755,983	—	94,621
Kitchener	478,289	607,372	—	129,083
Total	$225,309,830	$273,444,139	—	$48,977,831

The Toronto bank clearings for the current week are $65,655,472, compared with $58,788,191 for the same week in 1917, and $51,892,167 in 1916.

MAY BANK CLEARINGS

The following are the bank clearings for the months of May, 1917, and May, 1918, respectively, with changes:—

	Month of May, 1918.	Month of May, 1917.		Changes.
Montreal	$389,506,210	$391,895,064	—	$ 2,388,854
Toronto	305,204,996	284,304,551	+	20,900,445
Winnipeg	181,967,144	286,596,748	—	104,629,604
Vancouver	43,706,931	33,163,457	+	10,543,474
Ottawa	28,427,575	26,152,598	+	2,274,977
Calgary	25,517,397	29,986,696	—	4,469,299
Hamilton	22,474,328	22,195,355	+	278,973
Quebec	19,883,493	19,711,081	+	172,412
Edmonton	14,035,462	11,566,060	+	2,469,402
Halifax	18,093,975	13,931,665	+	4,162,310
London	10,828,125	9,968,629	+	859,496
Regina	13,680,376	12,905,464	+	774,912
St. John	9,742,078	9,444,776	+	297.302
Victoria	8,793,527	2,193,090	+	6,600,437
Saskatoon	7,358,180	7,584,121	—	225,941
Windsor	5,791,876	....		....
Moose Jaw	5,577,273	4,759,882	+	817,391
Brandon	2,179,844	2,193,090	—	13,246
Brantford	4,366,775	3,868,011	+	498,764
Fort William	2,880,028	2,747,505	+	132,523
Lethbridge	3,480,367	3,622,051	—	141,684
Medicine Hat ..	1,878,426	2,638,579	—	760,153
New Westminster.	1,989,714	1,458,012	+	531,702
Peterboro	3,190,908	2,867,036	+	323,872
Sherbrooke	4,184,991	3,386,030	+	798,961
Kitchener	2.946.572	2,905,448	+	41,124
Total	$1,137,686,571	$1,192,044.999	—	$60,150,304

The Toronto bank clearings for May are $305,204,996, compared with $284,304,551 for the same month in 1917, and $230,467,743 in May, 1916.

MILLIONS STARVING ALREADY

Deaths from starvation in Europe are estimated by the United States Food Administration at 4,750,000 since the war began as compared to 4,250,000 killed by fighting.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital - $4,866,666.66
Reserve Fund - $3,017,333.33

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This Bank has Branches in all the principal cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

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Savings Department at All Branches

THE MOLSONS BANK

Capital Paid-Up, **$4,000,000** Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

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BANK OF NOVA SCOTIA
ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital paid-up - $ 6,500,000
Reserve Fund - 12,000,000
Total Assets over 130,000,000

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Carbonear
Catalina
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BOSTON CHICAGO NEW YORK (AGENCY)

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France—Credit Lyonnais.

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INFLUENCE OF WAR ON MORTALITY

Heavy Toll Being Taken in England—Greatest Increase at Age of Twenty

The April Journal of the Institute of Actuaries, which has just come to hand, contains the results of an investigation by Mr. J. Burn, F.I.A., actuary of the Prudential Assurance Company, of the mortality experience of a very large number of policies on male lives assured under industrial policies.

The toll which the war is taking of the young and vigorous life of Britain is strikingly shown by a comparison of the actual rates of mortality experienced by the Prudential at ages 16 to 60 in the years 1913 and 1915-17.

For example, at age 20, the death rate, which was, in 1913, not quite 4 per 1,000, had risen to 20 per 1,000 in 1915, advanced to over 37 per 1,000 in 1916 and mounted to over 47 per 1,000 in 1917.

At age 30, the death rate in 1913, which was almost 5 per 1,000, was over 11 per 1,000 in 1915, over 19 per 1,000 in 1916 and 26 per 1,000 in 1917. Whilst at the older ages the increases are not so marked, yet at age 35 the death rate experienced in 1917 was over three times, and at age 40 almost double that in 1913.

Mortality Figures are Reliable.

As a comparison of the mortality experienced by the Prudential in 1913, a peace year, with that shown by the English Life Table No. 8, reveals a very close agreement, especially at the military ages, the figures above are a fair index of the extra mortality due to the war. The table given below reproduces in part that given by Mr. Burn:—

Death Rate per 1,000—Male Lives.

Age.	English Life Table No. 8.	Prudential experience. 1913.	1915.	1916.	1917.
16	2.59	2.90	4.67	4.04	3.74
20	3.48	3.97	20.08	37.31	47.42
25	4.00	4.41	13.76	25.72	35.07
30	4 78	4.99	11.68	19.15	26.01
35	6.24	6.42	11.18	14.88	20.97
40	8.11	7.98	11.19	11.52	14.52
45	10.89	11.21	12.58	11.30	11.54
50	14.82	16.09	17.81	15.51	14.13

LIFE INSURANCE RETURNS FOR BRITISH COLUMBIA

Business for Year Ended 31st December, 1917

On this page is a statement of life insurance business in the province of British Columbia for the year ended December 31st, 1917, prepared by Mr. H. G. Garrett, superintendent of insurance for the province. About 75 per cent. of the business it will be observed, is done by the ten largest companies, including three United States companies, viz., the Metropolitan Life, the New York Life and the Prudential.

The amount of life insurance in force in the province, viz., $95,309,232, is just a little less than 10 per cent. of the total in force in the Dominion, while the population of British Columbia is considerably less than 10 per cent. of the total population of the Dominion. The proportion per head is accordingly high as compared with the rest of Canada, and especially so if the foreign-born and Indian population were omitted. In the case of some companies, however, the proportion is higher. Some of these are as follows:—

	Prop. of business, British Columbia.
Crown Life	18%
Monarch Life	28%
Royal Insurance	31%
New York Life	12%

The life companies have investments in British Columbia totalling $16,000,000, about half being in mortgages and the balance in other securities. Most of the companies have their investments divided fairly evenly between these two forms, but the Confederation Life, Great-West Life, New York Life, Norwich Union and Standard Life have the most of their investments in mortgages, while many of the other companies invest almost all their funds in other securities.

Name of Company.	Premiums for the Year.	Number of Policies, new and taken up.	Amount of Policies, new and taken up.	Number of Policies in Force at Date.	Net Amount in Force.	Net Amount of Policies become Claims.	Claims paid including Matured Endowments.	Amount invested in British Columbia. On Mortgages.	On other Securities.
1. Canada Life Assurance Co.	$ 192,371 52	479	$ 878,860 00	2,431	$5,983,407 00	$ 91,519 00	$ 80,419 00	$ 600,664 31	* $1,353,356 48
2. Capital Life Assurance Co. of Canada...	1,740 90	2	4,500 00	12	30,000 00	*Nil.*	*Nil.*	*Nil.*	* 34,658 25
3. Confederation Life Association.........	145,685 39	775	1,390,320 00	2,845	5,230,371 00	71,706 00	65,041 00	1,410,562 22	* 244,260 10
4. Continental Life Insurance Co..........	30,846 50	74	1,175 00	527	863,837 00	7,000 00	7,500 00	3,000 00	* 83,210 24
5. Crown Life Insurance Co...............	79,670 69	....	460,250 00	....	2,631,603 00	11,541 35	20,875 00	40,600 00	* 61,026 40
6. Dominion Life Assurance Co.	14,458 25	31	51,375 00	275	481,375 00	1,000 00	2,040 00	86,950 00	* 38,151 13
7. Equitable Life Assurance Society of U.S.	78,968 71	70	138,000 00	1,055	2,280,866 00	28,742 65	20,884 65	386,000 00	* 328,497 00
8. Excelsior Life Insurance Co............	44,525 92	....	302,000 00	....	1,182,708 00	12,069 20	13,566 70	*Nil.*	*Nil.*
9. Great West Life Assurance Co..........	447,141 86	....	2,070,310 00	....	11,483,388 00	141,763 55	121,396 75	543,058 16	23,460 27
10. Gresham Life Assurance Society........	4,878 98	....	6,500 00	....	113,015 00	*Nil.*	*Nil.*	*Nil.*	*Nil.*
11. Imperial Life Assurance Co...........	132,662 97	512	911,373 00	1,890	3,630,000 00	21,564 20	16,962 20	133,779 65	* 308,956 30
12. London Life Insurance Co.......	16,149 98	235	344,000 00	427	649,850 00	6,113 00	11,199 00	*Nil.*	* 217,275 70
13. London & Lancashire Life & General Assurance Association, Ltd........	30,399 00	54	152,154 00	....	....	18,908 25	26,408 25	*Nil.*	* 134,475 50
14. Manufacturers Life Insurance Co......	61,990 29	85	249,651 00	835	1,536,803 00	19,000 00	14,000 00	2,099 70	* 596,220 97
15. Metropolitan Life Insurance Co .... Ordinary	148,339 17	1,465	1,290,000 00	5,536	4,685,000 00	39,431 94	37,931 94	....	....
Industrial	166,628 30	9,398	1,150,000 00	36,179	4,445,000 00	41,074 19	40,580 69	5,585 00	* 1,082,597 00
16. Monarch Life Assurance Co...........	96,843 36	....	1,244,990 00	....	3,038,025 00	12,427 46	14,427 46	17,555 34	* 21,423 71
17. Mutual Life Assurance Co. of Canada...	297,430 69	601	1,132,561 00	4,376	8,111,680 00	115,342 00	105,442 00	555,156 86	* 759,948 46
18. Mutual Life Insurance Co. of N.Y......	91,805 23	100	245,064 00	1,636	3,275,325 00	90,946 00	76,473 00	*Nil.*	*Nil.*
19. National Life Assurance Co. of Canada.	50,123 16	97	190,928 00	....	1,135,538 00	36,930 00	19,430 00	*Nil.*	206,973 00
20. New York Life Insurance Co...........	341,782 67	596	1,105,445 00	4,436	9,380,297 00	208,296 65	197,423 89	1,052,500 00	† 18,300 00
21. North American Life Assurance Co. ...	151,286 40	394	738,810 00	2,409	4,487,357 00	37,889 25	38,637 05	589,900 82	* 740,367 64
22. Northern Life Assurance Co. of Canada.	11,460 26	....	148,500 00	171	321,550 00	4,202 20	3,000 00	5,000 00	* 95,581 26
23. Norwich Union Life Insurance Society..	421 87	....	*Nil.*	....	8,350 00	*Nil.*	*Nil.*	117,500 00	† 33,846 67
24. Phoenix Assurance Co., Ltd...........	11,166 02	16	29,500 00	147	412,675 00	8,305 50	7,303 00	*Nil.*	*‡§ 51,798 74
25. Prudential Insurance Co. of America .... Ordinary	72,755 69	780	892,838 00	2,552	2,742,178 00	23,853 32	27,353 32	....	....
Industrial	112,518 07	5,814	1,043,081 00	20,533	3,172,222 00	50,391 95	49,140 50	*Nil.*	*§ 337,937 11
26. Royal Insurance Co., Ltd.............	71,232 30	90	278,222 00	856	2,423,573 00	33,318 53	88,593 53	*Nil.*	§ 26,523 17
27. Sovereign Life Assurance Co. of Canada	23,510 63	145	320,000 00	....	712,435 00	6,000 00	6,000 00	*Nil.*	* 37,000 00
28. Standard Life Assurance Co. ‖	32,172 43	23	67,000 00	391	933,887 00	27,680 00	14,559 53	305,000 00	† 115,991 55
29. Sun Life Assurance Co. of Canada......	300,850 80	421	710,123 00	4,394	8,488,555 00	139,050 00	152,600 02	1,374,254 83	* 1,415,566 29
30. Travelers Insurance Co...............	13,777 45	39	115,500 00	136	447,662 00	2,000 00	2,000 00	*Nil.*	† 361,000 00
31. Travellers Life Assurance Co. of Canada	3,139 26	1	1,000 00	45	111,000 00	*Nil.*	*Nil.*	*Nil.*	*Nil.*
32. Union Mutual Life Insurance Co.......	16,702 18	14	34,000 00	302	545,500 00	19,590 86	17,585 90	*Nil.*	† 129,966 67
33. Western Life Assurance Co............	11,596 65	145	273,000 00	....	334,200 00	*Nil.*	4,000 00	4,774 15	*Nil.*
	$3,313,039 55	....	$18,631,030 00	....	$95,309,232 00	$1,327,657 05	$1,302,779 93	$7,233,941 04	$8,858,369 70

* Book value. † Par value. ‡ Market value. § Including loans on policies. ‖ Year ended November 15th, 1917.

THE BANK OF OTTAWA

Established 1874
94 Branches in Canada

Capital paid up -	$4,000,000
Rest - - -	$4,750,000

A BANK WELL EQUIPPED TO SERVE THE PUBLIC

Drafts, Money Orders and Letters of Credit issued

Interest added half-yearly to Savings Balances

Toronto Branches: Cor. King East & Victoria Sts., Cor. Broadview Ave. & Gerrard St. Cor. Queen St. & Pape Ave.

1

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler - President
W. D. Matthews - Vice-President
C. A. Bogert - General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Home Bank of Canada

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

The Standard Bank of Canada

Established 1873 130 Branches

Capital (Authorized by Act of Parliament) $5,000,000.00
Capital Paid-up 3,381,270.00
Reserve Fund and Undivided Profits 4,534,863.63

DIRECTORS

W. F. Cowan, President. W. Francis, K.C., Vice-President.
W. F. Allen, F. W. Cowan, T. B. Greening, H. Langlois, James Hardy, F.C.A., Thos. H. Wood.

Head Office, 15 King St. West TORONTO, Ont.
C. H. EASSON, General Manager.
J. S LOUDON, Assistant General Manager.

SAVINGS BANK DEPARTMENT AT ALL BRANCHES

THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital, $7,000,000 Total Deposits (Dec. 1917), $103,000,000
Reserve Funds, 7,421,292 Total Assets (Dec. 1917), 136,000,000

Board of Directors:

President - - - SIR H. MONTAGU ALLAN Vice-President - - - K. W. BLACKWELL

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F. Orr Lewis
Andrew A. Allan
Lt.-Col. C. C. Ballantyne
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F. Howard Wilson
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Thos. Ahearn
Lt.-Col. J. R. Moodie

Managing Director - - - - - - E. F. Hebden General Manager - - - - D. C. Macarow
Supt. of Branches and Chief Inspector: T. E. Merrett

AN ALLIANCE FOR LIFE

Many of the large Corporations and Business Houses who bank exclusively with this institution, have done so since their beginning.

Their banking connection is for life—yet the only bonds that bind them to this bank are the ties of service, progressiveness, promptness and sound advice.

236 Branches in Canada, extending from the Atlantic to the Pacific

New York Agency: 63 and 65 Wall Street

Bankers in Great Britain: The London Joint Stock Bank, Limited; The Royal Bank of Scotland

37

ONTARIO'S METALLIFEROUS PRODUCTION

Falling Off in Most Metals, But Production of Nickel and Iron Ore Increases

Returns received by the Ontario Bureau of Mines for the three months ended March 31st, 1918, are tabulated below. For purposes of comparison the quantities and values are given for the corresponding period in 1917:—

Summary of Metalliferous Production—First Quarter of 1918.

Product.	Quantity. 1917.	Quantity. 1918.	Value. 1917.	Value. 1918.
Gold (ounces)	127,692	113,387	$2,601,760	$2,265,521
Silver (ounces) ...	3,945,957	4,114,856	2,831,873	3,740,843
Cobalt (metallic) (lbs.)	84,710	37,545	78,668	75,625
Cobalt oxide (lbs.)	83,014	81,760	66,798	130,486
Nickel oxide (lbs.)	5,495	......	550	......
Nickel (metallic) (lbs.)	......	44,154	......	17,662
Other Cobalt & nickel compounds (lbs.)	118,292	143,381	13,695	18,386
*Nickel in matte (tons)	10,141	9,677	5,070,410	5,806,200
*Copper in matte (tons)	5,063	4,727	2,025,227	1,748,990
Copper ore (tons) ..	1,507	......	44,097	......
Iron ore (tons)	23,035	32,530	58,205	127,916
Pig iron (tons)	163,020	148,752	2,743,441	3,948,209
Molybdenite, concentrates (lbs.)	25,073	17,410	32,202	24,548
Lead, pig (lbs.) ...	263,046	60,283	27,290	5,066

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*Copper in matte was valued at 20 cents and nickel at 25 cents per pound in 1917. For 1918 the values have been placed at 18½ and 30 cents per pound, respectively.

Gold.

Production for the quarter shows only a small decrease which is a creditable showing considering the various handicaps under which gold miners are laboring. The Hollinger Consolidated had an increase in production which was offset, however, by the closing down of the Dome mill. The Croesus mine in Munro township has closed down temporarily. At Kirkland Lake, a new producer, the Lake Shore, has been added to the list. During the quarter 262,577 tons of ore were milled with a recovery of 113,387 ounces of gold and 20,221 ounces of silver, as compared with 350,916 tons milled during the corresponding period in 1917. Hollinger produced 68,804 ounces of gold and McIntyre 21,461 ounces, the next largest producer being the Porcupine V.N.T. The Patricia Syndicate at Boston Creek expect to have their new mill in operation about June 1st.

Silver.

Shipments of silver for the first quarter of 1918 show a small increase in quantity and a considerable increase in value. The average New York price for the period was 87.5 cents per fine ounce, or nearly 12 cents increase, as compared with the corresponding period in 1917. The passing of the Pittman bill in the United States recently has established, virtually, a price of $1 per ounce. Companies shipping one quarter million ounces or over are named in order: Nipissing, Kerr Lake, Mining Corporation of Canada, Buffalo, O'Brien and Coniagas. The Mining Corporation of Canada has been remodelling its mill in order to re-treat a large tonnage of tailings from the Cobalt Reduction mill. At the McKinley-Darragh a new 200-ton oil flotation plant has been put in operation. Of a total of 4,114,856 ounces shipped, 20,221 ounces are credited to silver recovered from gold ores.

There were treated at Southern Ontario refineries during the quarter 1,242 tons of ore and concentrates and 1,483 tons of residues from Cobalt and out-lying silver camps. Silver bullion recovered was 1,610,989 ounces, worth $1,394,599. In addition, arsenic, cobalt and nickel oxides and sulphates, nickel carbonate, metallic nickel and metallic cobalt were produced. Of the latter, 22,752 lbs. were used in the manufacture of "stellite," which is a cobalt alloy used as a high speed cutting tool. One feature of note is the great increase, 100 per cent., in value of cobalt metal and oxide due to the increasing uses and demand for these products.

Production from Copper Cliff and Coniston smelters for the quarter shows a small decrease as compared with the same period in 1917. Ore was raised from the Creighton and Crean Hill mines of the Canadian Copper Co., the Alexo, and the following mines of the Mond Nickel Company: Garson, Victoria No. 1, Worthington, Levack and Bruce. Of a total of 354,689 tons raised, about 70 per cent. came from the large and rich Creighton ore body. There were 325,386 tons of ore smelted in the period with a resulting product of 17,992 tons of nickel-copper matte.

The British-America Nickel Corporation has acquired a site to erect its $1,000,000 refinery on the Quebec side of the Ottawa River, between Aylmer and Hull. The new refinery of the International Nickel Company of Canada at Port Colborne is nearing completion.

Iron Ore and Pig Iron.

Shipments of iron ore were made from the Helen and Magpie mines of the Algoma Steel Corporation. Hematite ore from the Helen is shipped to the Magpie where it is mixed with siderite ore and roasted. The entire shipments from the Magpie went to the Sault blast furnaces. From Moose Mountain, Limited, Sellwood, shipments were made of magnetic concentrates, briquetted and converted to hematite in a kiln. Only 447 long tons were exported to the United States during the quarter. At Sault Ste. Marie, Port Colborne, Hamilton and Deseronto eight blast furnaces were in operation. The tonnage smelted was 34,552 tons of Ontario ore and 260,476 tons from the United States. As shown by the table, the output of pig iron was considerably less than for the corresponding period last year.

Molybdenite.

Molybdenite ore, to the extent of 1,295 tons, was treated by the Mines Branch, Ottawa, and by the Renfrew Molybdenum Mines, Limited, at Mount St. Patrick. The output of the last-mentioned company is shipped direct to France. There are works at both Orillia and Belleville for the production of ferro-molybdenum.

Lead.

The entire output of pig lead resulted from the operations of the Galetta lead mine and smelter owned by the Jas. Robertson Estate, Montreal. During the quarter 3,347 tons of ore were mined. The smelter operated during the last few days of March only. Operations by the Kingston Smelting Company ceased in December of last year.

OSHAWA SELLS BONDS

The town of Oshawa has sold a block of $38,000 bonds to Messrs. Neely's, Limited, of Toronto. These bonds bear interest at the rate of 6 per cent., and are payable in twenty annual instalments.

BRITISH CROWN ASSURANCE ACQUIRED

The Eagle, Star and British Dominions Insurance Company is absorbing the British Crown Assurance Corporation of London, England. No particulars regarding the transaction have as yet been received here. At December 31st, 1917, the British Crown Assurance Company had $24,827,820 of insurance in force in Canada. During the year 1917 $229,620 was received for premiums, and $156,147 was paid out for losses. The Eagle, Star and British Dominions has $16,705,127 of insurance in force in Canada; net cash received for premiums, $121,042, and net amount paid for losses, $71,789.

The head office of the British Crown Assurance Company is in London, England, and the registered office in Glasgow. It was incorporated in 1907, and commenced to write fire insurance in Canada in 1911. The present manager for Canada is Mr. J. H. Riddel, who was originally in the company's Glasgow office, then in London, and later as assistant manager of the Canadian office in Toronto. He became manager for Canada in May of last year.

Dale and Company are the Canadian agents of the Eagle, Star and British Dominions Insurance Company.

The post-office revenue in St. John, N.B., in 1917 was $221,846, as compared with $209,470 in 1916.

THE STERLING BANK
OF CANADA

Not as an expense, but rather as an investment, is the way in which this institution views the service rendered to its customers.

Head Office
King and Bay Streets, Toronto 75

The National Bank of Scotland
Limited
Incorporated by Royal Charter and Act of Parliament. Established 1825

Capital Subscribed...... £5,000,000 $25,000,000
Paid up 1,000,000 5,000,000
Uncalled 4,000,000 20,000,000
Reserve Fund 800,000 4,000,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL - - - - $ 19,524,300.00
RESERVE FUND - - - - 14,375,000.00
RESERVE LIABILITY OF PROPRIETORS - - - - 19,524,300.00
$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917 - - - - $285,767,140.00

J. RUSSELL FRENCH, General Manager
334 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.
HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C., 2.
AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

ESTABLISHED 1865
Union Bank of Canada
Head Office - WINNIPEG

Paid-up Capital - - - - $ 5,000,000
Reserve - - - - - 3,400,000
Total Assets (Over) - - - 140,000,000

BOARD OF DIRECTORS
Hon. Pres., SIR WILLIAM PRICE President, JOHN GALT, Esq.
Vice-Presidents, R. T. RILEY, Esq.; G. H. THOMSON, Esq.

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H. B. SHAW, Gen. Manager
J. W. HAMILTON, Assistant General Manager

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches.

London, Eng., Branches, 6 Princes Street, E.C., and West End Branch, Haymarket, S.W.
New York Agency, 49 Wall Street, New York City.
Geo. Wilson, Agent.

The Bank, having 305 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies.

Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world. 199

BANK OF HAMILTON
HEAD OFFICE, HAMILTON
Capital Authorized $5,000,000
Capital Paid Up 3,000,000
Surplus 3,500,000

DIRECTORS
SIR JOHN HENDRIE, K.C.M.G., President.
CYRUS A. BIRGE, Vice-President.
C. C. Dalton
Robert Hobson
W. B. Phin
I. Pitblado
W. A. Wood
J. Turnbull

J. P. BELL, General Manager.

BRANCHES
ONTARIO
Ancaster
Atwood
Beamsville
Blyth
Brantford
" East End
Burlington
Caledonia
Chesley
Delhi
Dundalk
Dundas
Dunnville
Fordwich
Ft. William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St.
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
Lucknow
Midland
Milton
Milverton
Mitchell
Moorfield
Neustadt
New Hamburg
Niagara Falls
Niagara Falls, S.
Oakville
Orangeville
Owen Sound
Palmerston
Paris
Port Arthur
Port Colborne
Port Elgin
Port Rowan
Princeton
Selkirk
Simcoe
Southampton
Teeswater
Toronto
" Queen & Spadina
" College & Ossington
" Yonge & Gould
West Toronto
Wingham
Wroxeter

MANITOBA
Bradwardine
Brandon
Carberry
Carman
Dunrea
Elm Creek
Foxwarren
Gladstone
Hamiota
Kenton
Killarney
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
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Carievale
Caron
Dundurn
Estevan
Francis
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Mawer—Melfort
Meota
Moose Jaw
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Redvers | Regina
Rouleau
Saskatoon
Stoney Beach
Truax
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ALBERTA
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Calgary
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Champion
Granum
Nanton
Oyen
Stavely
Taber
Vulcan

BRITISH COLUMBIA
Armstrong
Kamloops
Port Hammond
Salmon Arm
Vancouver
Vancouver E.
N. Vancouver
S. Vancouver (Cedar Cottage P.O.)

MORTGAGE LOANS ASSOCIATION OF MANITOBA

Loans are in Good Condition—Important Results Accomplished in Legislation

The annual general meeting of the Mortgage Loans Association of Manitoba was held on May 15th, in Winnipeg, with the president, Mr. Paton, in the chair. The report of the executive committee was presented as follows:—

"Your executive beg to report that the year just ended has been freer from legislation of a disturbing nature than has characterized its three immediate predecessors.

"Although such is the case, we are still laboring under oppressive enactments of former years, and your committee have endeavored from time to time to get as much relief from these as possible.

Seed Liens (Provincial).

"Early in the fall your executive urged on the provincial treasurer that every effort be made to collect from the proceeds of the 1917 crop all amounts advanced by Manitoba municipalities for seed grain purposes. He agreed to bring this matter to the attention of the secretary-treasurers of the various municipalities. Later in the year we were advised that the government had advanced $404,222.65 to the municipalities for seed grain advances and that this sum had been repaid in full. It was found, however, that while this was the case many of the farmers had not repaid the advances received from the municipalities, and a list of these defaulting farmers was recently obtained and a copy sent to each member of the association.

"Further representations were made to the provincial treasurer that if the government made any advances in future to the municipalities for seed grain, the municipalities should be required to collect the same from the resulting crop and in any event should not be permitted to register the indebtedness as a charge against the land taking priority to first mortgages. The treasurer expressed his approval of the principle involved and gave your executive committee to understand that the Seed Grain Act would be repealed and a special act passed at each session when required, such act to apply only to the ensuing season. This has not yet been done but your executive hope that the treasurer's promise will be fulfilled next session.

Noxious Weeds Act.

"In February your executive held a joint meeting with the executive of the Manitoba Grain Growers' Association, and, as a result of the representations of the latter body, it was decided not to oppose the desire of the municipalities to restore their right to charge the expense of destroying noxious weeds in the same manner as taxes. A bill was passed during the session restoring the old conditions, and suggestions made by the Grain Growers and your representatives were incorporated as follows:—

"1. That a non-resident owner might nominate to the secretary-treasurer some resident of Manitoba as his agent; and in such case, if the value of any work exceeds $25, the weed inspector is required to notify such agent by registered letter giving the owner 15 days within which to destroy the weeds himself if he desires to do so rather than have it done by the municipality.

"2. Not more than $150 against 160 acres in one year may be charged for destruction of noxious weeds save with the written approval of the provincial weeds commissioner.

Dower Act.

"This is one of the acts regarding which your executive thought it advisable to instruct the solicitor of the association to attend the House while these were under discussion before the committee; and while he did not challenge its principle, he succeeded in securing some changes which were desirable from a mortgagee's standpoint, such as, 'Nothing in this act shall alter, affect or prejudice the rights of any party under any contract entered into or obligation assumed or security given or agreed to be given prior to the coming into force of this act'; also, the act prescribes forms of affidavits, acknowledgment, etc., and provides that where these forms are complied with in good faith, no mortgagee or other person acquiring an interest in land is bound to make inquiry as to the truthfulness of the facts alleged but upon delivery of an instrument purporting to be completed in accordance with the act the same shall be valid and binding.

"The general effect of the act, which comes into effect on September 1st next, is that a married man can make no disposition of the home (rural, 320 acres; urban, 6 lots) without the written consent of his wife; also he cannot by will dispose of the home save subject to the wife's life interest and a wife is entitled to at least the equivalent of a one-third interest in the husband's entire estate notwithstanding the provisions in any will made by him.

War Relief Act.

"This act was originally passed in 1915 and amended in 1916 and 1917. This previous legislation was with certain amendments consolidated into a new act, which, while it did not meet all the suggestions preferred by your committee, nevertheless, is a great improvement on the legislation hitherto in force. The following changes should be noted:—

"(1) Protection is extended to the naval and air services and to draftees under the Military Service Act.

"(2) Rent is included as among 'necessaries,' debts for which carry no privilege save that the ordinary right of distress against a soldier's family is withheld.

"(3) A mortgagee is now entitled to the rentals or rentable value from all premises whether occupied by soldiers' families or not to the extent of overdue interest, insurance and taxes, with the right to recover possession, but not to distrain against a soldier's family in the event of non-payment.

"(4) Contracts made after enlistment are given no privilege.

"(5) Where a soldier's interest is, in the opinion of a district registrar shown to be only nominal, such official may allow proceedings to go forward.

General.

"Your committee gave considerable attention to the question of Dominion seed grain liens and the efforts which were being made to expedite their collection as well as to effect some arrangement with the Dominion government for the equitable apportionment of liens registered against two or more quarter-sections concurrently. Various memoranda were submitted by the secretary of the Dominion Mortgage and Investments Association to which replies were formulated embodying suggestions for the consideration of the minister of the interior. This and other Dominion matters, as well as questions affecting other provinces, have been dealt with very fully in the bulletins from the secretary of the Dominion Association and your committee feel that it is unnecessary to add anything thereto."

The president then discussed the year's business as follows:—

"The report just read by the secretary is somewhat lengthy and covers almost all of the activities of the executive during the past year, so that there does not remain much for me to say in moving its adoption.

"It will be recalled that early in the year Mr. W. D. Love was appointed secretary, our former honorary secretary, Mr. W. Bain, having expressed his wish to be relieved of the duties of that office. We have reason to congratulate ourselves on this appointment, Mr. Love having been most assiduous in his attention to the interests of the association, and his work has been such that the duties of the president have, to a large extent, been nominal.

Changes in Executive.

"The members of the executive have taken an active interest in the questions under discussion from time to time. We have had the misfortune to lose the counsel of three of them during the year—namely, Messrs. Strathy, Fontein and Pickett. Mr. Strathy had served the association long and well; had been my immediate predecessor in the presidency, and it will be remembered how enthusiastic he was in doing all the work that fell to his lot while in that office. He has left us, as you are aware, by reason of his promotion with his company in Toronto. Mr. Fontein was one of the most regular in attendance at the meetings while on the board and his interest was always of a most intelligent nature. I am sure that I speak the mind of the other members when I express the hope that he may soon find another outlet for the exercise of his ability and in which advantage may be had of his experience. Owing to his frequent absences from town since his election to the board, Mr. Pickett was unable to give the association that benefit which I am sure he would have given had he been here. He is to be congratulated on his promotion to a position which he is well qualified to fill.

"Through the courtesy of its president, I had the privilege of attending the annual meeting of the Dominion Mortgage and Investments Association in Toronto in March last. It was most interesting and profitable to meet so many men

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Capital (authorized) $6,000,000 Capital (paid up) $1,431,200

Rest and Undivided Profits $920,202

A general banking business transacted at all branches

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Ashcroft
Marpole
Quesnel
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VANCOUVER
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Victoria

MANITOBA
Arden
Beausejour
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Brandon
Crandall
Glenboro
La Riviere
Melita
Miniota
Pierson
Pipestone
Rathwell
St. Boniface
Ste. Rose du Lac
Somerset
Sperling
Steinbach
Stonewall
WINNIPEG
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Portage and Sherbrooke
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William and Sherbrooke

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Alameda
Allan
Aneroid
Balcarres
Bladworth
Borden
Brock
Cadillac
Dubuc
Dunblane
Dundurn
Duval
Earl Grey
Fiske
Fleming
Foam Lake
Glen Ewen
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Hanley
Harris
Holdfast
Imperial
Kenaston
Kinley
Lancer
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Liberty
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Macoun
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Marengo
Maymont
Moose Jaw
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Plato
Ponteix
Portreeve
Prelate
Qu'Appelle
Quill Lake
Regina
Rockhaven
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Inwood
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Mallorytown
Napanee—Odessa
OTTAWA
Sparks St.
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Wellington St.
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Scotland
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engaged in mortgage loaning and to hear the papers contributed by some of the members. I had the pleasant duty of reading one prepared by one of our own members, Mr. Crossin, and you will be pleased to know that it was much appreciated. There were two business sessions, morning and afternoon. The Saskatchewan Association was represented by Mr. Thom, its solicitor, and the Alberta Association by Mr. McKay, of the Manufacturers' Life, both of whom were called upon to speak. A dinner was held in the evening at which several addresses were given, the principal speaker being Sir Robert Falconer, president of the Toronto University, who gave us a most inspiring address on the economic conditions brought about by the war, and the duty devolving on us as citizens during the reconstruction period after it has ceased.

"We are pleased to have with us to-day Mr. Appleton, the secretary of the Dominion Association. He has been attending the annual meetings of all the associations west of us and he will, no doubt, have something of interest to say to us.

Policy of Government re Farm Loans.

"There is one item of interest which has not been dealt with in the report, that is, a visit made by the members of the executive and a few others interested in mortgage loaning, to the members of the provincial government a few days ago. The object of the interview was to learn, if possible, the intentions of the government as to their continuing the mortgage lending scheme adopted by them a year or so ago, the result of which scheme so far seems to have mainly been to take good investments from other lenders. We had quite a discussion in the premier's office, and while we did not get much encouragement, we were given the assurance, both of the premier and the treasurer, that the Farm Mortgage Association are not lending at less than cost as we supposed. Evidently, they have had access to some cheap money, but this is not likely to last and already the government has had under consideration the increasing of the rate of interest to 6½ per cent. We had the further assurance of these two ministers that they would not lend under cost, and as soon as they ascertain that they cannot afford to lend at the present rate, an increase will be made; and I think that we shall not have long to wait for this increase, as it is difficult to see how the present rate can be maintained in the face of existing conditions in the money market."

Mr. Appleton, the secretary of the Dominion Mortgage and Investments Association, was present at the meeting, and in the course of his remarks mentioned the necessity of adopting certain amendments to the constitution of the Dominion Association, the desirability of printing a year book, and the improved relations existing between the provincial loaning associations and the respective provincial governments. A report was also submitted by Mr. A. L. Crossin, who represented the association at the Farm Mortgage Bankers' Convention at Minneapolis. Mr. John Paton was re-elected president for the coming year, and Mr. A. S. Bond was elected vice-president.

LA BANQUE NATIONALE

In spite of a falling off in demand deposits, the annual statement of La Banque Nationale indicates good progress during the year. Savings deposits, on the other hand, have increased by almost $1,000,000. The profits for the year are $435,283, as compared with $417,622 last year. The dividend rate has been raised from 8 per cent. to 9 per cent. per annum, so that an additional charge of 1 per cent. on the capital stock of $2,000,000, or $20,000 per annum, has been incurred. It had been decided to increase the dividend rate as soon as the reserve fund equalled the capital stock, which was the case at the end of the last financial year. The sum of $100,000 was again appropriated to reserve this year, and additional reserves were set aside for buildings and furnishings. The balance in profit and loss is now $35,249.03.

Circulation shows a large increase for the year, viz., almost $700,000. A balance of $5,444,435 is owed to the Dominion government.

The bank's specie, Dominion notes and deposit in the central gold reserve have been increased from $3,354,645 to $4,219,081. A remarkably large increase in holdings of Canadian government securities has taken place, viz., from $1,800,000 to $4,461,000. Holdings of Canadian municipal, British and other public securities have, on the other hand, been reduced from $2,849,997 to $1,503,746.

La Banque Nationale has completed its fifty-seventh year of business. The board of directors has changed very little during the past twenty-three years, Mr. R. Audette still being president, and Mr. N. Lavoie, general manager.

THE CANADIAN SUGAR SUPPLY

There seems to be every prospect of considerable sugar being obtained for Canada from Hawaii. A total of 25,000 tons has, it is reported, been arranged for to be shipped to Vancouver for the British Columbia Sugar Refinery. Already one ship has arrived. It is expected that the Hawaiian crop this year will be about 600,000 tons. Ordinarily, about one-third goes to Atlantic ports; this year, however, the tonnage is not available and railroad transportation is congested, and the result may be that more than usual will arrive at Pacific ports.

INCREASED PRODUCTION AND LABOR PROBLEM

"The province of Alberta has brought distinction and no small honor to itself by its heroic efforts to meet the national call and needs at this time," said Mr. Charles S. Hotchkiss, of the publicity department of the province of Alberta, to *The Monetary Times* last week in Edmonton. "Early in the year, as everyone knows, there was a national call for 'greater production,' and the manner in which this province rallied to the call has brought distinction and honor in no small degree. Having already given nearly thirty-five thousand of its sons for battle in France, the great question was not land for production, but men to work the land. This problem was faced by the provincial government and the farmers of Alberta in a very practical way. Although it seemed at first that sufficient farm help could not be found, it was found, and within thirty days after seeding commenced there was reported an actual surplus of farm labor in that province. This was the result of united and intelligent co-operation between the provincial government and all the local organizations.

"Special representatives were sent out, calling for men. Each city held its public meetings, calling for the release from mercantile institutions of all men qualified to work on the land. Provincial farm labor bureaus were opened in all the leading cities, and this co-operation resulted in overcoming the great need for farm help.

"The season opened about three weeks earlier than usual, and the weather continued favorable for seeding operations and permitted the farmers to utilize their forces to the fullest extent.

"The provincial government undertook, in addition to the programme above referred to, to split the province into thirteen different zones, and to place a qualified agriculturist in charge of each to assist the farmers in solving their problems for greater production. These men have motor cars and a regular office with assistants, and report all needs for help of every nature. Arrangements have been made to use these men in the special capacity of field agents for a period of not less than four months.

"The outlook to date is that a very large increase in production may be confidently expected. Although the exact acreage will not be known until a little after the middle of June, the minister of agriculture believes that there will be an increase of not less than 40 per cent. in the acreage seeded this year. If so large an increase actually takes place, it will reflect great credit not only on the government forces, but on the people of that new province, which shows, in a measure at least, sensitiveness of the national needs and demands. A few days ago its leading farmers' organization (the United Farmers' Association) resolved to cheerfully accede to the government's call to give its young men off the farms for military service. This, in counter distinction to the super-loyalists of Ontario, is at least refreshing.

"The extraordinary crops produced by that province during the past three seasons has awakened an interest in its lands that is bearing fruit to-day, as the call for land from men with means and the practical farmers of the south is greater than ever before. During the past three months the transactions of land transfers exceeds by more than 50 per cent. any previous season. The majority of this land is reported to be purchased for the purpose of immediate crop production, many tractors and complete farming outfits being purchased simultaneously with the land. Consequently, there is a very bright outlook for a still larger increase in production for 1919. Should they be rewarded with another good crop this year, and every indication points to that end, nothing can stem the tide of an extraordinary immigration into that splendid district."

Incomes for Dependents

It is often considered a wise plan to provide a fixed revenue for those who are dependent. The most convenient method of establishing a steady income is to create a Trust Fund to be administered by a Trust Company, which invests the original sum, and remits regular payments to the beneficiary. We request any person interested to write or call for full particulars about our management of Trust Funds.

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Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

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Let us suggest that you write or ask for YOUR copy of our recently-published brochure on WILLS. It will interest you and give you conclusive reasons also for the appointment of a corporate instead of an individual Executor and Trustee.

Ask at the same time for YOUR copy of farm land listings. These are assets arising out of estates in process of being wound up and where it is necessary to realize. Prices and terms moderate.

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The Absence of a Will

The law gives you the privilege of governing by a will the distribution of your property after your death.

Lacking a will, the law requires your property to be divided in a fixed, definite way, according to the number and nearness of your surviving relatives.

The latter method may give results quite different from the ones you would have wished.

Have your will drawn by a lawyer. About executorship, ask for our booklets, or consult us.

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18-22 KING STREET EAST, TORONTO

DEATH OF JOHN ROSS ROBERTSON

Founder of Toronto Telegram and Well-known Philanthropist Passed Away

On Friday, May 31st, Mr. John Ross Robertson died in Toronto of pneumonia, after about two weeks illness. Mr. Robertson was well known throughout Canada as the founder and proprietor of the Toronto "Telegram," as the patron of the Hospital for Sick Children, a prominent Freemason and a writer on historical subjects. The late Mr. Robertson was born in Toronto on December 28th, 1841, and was educated at Upper Canada College. During his early years he published several papers, including "Young Canada," "Sporting Life," and "The Grumbler." He was on the staff of the "Toronto Leader," "The Globe," and the "Daily Telegraph" for some time, and in 1876 he founded the "Evening Telegram." *The Monetary Times*, which appeared in 1867, in the form of a 16-page sheet, was first printed in his shop. It was through his generosity that the Hospital for Sick Children of Toronto was founded, and he contributed altogether about half a million dollars towards its support. He was chairman of the board of trustees, and took an active part in the management almost until his death. The Lakeside Home in the Island was also constructed largely at his expense. In the Toronto Public Library there is a collection of pictures and maps regarding the early history of Toronto and the surrounding districts, bestowed by him, which is said to be the finest in existence. In January, 1917, the late Mr. Robertson was offered a knighthood and a seat in the Canadian Senate, both of which he declined.

Freemason and Orangeman.

The late Mr. Robertson was not only a well-known Freemason, but also was the author of several volumes on the subject, notably the "History of Freemasonry in Canada." He was Master of King Solomon's Lodge, Toronto, in 1880, and Grand Master of the Grand Lodge of Canada in 1890. Mr. Robertson was also one of the oldest Orangemen in Toronto, having been a member of that order for 58 years. He was for many years president of the Canadian Copyright Association, of the Canadian Associated Press and honorary president of the Toronto Press Club.

NEW ELEVATORS FOR SASKATCHEWAN

The programme for 1918 of the Saskatchewan Co-operative Elevator Company includes the building of eleven new country elevators in the province of Saskatchewan. The elevators are expected to cost at least $140,000, and will have a combined storage capacity of 385,000 bushels. The elevators will be located at the following points: Scott, Vidora, Kinley, Beverley, Senate, Drake, Melfort, Surbiton, Glidden, Lawson and Tompkins.

INCOME TAX RETURNS

The time for making income tax returns to the Dominion government expired on May 31st. Letters are now being sent out by the commissioner of taxation to those who have not yet made out their returns, and those who fail to make returns after receiving notice will, it is stated, be subject to a penalty of $100 per day for every day of default.

CANADIAN TRADE BALANCE WITH UNITED STATES

The minister of finance has this week taken steps to remedy the acute exchange relations existing between Canada and the United States. The cause of the difficulty is the excessive trade balance against us. Gold has been shipped in large quantities to New York recently, as much as $4,000,000 having been sent within the past month. An embargo has been placed upon the export of gold coin, fine gold bars and gold bullion, unless under license obtained from the finance department. According to Mr. White, there is a danger that Canada's gold reserves would be seriously depleted.

An order-in-council has also been passed prohibiting the importation of certain goods except under license issued by the minister of customs on the recommendation of the War Trade Board. The classes of goods aimed at are the luxurious and non-essential, such as billiard tables and cues, pleasure boats, skiffs and canoes, sporting guns and rifles and the ammunition therefor, fishing rods, etc. A number of fruits and vegetables are also included which are either grown in Canada or whose food value is negligible. The list also includes automobiles valued at $1,200 and over, paintings, manufactures of gold and silver and of marble, etc.

SASKATCHEWAN LIFE INSURANCE COMPANY

According to the annual report of the Saskatchewan Life Insurance Company, which appears in this issue, their business is still undergoing a healthy and steady growth. The company was organized in 1915, with a paid-up capital of $100,000. It already has a surplus of $22,356 and a contingency reserve fund of $7,500. The losses for the year 1917 were $4,498, while the premium income was $71,165. This loss was somewhat less than for the previous year, although the company has about 50 per cent. more insurance in force. On December 31st, 1916, the amount of insurance in force was $1,626,364. During the year a total of over $1,000,000 was issued, and on December 31st, 1918, the amount in force was $2,315,306.

The expenses of management for the year were $48,809. This is an increase over the expenses of the previous year, but not as large as the increase in business. The excess of income over expenditure for 1917 is $38,123 as compared with $13,500 for the previous year. The number of policies issued during the year was 543, and the number in force is now 1,299.

The company confines its operations to the province of Saskatchewan, and in this way is able to keep its expenses low. It is the only company with head offices in that province, is owned and operated by local men, and 90 per cent. of the business is secured in rural districts. The company did contemplate securing a license to do business in Alberta, but decided that Saskatchewan alone offered a sufficiently wide field.

The president of the company is Mr. Charles Willoughby, and Mr. F. F. Conrod is managing director. The other directors are: Geo. H. Barr, Wm. H. Duncan, Thos. Less, David Low, Hon. W. M. Martin, A. A. Meneley, Wm. T. Mollard, H. O. Powell, J. W. Sifton. Mr. C. C. Sinclair, B.A., F.A.S., is the actuary for the company.

At the annual meeting on May 8th this report was adopted, and the same board of directors was elected. An interim report for the first four months of 1918 had also been prepared, which showed a further increase in all departments.

Every pound of food saved by each Canadian citizen is a pound given to the support of our army and our Allies. Every pound wasted or eaten unnecessarily is a pound withheld.

The Hamilton Provident and Loan Society

DIVIDEND No. 94

Notice is hereby given that a Dividend at the rate of Eight per cent. per annum has been declared for the half year ending June 30th, 1918, upon the paid-up Capital Stock of the Society, and that the same will be payable at the Society's Head Office, Hamilton, Ontario, on and after Tuesday, the 2nd day of July, 1918.

The Transfer Books will be closed from the 15th to the 30th of June, both days inclusive.

By order of the Board.

D. M. CAMERON, Treasurer.

Hamilton, May 31st, 1918.

THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 123

Notice is hereby given that a Dividend of Three per cent. for the quarter ending June 29th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid Up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after July 2nd, 1918, to shareholders of record at the close of business on June 15th, 1918.

By Order of the Board.

M. AYLSWORTH,
Secretary

London, Canada, May 27th, 1918.

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

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THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

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CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of TEN PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board.

GEO. H. SMITH, Assistant General Manager

Toronto, May 29th, 1918.

The Ontario Loan and Debenture Co.

DIVIDEND No. 124

Notice is hereby given that a QUARTERLY DIVIDEND of 2¼ PER CENT. for the three months ending 29th June, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd July next, to Shareholders of record of the 15th June.

By order of the Board.

A. M. SMART,
Manager

London, Canada, May 28th, 1918.

5½%
INTEREST
RETURN

INVEST YOUR SAVINGS
in a 5½% DEBENTURE of

The Great West Permanent Loan Company

SECURITY

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Reserves	756,580.13
Assets	7,168,537.29

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W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Office, No. 13 Toronto Street

Capital Account, $724,550.00 Reserve Fund, $590,000.00
Total Assets, $3,141,401.68
President, WELLINGTON FRANCIS, Esq., K.C.
Vice-President, HERBERT LANGLOIS, Esq.
Debentures issued to pay 5%. a Legal Investment for Trust Funds.
Deposits received at 4% interest, withdrawable by cheque.
Loans made on improved Real Estate on favorable terms

WALTER GILLESPIE, Manager

AGRICULTURAL CONDITIONS IN ONTARIO

Fall Wheat is Poor, But Other Crops and Produce are Promising

The following is a summary of reports made by agricultural representatives to the Ontario Department of Agriculture, up to May 27th, 1918:—

Spring grains were never more promising at this stage. Sowing is practically completed, although some oats remain to be put in in a few localities. Corn is already up in Essex, but elsewhere a good deal of the crop yet remains to be planted. Regarding the handling of silage, the Dundas representative makes the suggestion that if organized gangs for silo filling could be arranged the same as for threshing, it would help out considerably. Early potatoes are showing in Essex, and all over the province planting of the tubers is general. Reports from Essex state that Early Warren tobacco plants have been set out. Sugar beets and mangels are receiving much attention this season in many quarters and are being sown somewhat earlier than usual. The Huron representative states that onions in the form of Dutch sets are doing well in the Hensall and Exeter districts, and that many of the lots are an acre or more in size. The ground is working up nicely for hoe crops.

Although fall wheat has been considerably improved by the very favorable weather of the last two or three weeks, the heavy injury done early in the spring leaves the crop with the very poorest of prospects. Clover is growing fast, and gives promise of a fair general yield, even though many fields are rather spotted.

Livestock and Dairy Products.

Livestock have now plenty of pasture, and are fast improving in appearance. Good prices are offering for both beef and dairy animals, yet there is a tendency among some farmers to sell off stock owing to the scarcity of labor. Beef cattle are fetching from 12 cents to 15 cents a lb. Dairy cows are at a premium, commanding from $100 to $140, and in some cases $200 each. The milk flow is estimated as slightly in advance of the same period last year.

Hogs are being marketed at from $19.50 to $20 a cwt. The Peel representative reports that a farmers' club at Caledon has begun the co-operative marketing of hogs and cattle, and the experiment promises to be successful. People in towns and villages are buying young pigs at from $6 to $8 each. The Norfolk representative says that those who have pigs to sell now know that they were justified in keeping more sows. Feed difficulties, however, are hard to overcome.

There promises to be an increase in the number of sheep, as more land is being given to pasture. Wool is bringing from 60 cents to 65 cents a pound on Manitoulin Island. Grains and mill feeds are scarce and dear. Hay is plentiful, selling at from $15 to $18 a ton. There is a fair supply of straw and roots for roughage, but ensilage was never so scarce so early in the season.

There is still restlessness among farmers over the operation of the latest amendments to the drafting regulations, although the remarkably open weather for spring seeding has greatly eased the immediate labor situation.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended June 1st, 1918:—

La Rose Mines, 65,995; Buffalo, 65,910; Kerr Lake, 60,253; Nipissing Mining Company, 260,855; Mining Corporation of Canada, 325,785; McKinley-Darragh, 169,341. Total, 948,139.

The total shipments since January 1st now amount to 11,147,012.8 pounds, or 5.483.3 tons.

Despite the difficulty, we must produce more food than we have ever done before. Set apart all your land fit for growing crops and plant as much wheat as you can. Plan to bring as much new land under cultivation for another crop as possible, and thus increase acreage for next year. It will be needed then just as much as now.

CONDITIONS GOOD IN SASKATOON DISTRICT

Business Brisk in Saskatoon—Crop Conditions Favorable —Houses at a Premium

(Staff Correspondence.)

Saskatoon, Sask. May 31, 1918.

Crop conditions in the North Saskatchewan district are very favorable and present indications point to a record harvest. The season opened fully two weeks earlier than last year, seeding conditions being ideal. Several days of warm weather caused rapid germination and the wheat was well above ground. For the past three weeks, however, there has been very heavy frost at night, considerable rain has fallen, and on the 17th inst., there was a general fall of snow of four inches over all the North Saskatchewan district. This snow storm was appreciated more particularly along the Goose Lake line where the land was becoming somewhat dry. Some fear has been expressed that the earlier sown grain has been injured by the severe frost, but the cool weather following, together with the moisture in the ground has averted the danger which might have been caused under more adverse conditions. Growth will be very rapid now that the warm weather has arrived. There is a considerable increase in the acreage sown this year, due to the fact that there was more summer fallowing and breaking done last year than ever before. The farmers, with the prospect of another good crop, are increasing their holdings. The demand for improved lands is steadily increasing and the prices being paid, which range all the way from $20 to $65 per acre, are an indication of the confidence in the country, held not only by our Canadian farmers, but also by our neighbors to the south, numbers of whom have purchased land during the past three months.

Loan Situation.

The demand for money for farm loans is very good, caused by so many farms changing hands. Some of the loan companies are doing considerable business in this line at present. Interest rates are at the usual rate of 8 per cent.

Business Brisk in Saskatoon.

General conditions in Saskatoon have been quite brisk this spring. The house situation has been an interesting one, and quite a number of houses have changed hands and tenants have been constantly on the move looking for new homes.

The building trade is not as brisk as it was last year owing to the high cost of material and the scarcity of labor. Although quite a number of residences have been erected in various parts of the city rents are all up and there are very few vacant houses.

The J. H. Ashdown Hardware Company, who were recently burned out, have let a contract to erect a new building twice the size of the original one, work on which will start immediately.

All lines of business report improvement over last year and the outlook is very optimistic.

OUR RELATIONS WITH RUSSIA

Mr. C. F. Just, Canadian trade commissioner in Russia, arrived at Ottawa a few days ago after a difficult journey by way of Finland, Sweden and England. He declares that the Allies must not abandon Russia. While it is difficult to say just what is the best means of assistance at present, he favored the suggestions regarding the formation of commissions of the allied countries to establish the national services of Russia on a solid basis as soon as a responsible government has been formed. Before going to Russia in 1916, Mr. Just was Canadian trade commissioner in Germany.

The Russian government now is asking for a loan from the allied countries, and is apparently aware of the necessity for maintaining its credit abroad. There is accordingly not much chance that the repudiation of her foreign loans will be maintained. The National City Bank of New York has undertaken to pay the interest on the 5½ per cent. internal loan bonds which were sold in the United States in the fall of 1916 and in 1917. As regards actual assistance to Russia, it is proposed to purchase food and other supplies in other countries, including Japan, to assemble them in Siberia and distribute them in European Russia.

THE OLDEST SCOTTISH INSURANCE OFFICE — FOUNDED 1805

CALEDONIAN INSURANCE COMPANY

Extracts from the One Hundred and Thirteenth Annual Report

FIRE DEPARTMENT

Net Premiums for 1917 (an increase of $234,620)		$2,735,750
Interest on Fire Funds		65,385
		$2,801,135
Deduct—Losses—53.62 per cent.	$1,446,860	
Commission, Expenses and Taxes—35.72 per cent.	977,140	
		$2,444,000
		$ 357,135
Increase in Reserve for Unexpired Risk, being 34 per cent. of above $234,620		79,770
Surplus on Year's Trading carried to Profit and Loss Account		$ 277,365
The Balance at credit of Profit and Loss Account carried forward from last year after providing for Dividend was		$ 551,685
To which has been added:—		
Surplus on Year's Trading as above	$ 277,365	
Transferred from:—Accident Insurance Account	5,000	
Employers' Liability Insurance Account	17,500	
General Insurance Account	10,000	
Balance of General Interest, etc., and Shareholders' proportion of Life Profits for Quinquennium	83,675	
		393,540
		$ 945,220
Less—Written off Investments		227,740
At credit of Profit and Loss Account 31st December, 1917		$ 717,480

FIRE INSURANCE ACCOUNT 1917

Amount of Fire Insurance Fund at the beginning of the year:—			Claims under Policies paid and Outstanding.		$1,466,860
Reserve for Unexpired Risks	$ 850,385		Commission		521,035
Additional Reserve	1,000,000		Expenses of Management		376,980
		$1,850,385	Foreign and Colonial Taxes		66,370
Premiums	$3,903,400		Contributions to Fire Brigades		12,755
Less Re-insurance Premiums.	1,167,650				$2,444,000
		2,735,750	Carried to Profit and Loss Account		277,365
Interest, Dividends and Rents (*less* Income Tax)		65,385	Amount of Fire Insurance Fund at the end of the Year, as per General Balance Sheet:		
			Reserve for Unexpired Risks, being 34 per cent. of Premium Income for the year.	$ 930,155	
			Additional Reserve	1,000,000	
					1,930,155
		$4,651,520			$4,651,520

FUNDS

Capital Paid Up	**$ 537,500**
Fire Insurance Fund	**1,930,155**
Accident Insurance Fund	**25,165**
Employer's Liability Insurance Fund	**171,460**
Annuities Certain and Leasehold Redemption Fund	**111,320**
General Insurance Fund	**72,800**
Balance Profit and Loss Account	**717,480**
Life and Annuity Fund	**17,384,695**
Heritable Property Reserve Account	**150,000**
Funds 31st December, 1917	**$21,100,575**

($5 taken as equivalent of £1 Sterling).

CANADIAN BRANCH OFFICE: Dominion Express Building, MONTREAL

JOHN G. BORTHWICK, Manager for Canada.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Sarnia, Ont.—The city has sold a block of $95,000 local improvement bonds.

Toronto, Ont.—A Toronto syndicate, comprising Messrs. A. E. Ames and Company, Dominion Securities Corporation and Wood, Gundy and Company, has purchased a block of $835,000 6 per cent. bonds, payable in 30 annual instalments.

Montreal, Que.—A temporary loan of $500,000 was authorized by the legislative commission on June 1st in anticipation of revenue. The amount is a part of the loan recently approved by the city council for the same purpose.

Calgary, Alta.—Arrangements have been made for financing the city by putting $2,300,000 worth of 10-year treasury notes on the market through the bond houses of Messrs. G. A. MacPherson, A. E. Ames and Company, Wood, Gundy and Company and the Dominion Securities Corporation.

Newcastle, N.B.—The finance committee of the Northumberland municipal council has sold the $40,000 worth of patriotic fund bonds to the Eastern Securities Corporation at 97.6. The bonds bear 6 per cent. interest, and are in four issues of 5, 10, 15 and 20-year periods, in denominations of $500.

Sherbrooke, Que.—In last week's issue of *The Monetary Times* it was stated that the city's issue of $500,000 of bonds had not as yet been placed on the market. This was not correct. Hanson Brothers, of Montreal, have purchased bonds to the amount of $150,000, which is the total issued at present, from the city, and have resold them all to investors in the province.

Essex Border Utilities Commission.—Approval has been secured from the Department of Finance, Ottawa, for the issue of $210,300 6 per cent. bonds for the construction of trunk sewerage works, to serve part of Sandwich East, Ford City, Walkerville, Windsor, Sandwich, Sandwich West and Ojibway. These seven municipalities are incorporated in the commission by act of parliament. The particulars of the issue will be announced shortly.

Edmonton, Alta.—Sealed tenders will be received by the debenture branch of the Department of Education until June 10th, 1918, on five blocks of school district debentures amounting to $15,750. Separate tenders are to be made on each block. Block No. 1, Rural, 10-years 7 per cent.—Lewis S.D., $1,600, dated April 2nd, 1918; Two Rivers S.D., $500, dated April 15th, 1918; Fifteen Mile Lake S.D., $1,500, dated April 15th, 1918; total, $3,600. Block No. 2, Rural, 10-years 7 per cent.—Amethyst S.D., $1,500, dated June 1st, 1918; Wilcox S.D., $1,200, dated April 15th, 1918; Shank's Lake S.D., $1,000, dated April 15th, 1918; total, $3,700. Block No. 3, Rural, 10-years 7 per cent.—Shaftesbury S.D., $1,200, dated May 15th, 1918; Creek Valley S.D., $750, dated April 2nd, 1918; Hillanvale S.D., $1,200, dated June 1st, 1918; total, $3,150. Block No. 4, Rural, 6-years 7 per cent.—Hillman S.D., $300, dated June 1st, 1918. Block No. 5, Consolidated District, 10-years 7 per cent.—Sundial Con. S.D., $5,000, dated June 1st, 1918. (Amount of issue authorized, $12,000; sold locally, $7,000; balance for sale, $5,000.)

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from May 20 to May 23, 1918:—

School Districts.—Shellbrook, $6,000 20-years not ex. 8 per cent. instalment; G. R. Branscombe, Shellbrook. Carnduff, $2,500 20-years not ex. 8 per cent. annuity; John Shier, Box 95, Carnduff. Brooksfield, $2,500 10-years not ex. 8 per cent. annuity; H. J. Brooks, Archive.

Rural Telephone Companies.—Richburg, $8,400 14-years not ex. 8 per cent. annuity; R. M. Miller, Avonlea. Hilldrop, $1,000 15-years not ex. 8 per cent. annuity; W. A. Benson, Hilldrop.

Village.—Estuary, $9,000 10-years not ex. 8 per cent. instalment; L. H. Wallace, Estuary.

The following is a list of debentures reported sold from May 20 to May 23, 1918:—

School District.—Freeman, $2,000; Canada Landed and National, Winnipeg.

Rural Telephone Company.—Neptune, $8,900; W. L. McKinnon and Company, Regina.

Village.—Loverna, $3,000; Waterman-Waterbury Manufacturing Company, Regina.

RED DEER TREASURY BILLS

There appeared in *The Monetary Times* last week, an advertisement asking for tenders for $24,000 Red Deer treasury bills. This advertisement again appears in this issue, but attention is called to the fact that the rate has been changed from 6 per cent. to 7½ per cent., and the bonds will be payable not at the Bank of Montreal, but at the Imperial Bank of Canada at Red Deer, Toronto and Montreal, and at the Bank of the Manhattan Company, New York. The following is a statement of the city's present financial condition:—

Assessed value for taxation:

Land	$2,620,670
Exemptions	424,400
Business	52,032

Note.—Improvements are not assessed.

Tax Rate, 1918:

	Mills.
General	9.5
Debenture	8.5
School	7
Total	25

Debenture debt (total)		$340,670.79
Less waterworks debt	$87,304.87	
Less local improvement debt	81,809.47	
		169,114.34
		$171,556.45
Assets, 31st December, 1917		$698,455.28
Revenue, 1917		107,635.72
Expenditures, 1917		92,766.17
Surplus		$ 14,869.55

The population of the city is 3,000, and it covers an area of 1,000 acres. The present floating debt is $23,700.

MR. F. M. HOLLAND DIES

Mr. Frederick M. Holland, formerly general manager of the defunct Dominion Permanent Loan Company, died in Toronto on Tuesday, May 4th. He had already been suffering from a general breakdown, and his illness was aggravated by the difficulties in connection with the company's failure. He had been connected with the Dominion Permanent Loan since 1890, when he entered it as assistant bookkeeper. The late Mr. Holland was also a director of the Trusts and Guarantee Company and of the Imperial Cotton Company. For several months prior to his death he had been awaiting trial in connection with the company's affairs.

UNITED GRAIN GROWERS SECURITIES COMPANY

A company, called the United Grain Growers Securities Company, has been organized, and is owned and controlled by the United Grain Growers, Limited, of Winnipeg. The objects of the new company are to act as a medium through which farm lands may be bought or sold, and to give a full, detailed report and appraisal on any parcel of land. A strict commission business only will be done, and the commission is to be paid by the party selling. In addition, the company will have power to act as financial agents and brokers, and to handle a general insurance business. Offices are being opened in Winnipeg, Regina and Calgary. The aims of the company are stated in full in their own circular as follows:—

The extensive organization of the Grain Growers throughout the west will, it is understood, be utilized:—

"1. To act as agents between the buyer and seller of improved and unimproved lands in western Canada. Purchasers will be given first-hand information that is accurate and reliable on all lands submitted for consideration. Owners having land to sell must comply with conditions outlined on our listing form, copy of which will be supplied on application.

"2. To appraise and give a detailed report in full on any specific parcel or parcels of land, and full report on the district in which such land is located, using our regular appraisal forms, copies of which will be supplied you on application."

LONDON & LANCASHIRE FIRE INSURANCE COMPANY LIMITED

LONDON & LANCASHIRE
FIRE INSURANCE COMPANY
LIMITED

RESULTS OF 1917 BUSINESS:

	PREMIUMS	LOSSES AND EXPENSES		SURPLUS
FIRE	$10,567,799	$8,238,190		$2,329,609
ACCIDENT	4,162,568	3,771,460		391,108
MARINE	2,755,003	2,006,868		748,135
	$17,485,370	$14,016,518		$3,468,852
		Interest		663,480
				$4,132,332
Less Provision for Income and Excess Profits Tax			$1,000,000	
Less Written Off Investments			1,000,000	
				2,000,000
				$2,132,332
FUNDS			$21,961,392	
UNCALLED CAPITAL			14,097,714	
TOTAL SECURITY TO POLICY-HOLDERS			$36,059,106	

ALFRED WRIGHT, Branch Manager and Chief Agent for Canada
A. E. BLOGG, Branch Secretary
14 RICHMOND STREET EAST, TORONTO

MONTREAL
Colin E. Sword, *Manager*
164 St. James Street

VANCOUVER
William Thompson, *Manager*
Winch Building

WINNIPEG
A. W. Blake, *District Secretary*
352 Donald Street

PUBLICATIONS RECEIVED

Report on Agriculture of the Province of New Brunswick for 1917. Outlines the production for the year, and the various activities of the department in the way of distribution of seed, etc.

How Germany Does Business.—By Dr. Paul Pensac Gourvitch, with a preface by Dr. B. E. Shatsky. This book gives a very realistic description of German methods of promoting foreign trade. By means of concrete examples, such as the shoe and the lace industries, the advantages of her organization and methods are illustrated. While the book is far from being an exhaustive treatise, there is much of value, not only to those interested in methods of trade and finance, but also to those who can profit by promoting their export business in the most efficient manner.

Published at $1 by B. W. Huebsch, 225 Fifth Avenue, New York.

What Is My Share of the Cost of the War?—Issued by the Bankers Trust Company, of New York. This booklet contains an estimate of the income of family groups in the United States, and endeavors to ascertain what fraction is available for war expenditure. The statistics are, of course, too general to be entirely accurate, but the pamphlet is none the less instructive, and, what is more important, it sets down a fairly reliable standard, or rather minimum, for individual and family savings. The cost of the war to the United States for the present year is estimated at fifteen billiens of dollars, and by means of a complete table each person may find just how much he should set aside for his share of taxation and loans.

Foreign Trade of Japan.—A booklet has been published by the Yokohama Chamber of Commerce containing a number of charts illustrating the foreign trade of Japan and of the port of Yokohama. Since the year 1915, Japan's foreign trade, particularly exports, have increased rapidly, the latter having doubled since 1915. Another remarkable thing is the proportion of trade which is carried in Japanese vessels. In 1913 it was 40 per cent., while in 1917 the proportion was about 70 per cent. The increase has been at the expense of German shipping, which formerly carried about 10 per cent., and of British shipping, the proportion of which has been reduced from about 30 per cent. to about 15 per cent. French shipping has held its own, but United States shipping has decreased largely.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railways for the month of May:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
May 7	$3,065,000	$3,033,000	— $ 32,000
May 14	3,123,000	3,109,000	— 14,000
May 21	3,074,000	2,847,000	— 227,000
May 31	4,806,000	4,035,000	— 771,000

Grand Trunk Railway.

	1917.	1918.	Inc. or dec.
May 7	$1,135,091	$1,434,727	+ $299,636
May 14	1,356,646	1,480,903	+ 124 257
May 21	1,425,554	1,576,508	+ 150.954
May 31	1,939,312	2,065,180	+ 125.868

Canadian Northern Railway.

	1917.	1918.	Inc. or dec.
May 7	$ 734,500	$ 827,500	+ $ 93,000
May 14	882,000	857,300	— 24,700
May 21	860,400	866,300	+ 5,900
May 31	1,307,800	1,210,900	— 96,900

The following is a statement of earnings and expenses for month of April, 1918:—

	1918.	1917.	Inc. or dec.
Total gross earnings.	$ 3,958,100	$ 3,315,500	+ $ 642,600
Operating expenses .	3,416,800	2,557,600	+ 859,200
Net earnings	541,300	757,900	— 216,600
Aggregate gross earnings from July 1st.	34,657,500	33,411,400	+ 1,246,100
Aggregate net earnings from July 1st.	3,031,400	8,262,400	— 5,231,000

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Canadian Car and Foundry Company.—The net profits of the company for April, 1918, after payment of bond interest, were the largest in the history of the company, and the surplus earnings for the first seven months of the current fiscal year were over $2,000,000, exclusive of government war taxes.

Nova Scotia Steel and Coal Company.—The open hearth plant of the company produced 14,558 tons of steel ingots in May, and the blast furnaces 8,835 tons of pig iron, as against 14,243 tons of steel, and 8,016 tons of iron in March, 1917, when the best previous record was made. The net gain is 316 tons of steel and 818 tons of iron.

Southern Canada Power Company, Limited.—The gross earnings of the company for the month of April were $40,314, an increase over last year of $6,732. Operating expenses amounted to $22,538, compared with $19,458 last year. The gross earnings for the seven months ending April, 1918, were $273,253, and the operating expenses amounted to $151,013.

Anaconda Copper Mining Company.—The output of the company during May was approximately 28,400,000 pounds, an increase of nearly 2,000,000 pounds over April, and the largest total for any month since May of last year. The largest month in 1917 was March, with 31,300,000 pounds. The average production for the first five months of 1918 has been 26,300,000 pounds.

Demerara Electric Company, Limited.—The earnings of the company for April, were as follows:—

	Gross.	Net.
Railroad	$6,695.87	$ 765.02
Light and power	8,247.55	4,198.43
Miscellaneous	....	134.80
Total		$5,098.25

Trinidad Electric Company, Limited.—The earnings of the company for April, were as follows:—

	Gross.	Net.
Railroad	$10,260.94	$2,693.02
Light and power	9,904.88	3,826.54
Refrigeration	....	569.72
Total		$7,089.28

Brazilian Traction, Light and Power Company.—Gross earnings of the company for April, amounted to 8,330,000 milreis; an increase of 877,000 milreis. Operating expenses, 4,239,000 milreis; increase, 839,000 milreis. Net earnings amounted to 4,091,000 milreis; increase, 36,000 milreis. For the four months gross earnings amounted to 31,576,000 milreis, an increase of 2,436,000 milreis, and net earnings were 15,277,000 milreis, a decrease of 814,000 milreis.

East Middlesex Telephone Company.—The financial report of the company showed the total receipts to be $7,806.71, and the total expenditure $6,749.99, leaving a balance of $1,056.72. The company has 428 telephones installed, and has 130 miles of poles and wires. The following officers were elected: President, Peter Ramsay; vice-president, W. H. McCutcheon; directors, W. C. Gee, R. H. Harding, John Gourlay, James Gumb; secretary-treasurer, K. M. Whitehead.

Calgary Power Company, Limited.—The company reports gross earnings of $262,161 for 1917, against $266,982 for 1916. Operating expenses at $40,959, however, compare with $49,923 the previous year, leaving net earnings at $221,202, against $217,058 in 1916. The net profit for the year, after the payment of interest charges, was $71,121, against $65,209. From the year's surplus $35,000 was appropriated for depreciation, leaving a net balance in profit and loss account of $143,947, against $107,735 in 1916.

Dome Mines, Limited.—The annual report of the company which deals with the eight months in which the mill was operated, shows ore milled amounting to 247,000 tons, as compared with 459,530 tons in the whole of the previous year. Total earnings were $1,030,758, compared with $2,171,785, and total operating costs $686,180, as compared with $1,241,862. Net operating earnings for the eight months were $344,578, non-operating revenue $10,445, and net profit $355,023, compared with $952,449 in the year ended March 31st, 1917.

Winnipeg Electric Railway.—Gross earnings of the company for the month of March were $307,289, an increase of $14,195, but working expenses were higher by $31,175, making a decrease in net of $16,980.

For the quarter ending with March, the gross earnings of $940,830 showed an increase of $47,074. The net earnings showed a decrease of $33,817, being only $216,856 as compared with $250,673 for the corresponding period of 1917. The following is a summary of the results for March:—

March.	1918.	1917.	Inc. or dec.
Gross	$307,289	$293,094	+ $14,195
Expenses	240,628	209,453	+ 31,175
Net	66,661	83,641	— 16,980
Quarter—			
Gross	940,830	893,756	+ 47,074
Net	216,856	250,673	— 33,817

Minneapolis, St. Paul and Sault Ste. Marie Railway Company.—The following is a statement of the receipts and expenditures of the above railway for the year ended December 31st, 1917:—

	Soo Line.	Chicago Div.	System.
Gross earnings	$20,726,280	$13,814,210	$34,540,491
Operating expenses ...	14,094,769	8.870,023	22,964,793
Net earnings	$ 6,631,510	$ 4,944,187	$11,575,697
Income from other sources	1,574,468	77,763	1,652,231
Total income	$ 8,2 5,978	$ 5,021,950	$13,227,929
Fixed charges	5,459,549	3,339,941	8,799,490
Taxes, etc.	....	....	....
Surplus income	$ 2,746,429	$ 1,682,009	$ 4,428,438

Dealing with the entire system and comparing the year's results with those of the preceding year, the gross earnings increased $68,407. Net earnings decreased $3,654,794 and the surplus income decreased $3,342,619.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett. Members Toronto Stock Exchange, 103 Bay Street Toronto:—

June 5th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive....................	7	83	8.45
Canada Cement..........................	7	91	7.69
Canada Steamships......................	7	76½	9.15
Mackay Companies.......................	4	66	6.06
Penmans................................	6	82	7.31
Steel of Canada........................	7	91	7.69
Maple Leaf Milling.....................	7	92	7.60
Common:			
Bell Telephone.........................	8	130	6.15
B. C. Fishing and Packing..............	5	47	10.57
Canada Cement..........................	6	60	10.00
Canadian Locomotive....................	6	61	9.83
Canadian General Electric..............	8	103	7.76
Consumers' Gas.........................	10	145	6.89
Consolidated Mining and Smelting.......	2½	25	10.00
Dominion Foundries & Steel.............	8	68	11.76
Maple Leaf Milling.....................	10	98	10.20
Canadian Pacific Railway...............	10	148	6.75
Ottawa Traction........................	6	70	8.57
Penmans................................	6	75	8.00
Dominion Steel Corporation.............	5	59	8.47
Steel Co. of Canada....................	6	64	9.37
Mackay Companies.......................	6	76	7.89
Toronto Railway........................	4	60	6.66
Bonds:			
Canada Bread...........................	6	92	6.52
Canada Cement..........................	6	97	6.18
Canada Steamships......................	5	80	6.25
Canadian Locomotive....................	6	86	7.05
Penmans................................	5	87½	5.72
First War Loan, 1925...................	5	95½	5.23
Second War Loan, 1931..................	5	94	5.31
Third War Loan, 1937...................	5	93	5.37
Victory Loan, 1937.....................	5½	98⅞	5.58
....	....	....	....
....	....	....	....

CLARKSON, GORDON & DILWORTH
CHARTERED ACCOUNTANTS, TRUSTEES, RECEIVERS, LIQUIDATORS
Merchants Bank Building, 15 Wellington Street West, TORONTO
E. R. C. Clarkson, O. T. Clarkson,
H. D. Lockhart Gordon, R. J. Dilworth.
Established 1864

Charles D. Corbould
CHARTERED ACCOUNTANT AND AUDITOR
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CANADA'S FOOD REGULATIONS

The weekly editorial of the Educational Division of the Canada Food Board for May 23rd, 1918, deals with the food regulations as follows:—

Enforcement of the Canada Food Board's regulations as to food conservation has been placed in the hands of the police machinery of the municipalities and of the different provinces throughout the Dominion.

It is the duty and privilege of the provinces to enforce federal laws, and the orders of the Canada Food Board have the effect of federal law, being passed upon authority of orders issued by the Privy Council and published in the Canada Gazette. It, therefore, becomes the duty of police officers throughout the Dominion to acquaint themselves with these regulations regarding our food supply, and to see to it that they are obeyed. At this stage of the world's food situation, when 4,750,000 people in Europe have starved to death as compared to 4,250,000 soldiers who have died as the result of battle, it is beyond cavil or dispute that these food regulations are absolutely necessary. Indeed, many people in communication with friends in England or in France think our Canadian regulations mild in view of what people on the other side are undergoing. Patriotism, as well as duty, should inspire submission to these restrictions by the public and vigilant enforcement of them by the officers of the law.

In cases of convictions secured by the municipal police officers, it should be noted that where these convictions result in the imposition of fines, the money from these fines is to be paid to the municipal treasuries, and similarly in the cases where provincial officers secure convictions. The Canada Food Board has circularized these orders in official form throughout the police machinery of the various provinces, beginning with the attorneys-general and continuing through the lists of Crown attorneys and Crown prosecutors. In some provinces the chief constables have also received copies of the various orders affecting the public. As a result, throughout Canada of recent weeks there has been a crop of convictions. In all cases the magistrates have stood firmly behind the regulations and imposed the penalties as provided. These run from $100 to $1,000 in fines or imprisonment up to three months, or both. Restaurant keepers who have served meat on prohibited days and hours, served sugar on the tables or wasted food, have been brought to task, and the widespread publicity this has entailed will do a great deal more to assure conservation of food in public eating-places than anything else.

The anti-loafing law, also bearing upon our war-time food production, has likewise been enforced. Magistrates have seized the opportunity of dealing with loafers, tramps and "sports" by putting them to work on the farms. Non-essential industries have been interpreted by some magistrates into more or less definite groups, and men who had no better excuse than employment in said questionable industries have been ordered to get into more useful occupations. In Winnipeg a great change has been observed in the streets since this law went into effect. The idlers and loafers have disappeared.

MAY MUNICIPAL BOND SALES

Montreal Catholic Schools Commission Loan Fully Subscribed—Many Ontario Issues Last Month

The municipal bond sales in Canada during May totalled $4,751,142, compared with $3,968,995 in April and $1,375,039 in May a year ago. The May records of municipal bond sales at home for the past nine years are as follows:—

May.	Municipal bond sales in Canada.
1910	$5,964,896
1911	3,946,047
1912	1,928,748
1913	1,880,630
1914	6,400,755
1915	3,464,281
1916	2,649,000
1917	1,375,039
1918	4,751,142

Details of May Sales.

The following are the details of the May sales:—

Municipality.	Rate %	Term (years).	Amount.
British Columbia.			
Trail	6	..	$ 21,400
Victoria	5	6 & 7	48,000
Saskatchewan.			
Pennant	.	..	$ 1,500
Pennant	.	..	1,750
Leipzig	.	..	700
Enterprise	.	..	5,000
Govan	.	..	3,000
School Districts	.	..	14,200
Manitoba.			
Lynville S.D.	7	15	$ 1,300
Ontario.			
Huron County	5½	..	$140,000
Northumberland County	6	5, 10, 15 & 20	40,000
York Township	6	25	35,000
Cobourg	6½	20	38,100
Sandwich West	6	10	20,000
Hamilton	6	10	346,040
Toronto	5½	20	736,000
Tweed	6	20	10,000
Brampton	6½	30	60,000
Brampton	6½	10 & 30	35,000
Tisdale	6	15	58,000
Sandwich	6	25	30,000
Fitzroy	6	25	7,000
County of Lincoln	6	20	150,000
Smith's Falls	6	20	28,000
York Township	6½	10	7,060
St. Catharines	6	7, 15 & 20	127,798
Ottawa	6	30	473,694
Sarnia	.	..	95,000
Toronto (second block)	5	30	835,000
Quebec.			
*Montreal Catholic School Commission	.	..	$850,000
Quebec, Que.	6	5	470,000

*A total amount of $1,650,000 was subscribed in April, and the remainder was subscribed during the latter part of last month.

Nova Scotia.			
Truro	6	30	$ 22,600
New Brunswick.			
Newcastle	6	5, 10, 15 & 20	$ 40,000

The following table summarizes the above details:—

Province.	Municipal bond sales, May, 1918.
British Columbia	$ 69,400
Saskatchewan	26,150
Manitoba	1,300
Ontario	3,271,692
Quebec	1,320,000
Nova Scotia	22,600
New Brunswick	40,000
Total	$4,751,142

Sales for Three Years.

The following table shows the sales of municipal bonds in Canada only, during the past three years, and this year to date:—

	1915.	1916.	1917.	1918.
January	$ 1,784,947	$ 1,909,441	$ 1,969,256	$ 561,000
February	3,047,011	1,419,909	458,874	5,243,279
March	2,572,357	2,027,741	229,013	9,191,643
April	8,603,094	1,979,852	1,182,974	3,968,995
May	3,464,281	2,649,000	1,375,039	4,751,142
June	2,395,744	3,043,283	1,642,003	....
July	1,618,422	1,521,525	3,814,489	....
August	1,087,415	852,447	4,637,836	....
September	2,768,484	960,435	440,268	....
October	1,245,874	1,361,665	398,771	....
November	1,645,892	1,246,480	917,191	....
December	1,676,693	669,000	890,000	....
Totals	$31,910,214	$19,640,778	$17,955,714	$23,716,059

The sales of Canadian municipals in the United States market during the past three years, and this year to date, compare as follows:—

	1915.	1916.	1917.	1918.
January	$ 340,000	$ 3,183,215	$ 2,454,000	$ 10,000
February	6,471,000	899,500	485,725	300,000
March	6,543,947	595,000	120,440	Nil
April	7,100,825	2,158,306	1,563,200	Nil
May	600,000	7,219,000	Nil	Nil
June	Nil	3,393,243	80,000	....
July	890,000	3,631,200	1,530,000	....
August	750,000	97,300	Nil	....
September	6,748,342	200,000	Nil	....
October	1,589,000	Nil	Nil	....
November	4,000,000	7,894,000	Nil	....
December	450,000	3,065,000	Nil	....
Totals	$35.483,114	$32,335,764	$ 6,233,365	$ 310,000

MUNICIPAL BORROWING

The minister of finance has again called the attention of municipalities in Canada to the fact that permission from the department of finance is necessary before bond issues can be made. This permission is granted only where it is clearly established that the works desired are absolutely necessary in the public interest and cannot be postponed. Many municipalities have been continuing operations on works, some of which are not indispensable, and some of which have been commenced since the beginning of the war.

MORE FUNDS FOR BRITISH BONDS

On Saturday, the first of June, dividends on British war loan stock to the amount of £50,000,000 were paid. Mr. Andrew Bonar Law, Chancellor of the Exchequer, has said that he is looking forward to the reinvestment of a very large part of this sum in National War Bonds. The system of continuous borrowing, has, he stated, been a greater success than was hoped for. It has the advantage of causing the least disturbance to the money market, and also encourages direct saving and the avoidance of unnecessary expenditure. The banks have agreed to invest in war bonds, the dividends they receive from all government stocks this week, to deal generously with customers in making advances against war bonds, and to persuade customers to invest directly in the war loan instead of piling up deposits, which have been steadily increasing.

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BUSINESS CONDITIONS IN ALBERTA

Territory Surrounding Edmonton is Engaged in Mixed Farming—Prosperity Throughout the Province

Edmonton has good reason to be satisfied with general business conditions in its tributary territory, according to Mr. F. T. Fisher, secretary of the Edmonton Board of Trade. While the great territory of central Alberta, from which Edmonton draws most of its trade, has other valuable resources, such as coal and timber, its basic industry, on the success of which all other forms of activity are dependent, is farming in its various forms. And the central Alberta farmers are eminently prosperous, Mr. Fisher told the representative of *The Monetary Times*. Not only have they been receiving the very high prices for all products of the farm, such as have been enjoyed by farmers everywhere, but conditions of production have been uniformly favorable. Dry seasons are unknown in the Edmonton country and even in those years when the crops partially failed and feed was scarce in some sections of the western provinces and states, good yields of grain and other crops and unlimited supplies of feed for livestock were produced on central Alberta farms.

Taking it on the average, year in and year out, said Mr. Fisher, the farmer in the Edmonton country probably produces his beef, pork and milk at lower cost than any other farmer on this continent. This is true as regards the cost of operation, when the big capital investment, entailed by the very high prices of land in those portions of the continent at all comparable with central Alberta for the purpose of mixed farming is taken into consideration, the relatively low cost of production on the Edmonton district farms is greatly accentuated. Notwithstanding this lower cost of production, the central Alberta farmer enjoys quite as good markets as his fellow on $300-an-acre land in Illinois or Wisconsin, or as in the dairy districts of Ontario. Hogs, one of the most important products of the farm, have for a long time been quoted noticeably higher on the Edmonton stockyards than in Chicago.

Many Improvements on Farms.

Evidences of prosperity are obvious to the most casual observer driving through the farming settlements in the more developed portions of Central Alberta. Everywhere comfortable modern homes, in many instances equipped with electric lighting and modern plumbing, demonstrate that the farmers feel that they have reached a stage at which they can afford to make themselves comfortable. That they also fully appreciate the economic advantage of the most modern equipment and labor-saving devices, as a means of economizing man power, and are in a position to make such knowledge effective, is evidenced by the frequency with which one sees fine new dairy barns with the most modern fittings, tractors to permit of rapid work at rush times, and the time saving automobile. And they are not going into debt for these conveniences. One of the large agricultural implement concerns in Edmonton recently told the writer that of a supply of 30 big tractors sent out to one country point, 28 were sold for spot cash. Another encouraging sign is that the farmers are spending money to improve their livestock.

The prosperity of the farmers has resulted in very satisfactory business conditions in the country towns and villages; and this in turn is reflected in the activity of the distributing houses and factories in Edmonton with which the country merchants do business. Almost any wholesale house in Edmonton will tell you, not only that it is now doing the heaviest volume of business that it has ever done, but also that it is carrying a smaller percentage of its business on its books than ever before. To illustrate the effect of this agricultural prosperity, Mr. Fisher referred to a statement recently made by the head of one Edmonton wholesale house. This house handles only certain lines of goods absolutely dependent on the building trades. Edmonton, like other western cities, is at present devoid of building activity. Yet this house is doing the biggest volume of trade in its history—not excepting the height of the boom, when Edmonton's building permits aggregated over $14,000,000 in one year. The explanation of this seeming paradox is, of course, that the goods are now going out to the country merchants for sale to farmers for their new houses, barns and granaries.

"Edmonton's business now rests upon the soundest foundation at any time in our history," said Mr. Fisher. "We are now depending solely on the return from what our territory is actually producing, and not to any appreciable extent upon the expenditure of borrowed money. And, allowing for some variation, this agricultural prosperity will be maintained indefinitely. No; a slump in the price of wheat will not cause any serious depression. Our farmers are not dependent to any serious extent on the success of their wheat crops. They are all raising cattle and hogs and many of them are dairying. Do you know that Edmonton is one of the most important butter producing centres in Canada, and that the value of our creamery output is only second to that of our meat packing plants? The butter output of Edmonton creameries in 1917 was approximately three-and-a-half million pounds and 400,000 pounds of cheese and the output doubles up every two or three years. Those who know much more about it than I do, tell me that the Edmonton district is one of the best dairy countries in the world and that milk and cream, and consequently cheese and butter, can be produced here more cheaply than in any other part of Canada or the United States. It is an easy matter for our farmers to reduce their acreage of wheat and increase their output of beef, pork and milk, should this seem advisable."

Asked about coal, Mr. Fisher said: "I wonder how many readers of *The Monetary Times* know that one-seventh of the known coal supply of the world lies in the province of Alberta. Yet such is the case; and much the greater part of that enormous supply lies in what is distinctively Edmonton territory."

There is apparently great room for development in the coal industry in the Edmonton field. The entire production of the Alberta mines in 1917 was rather less than 5,000,000 tons, of which less than 1,000,000 tons came from the lignite mines around Edmonton. That production can be increased almost indefinitely as the market develops. It will also probably be news to many of our readers that to the west of Edmonton, in territory served by the Grand Trunk Pacific and its Alberta coal branch, is a great field of high-grade bituminous coal which will compare favorably with the best steam coal from Pennsylvania. There are now operating in that district four strong concerns with their headquarters in Edmonton.

BURNABY BUYS MUNICIPAL BONDS

Another large issue of Burnaby bonds of early date has been acquired by the municipality for investment in the sinking funds. These have been purchased on the average earning basis of 7 per cent., which is an important benefit to the corporation, as the sinking fund has been computed on a 4 per cent. basis. If this policy be continued, it may be possible to suspend the sinking funds affected by reason of the earlier accumulation of funds sufficient to provide for amortization of the issues at maturity by reason of the greater interest earning power.

Another important feature of these from-time-to-time purchases of their own debentures is the fact that at maturity these purchased bonds will be in possession of the corporation, and all that will be necessary to wind up the issue and clear that portion of the bonded indebtedness from the municipality will be the application of the cancellation stamp.

The debentures purchased have been paid for out of the sinking fund authorized by the by-law under which they were issued and are deposited to the credit of that particular sinking fund. Some of these flotations bear 4½ per cent. on the 1911 issue, and others are 6 per cent. serials.

By this system of acquiring the debentures of the municipality on a war market basis, Burnaby is gradually reducing the bonded indebtedness of the corporation while the system of serial bond principal reduction lends itself to this ultimate end. Burnaby has reduced the debt of the corporation $779,000, and, as the serial debenture payments are made according to the schedule, the first five years will average a reduction in the debt of about $35,000 per annum, the next five years will average $45,000 per annum, and each five years subsequent will average a reduction so that by 1936 the bonded debt can be reduced by the total of the serial bond issue, namely, $1,000,000.

The interest decreases each year as the principal is paid off, and the money so saved is utilized to increase the reduction in the principal. By this system the debt is automatically decreased each year by the amount of the series maturing.

If the same system of careful financing be continued until the maturity of serial bond issue and the sinking funds and interest taken care of in the manner now in vogue, the debt of Burnaby municipality at the time of that maturity, instead of $3,003,150, will be $1,103,500. This amount may even be considered better by the corporation taking advantage of the markets from time to time and buying in more of the municipal bonds.

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MAY FIRE LOSSES

Destruction of Shipyards of J. B. Coughlin and Sons Added $1,200,000 to Total Losses

The Monetary Times' estimate of Canada's fire loss during May, 1918, is $3,570,014, compared with the April loss of $3,240,187, and $1,163,110 for May, 1917. The following is the estimate of the May losses:—

Fires exceeding $10,000	$2,976,392
Small fires reported	120,257
Estimate for unreported fires	473,365
Total	$3,570,014

The Monetary Times' record of the past three years and this year to date, shows the following monthly losses:—

	1915.	1916.	1917.	1918.
January	$ 1,249,886	$ 1,649,217	$ 1,918,660	$ 2,688,556
February ...	1,019,556	3,275,600	2,009,953	2,243,762
March	1,632,696	1,406,501	2,050,650	1,682,286
April	1,463,747	1,460,437	1,317,714	3,240,187
May	881,855	1,850,205	1,163,110	3,570,014
June	1,157,156	494,557	1,184,627	....
July	773,269	3,039,634	1,101,734	....
August	403,693	1,057,109	1,230,183	....
September ..	1,116,109	981,703	1,301,700	....
October	1,290,325	1,077,815	704,605	....
November ...	1,087,980	923,235	959,049	....
December ...	1,595,255	3,271,496	5,144,100	....
Totals ..	$13,671,527	$20,487,509	$20,086,085	$13,424,805

The fires reported in May, at which the losses amounted to $10,000 and over were:—

Medicine Hat, Alta., May 2, rolling mills, $45,000.

Sault Ste. Marie, Ont., May 2, old power plant of the Great Lakes Power Company, $147,000.

Three Rivers, Que., May 3, Victoria Theatre and adjoining buildings, $150,000.

Montreal E., Que., May 4, plant of the Munitions and Metals Products Company, Limited, $20,000.

Port Stanley, Ont., May 5, section of village, $12,392.

St. Catharines, Ont., May 8, Ridley College skating rink, $12,000.

Brandon, Man., May 9, Strand building, $25,000.

Toronto, Ont., May 9, main building of the Royal Canadian Yacht Club, $60,000.

Quebec, Que., May 11, plant of Victoriaville foundry, $15,000.

St. Roch, Que., May 11, shoe establishment of Louis Beaubien Company, $50,000.

Levis, Que., May 14, Levis Laundry, $20,000.

Steveston, B.C., May 14, Steveston canneries and many other buildings, $400,000.

Entwistle, Alta., May 14, principal portion of the business section of the town, $40,000.

False Creek, B.C., May 15, shipyards of J. Coughlin and Sons, $1,200,000.

Winnipeg, Man., May 15, business building on Main Street, $145,000.

Winnipeg, Man., May 15, business building, occupied by Richardson and Bishop, $150,000.

Sebringville, Ont., May 17, frame mill of the Sebringville Flax Company, $25,000.

South Vancouver, B.C., May 17, kilns and yards of the Ontario Lumber Company, $15,000.

Brilliant, B.C., May 18, Doukhobors' planing mill and pipe factory, $20,000.

Komoka, Ont., May 19—Thames Valley cheese and butter factory, $10,000.

North Burnaby, B.C., May 19, shingle mill of Pearson and Company, $50,000.

Carieville, Sask., May 20, livery stable of Muldoon Brothers, $75,000.

Arnprior, Ont., May 21, lumber yards of Lachlin Brothers, $75,000.

Fort William, Ont., May 23, plant of the Canadian Car and Foundry Company, $15,000.

Montreal, Que., May 24, George Hall coal yards, $100,000.

Pembroke, Ont., May 25, plant of the Union Box and Shook Mills, Limited, $40,000.

Niagara Falls, Ont., May 31, Grand Trunk yards, $60,000.

Among the structures damaged or destroyed last month were: Barns, 11; lumber yards, 3; church, 1; residences, 14; livery, 1; stores, 11; warehouses, 3; office, 1; business blocks, 9; business buildings, 9; factories, 3; blacksmith's shop, 1; farm building, 1; pumphouse, 1; mills, 2; schoolhouse, 1; flaxmill, 1; granary, 1; bus livery, 1; power house, 1; hospitals, 2; shipyard, 1; lighthouse, 1; chicken house, 1; laundry, 1; vacant houses, 2; plants, 6; railroad car, 1; club building, 1; stable, 1; bakery, 1; oil tank, 1; lumber camp, 1; skating rink, 1; garages, 2; planing mills, 2; tenements, 2; shingle mill, 1; coal yard, 1; automobile, 1; frame elevator, 1; storehouse, 1; sheds, 2.

Among the causes last month were: Incendiarism, 4; spontaneous combustion, 3; struck by lightning, 3; mice gnawing matches, 1; defective wiring, 1; explosion of acetylene light, 1; spark from machine igniting inflammable material nearby, 1; defective incubator, 1; overheated stove, 1; defective heater, 1.

Total of Fatalities Low.

The following is a list of fires at which fatalities occurred last month:—

Port Sydney, Ont., May 3 ..	Trapped in burning house ..	2
Toronto, Ont., May 10	Fire from gas stove	1
Three Rivers, Que., May 13	Trapped in burning house ..	3
Edmonton, Alta., May 17 ..	Explosion of gunpowder ...	2
Neepawa, Man., May 19 ...	Trapped in burning house ..	1
Montreal, Que., May 30	Trapped in burning house ..	1
	Total	10

The following table, compiled by *The Monetary Times*, shows deaths caused by fire during May, 1918, as compared with previous returns:—

	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.
January	27	27	14	26	3	10	21	28
February ...	12	11	21	18	11	23	19	87
March	18	24	22	27	23	23	20	34
April	20	15	11	22	14	6	15	7
May	28	18	33	8	5	14	12	10
June	13	6	18	12	2	6	9	..
July	110	9	9	8	13	268	19	..
August	22	16	29	3	14	30	12	..
September .	13	6	27	9	27	6	21	..
October	17	21	15	9	7	39	23	..
November ..	20	22	24	14	12	12	21	..
December ..	17	28	13	19	11	94	15	..
Totals ..	317	203	236	175	142	531	207	166

BRITISH CROWN ASSURANCE COMPANY

The eleventh annual meeting of the British Crown Assurance Company, Limited, was held in London, England, on May 10th, 1918. In addressing the shareholders, the Rt. Hon. J. Parker Smith, chairman of the company, remarked that while business in all departments at home had been maintained at about a level, considerable expansion had taken place in Canada. The Canadian manager, Mr. J. H. Riddel, and the assistant manager, Mr. E. C. G. Johnson, have been promoting the company's interests very successfully here, and have succeeded in increasing the business extensively.

Premiums for the year amounted to $490,190, and the total revenue was $511,558. The losses amounted to $203,454, and a balance of $126,550 was carried forward. This compares with a balance last year of $7,629. The assets consist principally of British and Canadian government securities, municipal debentures and foreign and Indian government securities. Considerable sums are also invested in British and foreign railway securities.

Up until the year 1917 the company's business was operated in Canada under provincial licenses only, but they have now secured a Dominion license. The loss ratio in the fire insurance department for the year was 41.5 per cent., which is 15 per cent. less than the previous year. A small marine business is also done, but in this department the losses were larger than the premiums. The chairman explained that this was probably owing to the fact that the smallness of the business done prevented a good average. The accident department has shown an improvement during the past few years, and has now become a profitable part of the business. A dividend of 5 per cent. per annum was authorized.

INDUSTRIAL BONDS

Well secured, bearing **8%** with large stock bonus. Write for prospectus to

PATRICK DONNELLY

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KERN AGENCIES LIMITED

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Manufacturers of Loft dried, Air dried, Tub sized Bond, Ledger and Linen Papers. S.C. and M.F. Writing, Envelope and Coloured Flats. Extra grade S.C., M.F. and Antique Book, Lithograph and Off-set Papers. Linen Finishing a specialty.

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ALBERTA INSURANCE ACT AMENDMENTS

Many Regulations for the Protection of the Insuring Company—Legal Investments for Funds

An act was passed in the Alberta Legislature and assented to on April 13th, 1918, introducing important amendments in the Alberta Insurance Act of 1915.

Regarding hail insurance, it is laid down that the liability of the company shall commence at noon on the day on which the application is accepted, and shall expire at noon on September 15th. Should the crop insured be cut before the date of expiring, the liability of the company shall cease. If an application for insurance is declined, it must be within 48 hours of the receipt of the application, by a registered letter to the applicant. Every agent who takes an application for hail insurance must forward it by registered mail not later than the day following.

A number of amendments have also been introduced for the protection of the company. A misstatement on the part of the insurer regarding the location and acreage, renders the policy void. All understandings must be in writing. Companies are not to be liable for losses which amount to less than 5 per cent. of the insurance per acre. When for loss occasioned by causes other than hail, and where other causes have contributed to the damage, the company shall be liable only for so much of the loss as is directly attributable to hail. The company is also not responsible for loss arising from the neglect of the assured to cut, after it has been damaged by hail, any portion of the insured crop which is fully matured. Any fraud or false statement in a statutory declaration of a claimant shall vitiate the claim. Where the loss is payable to a third party, proof must be made by the assured. In case of a disagreement as to the percentage of damage by hail to any of the crop insured, such percentage shall, when so required by either party, be ascertained by an appraisal. The loss shall be payable within 60 days after completion of proof, unless a shorter period is provided for by the contract of insurance.

Incorporation of Insurance Companies.

Every special act of the legislature passed after the first day of January, 1918, for the incorporation of an insurance company, shall be in the form of a schedule prescribed in the act.. The persons named in the special act are to be the provisional directors of the company, and to remain in office until they are replaced by directors duly elected in their stead. The directors may establish local advisory boards or agents within Alberta or elsewhere. The capital stock is to be divided into shares of $100 each. After the whole authorized capital stock has been subscribed, and 50 per cent. paid in cash, directors may increase the stock from time to time within the limit named in the special act. Increases must, however, be approved by the holders of two-thirds of the shares.

As soon as the amount of stock has been subscribed, and 10 per cent. has been paid into some chartered bank in Alberta, the provisional directors shall call a general meeting of the shareholders, and the directors are to be elected. The first instalment of stock is not to exceed 25 per cent., and no subsequent instalment shall exceed 10 per cent. A meeting of the company must be called once a year, and a statement of the affairs of the company submitted. The company may reinsure business carried by any other company, and may also reinsure its own business in another company.

In the case of life insurance companies, there are to be two classes of directors—namely, shareholders' directors and policy-holders' directors. In the case of other companies, of course, there is only one class, known as ordinary directors. Shareholders' directors of a life company or any ordinary director of any other company must hold at least $2,500 of stock. Provisions are laid down also regarding the term of office, the manner of election, the duties and powers, etc. Shareholders are liable for the amount of stock for which they have subscribed but not paid, and this is the maximum for which they can be held liable.

Another important provision is that if the directors declare and pay any dividend when the company is insolvent, or any dividend the payment of which renders the company insolvent or diminishes the capital stock thereof, they shall be jointly and severally liable. Any director, however, who publishes a protest against such a declaration, may escape liability.

The surplus insurance funds and the reserve funds of a provincial insurance company may be loaned or invested as follows:—

(1) In any securities in which under the trustee ordinance, trustees may invest trust funds

(2) In first mortgages on improved farm lands in Canada, up to 60 per cent. of their cash value, provided that the total amount so invested shall not exceed 20 per cent. of the total amount of funds invested by the company.

(3) In debentures of any municipal or school corporation in Canada.

(4) Upon certain conditions in permanent debentures of railways, telegraph, telephone, or other public utility companies.

(5) In securities of foreign governments, or states, or cities, where the company undertakes to do business, or in securities guaranteed by such governments or municipalities.

(6) In the case of a life company, in policies of other companies.

CROP SEEDING IS WELL ADVANCED

Except in a very few cases, permanent damage to the growing grain from frost or cold weather is not indicated in the weekly detailed report from agents along its lines in Manitoba, Saskatchewan and Alberta received at the offices of the Canadian Northern here a few days ago.

More than half of those reporting show growth has been retarded by unfavorable weather, but the general belief expressed is that, with warm, sunny days, the grain will rapidly recover the ground lost.

Moreover, the seeding this season is conceded to be three weeks in advance of last year. So, relatively, the crop in western Canada along the lines of the Canadian Northern, even with the setback reported, ought to be in advance of last season. In only four cases is need of rain indicated. Showers and snowfalls have furnished plenty of moisture.

DEVELOPMENT OF ST. LAWRENCE POWERS

"Within a very few years there will be a demand for every horse-power that can be developed on the St. Lawrence River to which Canada is entitled for use upon the Canadian side," states Sir Clifford Sifton in the ninth annual report of the Commission of Conservation, which has just been issued. "The situation with regard to Niagara will undoubtedly be duplicated," declares Sir Clifford, "and if we are foolish enough to allow vested interests to be created on the other side of the line, we shall inevitably find ourselves handicapped and embarrassed as we now are with respect to Niagara power." He contends that a thorough study of the situation reveals that there is only one sound method of developing these powers, viz., under "an international commission, under which the best use of the powers will be made, the most economical development effected, and a just and equitable division of the power will take place for the benefit of the people who are directly concerned in its use."

Special prominence is laid in the report on power and fuel problems. Following a comprehensive review of the progress of conservation in 1917 by Sir Clifford Sifton are addresses on "Peat as a Source of Fuel" by Dr. Eugene Haanel, "The Fuel Situation in Canada" by Fuel Controller C. A. Magrath, "Power Possibilities on the St. Lawrence" by A. V. White, "The Niagara Power Situation" by the same author, and a comprehensive treatment of the subject of railway electrification by S. T. Dodd, of the General Electric Company, and W. F. Tye, C.E. The results of the scientific investigations of the commission to find out how best to regenerate the immense areas of cut-over pulpwood lands in eastern Canada are also given. Dr. C. Gordon Hewitt deals with the "Conservation of Wild Life in Canada," and Mr. J. P. Babcock with the "Salmon Fishery of the Fraser River District." In addition, a full account of the work accomplished by the commission during the year in regard to water-powers, town-planning, mining, agriculture and game conservation is given. An interesting feature is a chart showing how the German metal-buying combination controlled the metal markets of the world before the war.

DIVIDENDS AND NOTICES

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of two per cent. (2%) on the Common Stock of the **Dominion Textile Company, Limited,** has been declared for the quarter ending **30th June, 1918,** payable **July 2nd,** to shareholders of record **June 15th, 1918.**

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 10th May, 1918.

CANADIAN CAR & FOUNDRY COMPANY, LIMITED, MONTREAL

Notice is hereby given that a dividend of Three and One-Half per Cent. upon the accrued dividends on the preference stock of the Company has been declared, payable on July 15th, 1918, to shareholders of record at the close of business June 15th, 1918. The transfer books of the Company will not be closed.

Shareholders will confer a favor upon the management by advising The Royal Trust Company, Montreal, Transfer Agents for the stock, of any change in address.

By Order of the Board.
F. A. SKELTON,
Vice-President & Treasurer.
Montreal, June 1st, 1918

OTTAWA LIGHT, HEAT & POWER COMPANY, LTD.

DIVIDEND No. 48.

Notice is hereby given that a quarterly dividend of 1½% (one and one-half per cent.), being at the rate of 6% per annum on the Capital Stock of this Company has been declared for the period ending June 30th, 1918, payable on July 1st, 1918, to Shareholders of record at the close of business on the 20th day of June, 1918.

The transfer books of the Company will not be closed.

By Order of the Board.
D. R. STREET,
Secretary-Treasurer.
Ottawa, June 4th, 1918.

THE CANADIAN CROCKER-WHEELER CO., LIMITED

DIVIDEND NOTICE

The directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-Quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending June 30th, 1918, to shareholders of record June 20th, 1918. Also a dividend of One and Three-Quarters per cent. (1¾%) on the common stock of the Company for the three months ending June 30th, 1918, to shareholders of record June 20th, 1918.

The stock books will be closed from the 20th to the 30th of June both days inclusive.

Checks will be mailed to shareholders on June 29th, 1918.

By Order of the Board.
L. R. GRIMSHAW,
Secretary-Treasurer.
St. Catharines, June 5th, 1918.

PROVINCIAL PAPER MILLS CO., LIMITED

Notice is hereby given that dividends of One and Three-Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable July 2, 1918, to shareholders of record at the close of business June 15th, 1918.

By Order of the Board.
S. F. DUNCAN.
Secretary-Treasurer.
Dated Toronto, June 4th, 1918.

DIVIDEND NOTICE

CANADIAN GENERAL ELECTRIC CO., LIMITED

COMMON STOCK DIVIDEND No. 76.

Notice is hereby given that a quarterly dividend of two per cent. for the three months ending the thirtieth of June, 1918, being at the rate of eight per cent. per annum, has been declared on the Common Stock of the Company.

The above dividend is payable on and after the first day of July, 1918, to Shareholders of record at the close of business on the fifteenth day of June, 1918.

By Order of the Board.
J. J. ASHWORTH,
Secretary.
Toronto, May 31st, 1918.

DEBENTURES FOR SALE

DEBENTURES FOR SALE

RED DEER, ALTA.

Tenders will be received up to noon June 21, 1918, for $24,000 Red Deer Treasury Bills, dated July 1st, 1918, payable one, two and three years in equal instalments. Interest at rate of seven and one-half per cent., and payable semi-annually at Imperial Bank of Canada, Red Deer, Toronto and Montreal, Bank of the Manhattan Company, New York.

A. T. STEPHENSON,
City Commissioner.
Red Deer, Alta., May 28, 1918.

BANKS TO FINANCE DOMINION TEMPORARILY

As the funds of the Canadian government will be exhausted about the end of July, and the next war loan will not be floated until probably three months thereafter, there will be an interval of some months during which temporary financing will be required. On Thursday, the 6th inst., Sir Thomas White was in conference with representatives of the Canadian Bankers' Association, and it is understood that arrangements were discussed for the financing during this period to be carried by the banks.

NEW PULP AND LUMBER MILL

A company, known as the Beaver Cove Lumber Company, Limited, has commenced the construction of a large pulp and lumber mill at Beaver Cove, B.C., 165 miles north of Vancouver. It is understood about $3,000,000 or $4,000,000 will be invested, and the daily capacity of the plant will be 40 tons of pulp and 100,000 feet of lumber. The company has timber resources totalling five billion feet, and the cost has been over $2,000,000. The property includes some fine spruce, which it is the intention to cut as soon as possible for use in aeroplane construction.

GOVERNMENT AND MUNICIPAL BONDS

Security	Yield	Security	Yield
Victory Bonds 5½'s, Due 5, 10 or 20-years	5¼-5⅝%	City of Montreal 6's, 1922	6⅜%
Province of Ontario 5's, 1919 (free from succession duties and municipal taxation).........	6%	City of Vancouver, B.C., 4½'s, 1921	6½%
City of Stratford 5½'s, 1937..........................	6%	Greater Winnipeg W.D. 5's, 1923..........	6¼%
County of Halton, 1919-36....................	6%	City of Victoria, B.C., 5's, 1925	6⅜%
		City of Weyburn, Sask., 5½'s 1943	6⅜%

We solicit your orders in Victory Bonds.

Graham, Sanson & Co.
INVESTMENT BANKERS

TORONTO GENERAL TRUSTS BLDG. - Main 388 - TORONTO

NEW INCORPORATIONS

The Kirkland-Munroe Gold Mines, Limited, With Capital Stock of $2,000,000, Received Charter

The largest company incorporated during the past week was the Kirkland-Munroe Gold Mines, Limited, with a capital stock of $2,000,000, and head office at Toronto, Ont. The Adanac Collieries, Limited, with capital stock of $1,500,000, and head office at Winnipeg, Man., received charter.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are the provisional directors:—

Kelowna, B.C.—Archie Johnson, Limited, $10,000.

Sandon, B.C.—Silversmith Mines, Limited, $750,000.

Kamloops, B.C.—Mountain Sawmills, Limited, $50,000.

Grindrod, B.C.—Grindrod Farmers' Hall, Limited, $2,000.

Montreal E., Que.—Club Montreal-Est., Limitée, $5,000; J. Dublong, H. Drolet.

St. Hyacinthe, Que.—Club Corona, Limitée, $10,000; D. Bouchard, J. Bissonette.

Sarnia, Ont.—Indian Farm Lands, Limited, $25,000; W. H. Kenny, W. E. Beresford.

Nanaimo, B.C.—Vancouver Island Fish and Cold Storage Company, Limited, $20,000.

Galt, Ont.—Glennie and Moore, Limited, $40,000; W. M. O. Lochead, W. P. Clement.

Walkerville, Ont.—Belle River Oil Company, Limited, $40,000; W. E. Jones, G. Reid.

Kenton, Man.—Kenton Oil Company, Limited, $20,000; W. Hudson, J. Ellis, G. A. Kent.

Atlee, Alta.—Atlee Ranching Company, Limited, $100,000; C. M. Wright, W. D. Spence.

Hamilton, Ont.—Motor-Boat-Controls, Limited, $50,000; E. T. Emerson, J. Sinclair, E. Wilson.

Verdun, Que.—A. V. Fiola and Company, Limited, $45,000; C. Laurin, A. V. Fiola, E. Laurin.

Waskada, Man.—Waskada Rural Credit Society, $20,000; A. Hibbert, F. Thompson, J. D. Williams.

Welland, Ont.—Dim-Rite Specialties, Limited, $60,000; W. H. Honsberger, G. C. Brown, J. C. Diffin.

Letellier, Man.—E. Graveline and Company, Limited, $20,000; J. Saurette, C. Barnabe, E. Graveline.

Sault Ste. Marie, Ont.—Canadian Coal Company, Limited, $40,000; H. J. Herrold, E. P. Foster, W. J. Edwards.

Victoria, B.C.—National Motor Company, Limited, $10,000. Fred. Foster Furrier, Limited, $20,000. Haddington Quarry Company, Limited, $10,000.

Calgary, Alta.—Branham Dredging Company, Limited, $500,000; W. W. Wadleigh, A. C. Galbraith, C. Saunders. United Grain Growers Securities Company, Limited, $100,000; C. Rice-Jones, R. A. Parker, C. M. Elliot.

Brantford, Ont.—Brantford Sales, Limited, $100,000; G. Brereton, W. T. Henderson, C. H. Brown. Canada Plaster Board Company, Limited, $100,000; F. Chalcraft, W. E. Long, R. E. Haire. Lansdowne Park Company, Limited, $250,000; W. P. Kellett. W. K. Thompson, W. D. Powell.

Winnipeg, Man.—Vorold Publishing Company, Limited, $1,000; A. Johnson, G. Johannson. Hecla Press Company, Limited, $20,000; A. Johnson, G. Johannson. Campbell Realty Company, Limited, $40,000; R. W. Craig, J. C. W. Agnew, G. A. Paulson. Adanac Collieries, Limited, $1,250,000.

Vancouver, B.C.—North Wellington Collieries, Limited, $25,000. Spartan Oil Company, Limited, $250,000. Esplanade Pavilion, Limited, $25,000. Point Hydraulic Mining Company, Limited, $25,000. Harold D. Carey, Limited, $10,000. Lockport Canning Company, Limited, $50,000. Delia Mines, Limited, $25,000. Cunningham Drug Stores, Limited, $10,000. Central Drug Store, Limited, $10,000. Seymour Tire and Rubber Company, Limited, $10,000. Terminal City Coal Company, Limited, $10,000. Sentry Manufacturing Company, Limited, $10,000.

Toronto, Ont.—Statesman Publishing Company, Limited, $40,000; C. J. McLaughlin, E. E. Purvis. Canadian Bee Supply and Honey Company, Limited, $40,000, W. Douglas, J. Callaghan, C. Johnston. Federal Cold Storage and Warehousing Company, Limited, $100,000; F. C. Carter, M. H. Gillam, C. H. Hewgill. Hastings Land Company, Limited, $40,000; A. W. Holmstead, J. L. Ross. King Construction Company, Limited, $100,000; J. A. Hart, J. W. Gooch, E. G. Long. Kirkland-Munroe Gold Mines, Limited, $2,000,000; A. Gordon, S. C. Parker, D. Sherriff.

Montreal, Que.—Cluett, Peabody and Company, Limited, $1,500,000; H. J. Elliott, F. W. Stewart, L. A. David. Ryan's Dry Cleaning Works, Limited, $25,000; S. Ryan, H. Sabloff, S. Myers. Union Engine Machine Works, Limited, $150,000; G. L. Williams, J. Burge, P. J. Kenny. Bessette and Ashby, Limited, $10,000; F. Callaghan, Francois-Xavier Biron. Holland's, Limited, $99,000; H. Mackay, E. G. Place. Star Coal and Feed Company, Limited; M. M. L. Masson, Joseph-Emile Billette. La Compagnie Nationale d'Aqueduc et Pouvoir, $20,000; L. P. Dupre, A. LeMoyne. Abitibi Fish Company, Limited, $30,000; F. G. Bush, G. Drennan.

STANDARDIZED AND FABRICATED SHIPS

Following upon the government control of the shipbuilding industry in England, the adoption of the standard ship soon followed on account of the economy of construction. The ships, however, were turned out entirely in individual yards, so that inland plants could not be used in their construction. Many of these exist in England, which were formerly engaged on bridge building and similar work. In order to enlist these plants in the shipbuilding industry, a system of fabrication has been adopted, that is, certain parts are sent to other shops or yards to be manufactured, and the final assembling takes place in the shipyard. This will enable individual plants to be entirely devoted to the class of work for which they are most suited.

LOANING SITUATION IN EDMONTON DISTRICT

"The loaning situation of central and northern Alberta, in so far as farm lands are concerned," said Mr. F. A. Beddard, manager of the Huron and Erie Mortgage Corporation (Edmonton branch), to *The Monetary Times*, "shows an improvement during the first five months of the present year over the corresponding period of last year, the principal feature being financial assistance to purchase more farm lands, the farmer thereby adding to his present holdings. In addition thereto, the substantial buildings being erected are very noticeable during one's travels throughout country districts, and the automobile also plays an important part, both in business and social life, amongst the farmers. Generally speaking, the farm loans are in good shape, the high prices now being obtained for all kinds of farm produce being accountable for this.

"The largest sale of farm lands has been recorded this year for many years past, and at greatly increased prices. The undoubtedly high prices of grain and stock, together with the Empire's call for more production, was instrumental in bringing this about. At the same time, in my opinion, it is very questionable whether these high prices in many cases were warranted, especially having in view that at the close of the present European conflict the reaction that will set in, must affect farm produce prices, which automatically will affect land values, but financial institutions who are loaning on this class of security must govern themselves accordingly.

"An increase in crop production of about 40 per cent. over 1917 is estimated for Alberta. Hog and sheep-raising are being given more attention than for many years past, and the natural advantages for agricultural developments, especially mixed farming, is ideal in every way, the province in this respect having no rival in the Dominion.

"A period of prosperity has existed amongst the farming communities for the past three years, and with every prospect that this will continue, at least for the present year, and with the increased immigration of farmers from the States, the prospects of the future for this province are exceedingly bright."

The weather throughout Ontario is reported to be good for fruit-growing, and it is anticipated that the crop will be considerably better than last year. In Quebec and the maritime provinces the prospects are not very favorable.

THE SASKATCHEWAN LIFE INSURANCE COMPANY

HEAD OFFICE, REGINA, SASKATCHEWAN

Annual Statement, December 31st, 1917

BALANCE SHEET

ASSETS.	
First Mortgages (Real Estate)	$ 33,310.82
Bonds and Debentures, owned by Company (Market Values)	127,700.47
Cash in Union Bank of Canada	21,906.65
Interest due and accrued	5,484.67
Furniture and Equipment, Less Depreciation	2,704.07
Premiums Outstanding and Deferred, (Reserve included in Liabilities)	13,316.76
	$204,423.44

LIABILITIES.		
Policy Reserves—Dominion Goverment Standard—		$ 69,637.00
Premiums Paid in Advance		153.76
Death losses reported, but awaiting proof		3,000.00
Accrued Taxes		716.00
Sundry Ledger Credits		1,059.91
Contingency Reserve Fund		7,500.00
Capital Paid Up	$100,000.00	
Surplus over Liabilities and Capital	22,356.78	122,356.78
		$204,423.44

CASH ACCOUNT

INCOME.	
First Year's Premiums	$ 35,378.20
Renewal Premiums	35,787.66
Total Premium Income Net	$ 71,165.86
Interest	10,722.17
Premium on Capital Stock	9,461.05
Miscellaneous	71.50
Total Income	$ 91,430.58

DISBURSEMENTS.		
Death Losses Paid		$ 4,458.26
Surrendered Policies		39.00
Total Payments to Policy-Holders		$ 4,497.26
Taxes, Licenses, etc.	$ 1,583.62	
Head Office Salaries, Travelling Expenses, Auditors and Actuary	12,132.81	
Agents' Commissions, Salaries, and all other Agency Expenses	27,024.40	
Medical Fees, Rents, and all other Expenses	8,068.63	
Total Expenses of Management		$ 48,809.46
Excess of Income over Expenditure		38,123.86
		$ 91,430.58

INSURANCES ISSUED during the year $1,198,998.00
INSURANCES IN FORCE—December 31st, 1917 .... $2,315,306.00

CHAS. WILLOUGHBY, President.

AMERICAN BANKERS' ASSOCIATION IS GROWING

On May 28th, 1918, the American Bankers' Association had a membership of 18,189 members, or almost double the membership in 1908. As there are nearly 30,000 banks in the United States, the association has great possibilities for further expansion, and a goal of 20,000 has been set for September next.

NEW INDUSTRY FOR HALIFAX

A company, to be known as the "Halifax Shipbuilders, Limited," has secured a site in Halifax, and will engage in steel shipbuilding. The principal promoters of the enterprise are James Carruthers and J. W. Norcross, of the Canada Steamship Lines, and R. S. Wolvin, head of the Montreal Transportation Company. They have secured the old site of the Atlantic Sugar Refineries on the Halifax side of the channel. It is expected that the initial expenditure will be between $3,000,000 and $4,000,000, and that the industry will employ over 3,000 men. The city council has decided to grant tax exemption to the syndicate. The only assistance that the government is giving is the promise of a limited number of contracts at fixed prices for the construction of modern steel freighters of about 10,000 tons capacity.

LABOR FOR THE HARVEST

Mr. J. D. McGregor, director of labor, Canada Food Board, says that the seeding of the west has been managed very well by the co-operation of the men in the towns and cities, of the boys enlisted in the Soldiers of the Soil, and by men secured from the United States.

"I have the assurance of the government," said Mr. McGregor, "that measures will be adopted to assure you the necessary supply of labor for harvesting the crop. The anti-loafing law has worked wonders, and idle foreigners and sports have disappeared from the streets of the west. They are at work on the farm."

SOLDIERS OF THE SOIL

Boys enrolled as farm helpers in the Soldiers of the Soil organization, under the auspices of the Canada Food Board, are doing good work with the seeding. In Ontario, 15,000 boys have been enrolled. Many of them are now on the land; In Manitoba over 1,000 are at work; in Saskatchewan 1,100 are placed; in Alberta, 624; in British Columbia, 540; in Nova Scotia, 1,398; in Quebec, over 1,000 have been already enrolled. New Brunswick and Prince Edward Island are still to be heard from, but the enrolment is under way.

ARRANGEMENT WITH THE UNITED STATES

Hon. G. C. Robertson, labor representative in the government, stated in the House of Commons that an arrangement had been completed by the United States Department of Labor and the Canadian Department of Immigration and Colonization for the interchange of farm laborers. Several thousand have already entered the Canadian west under this arrangement.

SOLDIERS PRODUCING FOOD

The food shortage is recognized as so serious in Europe that the soldiers are cultivating 50,000 acres between the lines in France, 7,000 in Salonica, and approximately 700,000 in Mesopotamia, Egypt, Palestine and Cyprus. In Egypt, Palestine and Salonica the British armies will this year grow all their own vegetables and a large part of their hay and forage. All the military camps in England are being cultivated also. At Aldershot, where 28 acres were being cultivated eighteen months ago, 1,200 acres are now under cultivation.

It is estimated by a parliamentary committee that 50,000 men will be needed for the harvest in Canada from August 1st to September 1st.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended June 5th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi com.	....	....	....
Ames-Holden com.	....	....	....
" pref.	....	....	25
Asbestos Corporation	20	19	166
" pref.	57	54	180
Bell Telephone	130	....	1
British Columbia Fishing & Packing	....	....	....
Brompton	51	53½	1
Brazilian	36	34	110
Canada Car com.	31	29	100
" pref.	76½	76	155
Canadian Converters	44	43½	161
Canada Cement com.	59¾	59½	280
" pref.	90½	....	58
Canada Cottons	....	....	40
" pref.	....	....	....
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	150	147½	....
Canadian General Electric	....	....	15
Canadian Locomotive	....	59	....
Canada Steamship Lines com.	41	39½	160
" " " pref.	76¼	76	102
Can. Forgings	....	....	....
Civic Investment	....	....	....
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	476
Consumers Gas com.	....	....	....
Dominion Bridge	....	....	....
Dominion Cannera	....	....	....
Dominion Iron pref.	....	....	....
Dominion Steel Corporation com.	59½	59	577
Dominion Textile	90	88	25
" pref.	....	....	....
Goodwins Ltd.	....	....	....
Hillcrest	....	....	....
Howard Smith Paper	....	....	10
Lake of the Woods Milling com.	....	....	....
" " " pref.	....	....	....
Laurentide Co.	166	161	....
Lyall Const. com.	....	78	....
Macdonald	15	13½	....
Mackay Cos. com.	....	....	....
" " pref.	....	....	....
Maple Leaf Milling com.	....	97½	400
Montreal Tel.	....	....	....
Montreal Tramway	....	....	5
" " deb.	72¾	....	2200
Montreal Light, Heat and Power	77	75⅝	123
Montreal Cotton com.	....	50	10
" pref.	....	....	....
Nova Scotia Steel pref.	66	....	....
Ontario Steel com.	....	....	....
Ottawa L. H. & P.	84	80	94
Penmans	75	73	....
" pref.	....	....	....
Price Bros.	....	....	....
Riordan Paper	118¼	118	130
" pref.	....	...	....
Quebec Railway, Light, Heat & Power	19¾	19½	350
Shawinigan Water & Power	112	111½	225
" " " rights	....	....	....
Spanish River com.	14	13	170
" pref.	....	...	10
Smart Woods	....	....	....
Steel Co. of Canada	63½	63½	2070
" " " pref.	....	....	50
St. Lawrence Flour Mills com.		65	....
Toronto Railway com.	60	....	50
Wabasso Cotton	43	40	4½
Woods	71	69	232
Bank of British North America	...	....	....
Bank of Commerce	....	....	....
Bank of Montreal	210	....	20
Bank of Ottawa	201	....	....
Bank of Toronto	....	119	....
Bank d'Hochelaga	....	....	....
Banque Nationale	....	....	..
Bank of Nova Scotia	218	....	19
Dominion Bank	202	....	....
Merchants Bank	167	....	2
Molsons Bank	179⅞	....	1
Quebec Bank	....	....	....
Royal Bank	208	....	12
Standard Bank com.	....	....	....
Union Bank	....	119	....

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	....	1000
Bell Telephone	....	....	....
Canadian Car.	....	....	....
Canada Cement	....	....	....
Canadian Converters	....	82	....
Canada Pelt	....	....	....
Cedars Rapids	....	....	100
Dominion Coal	....	87	8000
Dominion Cotton	....	....	....
Dominion Iron and Steel	....	....	....
Dominion Textile A	....	....	500
" " B	...	....	....
" " C	....	....	....
" " D	....	....	....
Lake of Woods Milling	....	....	....
Laurentide	....	101	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	....	....
Nova Scotia Steel	....	....	....
Ogilvie A	....	100	....
" B	....	100	....
" C	....	100	....
Penmans	....	....	....
Price Bros.	....	....	....

Montreal Bonds (*Continued*)	Opened	Closed	Sales
Quebec Railway, Light and Power	60	....	....
Riordan Paper	....	....	....
Steel of Canada	92	....	....
First Dominion War Loan	95¼	95⅛	9100
Second Dominion War Loan	....	93¾	6600
Third Dominion War Loan	93	92¾	23900
Wabasso Cotton	....	....	....
Wayagamack	....	....	180

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	21	.. .	....
" pref.	58	...	....
American Cynamid	....	32	....
Bell Telephone	....	....	....
Barcelona	10	9¾	95
British Columbia Fish	47	....	....
Brazilian	34½	34¼	899
B. C. Packers	....	....	....
Canada Bread	19⅞	19	10
" pref.	....	....	....
Canadian Car & Foundry	30	28½	....
" " " pref.	77½	76	25
Canadian Canners	....	....	....
" pref.	....	....	....
Canadian General Electric	103	102	12
" " " cum div. pref.	....	....	....
Canada Landed & National Investment	148¾	....	....
Canadian Locomotive	61	59½	....
" pref.	....	82¼	....
Canadian Pacific Railway	149	146	....
Canada Permanent	162½	....	110
Canada Steamship	39¾	39¼	25
" " pref.	76¼	76⅛	89
Can. Salt	....	....	....
Cement com.	59¾	59	10
"	....	....	36
City Dairy	....	40	2½
" pref.	90	85	3
Coniagas	310	290	....
Confederation Life	....	....	....
Consumers Gas	....	144½	5
Crows Nest	....	....	....
Dome	800	750	50
Dominion Canners pref.	38	33	....
Dominion Iron com.	....	...	....
Dominion Steel Company	59½	58½	55
Dominion Savings	....	....	....
Duluth Sup.	11	....	....
F. N. Burt	....	66	5
" pref.	....	...	5
Hamilton Provident	137	135	....
Huron & Erie com.	....	204	....
La Rose com.	50	42	....
Mackay Companies	76½	75½	15
" pref.	65¼	64½	38
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	98½	97½	160
" " " pref.	....	....	....
Monarch	....	39½	....
" pref.	80	....	....
Nat. S. Car	8½	7½	....
" pref.	37	30	....
Nipissing	900	865	380
Nova Scotia Steel	65	....	....
" " " rights	....	....	....
Pacific Burt	34	....	....
" pref.	77½	....	....
Prov. Paper	55	....	....
Penmans com.	75	73½	....
Petroleum	1375	1325	....
Porto Rico	30	28	....
Quebec L. H. & P.	20	19	275
Riordon	119½	118½	15
Rogers com.	....	....	...
Russell Motor	71	70	53
" pref.	78	75	....
Sawyer-Massey	15	....	....
" pref.	40	....	....
Spanish River	15	13	....
" pref.	53	50	....
Cons. Smelters	24⅜	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	63½	63	215
" " " pref.	91	90	124
Toronto General Trust	....	200	....
Toronto Paper	....	70	....
Toronto Railway	60	58	5
Trethewey S. Mines com.	18	16½	1000
Tucketts	19	....	....
" pref.	....	....	....
Winnipeg Electric	48	....	....
Twin City	41½	40½	20
Bank of Commerce	....	....	....
Bank of Ottawa	201	....	....
Bank of Hamilton	....	....	....
Bank of Montreal	....	....	....
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	....
Dominion Bank	202	....	....
Imperial Bank	185	....	28
Merchants Bank	....	....	....
Molsons Bank	....	....	....
Royal Bank	208	....	....
Standard Bank	200¼	....	23
Union Bank	....	119	....

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	....
Canada Locomotive	....	85	....
Colonial Loan	....	....	....
Penmans	....	85	....
Quebec Railway L. H. & P.	....	....	....
Steel Company of Canada	92	....	....
First War Loan	95½	95	11900
Second War Loan	94⅛	94½	14000
Third War Loan	93	93¼	37900

LUXURIES IN WAR TIME

Reduction in Imports of Wearing Apparel, But Not in Table Luxuries

BY J. L. PAYNE.

The total imports of the Dominion rose from $675,517,045 in 1913 to $974,801,020 in 1918. Part of the increment is, of course, accounted for by higher values. It would naturally be assumed that under the stress and pinch of war conditions the aggregate for 1918 would contain a much smaller proportion of luxuries than did the total for a year of abounding and normal prosperity, like 1913. It did. On the whole there was a decline in imports of many non-essentials. For example, taking a few typical classes of merchandise, almost at random, a comparison of 1913 with 1917—the last fiscal year for which details are available—gives the following result:—

	1913.	1917.
Spirits	$5,750,068	$3,599,585
Wines	908,073	453,047
" sparkling	924,960	88,230
Furs	2,166,867	974,603
Candies	1,549,867	388,307
Diamonds	3,846,350	1,430,401
Jewelry	2,152,659	866,537
Feathers, etc.	1,495,930	686,321
Silk goods	8,134,605	4,016,282

These are indicative of a fairly wide range of articles, as to which it might be said the difficulty of procuring supplies had perhaps as much to do with the actual reductions as any general disposition to economize. There were in 1917 many obstacles to bringing in certain classes of imports, irrespective of price or anything else. On coming to another class of luxuries, however, the official figures tell quite another story. Here are a few instances:—

	1913.	1917.
Phonographs and records	$723,652	$1,731,380
Automobiles and parts	10,517,787	15,782,642
Fruits and nuts	8,744,064	10,192,331
Green fruits	6,829,359	7,636,383
Vegetables	423,915	647,122

It would appear that the people of Canada were willing to do with less of the things which are worn, or used wholly for decorative purposes; but when it came to table luxuries they were not ready to stint themselves. The green fruits, for instance, consisted of bananas, lemons, oranges and pineapples, and of these they consumed considerably more in 1917 than in 1913. The vegetables in the foregoing statement were first tomatoes and melons, the former coming in from the Southern States in the spring months before the Canadian crop was marketable. Of this luxury $489,909 worth were imported last year, as compared with $309,973 worth in the year prior to the war. The same spirit was in some degree manifested in respect of magazines, the value of which increased from $1,138,867 in 1913 to $1,505,586 in 1917. In short, where appetite was concerned there appeared to be a determination to disregard the call for retrenchment. Saving was limited almost wholly to the things which are worn or used for mere adornment.

The item of automobiles calls for emphasis. It does not represent the total expenditure of the people under that head. Far from it. There is a wide difference between the import price and the retail price, and to the latter sum must be added the cost of all the automobiles manufactured within the Dominion. Probably the final bill would reach $50,000,000 for the year 1917, and in considering that relatively large figure some significance attaches to the authentic statement recently made that 80 per cent. of the sales last year were made to farmers. Considered, however, merely as a factor in our total imports, we see the suggestion of prosperity and changing conditions in the striking fact that thirty years ago there was not a single item in our aggregate purchases abroad which came anywhere near the import cost of automobiles in 1917. That outlay was larger than the combined imports of all woolens and cottons in 1887. It was, in fact, equal to our total for iron and steel, both raw and manufactured.

There is, of course, a reason for the large consumption of luxuries to which allusion has been made. Despite the disturbance produced by the war, and the creation of conditions which were quite abnormal, it must not be forgotten that money was plentiful and widely distributed. Perhaps at no period in the history of the Dominion has the demand for labor been so active nor the rate of remuneration so high. While prices have been beyond precedent, the situation in that regard has, on the whole, been counterbalanced by larger earning power and special opportunities for the making of money. The people have met the enormous calls of the war in a spirit of cheerfulness, and, as the trade records show, have been able to treat themselves to a more liberal allowance of luxuries than ever before. But there are stern and trying days ahead, when all this inflation will be followed, as is inevitable, by the disturbance which must accompany efforts to adjust all our living conditions to peace. Simple prudence demands timely preparation for such a vital event.

NEW BRUNSWICK RAILWAYS PASS TO PUBLIC

Four small railways in New Brunswick passed to government ownership on June 1st. They were built some years ago, when railways were cheap. The amounts voted for the roads were: The Elgin and Havelock, $30,000; York and Carleton, $18,000; Moncton and Buctouche, $70,000; and the St. Martin's Railway, $75,000. The Salisbury and Albert Line, for which $75,000 was voted, will be acquired on July 1st, while negotiations have yet to be completed for the purchase of the Kent, Northern and Caraquet and Gulf Shore roads, for which $60,000 and $200,000, respectively, were appropriated recently.

BRITISH COLUMBIA ELECTRIC RAILWAY

The agreement between the British Columbia Electric Railway and its employees will expire on June 30th next, and new arrangements regarding wages will have to be made. The men employed in the street railway department of the company have served notice of a demand for increased wages, amounting to 50 per cent. in some cases of the existing wage schedule, and will involve an increased pay-roll of $640,000 per annum. The company is willing to concede a 10 per cent. increase or leave the matter for submission to arbitration proceedings.

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GOVERNMENT FINANCE

PUBLIC DBBT	1918
Liabilities—	$ cts.
Payable in Canada	744,379,494 74
Payable in London	362,703,312 40
Payable in New York	75,873,000 00
Temporary Loans	579,005,464 06
Bank Circul'n Redemp. Fd.	5,799,609 27
Dominion Notes	251,622,765 54
Savings Banks.	51,661,995 89
Trust Punds	10,923,371 69
Province Accounts	11,920,481 20
Miscel. and Bkg. Accounts.	28 072 637 43
Debt	2121,962,182 22

	1918
Assets—	$ cts.
Investments—Sinking Fds.	18,291,525 04
Other Investments	238,032,849 35
Province Accounts	2,296,327 90
Miscel and Bkg. Accounts	758,947,455 94
Total Assets	1015 568 158 23
Total Net Debt 31st Mar.	1108 394 023 99
Total Net Debt 28th Feb.	1010 780 470 48
Increase of Debt	95,613,553 51

Revenue and Expenditure on account of Consolidated Fd.	Total to 31st Mar. 1918
Revenue—	$ cts.
Customs	143,311,395 12
Bxcise	26,677,387 23
Post Office	20,774,200 40
Pbc. Works, R'lways & Canals	27,200,585 90
Miscellaneous	34,408,940 34
Total	252,372,508 99
Expenditure	141,989,541 35

Expenditure on Capital Account, Etc.	Total 31st Mar. 1918
	$ ct
War	*299930317
Public Works, Railways and Canals	27,025,729
Railway Subsidies	720,404
Total	327,678451

(*Correcting Statement published on April 20th, 1918.)

DOMINION SAVINGS BANKS

BANK	Deposits for Mar. 1918	Total Deposits	Withdrawals for Mar. 1918	Balance on Mar. 30th, 1918.
	$ cts	$ cts.	$ cts.	$ cts.
Manitoba:—				
Winnipeg	4,077.00	512,070.84	3,807.20	508,263.64
British Columbia:—				
Victoria	28,103.81	1,122,987.72	24,036.55	1,098,951.17
Prince Edward Island:—				
Charlottetown	57,452.00	1,850,753.36	30,311.93	1,820,441.43
New Brunswick:—				
Newcastle	1,864.00	239,830.65	7,977.83	231,852.82
St. John	67,835.44	4,649,370.68	71,634.82	4,577,835.86
Nova Scotia				
Amherst	....	....	....	....
Barrington	145.00	102,267.19	404.85	101,862.34
Guysboro'.	1,311.00	96,318 03	1,165.67	95,152.36
Halifax	51,113.02	2,379,705.90	35,775.22	2,343,930.68
Kentville	3,149.00	240,703.23	6,013 62	234,689.61
Lunenburg	3,072.00	438,715.74	10,292.81	428,422.93
Pictou	....	....	....	....
Port Hood	541.00	71,941 45	25.00	71,916.45
Shelburne	1,360.86	219,895.75	2,745.12	217,150.63
Sherbrooke	289.10	79,077.91	664.68	78,413.23
Wallace	....	....	....	....
Totals	178,313.23	12,003,638.45	194,755.30	11,808,883.15

POST OFFICE SAVINGS BANKS

Dr.	JANUARY, 1918		Cr.
Balance in hands of the Minister of Finance on 31st Dec., 1917	$ cts. 40,478,123.47	Withdrawals during the month	$ ct 1,521,038.
Deposits in the Post Office Savings Bank during month	843 347.29		
Transfers from Dominion Government Savings Bank during month:—			
Principal Interest accrued from 1st April to date of transfer	....		
Deposits transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	6,360.67		
Interest accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
Interest allowed to Depositors on accounts closed during month	13,832.26	Balance at the credit of Deoositors' accounts on 31st Jan., 1918	39,820,625.
	41,341,663.78		41,341,663

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended June 5th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power com.	45	48.50	Can Salt 6's	92.50	....	Goodyear Tire	170	195	Ont. Pulp 6's	76	80
" 7% deb.	....	87.50	Can. Timber & Land	90	110	Home Bank	....	63	Page Hersey pref.	65	78.50
Alta Pacific Grain	100	....	Can. Westinghouse	100	120	Imperial Oil	270	285	Peoples Loan	80	90
Amer. Sales Book pref.	....	90	Carter Crume pref.	....	70	Inter. Mill pref.	80	87	Rosedale Golf	....	315
Atlantic Sugar pref.	30	36.50	Chapman Ball Bearing	22.50	29.50	Lambton Golf Club	350	395	Sovereign Life	12.50	20
" " 6's	76	83.50	Cockshutt Plow pref.	70	80	London Loan & Savings.	98	105	Standard Reliance	....	....
Belding Paul com.	12	15.50	Consumers Cordage pref.	75	85	Maritime Coal com.	20	25.50	Sterling Bank	....	80.50
" " pref. xd 3½%	73	83	Continental Life	17.50	25	Massey Harris	110	131	Sterling Coal com.	14	16.50
Black Lake 6's	22.50	25.50	Dom. Explosives	....	30	Matthew-Blackwell com.	40	50	" " bonds	69.50	73
" pref.	3.50	5.50	Dom. Fire	18	23	Matthew Laing 6's	94	97.50	St. Lawrence Sugar 6's	90	95
Brandram-Henderson 6's	95	....	Dom. F'dry & Steel 8% pf.	85	90	M'Donald pref.	76	80.50	Toronto Carpet com.	87	....
Buffalo Lock & R 5's	....	53	Dom. Glass com.	32.50	40	Mexican North 5's	7.50	11	Toronto Power 5's 1924	79.50	83
Can. Cons. Felt com.	4.50	6.50	Dom. Iron 5's. 1939	74	78	Mississauga Golf	45	55	Toronto York Rad. 5's	91	95
Can. Pairbanks pref.	84.50	93.50	Dom. Power pref.	92.50	96.50	Morrow Screw 6's	85	93	Trust & Guarantee	....	....
Can. Machinery com.	12.50	....	" " 5's	80	85	National Life	37	....	West. Assurance	7	8.75
" " pref.	48.50	54.50	Dunlop Tire 6's	95	100	National Potash	1	1.50	Wt. Can. Flour com.	100	125
" " bonds	75.50	82.50	Eastern Car 6's	89	94	N. S. Steel, 6% deb.	82.50	87.50	....	....	....
Can. Marconi	1.20	2.00	Ford Motor	....	215	....	....	....	....	....	...

THE UNITED STATES RAILWAY SYSTEM

Messrs. Spencer, Trask and Company, of New York, in their monthly market letter of May 31st, discuss the extension of government control, and refer especially to the railroads, as follows:—

"The measures taken, though distasteful at first, certainly appear wise especially so in the case of the railroads, as full responsibility of management is now clearly up to the government, and any failure to obtain results lies with the director-general of the railroads, and cannot be laid to antagonism on the part of private interests. The railroad industry seems, as a matter of fact, to be engaging a large art of the attention of Secretary McAdoo. Within the last weeks he has authorized the roads to make plans for ding this year nearly $1,000,000,000 on additions to pro- and equipment urgently needed, and is also allowing ase in freight rates of 25 per cent. and passenger o three cents, which is expected to increase annual by some $800,000,000. Unfortunately, little of this s likely to find its way into the pockets of share icularly this year, as the advance in rates only becomes effective in June, while advances in wages have been ordered which are retroactive, and may absorb this year $325,000,000. The high cost of fuel will probably add another $150,000,000 to operating expenses, and the increasing cost of the hundred and one other items required by railroads will absorb a further large amount, so that the balance left over through increased rates does not promise to represent any substantial sum.

"Be that as it may, it is cause for congratulation that Secretary McAdoo has finally allowed an increase in rates which is even larger than any the railroads had previously asked of the Interstate Commerce Commission. In fact, the whole trend of the secretary's attitude should go far to remove any uneasiness concerning the physical condition of the roads when government control ceases. Indeed, this control may be of direct ultimate benefit to the railroad industry of the country, since actual experience of management will have taught the government many lessons that could not have been learned in any other way. This thought is steadily gaining ground, and is creating a better market position for railroad securities, for railroad bonds particularly."

ALFRED WRIGHT
President

ALEX. MACLEAN
Manager & Secretary

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A STRONG CANADIAN COMPANY
Paid up Capital - - - $200,000.00.
Authorized Capital - - $1,000,000.00.
Subscribed Capital - - $1,000,000.00.
Government Deposits - - $111,000.

THE EMPLOYERS'
LIABILITY ASSURANCE CORPORATION
OF LONDON, ENG. LIMITED
ISSUES
Personal Accident
Employers' Liability
Workmen's Compensation
and Fire Insurance
Sickness
Automobile
Fidelity Guarantee
Policies
C. W. I. WOODLAND
General Manager for Canada and Newfoundland
Lewis Building, MONTREAL
JOHN JENKINS, Fire Manager
Temple Bldg., TORONTO

P. R. REED, President
T. B. REDDING, Vice-President,
B. M. WHITLEY, Secretary-Manager
Canada Security Assurance Company
HAIL DEPARTMENT
CALGARY - ALBERTA

GOVERNMENT COMPETITION IN BANKING

At the annual convention of the Savings Banks Association of the State of New York, held in New York city, May 17th, 1918, Hon. Myron T. Herrick, president of the Society for Savings in the city of Cleveland, expressed the opinion that the government was dealing a severe blow to private savings banks by promoting the postal savings banks and the federal farm loan system. He declared that the private banks must now face a highly privileged competition, like that which has crushed out individual initiative and private enterprise in many foreign nations.

* * *

Following the submarine raid on the Atlantic coast on Monday, marine insurance rates in New York were practically doubled, and some companies refused to accept risks at any price.

New Westminster, B.C.
CANADA

Bonds for Sale

Tenders are invited for an issue of five hundred thousand dollars, City of New Westminster, British Columbia, five-year six per cent. Municipal Bonds, authorized by Special Act, and secured by various bond issues. Delivery at the Bank of Montreal, New Westminster. Sealed tenders will be received by the undersigned up to 2 p.m.,

10th June, 1918,

when same will be opened in the Mayor's office, City Hall. Highest or any tender not necessarily accepted.

Official permission for the issue of these securities, as required by Order-in-Council (3439) of December 22, 1917, has been duly obtained. Such permission, however, does not constitute an approval of the issue as regards its merits or security in any respect. It signifies merely that the sale of these securities is not considered to be incompatible with the requirements of Canada's War Finance. Further particulars on request.

R. S. GILCHRIST,
City Treasurer.

New Westminster, B.C.

IMPORTANCE OF LIFE INSURANCE TO BANKERS

The American Bankers' Association has recommended the use of new credit forms including the following questions:—

1. For farmers—Life insurance carried, and who is the beneficiary?

2. For firms or individual manufacturer or merchant—Amount of life insurance carried, and the beneficiary?

3. For the use of corporations, manufacturers or merchants—Amount of life insurance carried for the benefit of the company?

NEW WAR LOAN

No announcement has as yet been made regarding the details of the coming Canadian loan. Benefiting, however, by the experience of the Victory loan, the department of finance is planning to have definitive bonds ready for delivery upon full payment being made. The previous system involved two exchanges; the first being the exchange of the bank receipt for the government's interim certificate, and the second being the exchange of the interim certificate for the definitive bonds. The latter, it is understood, has not yet been completed, and it is already six months since the loan was made. This was one of the most objectionable features of the Victory loan. Plans for the subscription campaign are already being made.

PERSONAL NOTES

MR. J. W. VINCENT, deputy minister of inland revenue, has retired.

MR. A. E. HAM, insurance commissioner for Manitoba, has resigned.

MR. L. W. SMITH, manager of the Merchants' Bank at Nanaimo, B.C., left for Red Deer, Alberta, on a business trip last week.

MR. PAUL DE MARTIGNY has become French manager of the Montreal Stock Exchange firm of H. McConnolly and Company.

MR. O. W. PEASE, manager for Canada of the Queensland Insurance Company, is now in Western Canada in connection with the organization of a field force.

MR. WILLIAM THOMAS PERRY, manager for Canada of the Ocean Accident and Guarantee Corporation, Limited, is at present making a tour of the western provinces.

MR. M. W. MORTON, who was manager of the Bank of Hamilton at Brandon, Man., for seven years, has been transferred to the Regina branch of the same bank.

MR. W. R. PARTINGTON has been appointed to the position of inspector for British Columbia of the life insurance department of the Royal Insurance Company of Liverpool, England.

MR. E. J. LEVESON, the head of Leveson, Limited, Vancouver and Montreal, and a prominent citizen of Vancouver, has been elected a director of the British-American Trust Company.

The HON. GEORGE A. BELL, the minister of telephones of the province of Saskatchewan, has been appointed chairman of the local government board for the province. He is a native of Brant County, Ontario.

SIR GEORGE BURY, vice-president of the Canadian Pacific Railway, arrived in Winnipeg last week from the West. He will remain there for a few days before proceeding to headquarters in Montreal.

MR. HENRY MOONEY, who has represented the Mutual Life of Canada at Ottawa for the past 28 years, has retired. He will be succeeded by his son, Mr. J. Wilbur Mooney, who has been associated with him in business for many years.

SALE OF MONTREAL BONDS

The city of Montreal has awarded $6,100,000 6 per cent. 5-year bonds to the Hochelaga Bank at 97 and interest. Tenders were received by the Bank of Montreal, acting as the fiscal agent of the city. It is understood that the tender of the bank was on behalf of a number of French-Canadian bond houses, the names of which have not yet been announced. Another tender was sent in by a syndicate, consisting of Harris, Forbes and Company, incorporated, Wood, Gundy and Company, Dominion Securities Corporation, A. E. Ames and Company and C. Meredith and Company, Limited. They offered a price of 96.05 and interest. The price received of 97 and interest is regarded as extremely favorable, being a little better than a 6¾ per cent. basis, while that of the other syndicate was about ¼ of a point above a 7 per cent. basis. Another issue of $6,900,000 6 per cent. 5-year bonds was sold in the winter at 95.84. Montreal has now borrowed $13,000,000 this year, mostly to redeem obligations which were maturing. This is the heaviest borrowing of any Canadian municipality or province so far for 1918. It is understood that the agreement between the city and the successful tenderers for the present issue provides for delivery of $2,000,000 bonds on June 28th, another $2,000,000 on August 1st, and the balance on September 1st.

The London and Lake Erie Transportation Company, running an electric railway through the city of St. Thomas, has made an offer to the city that it acquire the south end of the line running between St. Thomas and Port Stanley, for approximately $150,000. The committee is now considering the question. The company itself would continue to run the south end of the line from St. Thomas to London.

CONFEDERATION LIFE
ASSOCIATION
Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:
W. D. MATTHEWS, ESQ.
Vice-President
SIR EDMUND OSLER, M.P.
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John Firstbrook, Esq.
Gen. Supt. of Agencies,
J. TOWER BOYD
Actuary, V. R. SMITH, A.A.S., A.I.A.
Secretary, J. A. MACDONALD.
Medical Director:
ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)
HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION!

The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED.	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED................. ...	INCREASE 166%
ADMITTED ASSETS..............	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds.........$	66,500,000
Deposited with Canadian Government and Government Trustees, over..............	7,000,000
Investments under Canadian Branch, over...$	16,000,000
Revenue, over..............	7,900,000
Bonus declared	40,850,000
Claims paid	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont,

SAFETY FIRST
Governs in investments of the
London Life Insurance Co.
LONDON ... ... Canada
POLICIES "GOOD AS GOLD." 3

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE - TORONTO, CANADA

A Practical Pointer on Salesmanship

It is of first importance in good salesmanship to select a worthwhile article to sell, something about which you can become enthusiastic with a reason—a reason that will last. In Life Insurance Salesmanship, for instance, a discriminating agent would naturally select the policies of the Mutual Life of Canada because—first, the Company is well-established—Second, it has an unblemished record—Third, it has a continental reputation as a dividend payer—Fourth, it is a democratic organization—Fifth, it is a wonderfully successful going concern—and lastly, being the only Canadian Policyholders' Company its contracts find a ready market. Where a company is so favorably known one half of the trouble of making the sale is avoided. If you get the best goods in your line and go to it, success is certain. Last year our agents placed $20,000,000 paid-for business.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario
CHARLES RUBY, General Manager R. P. CLEMENT, K C., President

Who Takes the Chances?

Who runs the risk when the breadwinner neglects to secure the protection of Life Insurance for those dependent upon him?

Not himself surely, but those for whom it is his duty to provide run the risk of his untimely death.

Whatever chances a man may rightly take for himself, there can be no excuse for subjecting others to a risk against which they cannot guard.

The Great-West Life Policies offer all that can be desired in Life Insurance; low rates, high profit returns, and the safeguard of careful, conservative management.

The Great-West Life Assurance Co.
DEPT. "F"
HEAD OFFICE : : WINNIPEG

ALWAYS A PLACE
FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR
For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.
For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

INSURANCE BUSINESS IN MANITOBA

Good Progress Indicated for the Year — Fire Losses are Heavy

The report of the superintendent of Insurance and Fire Commissioner of the province of Manitoba for the year ended November, 1917, contains the following statement of business for the year:—

	Premiums collected during the year 1916.	Losses paid.
Fire and marine	$2,816,505.82	$1,461,802.81
Hail	328,005.15	294,802.81
Life	3,901,059.94	1,102,571.99
Life—matured endowments	....	176,166.52
Accident	129,076.70	46,257.55
Livestock	19,685.11	15,629.62
Automobile	75,736.17	32,513.86
Sickness	99,056.02	34,845.14
Employers' liability	133,962.92	44,858.01
Guarantee	158,442.75	48,263.85
Plate glass	23,540.07	11,071.29
Burglary	10,156.31	560.10
Tornado	5,969.34	1,248.07
Other classes	14,336.13	3,040.02
	$7,715,532.43	$3,273,663.31

At November 30, 1917, there were 50 licensed insurance companies doing business under the Manitoba Insurance Act, classified as follows: Fire insurance companies, 4; life insurance companies, 6; hail insurance companies, 3; plate glass insurance companies, 1; accident insurance companies, 1; mutual fire insurance companies, 6; fraternal societies. 26; employers' liability insurance companies, 2; marine and automobile insurance companies, 1; total, 50.

The total fees collected amounted to $44,598.95.

The report also refers to the heavy fire losses for the year. "Many of the fires, upon investigation, have been found to be the result of gross carelessness on the part of the individual concerned. A large proportion of fires is due to preventable causes, such as the accumulation of paper, wood and other inflammable material in places where contact with heat or the accidental dropping of a match, cigar or cigarette stub sets up a conflagration, resulting in great loss both in money and human life. Only by the continuation of educationary methods can the public be made to realize that all loss by fire is a loss to the community, and is not covered by the money paid over by the insurance company. The excessive risks accepted and high ratio of fire loss sustained by the companies has to be compensated for by the high rate premiums that the general public are compelled to pay.

"The destruction of food values in elevators, wholesale houses and mercantile stores amounting to over $500,000, at a time when food conservation is especially necessary, demands from those having charge of these properties the greatest possible efforts to prevent such disastrous fires.

"The destruction of 102 barns and outbuildings has caused great inconvenience as well as monetary loss to the farming community. Two hundred and ninety-five fires in household dwellings have caused losses amounting to $156,847, and the burning of two quarry plants and one fishery plant has resulted in a loss of $286,384. Hospitals, hotels, public halls and schools have suffered from fires during the year. Continuous efforts have been made to arouse attention to the common dangers, and induce extra precautions against fire waste. The importance of care in storage and proper ventilation of barns and other farm buildings, have been enforced.

"We have visited during the year. Selkirk. West Selkirk, Basswood, Emerson, Rivers, Souris, Carman, Brandon, Dauphin, Virden, Elgin. Eden, Killarney. Gladstone. Minto, Neepawa, Rapid City, Boissevain, Deloraine, Whitemouth, Shoal Lake, Tyndall, Lyall. Binscarth. Moosehorn, Arnes, Balsam Bay, Gypsumville, Stonewall. Stony Mountain, Hodgson. St. Claude, La Riviere, St. Adolph, Russell, Chatfield, Steinbach, Sanford, Beausejour, Winnipeg, inspecting premises and advising as to removal of dangerous conditions. Eighty-four inspections of dilapidated premises, etc., have been made in Winnipeg with a view to fire prevention.

"Ninety-two fires resulting in a monetary loss of $136,860 was directly due to carelessness in the use of tobacco and matches. Forty-five fires with $28,662 loss through defective construction of chimneys. Four fires involving $193,734 loss arose from electric wiring. I am of the opinion that our municipal and civic authorities should institute more effective building inspection, so that many fires in the future will be prevented.

"Under the provisions of the fire prevention act, steps have been taken by the appointment of fire guardians, located in all parts of the province, and I have every confidence that this will result in a substantial reduction of prairie and timber fires."

CANADA'S FORESTS

The Canadian Forestry Journal, in its issue of May, 1918, calls attention to the fact that Britain is now more than ever before dependent on Canada for its supplies of lumber. Formerly, most of the Canadian exports in timber went to the United States, while Britain secured its supply from Russia. The proportion derived by the United Kingdom from sources within the Empire was 22 per cent. in 1899 and only 10 per cent. in 1913. Now, however, the Russian source of supply is cut off indefinitely, and 60 per cent. of Britain's temporary imports are, therefore, no longer available.

Canada, unfortunately, is not in the best position to assume the responsibility for this supply. Our forest resources are unquestionably being depleted, and only in the past few years has the necessity for conservation been realized. It will be many years before actual results in the way of improvement can be obtained. While we have no way of knowing just how long our natural resources would last, it is beyond doubt that their exhaustion would be merely a matter of time. Not only, therefore, must our present resources be used very sparingly, but every possible means must be taken to assure our future supply. Regarding the Russian forests, the Forestry Journal gives the following description:—

"The Russian forests are something of a mystery, and the reports which reach us are conflicting. The area of land classed as forests in Russia and Siberia is enormous, amounting to 1,260,000 square miles, of which by far the greater part belongs to the State. Much of the so-called forest is without commercial value. Of the million square miles belonging to the State, less than two-thirds are true forest land. Applying this proportion to the whole area, the total extent of true forest land in Russia and Siberia is estimated at 814,000 square miles. To this must be added 82,000 square miles of forest in Finland, making a total of 896,000 square miles for the Russian Empire. These forests spread over a very wide area, and, in climates ranging from temperate to Arctic, vary greatly in the amount of timber they carry and in the rate of growth. The forests of central Russia appear to be generally of poor quality, and with regard to Siberia, railway construction on a large scale would be necessary to make its timber available for export. Devastation by the inhabitants and fires have also deprived a great part of the Siberian forests of their value. The timber imported into the United Kingdom has hitherto come from the virgin provinces and from Archangel. While the information at our disposal indicates that the timber produced by these northern forests could be very considerably increased without exceeding the annual growth, it is evident that permanency of supply must depend on the introduction of systematic management. The growth in the northern forests is extremely slow, and it will take a long time to replace the pine, spruce and larch now being felled. It must also be remembered that the development of the Russian Empire is certain to be accompanied by an increased home consumption, which may, as in the United States, gradually curtail, or even extinguish, the reserves available for export."

Britain's own timber supply has never been large, and has been reduced greatly during the past two or three years. It is estimated that within a year there will be comparatively little softwood timber left in the country, and hardwood timber will have decreased very much. With the single exception of Portugal, Great Britain has the least proportion of land under forest of any country in Europe. The figures for Great Britain are 4 per cent.; Sweden, 47 per cent.; Russia in Europe, 37 per cent.; Germany, 25 per cent.; Norway, 21 per cent.; France, 18 per cent.

Representatives of the British mercantile marine, in conference with Lord Rhondda, have agreed to a reduction of 50 per cent. in their meat allowance.

Solid Growth

UP-TO-DATE business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

To-day, they exceed by far those of any Canadian Life Assurance Company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE
PROSPECT BUREAU.
BULLETIN SERVICE.
ADVERTISING and
ALL ROUND SUPPORT

YOU { Travel without expense.
Are better equipped for the journey.
Sure of getting there, with the

CANADA LIFE
ASSURANCE CO.
Home Office - Toronto

CROWN LIFE

The guarantee of a fixed income when you are too old to work, would be a mighty comfortable thing to have, wouldn't it? A Crown Life Monthly Income Policy gives it to you.

The interest earned on our Investments is alone proving more than enough to pay all death claims.

Crown Life Insurance Co., Toronto

Agents wanted in unrepresented districts 59

War Conditions — Liberal
Premiums — Recently Reduced
Agency Contracts — Profitable

AGENTS WANTED

Gresham Life Assurance Society
LIMITED
Head Office for Canada ∴ MONTREAL
Established 1848. Funds Exceed $50,000,000

The Travellers Life Assurance
Company of Canada
Head Office - - Montreal
HON. GEORGE P. GRAHAM, President
TO AGENTS:—Write the Home Office for particulars of direct renewal contract

Orders for the new issue of H. M. P. Eckardt's
Manual of Canadian Banking
are now being received
Postpaid anywhere - $2.50
The Monetary Times Printing Company, Toronto, Ont.

THE
EXCELSIOR
INSURANCE LIFE COMPANY
A Strong Canadian Company
Established 1889.
Assurances over $25,000,000.00

Write for particulars of our New Protection and Savings Policy.
HEAD OFFICE—
EXCELSIOR LIFE BLDG., TORONTO.

INLAND REVENUE RECEIPTS FOR MONTREAL

Inland revenue receipts in Montreal for May will approximate very closely $1,884,352.19, the record receipts for that month in the history of the city. Last year the receipts for the same month amounted to $1,233,652.20.

In customs receipts there is a pronounced falling off from the high mark of May last year, when the receipts were $4,029,716.43. This year the receipts will be about $3,250,000, very little more than the $3,226,881.16 received for May, 1916.

CANADIAN STEEL OUTPUT IN 1917.

The following is a report of the steel output of Canada in 1917, compared with two previous years, the December figures of last year being estimated:—

	1915. Tons.	1916. Tons.	1917. Tons.
Steel ingots	989,829	1,397,703	1,686,005
Direct castings	31,067	30,546	42,807
Total steel	1,020,896	1,428,249	1,728,812

The relative output of electric steel was as follows:—

	1915. Tons.	1916. Tons.	1917. Tons.
Electric steel	5,625	19,639	39,069

LONDON AND LANCASHIRE FIRE INSURANCE CO.

The 56th annual meeting of the London and Lancashire Fire Insurance Company, Limited, was held in London, England, on May 1st. The year's business has been entirely satisfactory.

The net premiums from the fire department amounted to $10,567,795, and the net losses to $4,588,820, or about 44 per cent. After increasing the fire funds from $5,807,500 to $6,227,500, the sum of $2,174,515 was transferred to profit and loss. In the marine department results were also satisfactory in spite of the conditions during the year. The net premiums were $2,755,000, and the net losses $1,754,230, so that about $1,500,000 was realized. The marine funds were increased from $1,730,000 to $1,852,500, and the balance transferred to profit and loss. The net premiums from the accident and general department amounted to $4,162,565, and losses were less than 50 per cent. of this. The accident funds are now $2,570,000, and about $500,000 has been transferred to profit and loss.

During the year the company arranged to acquire the shares of the Marine Insurance Company, Limited, established in 1836, and by May 1st, 1918, over 99¾ per cent. of the shares had been secured. The total expense of this transaction had been over $8,000.000, and the assets of the Marine Company amounted to about $7,500,000. The difference of $900 000 has been charged up to profit and loss account.

The total revenue for the year was about $3,500,000, which, added to the balance from last year of $4,500,000, gave a total available of $8.000.000. One million was set aside on account of depreciation of investments, and a similar sum for the income tax on profits and the excess profits duty. The cost of acquiring the Marine Insurance Company was also included, and dividends amounted to over $750.000. The balance carried forward is now $4,200,000. This is less than the corresponding amount last year on account of the large reserve for depreciation and the cost of acquiring the business of the Marine Insurance Company.

In addition to doing business in the British Isles, the company extends its operations to the United States, India, Australia, New Zealand, South Africa and South America. The manager for Canada is Mr. Alfred Wright, who has been successful in promoting business here. The secretary of the Toronto district is Mr. A. E. Blogg. Mr. A. W. Blake is district secretary in Winnipeg, and Mr. C. E. Sword is manager in Montreal.

It is reported that anthracite coal of good quality has been discovered near Toronto. The quality is said to be equal to that of the Pennsylvania mines, and the situation is closer to Toronto. Thus far only small veins have been discovered. A syndicate has been organized which has obtained mining rights on about 1,000 acres, and in a short time boring will be commenced.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

WANTED.—A competent fire insurance man, experienced in schedule rating work, to act as rating officer for an Association. Excellent opening for satisfactory man. Apply giving reference, experience and salary wanted. Replies confidential. Address, Association, *The Monetary Times*, Toronto.

UNDERWRITER wanted for Montreal head office of large Fire Insurance Company. Apply stating experience and salary expected to Box 183, *The Monetary Times*, Toronto.

FIRE INSURANCE head office requires man experienced in examining and passing business, and capable of handling agency correspondence. All replies treated confidentially. Apply Box 185, *The Monetary Times*, Toronto.

ISSUE OF ALBERTA BONDS

The province of Alberta is advertising for tenders for $825,000 of 6 per cent. 10-year gold bonds, dated June 1st, 1918, and due June 1st, 1928. Interest is payable half-yearly, and both principal and interest are payable at the Imperial Bank of Canada in Toronto, Montreal or Edmonton, or at the Bank of the Manhattan Company, New York city. The bonds will be in denominations of $100, or multiples thereof, to suit the purchaser. Tenders must be delivered not later than noon on Friday, the 14th of June, 1918, to Mr. C. R. Mitchell, provincial treasurer, care of general manager, Imperial Bank of Canada, Toronto.

◆

A business man's committee has been organized in St. John, N.B., to co-operate with the Canada Food Board. All the leading businesses affected by the regulations are represented.

Commercial Union Assurance Co.
LIMITED, OF LONDON, ENGLAND

Total Annual Income Exceeds ....$ 51,000,000
Total Funds Exceed........ 151,500,000
Total Fire Losses Paid............... 193,774,045
Deposit with Dominion Government .. 1,245,467

Head Office Canadian Branch:
COMMERCIAL UNION BLDG. - MONTREAL
JAS. McGREGOR, Manager
Toronto Office - 49 Wellington St. East
GEO. R. HARGRAFT
General Agent for Toronto and County of York.

Published Every Friday
by
The Monetary Times
Printing Company
of Canada, Limited

Publishers also of
"The Canadian Engineer"

Monetary Times
Trade Review and Insurance Chronicle
of Canada

Established 1867 --- Old as Confederation

JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Manufactures Essential to Canada

President of Canadian Manufacturers' Association States Case for Manufacturers — Patriotic Part Has Been Played — Are Under an Obligation to Provide Employment — Tariffs Should Not be Reduced — Exports of Manufactures Have Helped to Maintain Balance of Trade.

In opening the annual convention of the Canadian Manufacturers' Association in Montreal on Wednesday, the 12th instant, the president, Mr. S. R. Parsons, summarized the achievements of the manufacturers during the past few years as follows:—

"1. Manufacturers have contributed more largely than any other class to the furnishing of men for the colors.

"2. Manufacturers in large numbers have entered into personal obligations with those of their men who may return as to giving them employment. As this matter of employment will be one of the most insistent questions after peace is declared, it might pertinently be asked how manufacturers can fulfil their part of the compact if the fiscal policy of the country is to be radically changed?

"3. Manufacturers have been called upon to assume greater burdens of taxation than possibly any other class, and especially the farming community.

"4. Manufacturers have, perhaps more largely than any other class, contributed to all patriotic funds which have been launched.

"5. No class has subscribed more liberally to all government war loans, and it must be remembered that in very many cases those so subscribing have undertaken large obligations at their bankers to enable them to do this. Manufacturers would greatly regret being placed in such a position, either by reason of removal of the tariff or taxation measures, causing strangulation of industry, that would not permit them to continue such relationships towards future government undertakings.

"6. No class has supported the farming community as much in the way of helping to supply men for the garnering of the crops, and in many cases even paying the difference in wages over and above what the farmer contributed.

"7. If it had not been for the manufacturers of this country the Allies would not only have been short of munitions, but the country would have gone bankrupt on account of the balance of trade being against us."

Discussing the tariff, Mr. Parsons spoke as follows:—

"Manufacturers feel that the tariff could and should be changed here and there, and so amended that it would apply more scientifically than it does at the present time.

"For this and other reasons the manufacturers would like to see created what might be termed 'A Trade and Tariff Board'; such a board to be composed of representative men of actual experience and wide knowledge of commercial conditions, and whose broad outlook and vision would fit them particularly for the proper study of these great questions, so vital to our national interests; this board to report to the government from time to time their findings, and if, after a full and complete survey of the situation, it be clearly established that the tariff is inimical to the best interests of the country at large; nay, more than that, if it is not actually essential from a national standpoint, then, I say, 'Away with the tariff.' "

The relationship between employers and employees and the problems of the tariff, as affecting manufacturers and agriculturalists, monopolized the presidential address.

"If democracy is going to be anything more than a label on an empty bottle, it must characterize our human relationships and actions," said Mr. Parsons. "Capital, on the one hand, must realize the duty of caring for the welfare of all those associated in industry, and Labor must be ready to co-operate to the fullest possible extent in a spirit of helpfulness.

"When we think of what our men from the ranks of Labor have done in this great war, coming forward largely under voluntary enlistment, and when we realize further the valor they have displayed on the battle-front, they are not only entitled to proper recognition at home, but to a consideration of their interests, which hitherto they have not had in large enough measure.

"One thing appears to be certain, namely, that where individual interest, ambition and good work are shown, these must all be recognized by both interests in the business and properly rewarded. On the other hand, the unwilling and the inefficient must not block the path of the ready and the skillful.

"There can be no universal betterment applying to each and every worker in any scheme of co-operation without individual participation if we are to hold our own against other countries and nations whose competition we have to meet both at home and abroad."

Turning to the tariff, Mr. Parsons said: "We are now in danger, especially on account of the propaganda of one section of our population, of failing to profit by experience, losing our balance, and blindly yielding to the demand for undermining that which has proved to be the great bulwark of our national, industrial and commercial life."

Having suggested the creation of a Tariff and Trade Board, Mr. Parsons said the time had arrived when all classes of the community, vitally interested, must clearly have a voice in the retention of the tariff or otherwise. A conference with the Grain Growers was solicited.

"We would, however, be altogether insincere and dishonest did we not state in general terms that if there is one thing more certain than another, it is that manufacturers could not possibly exist in this country without the small measure of protection which the tariff affords them. The two stand or fall together.

> "Speaking broadly, Canada must choose between the tariff with manufacturers on the one hand, or free trade without manufacturers on the other; the issue cannot be dodged, and should not be clouded."

Even under the present Democratic United States government's reduced schedules, the average rate of duty paid on imports of dutiable goods coming into the United States for the year ended June 30th, 1916, was 30.67 per cent., while in Canada, for the year ended March 31st, 1917, it was only 23.78 per cent. The war tax of 7½ per cent., although added to the cost of imported goods, free and dutiable, was not proposed or desired by the manufacturers.

"It would appear, therefore, that those who complain of our high tariff walls have not full knowledge of our comparative position in this matter," said Mr. Parsons. "It should be remembered that manufacturers pay heavy duties on much of their imported raw materials. For instance, a large machinery manufacturing concern in Toronto have advised me that, while the tariff on their finished article would appear to give them a protection of 27½ per cent., yet their figures over a number of years show that the average rate of duty they pay on their raw materials is 25 per cent."

Farmers Have Prospered Immensely.

The Grain Growers' Guide was quoted that there will be 60,000 motor cars purchased in the western provinces this year at an average value of $1,000 each, and that whereas the average for Canada is one auto to fifty-seven persons, for the west it is one to twenty; also, that the average capital worth of the Guide's subscribers was $25,878.

"Taking their own figures of the average of farm holdings and the average returns for the past three years, it shows that the cereals alone, without counting any other crops, have produced 32 per cent. per year upon the capital," said Mr. Parsons. "A study of provincial reports gives the total value of farm products, other than cereals, at a little larger figure than the total value of all cereals. It is fair to assume, therefore, that on the average all the expenses of farming operations would be more than met by the production of other than cereal crops. This, then, would leave at least the profit on cereals as net returns, and I do not hesitate to say that it would be quite double the average net profits of manufacturing during the same period of three years.

"The first year (1915) was disastrous, generally speaking, in manufacturing, and, while the last two years have been unusually profitable in many lines, yet in others war conditions have brought paralysis. No class in Canada, however, rejoices more in the prosperity of the farmers than the manufacturers. It is interesting to note that the total number of farmers in Canada holding ten acres and over is 633,748, or about equal to the total number directly engaged and employed in manufacturing."

Tariff is Indispensable.

Including munitions and other industries in which women are now largely employed, the salary and wage-earners engaged in manufacturing was estimated at 650,000, with probably 1,625,000 directly dependent on these wages and 25 to 50 per cent. more indirectly making their living on account of the total industrial dependents. Total capital employed is estimated at 2½ billions.

Hamilton has 340 factories, 30,000 employees and $25,000,000 annual wage bill. Upwards of fifty United States firms have located there, directly due to protection. Of the population of 106,000, over 90,000 are, directly or indirectly, dependent on the industries. "Any interference in a large way with the tariff which now enables these manufacturers to do business would practically wipe out the city of Hamilton. What is true of Hamilton would be measurably true of many other towns and cities," said Mr. Parsons.

As to removing the duty on agricultural implements, there are approximately 160 firms making one or more lines of farm implements, but the number of implement plants is sixty; capital, $60,000,000; total wages and salary bills, $7,000,000; dependents, about 50,000.

"A few of the larger concerns might still live on account of their large foreign export business," said Mr. Parsons, "yet as they purchase millions of dollars worth of supplies of all sorts from other manufacturers in Canada, all such secondary concerns would be adversely affected immediately, and there would be a general weakening and tearing down of a large portion of the industrial fabric of the country throughout. Figuring the total duty paid on agricultural implements in 1916, it means about 3½ cents for every $100, or, in other words, a farm valued at $10,000 would pay on the average annually $3.50. This does not seem like a staggering obligation by way of contribution to the national funds.

"The removal of the duty on tractors without any consultation with the tractor manufacturers to see what they could do to help out the situation calling for greater production, and without even making provision for the rebate of the duty on raw materials imported by the tractor manufacturers, was an unfair and unjust measure. We made such representations to the government that they finally rebated the duty charges on raw materials, but the tractor industry, where hundreds of men were employed and others in anticipation, as well as hundreds of thousands of dollars already invested, has been paralyzed, at all events for the present.

"Manufacturers are, however, quite tired of the abuse that is being heaped upon them from interested quarters. The profits of manufacturers, generally speaking, have been grossly exaggerated, and, while here and there abnormal figures are shown (which are subsequently largely extracted by the business profits tax), yet the large profits feature also applies in the case of agriculturists. The great majority, however, of these two classes, as well as of all other classes in the country, are simply making reasonable and necessary headway.

"The time has arrived, therefore, when the government, members of parliament, and the people at large must be fair to the manufacturers of this country and not consider their interests as a football to be kicked about by interested politicians and others, otherwise the national interests are sure to be adversely affected. The tirade of abuse has already gone too far.

"By way of contrast, it is interesting to note that in Australia the Prime Minister, Mr. Hughes, called all the manufacturers together in conference and outlined to them a very definite scheme, calling for their help, and promising the co-operation of the government for the furtherance of industry, and especially to try and secure export business.

Manufacturers Must Maintain Their Own Case.

"In Canada, however, not only have we received no direct help and lead from the government in connection with planning for our industries after the war in the nation's interests, but a considerable section of our population is keeping the country in a foment of agitation which would tend to destroy rather than to build up.

"As far as export trade is concerned, manufacturers in Canada may be forced in the national interests to sell their wares at a merely nominal margin of profit so as to help preserve the balance of trade and at the same time give employment to the largest possible number of people. The crux of the situation calling forth denunciation of industry we believe to be just here. Interested parties have poisoned the minds of agriculturists and other classes in this country and have led them to believe that the manufacturers not only received directly an enormous advantage from the tariff which they were not entitled to and in consequence were making profits which were out of all proportion to the risks involved, but were also actuated by the most selfish motives.

"It is, therefore, opportune to say fairly, honestly, and emphatically that the average net return from the investment of capital in industry is not more than it should be to encourage men to take the risks incident thereto. Further, while here and there large profits have been made by manufacturers, as is also the case of agriculturists and other classes, yet the history of the past generation shows thousands of abandoned industrial enterprises in which men have lost their all, just as there have been abandoned farms that were not made to pay.

"In the United States, according to recent returns made to the Federal Trade Commission, out of 250,000 trading and manufacturing concerns over 100,000 earn no net income whatever; in addition, 90,000 of them make less than $5,000 per year, some of whom have very large capital invested. It is the same thing in Canada.

"No nation can become great that is concerned solely with agriculture. Every important country in the world, except Great Britain, has found it necessary to adopt a policy which gives protection to its home industries, and many believe that she will be forced to fall into line after the war is over. Under free trade, agriculture has not prospered.

"If the agriculturists of the West are not receiving proper consideration, then we should be the first to cooperate with them in trying to remedy their difficulties.

"There is said to be a condition existing among the truck farmers and gardeners of the east, whereby they receive only an average of thirty-five cents as their portion of every dollar's worth of products sold. If this is correct, it is a wrong that should be righted, and for this purpose the facilities of our association would be placed at the disposal of those interested."

Statistics just presented to the city guardians of Fort William, show all civic utilities more profitable than in 1917. Substantial surpluses are shown on water, light and telephone services, while the deficit on street railway operation has been reduced by more than $1,000.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Ontario Silver Company.—For the first time in 15 years the company has declared a dividend. It is 50 cents a share.

Shawinigan Water and Power Company.—A quarterly dividend of 1¾ per cent., payable July 10 to shareholders of record of June 27, has been declared.

Vipond-North Thompson Mines.—It is likely that the mines will close down for the present. This is due, it is understood, to financial difficulties, aggravated by high operating costs and shortage of labor.

Dome Lake Mines.—The conditions of the company since the annual report was issued have improved. The management has been running through the mill good ore from a body opened up at the 500-foot level. The value of the ore at this level is approximately $16 to the ton.

Walkerville Light and Power Company.—The annual report of the company presented to Walkerville council on June 11th, shows that earnings for 1917 totalled $152,000, against $112,000 in 1916. Expenditures were $135,000 for the year, or about $30,000 greater than in 1916. The net profits for 1917 amounted to $10,380.

Nova Scotia Steel and Coal Company.—The company's plants broke all previous records in May for steel and iron production, despite a labor shortage. The open-hearth plant produced 14,558 tons of steel ingots and the blast furnace 8,835 tons of pig iron, as against the previous record of 14,243 tons of steel and 8,016 tons of iron in March, 1917.

Tough-Oakes Mine.—It is likely that the mine will have to close down. High operating costs and shortage of labor are reasons, but operations are seriously handicapped by meagre ore reserves. This condition is due not to lack of good pay ore bodies in the property, but to backwardness in development of known ore bodies. The company requires further financing.

Lake Shore Mine.—The showing of the Lake Shore Mine for May was about equal to that of April, which was remarkably good. Since the mill started operations on March 8th, the output up to April 30th, was $66,000. The production for May was in the neighborhood of $45,000. The mine would have done better had there been sufficient labor available.

Vacuum Oil and Gas Company.—The total revenue of the company for the year ended April 30th, 1918, was $13,445, compared with $12,020 in 1917. The operating account shows $12,570 spent on field work expenses, as compared with $10,651 the year previous. The result of the year's operation thus showed a deficit of $2,614, compared with a deficit of $5,559 in the previous year. This was transferred to the development account.

Southern Canada Power Extension.—The Southern Canada Power Company has completed its high tension transmission lines with the necessary sub-stations, etc., connecting the cities of Sherbrooke and Granby. This line, which is of 48,000 volts capacity, passes through Magog, Knowlton, Foster, etc., and serves the intervening territory with electric power. The company is also building additional high tension transmission lines connecting Brockville with the city of Sherbrooke.

Tuckett Tobacco Company.—The statement of the company for the fiscal year ended March 31st last shows a gain in profits of $14,983, the total of $201,481 being the largest since 1915. This compares with $189,498 in 1917, $150,991 in 1916, $142,795 in 1915, $214,225 in 1914 and $303,384 the first year of the company's operations, the present being the sixth annual statement. After the deduction of $140,000 dividends on the preferred stock there was carried to surplus account a balance of $61,421. The total at the credit of this account is now $337,933.

GROWTH OF MANUFACTURERS' ASSOCIATION

Increase in Membership and in Revenue—Election of New Officers

The revenue of the Canadian Manufacturers' Association for the year was $79,869, and expenditures were $72,651, an increase over last year of $13,246 and $8,014, respectively. The net assets are now $46,730. During the year a library of about 500 volumes was established.

S. R. PARSONS,
Retiring President of Manufacturers' Association.

The executive committee, in its report at the annual meeting, dealt with the question of research, and suggested that one or more men, familiar with actual industrial problems in lines other than those already represented, should be added to the government advisory council. It also suggests that the British plans for industrial housing after the war should be considered by Canada.

Discussing the bankruptcy legislation of the Dominion parliament, the legislation committee points out that administration by the provincial courts is liable to prove a fatal defect. The committee would favor effective control of a federal official or board, also it doubts whether it will prove satisfactory to provide for the discharge of the bankrupt without an effective centralized check and supervision of the trustee and his accounts. The insurance committee states that legislation to deal with fire waste should be framed to deal especially with standard minimum requirements, and provisions for adequate inspection.

The membership on April 30th, 1918, was 3,389, an increase of 150. By provinces the membership is distributed as follows:—

Provinces.	Members.	Increase or decrease.
Ontario	1,891	+35
Quebec	755	— 4
Nova Scotia	96	..
New Brunswick	69	..
Prince Edward Island ..	3	..
British Columbia	72	..
Manitoba	341	..
Alberta and Saskatchewan	162	..

The membership of the Maritime Provinces increased by 20; that of British Columbia by 8; and that of the prairie provinces by 91.

Mr. S. R. Parsons, the retiring president of the association, was born in Port Hope, Ont., in 1854, and educated at Port Hope Grammar School. While still a young man he went to Winnipeg and engaged in the stationery business as senior partner of the firm of Parsons, Bell and Company, which afterwards merged with the Consolidated Stationery Company, Limited, of which he was president for some years.

When the British-American Oil Company was established in 1906, he became its president, which position he still holds. He was elected chairman of the Transportation Committee of the Canadian Manufacturers' Association for four successive years (1911-15); elected second vice-president in 1915; first vice-president in 1916; and president in 1917. Mr. Parsons was chairman of the Ontario board of directors. Canadian Fire Insurance Company, since 1900; a member of the Northern Ontario Fire Relief Committee; and a member of the Ontario executive of the Bonne Entente.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Calgary, Alta.—June 3—Home of Mr. Saxton at 619 Eleventh Avenue East was damaged.

Chatham, Ont.—June 6—The Hotel Glassford was damaged. Cause reported as spontaneous combustion. Estimated loss, $25.

Collingwood, Ont.—June 1—The original office of the Collingwood Shipbuilding Company was damaged. Estimated loss, $8,000.

June 6—Exhibition stables in the town park were damaged.

Edmonton, Alta.—June 3—The Albany Apartments, 125th Street and 110th Avenue, were damaged. Caused by overheated chimney.

Euphrasia, Ont.—June 11—Home of Richard Lyons was destroyed.

Halifax, N.S.—June 7—The machine shop at the dockyards and several adjoining buildings were destroyed.

Hamilton, Ont.—June 3—The Hamilton Steel Wheel Company's munition plant was damaged.

Kingsville, Ont.—June 5—Barn owned by George Branchflower was destroyed when struck by lightning. Estimated loss, 1,060. Covered by insurance in the Essex and Kent Fire Insurance Company.

Milington, Que.—June 5—The dwelling-house, mill and barn belonging to Mrs. Patch were destroyed. Estimated loss, $6,000.

Mount Albert, Ont.—June 11—Barns of Joshua Watt were destroyed after being struck by lightning.

New Liskeard, Ont.—June 9—Farm buildings and machinery of Mr. Loach, on the North Road, were damaged. Caused by spark from wood-cutting machine. Estimated loss, $4,000.

New Waterford, N.S.—June 6—Building owned by Sam Karrell was damaged.

Nova Scotia.—June 3—Forest fires in Queens and Lunenburg counties were raging and have spread in toward settlements, destroying a number of houses, while others are threatened. Within four miles of Liverpool at least ten houses have deen destroyed in addition to much valuable forest properties. In Lunenburg county the whole district of West Dublin is threatened. Four houses already have been destroyed. Nearly all the men of the districts are fishing in the Newfoundland Banks, and women, children and old men, assisted by volunteers from other parts of the county are fighting the fire desperately to prevent the wiping out of the entire Dublin settlement.

Owen Sound, Ont.—June 4—Small shed at the rear of J. R. Boyd's butcher shop, on Second Avenue East, was destroyed. Estimated loss, $100.

Port Credit, Ont.—June 11—Residence of Mr. W. R. Wadsworth was destroyed after being struck by lightning. Estimated loss, $8,000.

St. Catharines, Ont.—June 7—The moulding-shop at Black's foundry and many patterns were destroyed. Estimated loss, $7,000.

Whitevale, Ont.—June 11—Barn of H. Pointer, which was struck by lightning, was destroyed.

Windham, Ont.—June 11—Barns and machinery of Wm. Vert were destroyed when struck by lightning.

Winnipeg, Man.—June 8 The Winnipeg Telegram printing plant was damaged.

PUBLICATIONS RECEIVED

Toronto Board of Trade.—The annual report of the Toronto Board of Trade for the year 1917 has just been issued. In addition to the reports of the various committees, it also includes the president's address, secretary's report, list of officers and members and roll of honor. An article by Professor J. C. Fields upon "Science and Industry," the report of the Northern Ontario Fire Relief Committee, a description of the Union Stockyards, etc., also add much to the value of the volume. A number of illustrations of Toronto and district are included.

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RISING INTEREST RATES

The rate of interest is a matter of vital importance in the economic life of any nation. Cheap money and cheap and efficient labor made the United Kingdom the world's greatest commercial state. It is not denied that there were other important factors in the situation, but cheap and abundant capital was not the least important. The phenomenal reversal in Canada's balance of trade, the magnificent response of the people to the government's request for funds to finance the war, the nation's relative self-sufficiency in an economic way during these war years, should not obscure the fact that we shall need capital, and need it in abundance, in the years to come after the close of hostilities.

The rate of interest, therefore, is not merely a question of academic importance to the commercial and agricultural classes. Essential supplies of capital may make all the difference between industrial expansion and stagnation. During periods in which there is an increase of money in circulation and expansion of credits, there is a steady rise in general prices; and it follows that the rate of interest on long-time loans must also rise, to offset losses on the capital value of the loans when they mature—for rising prices always injure the creditor. And Canada must be both a debtor and a borrower for many years to come.

Those who cavil at the present rates charged by the banks and other lending organizations, fail to understand the underlying facts in the situation. Interest is the reward paid for the use of capital; and its rate is determined by the relation between the demand for, and the supply of, that capital. The rate, in the long run, is fixed at the point that equalizes the supply and the demand.

An elementary survey of the situation discloses the fact that the supply of capital depends upon its cost of production; for capital has a cost of production which may be estimated in terms of sacrifice, the sacrifice involved in saving. The cost of postponement of consumption, as balanced against the immediate enjoyment of goods, has greatly increased because of the harder conditions under which the world is living. Interest rates must remain high to encourage thrift, and overcome the urge of spending during these days of high cost of living.

It is plain that producers must pay high interest rates for years to come, under the conditions that confront the world. Not only is it harder to save than ever before, but there is a greater demand for loanable funds. Aside from war loans and spendthrift loans, capital is needed for productive purposes. And it is plain as a pike staff that, in the long run, interest can be paid only from the productive use of capital—even the interest upon war and other loans of a similar nature. This is a consideration that should give serious pause to such public men as may feel inclined to make "the capitalists pay for the war." The interest upon war debts, and the ultimate extinguishment of the debts themselves, can only be accomplished through speeding up production and increasing the nation's economic output. It is equally clear that no legislation can be tolerated that will tend to drive capital out of the country; for without capital the nation's economic activities will be curtailed to the point of stagnation and industrial decay.

SHORTAGE OF HOUSING ACCOMMODATION

Among the problems resulting from the scarcity of labor and high cost of production, is that of a shortage of dwelling and apartment houses. During 1914-15 there were in most cities of Canada buildings in the process of construction, the completion of which did more or less to relieve the continually increasing demand. After that, however, very few structures were commenced and during the past year or so the critical shortage of supplies and labor have made building operations practically impossible. In most of the cities and towns of Canada, there has been a sufficient margin of accommodation to permit of some increase in the requirements, and some of the smaller cities, towns and villages have experienced an actual decrease in population. On the other hand, the larger cities and many smaller cities have undergone a rapid increase in population, principally on account of the possession of industries directly connected with war operations.

Some of the cities have taken steps with a view to remedying this situation. In Guelph, about the beginning of the present month, a special committee of the Board of Trade took up the question of financing the erection of from 25 to 50 houses, costing between $1,500 and $1,700, to be sold to workingmen. Complaints were being made that several of the local factories were unable to retain their help because no houses were available. In Toronto the position was also reported as being critical. Lists of properties suitable for the erection of small houses were secured. The lots were in the most convenient of the unbuilt sections of the city, and range in price from $15 to $45 per foot.

One of the principal causes of the shortage in Toronto was the fact that considerable numbers of discharged soldiers wished to make their home there. Rents in the cities, as in practically all the other eastern cities, have been rising fairly rapidly on account of the discrepancy between the supply and the demand for buildings. The prices of improved properties have, therefore, in spite of the increase in taxes, been increasing to some extent. Unimproved property, on the other hand, is difficult to sell on account of the high taxes, and the practical impossibility of erecting dwellings upon it at a profit.

It is urged that Toronto requires several thousand new houses to sell at, say, $2,500 each, or as an alternative apartment houses providing equal accommodation. The general opinion, however, is that the separate dwellings are more economical.

To deal with the question generally, a committee has been appointed by the provincial government with Sir John Willison as its chairman. The other members of the committee are: G. Frank Beer, Rev. Peter Bryce, Ald. J. Gibbons, Capt. S. H. Marini, Thos. Roden, H. H. Williams, M. J. Haney, H. V. S. Jones, H. C. Scholfield, J. H. McKnight, E. J. B. Duncan. For the present the members are all from the city of Toronto, but it is expected that the committee will get in touch with municipal councils and other organizations interested in the subject throughout the province with a view to co-operation.

The prevailing opinion appears to be that municipalities or possibly the provincial government should take upon themselves the responsibility of providing housing accommodation. The result, it is almost certain, would be another enormous bill of expense to municipalities which are already overladen. Costs are at the present at a maximum or near a maximum and investments in works such as these would be certain to prove decidedly unprofitable. As it is proposed to extend long credit to the purchasers of the properties, considerable sums would accordingly be required to finance the scheme.

If economic conditions warrant work of this kind on a business basis, private individuals will not be lacking to engage in it, and there is no occasion for municipal action. On the other hand, if it be granted that the venture will assuredly be unprofitable no other considerations can be urged which would justify the scheme. The fact must be recognized that Canadian standards of living, including house accommodations, have been high and possibly extravagantly high in the past, compared with other countries and cities even in America. There is plenty of room for economy without injuring in any degree the health or welfare of the people of Canada.

Not long ago some school teachers, in agitating for a raise in the scale of salaries, complained that under the existing scale they would soon be obliged to vacate their private residences and share a house with another family. There are, in fact, thousands of Canadians with small families who would regard as a calamity the project of living in a house of smaller capacity than eight to twelve or even fifteen rooms. We have prided ourselves on being a hardy and enduring race, and it is not fitting, therefore, to create a clamor at the prospect of limited dwellings, and to embark upon a course of municipal expenditures of the utmost extravagance. What Europe has endured for centuries, we can endure for a decade.

It may, of course, be argued that the accommodations are sufficient, but are unevenly distributed. This is undoubtedly the case to a large degree. It could be remedied by a system of rationing; but increased municipal, or provincial, or even Dominion property taxes would effect it in a more satisfactory manner, and would at the same time provide an increase in the supply of accommodations for those of small means.

UNNECESSARY PUBLIC EXPENDITURE

On the 5th of June, Sir Wilfrid Laurier and Mr. Thomas Ahearn, president of the Ottawa Motor Club, went to Montreal to discuss a proposed boulevard from Ottawa to Gatineau, in Ottawa County, Quebec, with Sir Lomer Gouin, Premier of Quebec. This highway has been urged for some time, and the principal supporters are naturally Ottawa motorists. No decision has as yet been announced, and if public sentiment and financial conditions are taken into consideration, the subject will be dropped.

The city of Ottawa succeeded in persuading the Ontario government to undertake the construction of a highway from Ottawa to Prescott in order to link the Canadian capital with the roads of New York State, and thus pave the way for an influx of American tourists. It is now proposed to obtain a similar concession from the Quebec government to add to the attractions of the city of Ottawa. The cost of the boulevard, which is to be known as the Gouin Boulevard, is estimated at $300,000. In support of the scheme is brought forward the argument that the business derived from American tourists will indirectly repay the investment. Recent events do not justify this conclusion. A severe restraint has already been placed upon the use of automobiles in Canada, and there is every reason to believe that the regulations and taxes will be increasingly severe, not only in Canada, but also in the United States. A certain amount of traffic is, of course, inevitable, but in spite of the fact that foreign traffic for pleasure from the United States is practically impossible, there is as yet no indication of a boom in the tourist industry in Canada.

There is no justification for such an expenditure on business grounds, and most certainly apart from this, the project is purely an item of luxury. At the present time when governments and municipalities are hard pressed to secure funds for necessary or urgent improvements, it is not fitting for anybody, even a provincial government, to adopt a course of this kind. The province of British Columbia recently entered the market for funds, and the best offer they received was about a 6½ per cent. basis The funds were required for practically essential requirements. Many municipalities at the same time are unable to carry on waterworks, sewerage systems, etc., because of the same financial stringency. The approval of the department of finance should not be given to issues such as that which is proposed, and if the province is in a position to finance the expenditure out of current income, some better use could be made of the funds.

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Wm. McMaster, Esq.
Major Herbert Molson, M.C.
Harold Kennedy, Esq.
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CAPITAL PAID UP $7,000,000
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62

New Heads of Manufacturers' Association

W. J. BULMAN,
President, Canadian Manufacturers' Association.

Mr. W. J. Bulman, the new president of the Canadian Manufacturers' Association, is president of Bulman Brothers, Winnipeg; he is also a director of the Merchants Casualty Company, and of the Trustee Company. Mr. Bulman was born in Toronto in 1870, and went to Winnipeg and established a printing and lithographing business in 1892. He was president of the Winnipeg Industrial Bureau, is vice-president of the Manitoba Patriotic Fund, and has taken an active interest in other local and Dominion matters, including education.

T P. HOWARD,
Vice-President Canadian Manufacturers' Association.

Mr. T. P. Howard, vice-president of the association, is managing director of the Phoenix Bridge and Iron Works, of Montreal; vice-president, Structural Engineering Company; director, Canada Envelope Company. He was born in Montreal in 1869, and began his business career with the Grand Trunk Railway in 1886. He was later with the Park Steel Company, James W. Pyke and Company, and in 1898 organized the Phoenix Bridge and Iron Works.

NEW INCORPORATIONS

The Halifax Shipyards, Limited, With Capital Stock of $6,000,000, Receives Charter

The largest company incorporated during the past week was the Halifax Shipyards, Limited, with a capital stock of $6,000,000, and head office at Montreal, Que. The Canadian Western Fuel Company, Limited, with capital stock of $5,000,000, and head office at Nanaimo, B.C., received charter.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are the provisional directors:—

Nanaimo, B.C.—Canadian Western Fuel Company, Limited, $5,000,000.

Fort William, Ont.—J. Dyke and Sons, Limited, $250,000; J. Dyke, S. Dyke, J. A. Dyke.

Glencoe, Ont.—Detroit-Glencoe Oil Company, Limited, $650,000; W. J. Carlyle, C. H. Corigan.

Midland, Ont.—Midland Iron and Steel Company, Limited, $1,000,000; D. S. Pratt, D. L. White, J. W. Benson.

Quebec, Que.—Laurentian Manufacturing Company, Limited, $10,000; M. M. W. Quarrier-Stobo, H. C. Thorn, J. Graham.

Hamilton, Ont.—British Columbia Coal and Land Company, Limited, $750,000; H. A. Burbidge, J. R. Marshall, A. B. Turner. Bird and Son, Limited, $750,000; J. S. Lovell, W. Bain, R. Gowans.

Toronto, Ont.—Canadian Northern Rolling Stock, Limited, $100,000; D. B. Hanna, R. H. Montague, R. P. Ormsby. Canadian Stoves, Limited, $40,000; F. P. Macklem, H. Macklem, H. D. Walker. Excelsior Wood and Wool Company, Limited, $100,000; R. H. Greer, G. L. Smith, G. R. Forneret.

Vancouver, B.C.—Welland Securities, Limited, $10,000. Vickers Contracting Company, Limited, $10,000. United Theatres, Limited, $1,000,000. G. G. Heather and Company, Limited, $10,000. Terminal City Coal Company, Limited, $10,000. Sentry Manufacturing Company, Limited, $10,000. Burnaby Oil Wells, Limited, $65,000.

Montreal, Que.—International Securities Corporation, $5,000; M. M. Z. Renaud, T. Jodoin, J. Gallant. Holland's, Limited, $99.000; H. Mackay, Edson-Grenfell Place, George-Wilton Rowell. Halifax Shipyards, Limited, $6,000,000; C. Pringle, N. G. Guthrie, R. Blake. Clyde Engineering Company, Limited, $100,000; F. T. Peacock, H. Kennedy, J. Bryson. Carter-Wood Shipping Company, Limited, $40.000; G. R. Drennan, W. Fielding.

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Reserve Fund - $3,017,333.33

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SIR HERBERT B. AMES, M.P.
W. R. MILLER, Esq. W. R. MACINNES, Esq.

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W. A. Black B. J. Chamberlin
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Aylmer
Belleville
Brockville
Brucefield
Chesterville
Clinton | Delhi
Dutton | Drumbo
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Formosa
Frankford
Hamilton
" Market
" James & Barton
Hensall
Highgate
Iroquois
Kingsville
Kirkton
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Teeswater
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Woodstock
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QUEBEC
Arthabaska
Bedford
Chicoutimi
Cowansville
Drummondville
Foster
Fraserville
and Riviere du Loup Station
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Lachine
Lachute | Matane
Mont Joli
Montreal
" St. James St.
" St. Catherine St.
Montreal—Cont.
" Market & Harbor
" St. Henri
" Maisonneuve
" Cote des Neiges
" St. Lawrence Boulevard
" Cote St. Paul
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THE BANK OF NOVA SCOTIA

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Reserve Fund - 12,000,000
Total Assets over 130,000,000

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Carbonear
Catalina
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Fogo
Grand Bank
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Little Bay Islands
Old Perlican
St. John's
" East End
Twillingate
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Havana, Cuba, **San Juan,** Porto Rico.
Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

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BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

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United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

LANDS LIABLE TO BE SOLD FOR TAX ARREARS

Difficulties of the Treasurer and of the Owner Under the Ontario Assessment Act

BY H. L. CORBETT, City Treasurer, Ottawa.

To the municipal treasurer who studies the Ontario assessment act, sections and sub-sections, for guidance only as to the proper notification and procedure in conducting tax sales, the above caption may not mean very much, but to the assessed owner it may mean a great deal.

My advice to landowners is to deny themselves rather than let their taxes go in arrears. All the municipal treasurer has to do if taxes are in arrears three years (and this would count from the first of the year for which the assessment was made) is to send a list to the assessment commissioner in the spring, before a specified date, so the assessor or assessors on their rounds in making the assessments in the summer can notify the owners of vacant lands that the land is liable to be sold for taxes. If the land is built upon or occupied since the tax collector made his return of the roll to the treasurer, a separate return is made for those built upon, and this is sent to the city clerk, so that the properties can again be put on the roll for another term. A list of vacant lands notified, with any errors in the description corrected, is returned to the treasurer by the assessors. The former puts on the water rates and expenses such as advertising and commission, etc., and makes out the warrant, which is signed by the mayor and sealed with the corporation seal. This warrant will specify that on a certain day (which must be advertised in the "Ontario Gazette" once a week for four weeks, and some newspaper published within the county, for ninety-one days before the date set for the sale) the lands will be sold by public auction. The treasurer then auctions off the lands, or part, for sufficient to pay the taxes. Having received his money and given a receipt therefor, he holds the same for 12 months to give the owner a chance to redeem the land, which he has the right to do by paying the treasurer the taxes and costs, and 10 per cent. interest. If the property is not redeemed then the treasurer makes search in the registry office and sheriff's office to see if there are any encumbrances on the property. He notifies the original owner and any other persons interested that if they do not pay the amount, with costs and 15 per cent. for interest, after thirty days he will proceed to give the purchaser a deed, which will be binding and valid. This deed is signed by the mayor and treasurer, and sealed with the corporation seal, and gives the purchaser a perfect title to the land.

Thus in the foregoing I have endeavored to give a short description of the modus operandi of conducting a tax sale.

Owner is in Difficult Position.

This is all the worry the treasurer has, but not so the owner, who has probably lost his land, or part of it, for the act provides that so much as will satisfy the taxes must be sold, and this might be any number of feet or inches from one up. The owner probably bought this land expecting to sell it immediately and at a profit during the boom previous to 1914; or perhaps it was bought to build upon and then sell again with the building on it; or this land may belong to some soldier who has gone overseas. Since the great European conflict has taken place, men, money and produce are needed all the time. The cost of living has gone up very rapidly, while salaries are in a quiescent state, the prices of labor and material are much higher than in 1914 and previously. Owing to the great requirements for money for war purposes the banks have shut down on mortgage loans; the building trade having dropped, leaves the vacant lands which are not producing one cent in revenue in the hands of owners who are not able to meet their obligations. On the other hand, the taxes are an ever-increasing quantity, with interest added. In all but perhaps one city in Ontario 10 per cent. is compounded annually (this means that in seven years the amount of taxes doubles itself). The taxes run in arrear very rapidly; then comes the tax sale, with its added costs in connection with selling. So one can easily see that if the arrears of taxes on land are not paid promptly, the land, so to speak, will be eaten up with taxes.

The selling of lands for arrears of taxes is rather a slow process. It is much quicker to take advantage of the section in the assessment act, which allows a municipality to sue for taxes. Any amount from $200 down can be sued through the Division Court, larger amounts would have to go to a higher court. A great many taxpayers will deny themselves in other ways to pay taxes promptly, rather than go to court, besides it makes it much cheaper for them in the end. This always catches the owner who is not particular whether the little strip of land is cut off his property or not, and let me here remark, that this little strip is a nuisance to the municipality, as a purchaser only buys it to squeeze the original owner for the sake of profit in reselling it, or failing that, to place some nuisance thereon to annoy him until he gets his price. Failing in this, he could abandon it with his taxes again in arrear, and give the municipality the trouble, time after time, of selling it.

I make this little digression from my main subject, as I think the better way would be to sell the whole parcel or lot, and after deducting the taxes due, return the difference to the original owner. Besides, the very good reason for getting the taxes paid promptly by suing for same, it gives the municipality a better standing in the eyes of investors to know that taxes are well met, and that tax sales are a rarity.

Non-Resident Owners Hard to Reach.

It seems to me only fair that men who own vacant lands and are serving their country overseas, should not have their lands sold for taxes while they are away and cannot look after them. It is rather difficult for a treasurer to know this for non-residents, and under these circumstances it would work a hardship to the owner. It might be better for the municipality to bear patiently with the taxpayer who, through unavoidable circumstances, chiefly caused by the war, is unable to meet the taxes in arrear. Of course, each individual case should be taken up very carefully and all the circumstances considered. If the municipality would pass a by-law compelling all the owners of tillable lands to put them under cultivation until the war is over, rather than sacrifice properties in a declining market, this would not only be a benefit to the unfortunate taxpayer but to the allied cause.

Another convenience to all parties concerned would be to have a by-law, or the assessment act make provision, to compel all owners of vacant lands to put up a sign-board with the name and address of the owner, or any subsequent address, also the number and size of the lot, the assessors in making their rounds would have everything convenient to set down in their field books this information. This would enable the tax collectors to send bills to the proper owners. As it is now the assessors are merely jumping at conclusions in such cases. It is true they can make a search in the registry office of the district, but this takes time and with busy assessors is not popular. The consequence is that tax collectors do not bill non-residents, and, in fact, do not know where to find them. This necessitates selling the land when in arrears, when the taxes could have been previously collected by proper billing and notification, or the courts resorted to where the parties were able to pay, but not willing for reasons known to themselves.

There is another section in the assessment act which allows a municipality to issue debentures on the strength of its arrears of taxes, and the taxes when collected would be applied to the redemption of the debt thus created. This expedient might be resorted to, but unless there is a large amount of arrears owing, it would hardly be necessary to create a debt generally, to take care of specific debts, especially when the interest rate on borrowings runs so high.

WORKMEN'S COMPENSATION IN ONTARIO

The total number of accidents reported to the Workmen's Compensation Board of Ontario for the four months ended April 30th, 1918, was 14,648, of which 155 were fatal cases. Schedule one industries contributed 12,063, 94 being fatal cases; schedule two contributed 2,430, 61 being fatal cases.

The figures for the corresponding four months of the year 1917 were: Total accidents reported, 10,536, of which 160 were fatal cases. Of these, 8,697 were in schedule one industries, 113 being fatal cases, and 1,679 were in schedule two, 47 being fatal cases.

The total amount of compensation awarded during the first four months of 1918 was $1,097,362.67, $746,974.45 being in schedule one and $450,388.22 in schedule two, being an average of $10,974 a day. The amount paid for medical aid during the four months was $115,004.17, being an average of $1,150 a day.

THE BANK OF OTTAWA

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Capital paid up - $4,000,000
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3

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THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital, $7,000,000 Total Deposits (Dec. 1917), $103,000,000
Reserve Funds, 7,421,292 Total Assets (Dec. 1917), 136,000,000

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Many of the large Corporations and Business Houses who bank exclusively with this institution, have done so since their beginning.

Their banking connection is for life—yet the only bonds that bind them to this bank are the ties of service, progressiveness, promptness and sound advice.

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37

CLEAVAGE IN CANADIAN CAR AND FOUNDRY COMPANY

Effort is Being Made to Wrest Control from Present Management

On the sixth instant a circular was addressed to the shareholders of the Canadian Car and Foundry Company by a group of shareholders, requesting support at the coming annual meeting on July 15th. This "shareholders committee" consisted of L. G. Beaubien and Michael Connolly of Montreal, and Willard H. Jones, H. R. Hillard, and William A. Shakman of New York.

The circular referred to the fact that dividends had been suspended for some years, and that an unprofitable investment had been experienced, in the face of the fact that large war contracts had been secured by the company, and there was every reason to expect profitable results. At the last annual meeting a minority of the shareholders, representing, according to the circular, over $2,000,000 of stock, had elected to the directorate Mr. A. Hicks Lawrence, with a view to carrying out an investigation into the affairs of the company. They now point out that the management and the heads of the different departments have refused him access to the records necessary for this examination. The circular also states that the company omitted to take any physical inventory of the property up to the year 1917, and that there has been a lack of management throughout. Moreover, the management entered into an agreement with the president to share with him the profits of Russian shell contracts, and if these had resulted as anticipated, his share would have amounted to $5,000,000. Large commissions were, it is affirmed, also paid in connection with securing war contracts, and a bonus of $50,000 in cash was paid to the president for endorsing a note of one of the subsidiary companies, to the amount of $400,000.

The committee states that it has attempted to secure the desired information, etc., from the management, but have not received satisfactory replies. They accordingly request the assistance of the shareholders in securing a majority on the board of directors of the company.

Reply of the Directors.

A reply, signed by the members of the board, with the exception of Mr. Lawrence, appeared on the 10th instant. It is pointed out that the holdings of the members of the "committee" are only slightly over 6 per cent. of the capital; that Mr. Lawrence, since his election to the board, has maintained a position of continuous opposition to practically all the measures advocated by the other members, including the shipbuilding programme. It is also stated that every facility for obtaining information has been given to Mr. Lawrence, but it is also pointed out that there are certain statements and data, which it is impossible for a company, carrying on a war munitions business, to permit even a director to take out of its possession.

The directors point out that a system of continuous inventories has been maintained since the incorporation of the company in 1909, and in 1917 Messrs. Price, Waterhouse and Company, the company's auditors, made a complete inventory of the physical property, and found that the actual values of materials on hand were considerably greater than the amounts carried on the books.

Regarding the Russian shell contracts, the following statement is made:—

The Russian Shell Contracts.

"The directors felt that, as the Russian shell contracts were of an unusual nature, and their successful performance would necessarily involve great exertions on the part of the officers and staff of the company, as well as the active assistance of others, it was in the best interests of the company, and in accordance with well-established practice among industrial corporations, that some profit-sharing plan should be adopted, whereby, in the event of the profits derived by the company from these contracts proving as large as it was then anticipated, the officers and members of the staff and others assisting in the performance of the contracts would receive from the company, out of such profits, special compensation for their services. It was thought desirable that the shareholders should have an opportunity of discussing such a plan; and, for this purpose, a resolution for submission to the shareholders was adopted by the directors, providing that one-half of any profits in excess of five million dollars, which might be derived by the company from the contracts, should be paid to the president, the intention being that the president should distribute, or apportion, any amounts so received amongst the officers and such members of the staff and others as were, in his opinion, entitled to participate therein, as the result of services rendered.

"This resolution, being expressly subject to the approval of the shareholders of the company, of course, remained inoperative, otherwise than as a mere suggestion or recommendation by the directors, until sanctioned by the shareholders. Such sanction could only have been given at a special general meeting of shareholders called to consider the plan proposed, and of this meeting due notice would have been necessary.

"The shareholders were, however, not asked to sanction the proposed arrangement. The resolution was never acted upon, and was, in fact, on the suggestion of the president, rescinded in March, 1916. No further action has been taken in respect to the matter. As the minute book has at all times been open to Mr. Lawrence, he, and his associates, the signers of the circulars in question, must have had knowledge of these facts. A full and frank statement evidently did not suit their purposes.

Payment of Commissions Essential.

"The payment of certain commissions was a necessary part of the expenditure of the company, in acquiring the Russian shell contracts. Had the original estimates of profits been sustained these commissions would have appeared reasonable to any business man engaged, at that time, in foreign contracts for war munitions. It is entirely due to the efforts of the president that the commissions were subsequently reduced to a basis which allowed your company to emerge from these shell contracts with a profit. Disclosure and publicity of the various questions arising in connection with such matters would have prevented your president from effecting the compromises he has made for the benefit of the shareholders.

Endorsement by the President.

"In the years 1915 and 1916, when, due to war conditions, the company's finances were in a serious condition, the banks refused to make further advances to it, unless the repayment of such advances was guaranteed by Senator Curry. Cessation, at the time, of necessary banking assistance, would, without question, have resulted in the suspension of the company's operations. Under these circumstances, Senator Curry, without security to himself, did, in fact, guarantee advances aggregating very large amounts; and, by so doing, undoubtedly saved the company from very serious consequences.

"In the fall of 1917, one of your subsidiary companies (Canadian Steel Foundries, Limited), which was engaged in the execution of extensive war contracts, was refused further necessary advances by its bankers, unless the repayment of such advances was personally guaranteed in the same way, by Senator Curry. This guarantee was given in respect to advances aggregating over $400,000. Canadian Steel Foundries, Limited, was thereby enabled to continue its operations. This guarantee was so given, in December, 1917, prior to the date of the last annual report, and not subsequently thereto, as the circular falsely states. It is in full effect at this date. It must further be remembered that the finances of both companies were then in a very different condition from that existing to-day.

"There can be no question that the assistance of Senator Curry in these matters was of incalculable value to the company and its shareholders. The nature of the guarantees involved serious personal risk to Senator Curry, having regard to the then position of the company and of Canadian Steel Foundries, Limited.

"The assumption of a risk of this nature is, in no sense, a part of the duties of the president of a company. The directors felt, and still feel, that the services rendered by Senator Curry in giving these personal guarantees were of a special nature, entitling him to special compensation. They accordingly fixed that compensation at the sum of fifty thousand dollars, as remuneration for his special services, and for having personally guaranteed obligations of the company and of its subsidiary, Canadian Steel Foundries, Limited,

(Continued on page 48)

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Head Office
King and Bay Streets, Toronto 78

The National Bank of Scotland
Limited

Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up................	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	4,000,000

Head Office EDINBURGH

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LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4

JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

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BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL - - - -	$ 19,524,300.00
RESERVE FUND - - - -	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

J. RUSSELL FRENCH, General Manager

334 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.

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ESTABLISHED 1865
Union Bank of Canada
Head Office - WINNIPEG

Paid-up Capital - - - -	$ 5,000,000
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Total Assets (Over) - - -	140,000,000

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Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world. 199

BANK OF HAMILTON
HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

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CYRUS A. BIRGE, Vice-President.
C. C. Dalton
Robert Hobson
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I. Pitblado
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Dundas
Dunnville
Fordwich
Ft. William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St.
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
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Midland
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Owen Sound
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Salmon Arm
Vancouver
Vancouver E.
N. Vancouver
S. Vancouver (Cedar Cottage P.O.)

VICTORIA INDUSTRIALLY IN 1918

City is Benefiting by Demand for Ships—Tourist Trade Growing

BY C. L. ARMSTRONG

To be the "farthest west" city in Canada is no joke when it comes to the business of seeking to attract the attention of manufacturers with a view to interesting them in branch plants. Victoria, capital city of British Columbia, built on the site selected by the best brains among the Hudson's Bay Company's field executives as the most advantageous distributing centre for the vast territory to be served, after the fixing of the forty-ninth parallel upset the company's map —Victoria, the lovely "City that is Different," wants industries, wants warehouses, and means to get them. But, with a continent behind her and an ocean before, she finds the task of riveting the attention of Canadian industrialists, engrossed in the resources of the effete east and the vast markets of the middle west, on her advantages not dissimilar from that of the earnest young Tommy, who sought to put a Fritz machine gun out of action by throwing mud at the concrete emplacement. But, just as the same earnest Tommy eventually created a most decided impression by tossing a Mills No. 5 through the sighting-slit, so Victoria will one day cause manufacturers and distributors to wake up to her location with a loud and resounding bang!

Enthusiasm for Steel Development.

Last mid-winter the entertainment committee of the Rotary Club of Victoria, which, as all Rotary Clubs are, or should be, is a very much alive organization, introduced at one of its luncheons in the Empress Hotel a talk by one of its members on the iron resources of Vancouver Island, the large and potentially wealthy island, upon which Victoria is by far the largest centre. The talk was no sooner concluded than it became apparent that a wire fairly sizzling with current had been touched, and sparks began to fly in every direction. There was a demand for more luncheons devoted wholly to a consideration of the same subject. A series of three was required, and at the third a representative committee was struck. This committee, contrary to the unwritten rules which appear to regulate most committees, went out straightaway and started something. They started it so quickly and so thoroughly that within a week the matter had grown to such proportions that the Rotary Club felt it would be impolitic to seek to keep it to themselves. The result was the formation of the Central Iron Committee of Vancouver Island, drawing its membership from all parts of the island, and having for its purpose the exploitation of one of the world's greatest reservoirs of high-grade magnetite at a time when the entire anti-Germanic world cried aloud for steel.

Shortly, the live wires in Vancouver city and other communities on the mainland became fired with the spark which emanated from Victoria, and added their heat of enthusiasm to the energy flowing from the surcharged cables of the Vancouver Island committee. Some thousands of dollars were raised for campaign work; the most complete authentic reports yet published were collated and put out, showing exactly what Vancouver Island possesses in iron resources and what may be found in other parts of British Columbia; influential deputations were sent to the provincial government and then to the federal government at Ottawa. The latter delegates have not yet returned, but to date the net results have been the passing of remedial legislation by the provincial government, protecting British Columbian deposits from unfriendly outside influence; a provincial bonus on both pig-iron and steel; and the offer of the federal government to take the entire output of any British Columbia plant or plants for a period of three years, and the assurance that speedily much solid development will take place.

Just where Victoria will figure in the development of the iron and steel industry of British Columbia remains, of course, to be demonstrated, but when it is considered that a very large percentage of the known high-grade iron deposits, not alone of the province, but of the entire international Pacific North-west, are to be found on Vancouver Island and adjacent islands, it is quite conceivable that Victoria will not be entirely missing when the benefits are passed around.

Vancouver Island possesses, besides the ore, high-grade fluxes and ample deposits of coking coal; Victoria stands at the real gateway to the vast markets of Japan, China, South America, India, Australia and New Zealand, and has, besides, magnificent new deep-water docks and warehouse sites, built at a cost of several millions of dollars. The iron and steel industry, as is well known, is the grand-daddy of all industries and owns about fifty-seven varieties of dependents. Victoria is confident of the future where steel products are concerned.

Excellent Progress in Shipbuilding.

Looking the immediate present squarely in the face, Victoria finds herself benefiting materially by the shipbuilding programme. For many years—long before Von Tirpitz set his submarines to creep up on mercantile craft and strike them with a cloven hoof, like a snake in the grass (as an Irish friend recently described it)—believers in Victoria's destiny pointed to her manifold advantages as a shipbuilding centre. The demand for ships to beat the submarine campaign has afforded the capital city her chance, and she has fairly grasped it. Ideal locations on the old Indian Reserve, purchased a few years ago and laid out as union railroad terminals and industrial sites, have been seized upon by makers of craft, and a large programme, embracing both schooners and steamers of wood is being carried out. Labor difficulties, concerning which much has been heard in the east, have been no more marked than elsewhere, and, whilst the workers have insisted firmly upon good, substantial wages, the work has gone forward with eminent satisfaction.

Now that the demand for wooden ships is giving place to a more particularized demand for steel construction, Victoria is again in the field, and plans are on foot for the formation of a company to build steel craft, contracts for which have already been secured.

Lumber and Trade.

The demand for lumber has kept the great mills of Victoria working night and day, and, besides the material for ship construction and airplane needs, much has been made available for export.

Victorians interested have been keeping closely in touch with the rapid development of the use of concrete for ships of large tonnage, and there is keen interest in the impending voyage of the SS. "Faith" to this coast from San Francisco with her first cargo, made up of salt. Plans have already been secured for large craft of concrete, and before the year is out it is expected that steps will have been taken to put these plans to the test, for Victoria possesses, besides ample and ideal locations, two of the largest cement plants in Canada, turning out a product, the quality of which is peculiarly suited to the needs of concrete ship construction.

Much might be said for several smaller industries in Victoria, some of them much out of the ordinary. One might refer to the small plant which has been making bottles from locally-found silica, using a new furnace, locally invented; one might tell of the struggling young industry in a small tannery in Victoria, where an ex-fur-sealer and an English tanner and glover are making wonderful gloves from the hides of sea lions; one might picture the success of local jam-makers and fruit-canners, starting, in a small way, to take advantage of the wonderful opportunities afforded by the rapidly-growing fruit areas at Victoria's door; one might describe the plant so carefully perfected and built where potash is being recovered from the seaweed which strews our shores—but these are only portents of what is to come when Victoria ceases to be a closed book to those whose help is needed.

City Attracts Many Tourists.

No reference to Victoria's industries or possible industries would be complete without mention of what must always be one of the very greatest and most productive—the tourist industry. Victoria has invested, wisely, a good deal of money in building up this industry, but merely a fraction of what she could, with excellent judgment and perfect safety, invest. The remarkable beauty and charm of Victoria and Vancouver Island, although world-famous, are only just beginning to be known. Winter and summer, Victoria offers the finest year-around climate to be found in North America and one of the best in the world. Unlike other well-known localities, Victoria enjoys a sufficient change of seasons to provide the spice which, when lacking, causes any climate to pall. Never very hot, never very cold, with an unusual amount of bright sunshine and comparatively little rain during the winter, Victoria offers an almost ideal climate for twelve months in the year. Golf the year round; roses in the open garden at Christmas; golden English broom, real berried holly, gorse, box and many other distinctively Old World flora; glorious diversified scenery; a wealth of sport near at hand—these

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HEAD OFFICE: WINNIPEG, CAN.

BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY VANCOUVER AND VICTORIA

and other attractions are drawing each year more and more visitors from the ends of the earth. Lately, Anglo-Orientals in China and Japan have "discovered" Victoria, and the past two summers have witnessed a great and welcome influx of them. They spend the summer months and put their children to school in Victoria. Then the parents return to the Orient and leave the youngsters with us for education. This season the Victoria and Island Development Association—the civic industrial and publicity bureau of Victoria—has inaugurated a special advertising campaign in China to reach Europeans resident there, and has issued a special illustrated folder for their information.

Hundreds of motorists from mid-western Canada and the United States tour Vancouver Island annually, and the number continues always to increase. Last winter witnessed several thousands of Canadian prairie farmers and their families seeking recreation in Victoria and other coast resorts, and last summer many hundreds of non-motorist visitors spent vacations in the lovely city.

The outlook for the coming summer season was never brighter, despite many discouraging influences begotten of war conditions. Battalions of weary war-workers will spend vacations in Victoria and on Vancouver Island generally, securing fresh vitality and new vim, so necessary to the morale of the army at home. Victoria will also be the setting this year for the annual convention of the Union of Canadian Municipalities and other sizable conventions.

The tourist industry, like many other industries, is susceptible of broad development in Victoria. Organized efforts to concentrate the traffic and to lengthen the average individual visit by means of properly systematized entertainment, thereby pleasing the customer and at the same time developing two shekels where but one is developed now—these are refinements still to come. One need not look very far to the southward to observe the value of organized tourist industry Victoria possesses all of the necessary "raw material." Capitalists, seeking worth-while investments, should investigate.

CITY OF REGINA FINANCES

The annual report of the city of Regina for the year ended December 31st, 1917, has just been published. The result of the operations for the year was a deficit of $14,117, which is, however, more than accounted for by the fact that a loss is recorded from the utilities instead of a surplus, as was anticipated when the estimates were prepared. None of the utilities, in fact, achieved the results anticipated.

The chartered accountants, Messrs. Gladwell, Wilson and Company, in their report expressed the opinion that the details in connection with the tax sales, including the collections for redemptions, etc., should be part of the duties of the department responsible for the collection of taxes. At present there is divided responsibility, and their suggestion would tend to greater efficiency, and consequently less in the possibility of arrears in the handling of this matter.

Included in the amount shown as arrears of taxes are a number of business and income taxes, some dating as far back as 1912, and which are considered uncollectable. The list of these is being prepared by the assessor. If cancellation is decided upon, the amount will have to be levied otherwise.

The total debenture debt of the city is now $10,526,087 and the total capital liabilities are $16,359,243. In addition to this there are revenue liabilities to the amount of $1,434,881. The result of the operations to the public utilities for the year was as follows:—

	Actual deficit for year.
Street railway net deficit	$63,898
Electric light and power net deficit	10,494
	$74,393
	Actual surplus for year.
Electric light and power taxes	$34,500
Waterworks department, net surplus	5,734
Property sales contribution for street railway sinking fund	20,574
	$60,809
Balance net deficit carried to general revenue and expenditure account	13,583
	$74,393

FIRES ON RAILWAYS

Government Railways Should Be Under Regulations of Railway Commission

"The requirements of the Board of Railway Commissioners have been well observed on the whole and the loss to our forests for which the railways can be held responsible is but a small fraction of the total fire loss," stated Sir Clifford Sifton at the ninth annual meeting of the Commission of Conservation. "This, as compared with the situation ten years ago," he continued, "is an improvement of the first magnitude. I should here explain that we secured the adoption of legislation by which the Board of Railway Commissioners was authorized to impose fire protection measures upon the railways, and we then assisted the board in drafting the regulations. When these were adopted, the board appointed our chief forester as its chief inspector in the enforcement of fire protection regulations for all the privately owned railways of Canada. The jurisdiction of the Railway Commission now extends to approximately 85 per cent. of the railway mileage of Canada.

"There are still 4,087 miles of Dominion government railways and 350 miles of provincially chartered railways in Alberta not subject to regulation and inspection by the Railway Commission, and the fire prevention service applicable to these two classes is not comparable to that applied under the Board of Railway Commissioners. The minister of railways has, so far, declined to take the progressive and effective step of adopting the regulations of the Board of Railway Commissioners in full and putting their enforcement in charge of our chief forester, unquestionably the best qualified man in Canada for the work. We trust this will soon be done. The situation at the present time, is therefore, that the parliament of Canada, in its zeal for the public good, requires all privately owned railways, such as the Canadian Pacific Railway, the Canadian Northern Railway and the Grand Trunk Railway, to submit to the regulations which are imposed for the public good by the Board of Railway Commissioners, but they will not allow the Intercolonial Railway, which they themselves own and manage, to be put under those regulations. The result is, that on the government's own railway the fire protective service is the worst that we have in Canada. Urgent necessity exists for dealing with the northern railways in Alberta, and it is to be hoped that the government of that province will fall in line with the progressive spirit which has been adopted throughout the remaining portions of Canada."

MERCHANTS BANK ANNUAL REPORT

The annual report of the Merchants Bank of Canada for the year ended April 30th, 1918, appears in this issue. The principal features of the report were mentioned in our issue of May 31st The total profits for the year are $1,657,973, and, next to the dividends at 10 per cent. of $700,000, the largest item of appropriation is $400,000 transferred to the contingent fund. The deposits show a very satisfactory increase, being greater by about 20 per cent. than for the year 1917.

The assets now total $140,937,544, which is a new high record in the bank's history. The bank handled subscriptions to the Victory Loan totalling $25,000,000, and its own holdings of government securities have increased by over $1,500,000. The government tax on net circulation amounted to $70,000, and the bank also contributed $50,000 to the officers' pension fund.

At the annual meeting Mr. R. W. Blackwell, vice-president, who occupied the chair in the absence of the president, Sir Montagu Allan, referred to the continuous agitation against the so-called vested interests. He emphasized the fact that the resources of any large bank belong mainly to its depositors, its own capital being, comparatively speaking, quite insignificant. Its depositors do not belong to any one particular class, and the bank is, in a sense, a trustee of millions of dollars belonging to all classes.

Mr. E. F. Hebden, managing director, referred to the important position held by the chartered banks of Canada. "There is," he said, "no more important part of the civil arm than the chartered banks. I say it without the possibility of the statement being gainsaid, that the chartered banks of Canada have been a pile-driving influence from Confederation on, notwithstanding some setbacks to themselves in the development of Canada's material resources in every field of enterprise."

The same directorate was elected for the coming year.

THE
TORONTO GENERAL TRUSTS
CORPORATION

DIVIDEND No. 88

Notice is hereby given that a dividend of Two and one-half per cent. (2½%) has been declared upon the paid-up Capital Stock of this Corporation for the quarter ending June 30th, 1918, being at the rate of Ten per cent. (10%) per annum, and that the same will be payable on and after the Second day of July, 1918.

The Transfer Books of this Corporation will be closed from Saturday, June 22nd, to Saturday, June 29th, both days inclusive.

By Order of the Board,
A. D. LANGMUIR,
Toronto, May 28th, 1918. General Manager

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

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The Union Trust Company, Limited
Toronto

HENRY F. GOODERHAM, President
JAMES K. PICKETT, General Manager.

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors

Hon. W. A. Charlton, M.P., *President*. Col. Noel Marshall, *1st Vice President*. Sir William Gage, *2nd Vice-President*. W. K. George, *3rd Vice-President*. W. R. Hobbs, R. Wade, Allan McPherson, J. B. Tudhope, D. B. Hanna, J. F. M. Stewart, J. M. Ferguson, S. Casey Wood, John J. Gibson, *Managing Director*.

Chartered Trust and Executor Company
Traders Bank Building Toronto

The Standard Trusts Company

DIVIDEND No. 28

Notice is hereby given that a Dividend at the rate of 9% per annum on the paid-up Capital Stock of the Standard Trusts Company has been declared for the half-year ending 30th June, 1918, and that the same will be payable at the Head Office of the Company, 346 Main Street, Winnipeg, on or after the Second day of July, 1918.

The Transfer Books will be closed from the 16th to the 30th of June, both days inclusive.

By Order of the Board.
WILLIAM HARVEY,
Managing Director.
Winnipeg, June 3rd, 1918.

Canadian Guaranty Trust Company

HEAD OFFICE: BRANDON

Board of Directors:

ALEX. C. FRASER, President.
LT.-COL. A. L. YOUNG, Vice-President.
JOHN R. LITTLE, Managing Director.

HON. GEORGE W. BROWN, WILLIAM FERGUSON, H. L. ADOLPH, E. O. CHAPPELL, J. S. MAXWELL, JNO. A. McDONALD, G. S. MUNRO, HON. W. M. MARTIN, M.P.P., JOHN E. SMITH, F. N. DARKE, ALEX. A. CAMERON, D. A. REESOR.

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Many busy men appoint this Company their agent in financial matters. They thus secure a representative constantly in touch with financial conditions, and skilled to adjust their affairs promptly to every change which these make necessary. Write for booklets.

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Capital Paid-up $1,500,000 Reserve $1,500,000
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SASKATCHEWAN MORTGAGE ASSOCIATION

Success Has Been Attained in Legislative Efforts — Uniformity With Other Provinces

The fourth annual general meeting of the Land Mortgage Companies' Association of Saskatchewan was held in Regina on May 7th, 1918. The report of the executive committee on amendments to legislation was as follows:—

Report on Legislation.

"(1) Pre-emptions and purchased homesteads.—Many good investments are barred in Saskatchewan and much farm credit rendered unavailable by the existing regulations under the Dominion Lands Act. Your executive have exerted their influence during the past year to remedy this situation, and with the able co-operation of the Dominion Association have suggested amendments to the act which will enable entrants for pre-emptions and purchased homesteads to borrow money on the security of such lands after the duties have been performed, and before the issue of patents. This matter is under the consideration of the Federal government and has had its third reading. It is now before the Senate.

"(2) Volunteers and Reservists Relief Act.—This has been amended (Chap. 59, 1917, second session), as follows:—

"(a) The protection of the Act extends to soldiers discharged at any time after leaving Canada, for one year after the date of discharge.

"(b) Where a soldier is or has been discharged before leaving Canada, the protection of the act ceases from the date of discharge.

"(c) In the case of soldiers who have been killed or have died while on active service, the protection of the act extends for one year from the date of death, and in case of decease prior to the 15th of December, 1917, extends for one year from that date."

"(3) Trust Company Act.—This act now appears on the provincial statutes. It is not by any means perfect and offers opportunities for future legislative committees of this association.

"(4) Loan Company Act.—The government decided not to introduce this act at the last session.

"(5) Priority of Mortgage Over Relief Liens.—By order-in-council dated the 23rd of February, 1918, the minister recommends—

"'That in case of sale or of foreclosure and sale by such mortgagee or encumbrancee, the minister may, upon being satisfied that such mortgagee or encumbrancee has taken every reasonable and proper means to procure the highest price for the said land and has suffered loss by reason of liens so registered, issue such discharge or partial discharge as to the land sold as will relieve such mortgagee or encumbrancee of loss in the case of liens for seed grain and fodder, beyond the amount thereof applied on such land with interest, and in the case of relief, wholly or to such extent as the minister deems equitable.'

"The Saskatchewan Association desires to be placed on record as being opposed to anything less than the original intention of the Department of the Interior when the legislation relating to relief liens was under discussion, namely, that relief liens should not be a charge on lands in priority to other registered encumbrances and that apportionment should be made upon application.

"(6) Attornment Clause.—Owing to adverse legal decisions, it was determined to apply for such amendment to the Land Titles Act as would restore the effectiveness of the attornment clause. We are pleased to report that the necessary changes were made at the last session.

"(7) Arrears of Taxes.—This act has been amended and it is now necessary, in addition to the notice already provided for, that properties be advertised in detail once in the 'Saskatchewan Gazette' as well as once in a local newspaper.

"(8) Registered Power of Attorney.—Provision was made by amendment to the Land Titles Act whereby a certified copy of power of attorney could be registered.

"(9) Lunatics' Estates.—An objectionable amendment was proposed in this connection, giving the official administrator of lunatics' estates, the right to charge any advances made by him on behalf of the government, against the estate of the lunatic, such advances to take priority over all existing claims. On taking this up with the government the priority clause was eliminated.

"(10) Wild Lands Tax and Surtax.—The surtax on uncultivated lands, which was limited to $10 per quarter section or $40 per section, has been repealed and replaced by the wild lands tax. The new tax will be on the basis of 1 per cent. of the assessed value, which will mean a very material increase in taxes, and in the provincial revenues. This will not be of material interest to our mortgage lending companies, very few of whom lend on unimproved or wild land, but the item will no doubt be of considerable interest to many of the trust companies, who are members of our association.

"(11) Corporations Taxation Act.—There were also amendments to the Corporations Taxation Act, one of which provides that monies loaned by loaning companies or trust companies, 'upon municipal or school bonds or debentures, or upon the bonds or debentures of any other local or public authority in Saskatchewan,'' shall not be liable to the annual tax of 40 cents for each $1,000 of the funds under investment in Saskatchewan."

Report of the Executive Committee.

The president, Mr. W. E. Mason, then addressed the meeting as follows:—

"In laying before you the fourth annual report, your executive again record a year of forward movement and legislative reform. We were favored last May with a visit from Mr. Appleton, secretary-treasurer, of the Dominion Mortgage and Investments Association. Many matters relating to the well-being of the mortgage lending companies were discussed with him at that time, which have since borne fruit in the form of remedial legislation. We are fortunate this year in having Mr. Appleton with us at our annual meeting. He has visited other western associations, attending their meetings, and by thus keeping in touch with the many questions confronting the lending companies of the different provinces, all the local associations profit by his experience.

"Bulletin Reports.—Your executive during the past year have had the usual number of perplexing questions to consider and deal with. You have been kept closely informed on these matters through bulletins issued by the Dominion Association, which has become the clearing house for the provincial associations. Each association sends an outline of their work which is passed back in bulletin form to each member, thus enabling us to see the difficulties encountered in our sister provinces. Through this medium we are forewarned and may become forearmed against possible adverse legislation, and are better able to cope with the difficulties as they arise. Having had the bulletins before you, it is only necessary to enumerate the matters that have had the special attention of our executive during the past year. These have been reviewed in the secretary's report.

"Position of Saskatchewan.—Mr. A. L. Crossin, of the firm of Oldfield, Kirby and Gardner, contributed a paper at the annual meeting of the Dominion Mortgage Association held in Toronto on the 25th of March last. He dealt with western legislation relating to mortgage companies, and in referring to the work accomplished by the three prairie province associations, he said:—'That the work has borne fruit is evidenced by the undoubted fact that Saskatchewan, which for several years has had the doubtful honor of the most objectionable legislation, has so recast its measures, that this province has now on the whole the most useful and fairest legislation governing the relations of borrowers and lenders. The experience of Saskatchewan is suggestive and should be an example to the other provinces.'

"The Joint Committee of Commerce and Agriculture held their session in Regina on the 13th and 14th of March. This committee is responsible for better understanding between the borrowing and lending interests in the west. Farmers now appreciate that their credit is improved through the amended legislation for which the mortgage associations are directly responsible. The following matters in which loaning interests are concerned were considered.

"Financial Assistance to Homesteaders.—(1) A paper by Mr. Vere C. Brown on the subject of 'Financial Assistance to Homesteaders without Patent,' resulted in the following motion:—

"'Whereas it has been brought to the notice of the joint committee of commerce and agriculture now in session that it is the intention of the Federal government to introduce a bill amending the Dominion Lands Act, in such manner as to enable entrants for pre-emptions and purchased homesteads to borrow money on the security of the said lands after the

The Hamilton Provident and Loan Society

DIVIDEND No. 94

Notice is hereby given that a Dividend at the rate of Eight per cent. per annum has been declared for the half year ending June 30th, 1918, upon the paid-up Capital Stock of the Society, and that the same will be payable at the Society's Head Office, Hamilton, Ontario, on and after Tuesday, the 2nd day of July, 1918.

The Transfer Books will be closed from the 15th to the 30th of June, both days inclusive.

By order of the Board.

D. M. CAMERON, Treasurer.

Hamilton, May 31st, 1918.

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of TEN PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board.

GEO. H. SMITH, Assistant General Manager

Toronto, May 29th, 1918.

THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 123

Notice is hereby given that a Dividend of Three per cent. for the quarter ending June 29th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid Up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after July 2nd, 1918, to shareholders of record at the close of business on June 15th, 1918.

By Order of the Board.

M. AYLSWORTH,
Secretary

London, Canada, May 27th, 1918.

The Ontario Loan and Debenture Co.

DIVIDEND No. 124

Notice is hereby given that a QUARTERLY DIVIDEND of 2¼ PER CENT. for the three months ending 29th June, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd July next, to Shareholders of record of the 15th June.

By order of the Board.

A. M. SMART,
Manager

London, Canada, May 28th, 1918.

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company

520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

5½%

INTEREST RETURN

INVEST YOUR SAVINGS

in a 5½% DEBENTURE of

The Great West Permanent Loan Company

SECURITY

Paid-up Capital	$2,412,566.31
Reserves	756,580.13
Assets	7,168,537.29

HEAD OFFICE, WINNIPEG

BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria; Edinburgh, Scotland.

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President NATHANIEL MILLS, Manager

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 **51 YONGE ST., TORONTO**

Paid-up Capital, $1,250,000 Rest, $850,000 Total Assets, $4,855,944

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after **1st July, 1918**, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board.

6th June, 1918. WALTER GILLESPIE, Manager.

duties have been performed and before the issue of patent thereto.'

"'Therefore be it resolved:—(a) That this committee unanimously endorses the proposed action of the government in this respect. (b) That a copy of this resolution be forwarded to the minister of the interior.'

"Advances for Increasing Areas Under Production.—(2) A suggestion eminating from the Dominion government to advance monies to farmers in the prairie provinces for the purpose of increasing the amount of their cultivation, was brought to the attention of the meeting by Mr. F. H. Auld, deputy minister of agriculture, and resulted in the following motion:—

"'Whereas the Dominion government has signified its willingness to advance to the provincial governments monies to be loaned to farmers for breaking land so that production may be increased for 1919.

"'Therefore be it resolved:—That the joint committee of commerce and agriculture offer to the minister of agriculture for the province of Saskatchewan, the suggestion that he call a conference of representatives of the governments of the three prairie provinces, the Canadian Council of Agriculture and the Mortgage Loans Association, to consider plans for distributing these monies for the purpose designed.'

"The Dominion Association has taken this matter up with the acting minister of finance at Ottawa and received from him the following letter:—

"'Dear Sir,—I beg to acknowledge receipt of your letter of the 20th instant in reference to the subject matter of proposed advances to farmers. The government has not yet decided to embark upon any such policy, so in the meantime, there is nothing further I can say in reply to your letter. However, I beg to thank you for your assurance that the government can rely on the co-operation of institutions such as your own in carrying out any reasonable plan for providing facilities for the raising of larger crops in the future. If the government should conclude any policy in respect to this matter, I shall be pleased to advise you promptly.

"'Yours truly,
"'A. K. McLean,
"'Acting Minister of Finance.

"'Ottawa, March 21st, 1918.'

"Uniformity of Provincial Legislation.—(3) A paper was read by Mr. W. S. Fallis dealing with uniformity of provincial legislation. The following motion was unanimously adopted:—

"'Whereas it is desirable that there should be a uniformity of provincial legislation throughout Canada.

"'Therefore be it resolved:—That the joint committee of commerce and agriculture representing all classes of the community recommends the passage of the draft bill proposed to be submitted to the legislatures of the provinces to provide for the appointment of commissioners for the promotion of uniformity of legislation in Canada.'

"The secretary's report covers the amended legislation that has engaged the attention of your executive. In addition to this, as in former years, your legislative committee kept constant vigil during the sitting of the House. Our solicitor scans carefully every bill introduced and warns us of impending trouble (as all bills affecting our interests are not labelled in red letters or heralded from the house top). This is work of a negative character which is in many instances as important as positive legislation appearing on the records.

"Mr. Bradshaw's Resignation.—We regret to record the resignation of our late secretary, Mr. G. H. Bradshaw, of the Sterling Loan and Securities Company. Mr. Bradshaw has always taken a keen interest in the affairs of our Association. Our best wishes go with him in his new sphere of activities.

"I have pleasure in moving that the secretary's report be adopted and that the same be printed and copies sent to the members of this association in such manner as may be hereafter determined."

Discussion then followed, Mr. Givins considered the members should discuss freely the reports. Mr. Styles drew attention to the procedure regarding the sale of land for taxes, and the improvement as to advertising of lands for sale. Attention was drawn to the improvement in the law as to the attornment clause. On the motion being put to the meeting to adopt the reports, it was declared carried.

It was moved by H. W. Givins, seconded by W. G. Styles: "That Section 4 of Article No. 2 of the by-law of the association be amended by striking out the word 'four' in the third line and substituting therefor the word 'six.'" Carried.

It was moved by W. G. Styles and Lorne Johnson: "That Article No. 1 of the by-laws be amended by adding after the word 'Companies' the words 'or Mortgage Loan Association.'" The motion was declared carried.

Mr. John Appleton was then requested to address the meeting.

On motion by H. W. Givins and C. M. Johnson, it was resolved: "That this meeting approve of the suggestion of the secretary of the Dominion Mortgage and Investments Association that the annual report of the association be printed with the reports of similar associations and authorize the executive committee to make all necessary arrangements in connections therewith."

On motion of W. G. Styles and H. W. Givins, it was resolved: "That this association approve of the request from the Dominion Association to amend their by-laws and hereby authorize the executive of this association to consider such amendments as may be submitted to them with full power to deal with same and notify the Dominion Association of their decision on these proposed amendments."

The election of officers was then proceeded with and resulted as follows:—President, W. E. Mason; vice-presidents, H. W. Givins and C. M. Johnson; secretary-treasurer, Geo. S. Gamble. Executive committee, Messrs. J. E. Adams, W. G. Styles, John Rogers, L. Johnson, Don. Fraser, W. J. Rattray.

Mr. J. Appleton acted as scrutineer and announced the result of the election.

On motion of W. G. Styles and J. E. Adams, it was resolved: "That when this meeting adjourn that we do so to meet again one week previous to the next session of the Saskatchewan legislature, or at such other time as the president may call a general meeting." Carried.

On motion of H. W. Givins and Don. Fraser, the meeting adjourned.

COST OF INSURANCE REPORTS

Mr. G. D. Finlayson, superintendent of insurance for the Dominion of Canada, is calling the attention of insurance companies to the cost of the insurance reports, which has increased greatly. The expense is, of course, borne ultimately by the companies and not by the government, and suggestions from the companies are requested with a view to reducing the cost. During the past five years the cost of the reports has been as follows:—

Reports for business of year.	No. of copies. Volume I.	Volume II.	Cost.
1912	4,700	5,000	$ 7,414
1913	5,600	5,300	9,225
1914	6,100	5,300	9,268
1915	6,500	5,500	13,222
1916	7,300	6,000	14,147

The increase is partly due to the larger number distributed, but more especially to the increase in the cost of labor and materials entering into the work of printing and binding. Mr. Finlayson suggests that some expense might be eliminated by leaving out portions of the contents, or by reducing the number of copies distributed. At the present time all companies are asked each year for a list of agents to whom they wish one or more copies of the report to be sent. As a rule, the distribution is made from the lists received, but in some cases the numbers asked for appear to be unreasonable and the lists are cut down. The numbers requested are not always proportional to the size of the companies, and, in fact, are sometimes in inverse ratio. One remedy suggested is that the distribution should be in proportion to the net premium income of the companies, with a minimum allotment of two or three copies to each company, or, as an alternative, to supply to each company the minimum allotment and to make a nominal charge for additional copies supplied.

An announcement was recently made that the contract for the construction of the section of the Hanna Medicine Hat Branch of the Canadian Northern Railway, from Hanna to the Red Deer River, has been awarded to W. A. Dutton, of Winnipeg. The Hon. Arthur Sifton, who has strongly urged the building of this line to help market this year's crop, is hopeful that it will be completed in sufficient time, as the farmers are ready to supply nearly all the labor and teams required for the work.

Thirteenth Annual Statement

The Alliance Insurance Company

of Philadelphia

STATEMENT DECEMBER 31, 1917

ASSETS

Bonds and Stocks at present market value	$2,630,719.50
Cash in Banks	244,115.25
Fire Premiums in course of Transmission	166,195.13
Marine Premiums in course of Transmission	30,522.96
Accrued Interest and all other Property	42,456.77
Total Assets	$3,114,009.61

LIABILITIES

Capital Stock	$750,000.00
Reserve for Reinsurance	978,627.31
Reserve for Unpaid Losses	444,485.00
Reserve for National and other Taxes	63,000.00
All other Liabilities	3,072.62
Contingent Fund	124,824.68
Surplus	750,000.00
Total Liabilities	$3,114,009.61

Surplus to Policyholders	**$1,624,824.68**
Losses Paid Since Organization	**7,250,077.90**

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The Merchants Bank of Canada

Proceedings of the Fifty-Fifth Annual Meeting of Shareholders on June 5th, 1918

The fifty-fifth Annual Meeting of the Shareholders of the Merchants Bank of Canada was held on Wednesday, June 5th, in the Board Room at the Head Office of the Bank at Montreal. The meeting was called to order at twelve o'clock noon.

On motion of Mr. John Patterson, the Vice-President, Mr. K. W. Blackwell, in the absence of the President (Sir H. Montagu Allan), was asked to take the chair.

Mr. J. M. Kilbourn was appointed Secretary of the meeting.

The minutes of the last annual meeting were taken as read.

The Chairman, Mr. K. W. Blackwell, then presented the Annual Report, as follows:—

It is my privilege to submit for your approval the Fifty-fifth Annual Statement of the Merchants Bank of Canada as at the close of business on the evening of the 30th April, 1918, the last day of the Bank's fiscal year, accompanied by a statement of the Profits covering the same period.

You will observe, with satisfaction, I doubt not, that the profits as a result of the year's operations amount to $1,236,680.96, being an increase over last year of $116,372.12.

Subscriptions by the Bank's clientele throughout the country to that important piece of national financing, know as the Victory Loan, amounted to no less a sum than $25,000,000, distributed amongst fifty-three thousand depositors. Notwithstanding the heavy consequent withdrawals, our deposits have grown about $20,000,000, or roughly, twenty-one per cent. Our commercial advances have correspondingly increased, thus enabling us, while maintaining a proper measure of liquid strength, to materially improve our earning power.

The whole position as reflected by the Balance Sheet will be viewed, I am sure, with feelings of entire satisfaction.

There has been no activity during the course of the year in branch extensions, owing to the exigencies of the staff situation. Indeed, we are, in all the circumstances, doing well to keep pace with the development of our business under the difficulties by which we are surrounded in this respect.

All the various offices have been inspected during the past twelve months.

The Auditors' certificate is appended.

All of which is respectfully submitted.

K. W. BLACKWELL,
Vice-President.

THE FINANCIAL STATEMENT

Statement of the Result of the Business of the Bank for the Year Ended 30th April, 1918.

The Net Profits of the year, after payment of charges, rebate on discounts, interest on deposits, and making full provision for bad and and doubtful debts, have amounted to......		$1,236,680.96
The balance brought forward from 30th April, 1917, was		421,292.96
Making a total of		$1,657,973.92
This has been disposed of as follows:—		
Dividend No. 120, at the rate of 10 per cent. per annum	$175,000.00	
Dividend No. 121, at the rate of 10 per cent. per annum	175,000.00	
Dividend No. 122, at the rate of 10 per cent. per annum	175,000.00	
Dividend No. 123, at the rate of 10 per cent. per annum	175,000.00	
		$ 700,000.00
Government War Tax on Note Circulation......		70,000.00
Contribution to Officers' Pension Fund		50,000.00
Transferred to Contingent Fund		400,000.00
Balance carried forward		437,973.92
		$1,657,973.92

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

In accordance with the provisions of sub-Sections 19 and 20 of Section 56 of the Bank Act, we report to the shareholders as follows:—

We have examined the above Balance Sheet with the Books of Account and other records at the Chief Office of the Bank and with the signed returns from the Branches and Agencies and have checked the cash and verified the securities of the Bank at the Chief Office against the entries in regard thereto in the books of the Bank at 30th April, 1918, and at a different time during the year and found them to agree with such entries. We also attended at some of the Branches during the year and checked the cash and verified the securities held at the dates of our attendances and found them to agree with the entries in regard thereto in the books of the Bank.

We have obtained all the information and explanations we have required. In our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank, and the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

VIVIAN HARCOURT, } Auditors.
GORDON TANSLEY. }
(of the firm of Deloitte, Plender, Griffiths & Co.)

Montreal, 23rd May, 1918.

In moving the adoption of the Report the Chairman, after referring to the features of the Annual Statement, continued, in brief:—

"Some strange doctrines have recently taken possession of the minds of many people on this subject. It is a phase of the war excitements," he said.

"I am enthusiastic on the subject of fair play towards Vested Interests," he continued. "You and I, gentlemen, as bankers, and bank shareholders, are the natural guardians of of Vested Interests.

"We must argue against and oppose the mischevious propaganda of unthinking and illogical people. They will tell you that this is a socialistic age and complain that banks and large capitalists are banded together to keep on amassing wealth to the detriment of the conditions of the general community.

"We may answer this in saying most truthfully that banks themselves are absolutely socialistic in their methods. They accept money from those who have it, and lend it to those who need it and can use it safely.

"The great resources of any large bank belong mainly to its depositors, its own capital being, comparatively speaking, quite insignificant, nor do its depositors belong to any one particular class. It is a careful trustee of millions of dollars belonging to all classes.

"In our case, for example, the large total of our deposits and current accounts belong to so many thousands of individuals that the average holding is only about $500.

"Surely such depositors are not capitalists! Therefore, it would be most unfair to accuse us of being prejudiced in favor of great capitalists.

"The cost of the war is being paid for out of the savings of past years, and is now in some countries nearly approaching the limit of exhaustion, and the question of how interest charges are to be met, engages the deepest attention of all classes. Here again the treatment of Vested Interests must be carefully guarded against unwise and wanton action: when we hear people talk about the conscription of wealth and levy on capital in a vague and indefinite way we realize that this might be pushed to a limit that would break down the whole financial fabric."

He went into a discussion of what so-called conscription of wealth meant and the impossibility of turning property into cash as very little individual wealth was composed of cash.

"Vested Interests," he added, "are also threatened from another quarter. We, in this young country, must guard them against the free trader. I am not going into politics here, but the fact cannot be overlooked that amongst the agricultural community there are many who are favorable to taking down the tariff bars, in order to cheapen articles that enter into their own daily use, without thinking of the consequences, they don't seem to realize that if they disturb the

STATEMENT OF LIABILITIES AND ASSETS AT 30th APRIL, 1918

Liabilities.

	1918.	1917.
1. To the Shareholders:		
Capital Stock paid in	$ 7,000,000.00	$ 7,000,000.00
Rest or Reserve Fund	7,000,000.00	7,000,000.00
Dividends declared and unpaid	176,900.00	178,305.00
Balance of Profits as per Profit and Loss Account submitted herewith	437,973.92	421,292.96
	$ 14,614,873.92	$ 14,599,057.96
2. To the Public:		
Notes of the Bank in Circulation	12,327,168.00	9,483,468.00
Deposits not bearing interest.	34,000,747.83	27,101,587.86
Deposits bearing interest (including interest accrued to date of statement)	75,946,985.48	65,000,484.42
Balances due to other Banks in Canada	1,400,941.75	628,863.08
Balances due to Banks and banking correspondents in the United Kingdom and foreign countries	1,161,976.79	3,904,690.72
Bills payable	....	....
Acceptances under letters of credit	598,851.20	411,806.78
Liabilities not included in the foregoing	....	....
	$140,937,544.97	$121,130,558.82

Assets.

Current Coin	$ 4,890,061.36	$ 4,766,438.82
Deposit in the Central Gold Reserves	6,000,000.00	3,500,000.00
Dominion Notes	5,912,092.50	7,050,790.50
Notes of other Banks	893,076.00	793,307.00
Cheques on other Banks	5,311,786.12	5,674,828.67
Balances due by other Banks in Canada	4,704.37	2,635.33
Balances due by Banks and banking correspondents in the United Kingdom	82,580.53	61,225.79
Balances due by Banks and banking correspondents elsewhere than in Canada and the United Kingdom.	1,357,843.03	2,413,100.10
Dominion and Provincial Government securities, not exceeding market value....	5,435,464.66	3,862,507.19
Railway and other Bonds, Debentures and Stocks, not exceeding market value ..	4,060,204.70	3,964,251.24
Canadian Municipal Securities, and British, Foreign, and Colonial public securities other than Canadian	14,589,065.54	11,263,196.20
Call Loans in Canada on Bonds, Debentures and Stocks	5,223,953.88	4,627,863.57
Call loans elsewhere than in Canada	3,906,648.93	3,461,420.47
	$ 57,667,481.62	$ 52,041,624.88
Current Loans and Discounts in Canada (less Rebate of Interest)	76,194,016.15	62,737,958.74
Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest)..	339,987.29	377,582.42
Liabilities of customers under letters of credit as per contra	598,851.20	411,806.78
Real Estate other than bank premises	312,928.11	294,197.07
Overdue debts, estimated loss provided for	272,226.60	149,039.68
Bank Premises, at not more than cost, less amounts written off	4,886,438.98	4,617,400.23
Deposit with the Minister for the purposes of the Circulation Fund	355,000.00	375,000.00
Other Assets not included in the foregoing	310,615.02	125,049.02
	$140,937,544.97	$121,130,558.82

K. W. BLACKWELL, Vice-President.
E. F. HEBDEN, Managing Director.
D. C. MACAROW, General Manager.

present equilibrium of tax distribution, a greater share of the taxation must undoubtedly fall upon their own shoulders."

He concluded with an appeal to the public for fairer treatment of vested interests.

In seconding the adoption of the Report, Mr. Thomas Long then said:—

It is a great pleasure to me to be invited to second the adoption of the Annual Report, which has been presented by the Vice-President. I am sure that as stock-holders we are all pleased and delighted to see the substantial growth that has taken place within the past few years in the volume of business transacted by this Bank. That this progress it still continuing is apparent by the report we have just heard, so that we may look forward to the future with both hope and confidence. (Applause).

After remarks by Mr. Percival C. Elgee and Mr. R. Campbell Nelles, the Annual Report was unanimously adopted.

Mr. E. F. Hebden, managing-director, addressing the shareholders, stated that a year ago they had looked for the close of the war before another meeting, but in this expectation the world had been disappointed. Meanwhile, the affairs of the bank continue to prosper, stimulated by favorable economic conditions.

Mr. Hebden referred to the important position held by the chartered banks of Canada and said: "There is no more important part of the civil arm than the chartered banks. I say it without the possibility of the statement being gain-said, that the chartered banks of Canada have been a pile-driving influence from Confederation on—notwithstanding some setbacks to themselves—in the development of Canada's material resources in every field of enterprise." (Applause).

Mr. Hebden also referred at length to the very crippling effect the exceedingly heavy military levies upon Banks' staffs are having and will have upon their organizations.

Mr. D. C. Macarow, general manager, reviewed the financial statement and said, in part: "The times through which we are passing are indeed anxious and exacting, and the future unquestionably holds many serious problems, upon the wise solution of which far-reaching issues will depend. But the potentialities of this country are well nigh boundless, and if continued to be developed along sound and businesslike lines, as we have no doubt they will be, the future, I am sure, may be regarded without undue apprehension.

"Economists tell you that the stability and wealth of a country such as ours lies largely in the measure and value of the exportable surplus of our products. Judged by this true standard and in the light of past achievements one will require to be a pessimist indeed to regard our future otherwise than with well-grounded confidence."

Mr. Macarow paid a tribute to the loyalty of the staff to the Bank and to their country, so many of them having laid down their lives in defence of the latter, and those who are debarred from active participation in the war "doing their bit" in taking on additional burdens of work in the Bank to compensate for the shortage in the staff. (Applause).

On motion of Mr. John Patterson, seconded by Mr. A. D. Fraser, Messrs. Vivian Harcourt and Gordon Tansley, of Deloitte, Plender, Griffiths & Company, were appointed auditors of the bank, to hold office until the next annual general meeting.

Messrs. John Patterson and Arthur Browning were by unanimous vote appointed scrutineers, and instructed to cast one ballot for the election of the following persons as directors: Sir H. Montagu Allan and Messrs. K. W. Blackwell, Thomas Long, F. Orr Lewis, Andrew A. Allan, Lieut.-Col. C. C. Ballantyne, A. J. Dawes, F. Howard Wilson, Farquhar

Robertson, Geo. L. Cains, Alfred B. Evans, E. F. Hebden, T. Ahearn and Lieut.-Col. Jas. R. Moodie.

On motion of Messrs. R. Campbell Nelles and John Patterson, a vote of thanks was tendered the Board of Directors, the General Manager and Staff, which was briefly acknowledged by the General Manager, Mr. D. C. Macarow.

This concluded the business of the meeting, which then adjourned.

At the subsequent special meeting of the Directors, Sir H. Montagu Allan was re-elected president, and Mr. K. W. Blackwell, vice-president.

TOTAL TRADE OF CANADA BY MONTHS.

IMPORTS FOR CONSUMPTION OF MERCHANDISE.

Months	1914-15	1915-16	1916-17	1917-18
	$	$	$	$
April	36,937,713	28,391,640	50,147,830	86,807,809
May	45,076,939	34,390,808	69,697,812	107,596,379
June	45,750,793	35,324,739	66,399,538	97,515,067
July	42,964,467	36,557,691	63,622,687	90,181,595
August	44,390,603	40,806,865	72,331,114	91,931,009
September	36,567,572	38,028,156	68,766,262	75,893,365
October	35,113,730	39,515,144	71,196,252	78,113,962
November	31,552,190	45,217,559	72,579,445	72,708,439
December	30,392,913	45,690,721	67,900,534	61,634,662
January	30,300,157	50,170,465	72,323,074	60,677,414
February	35,912,910	51,654,968	68,030,469	....
March	40,411,384	62,034,605	102,335,886	....
Totals, Fiscal Years	455,371,371	507,783,361	845,330,903	....

Note.—At the request of the British Government, the publication of details regarding the origin of the imports and the destination of exports has, for the present, been suspended by the Department of Trade and Commerce.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

June 12th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	86	8.13
Canada Cement	7	91	7.69
Canada Steamships	7	76½	9.15
Mackay Companies	4	65	6.15
Penmans	6	82	7.31
Steel of Canada	7	91	7.69
Maple Leaf Milling	7	95	7.36
Common:			
Bell Telephone	8	130	6.15
B. C. Fishing and Packing	5	46	10.75
Canada Cement	6	60	10.00
Canadian Locomotive	6	61	9.83
Canadian General Electric	8	103	7.76
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	74	10.81
Maple Leaf Milling	10	107	9.25
Canadian Pacific Railway	10	148	8.75
Ottawa Traction	6	70	8.57
Penmans	6	75	8.00
Dominion Steel Corporation	5	60	8.33
Steel Co. of Canada	6	64	9.37
Mackay Companies	6	75	8.00
Toronto Railway	4	59	6.78
Bonds:			
Canada Bread	6	92	6.52
Canada Cement	6	97	6.18
Canada Steamships	5	80	6.25
Canadian Locomotive	6	86	7.05
Penmans	5	87	5.74
First War Loan, 1925	5	95½	5.23
Second War Loan, 1931	5	94½	5.28
Third War Loan, 1937	5	93	5.37
Victory Loan, 1937	5½	99½	5.45
....	....	....	....
....	....	....	....

Mr. W. H. Farrell, terminal superintendent of the Grand Trunk Railway, has been appointed general manager of the Algoma Eastern Railway Company, with headquarters at Sudbury. Mr. Farrell will have charge of the line from Sudbury to Little Current, and will assume the duties of his new position on July 1st.

PERSONAL NOTES

Mr. John C. Rose, who was for many years clerk of the township of Orillia, is dead.

Mr. Herbert M. Marler, barrister, of Quebec, has been appointed fuel controller of the province of Quebec. No salary is attached to the position.

Mr. John Porter, of the legal firm of Kelly and Porter, Simcoe, has been appointed county treasurer of Simcoe, to succeed the late Mr. Roger Crysler.

Mr. J. L. Webster who, for the past two-and-a-half years has been manager of the Stratford branch of the Bank of Montreal, has been promoted to the managership of the branch at Fort William.

Mr. A. E. Ham, who has been superintendent of insurance in the province of Manitoba for the past 12 years, has resigned from that position and has accepted the appointment of vice-president of the Union Casualty Company, with head office in Winnipeg. He has also been appointed chief agent for Winnipeg, of the New Hampshire Fire Insurance Company, of Manchester, N.H.

A. E. HAM,
Vice-President, Union Casualty Company.

Mr. C. R. Drayton, manager for Canada of the Union Insurance Society of Canton, Limited, is at present on the Pacific Coast, having gone there to meet C. Montague Ede, Esq., general manager of the company.

Mr. Robert H. Parks, operating manager of the Canadian Car and Foundry Company, has been elected a director. Previous to joining the company in June, 1917, Mr. Parks was general manager of the Bettendorf Company of Iowa.

Mr. D. A. Dunlap, of Toronto, has been elected vice-president of the Hollinger Consolidated Mines to fill the vacancy caused by the death of Mr. John McMartin. Dr. W. L. McDougald, of Montreal, was also recently elected to the board of directors.

Mr. Thomas Wood, formerly inspector for the Ocean Accident and Guarantee Corporation, has been appointed by the General Accident Assurance Company of Canada to the position of inspector for Western Ontario to succeed Mr. G. B. Crumb who has resigned.

Mr. F. M. Marcotte has been appointed manager of the Three Rivers branch of the Banque d'Hochelaga. Mr. Marcotte commenced his banking career at Three Rivers in 1901, was transferred to the head office in 1908, and appointed manager of the Outremont branch in 1913.

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GROWTH OF UNION CASUALTY COMPANY

The Union Casualty Company, organized in 1917, under a Manitoba charter, with head offices in Winnipeg, is meeting with good success. The officers of the company are: President, M. J. McMichael; vice-presidents, L. M. Fingard and A. E. Ham; secretary-treasurer, J. O. Melin; solicitor, R. B Graham; directors, J. S. Turner and W. J. Bulman.

Mr. A. E. Ham and Mr. J. O. Melin will have active charge of the company, and both are well fitted by experience for seven years in the insurance field. Mr. Ham has just recently resigned from the position of superintendent of insurance for the province of Manitoba after twelve years of service, and is, therefore, familiar with all branches of the insurance business. Mr. Melin was for ten years chief examiner of the insurance department of the State of Minnesota.

The company commenced business in September, 1917, writing health and accident insurance, but they have also taken up other lines, including fire, automobile, plate glass, guarantee, and fidelity insurance. The authorized and subscribed caiptal is $500,000, of which $76,611 is paid up. Apart from the unpaid capital, which is, of course, security for policyholders, the assets total $74,084, including $7,928 of Victory bonds and $14,545 of province of Manitoba bonds.

The company has also purchased the Western Canada Accident and Guarantee Insurance Company, with head office in Winnipeg, of which the Hon. Edward Brown was president. The business of this company has been reinsured in the Union Casualty Company, who are now licensed to do business in Manitoba, Saskatchewan and Alberta.

Exports from Canada of machinery and of metal of every kind have been prohibited, except under individual licenses. Applications for approval of individual licenses must be made to the War Trade Board.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Brandon, Man.—Authority has been received to issue $15,000 debentures for a new pump at the waterworks.

Quebec, P.Q.—The committee of public works of the city council of Quebec decided on May 29th, to expend $61,039 in improving the pavements of the city.

Ethelbert, Man.—On June 8th, voting took place on an issue of $9,750 6 per cent. 15-years debentures for construction of four bridges.

Goose Lake, Man.—Voting took place on June 8th on a by-law covering $25,000 20-year debentures, for enlarging and improving school buildings.

Newcastle, N.B.—The $40,000 Northumberland County bonds reported last week were sold to the Dominion Securities, and not to the Eastern Securities Corporation, as stated.

Gladstone, Man.—On June 5th ratepayers voted on a by-law for an issue of $15,000 6 per cent. 30-year debentures, for construction of electric system for lighting and commercial purposes.

Montreal, Que.—The city of Montreal 5-year 6 per cent bonds, which were recently sold to the Banque d'Hochelaga, will, it is understood, be offered to the public at par and accrued interest.

Regina, Sask.—By-laws, covering a 7 per cent., 10 and 20-year debenture issue of $55,000, re damages in connection with Broad Street subway, and $175,000 for purchase of new unit for power plant, were passed.

Scarborough Township, Ont.—On June 10, the Scarborough Township Council sold $20,000 of school debentures at 6 per cent. to local farmers. It is also stated that local improvement debentures to the amount of $6,000, will be sold in a similar way.

Woodstock, Ont.—On the 10th inst., the ratepayers approved two money by-laws authorizing the expenditure of $20,000 and $18,000 respectively. The first sum is to provide a site and building for the Worsted Spinning Company, and the second was a grant to the Hosiers, Limited.

Winnipeg, Man.—At the meeting of the city council on May 13th, the necessary authority was granted the Greater Winnipeg Water District to borrow $3,000,000 on short-term debentures, and to issue $4,000,000 long-term stock as collateral for such short-term borrowing. Only $1,000,000 will be issued immediately.

Calgary, Alta.—The city's 7 per cent. gold debentures, dated June 1st, 1918, and due June 1st, 1928, are being offered at par and interest by a syndicate composed of Messrs. A. E. Ames and Company, the Dominion Securities Corporation and Wood, Gundy and Company. The bonds are in $500 and $1,000 denominations, and interest is payable semi-annually on the 1st of June and December. The total issue is $2,300,000, this being the sum which it was found necessary to raise for the city's requirements. The issue does not constitute new financing, but is for refunding issues of short-term notes, made prior to the war. The population of Calgary is about 65,000, the assessment $76,508,000, and the net debt $7,253,027.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from May 27th to May 30th, 1918:—

School Districts.—Usherville, $1,200 10-years not ex. 8 per cent. instalment; Wm. Murray, official trustee, Usherville. Poplar Springs, $3,000 10-years not ex. 8 per cent. instalment; S. J. Teslock, Box 265, Canora. Pilgrim, $2,500 10-years not ex. 8 per cent. annuity; W. W. Walp, Craik. Sandringham, $2,200 10-years not ex. 8 per cent. annuity; R. Sheppard, Alameda. Bonnie Bank, $2,000 10-years not ex. 8 per cent. annuity; Geo. R. Kraft, Kamsack. Orel, $2,000 10-years not ex. 8 per cent. annuity; Walter Pope, Alticane. Rock Point, $2,500 10-years not ex. 8 per cent. annuity; W. J. Gardiner, Macrorie.

Rural Telephone Companies.—Spalding, $24,200 15-years not ex. 8 per cent. annuity; G. G. Tjomsland, Spalding. Glenford, $2,000 15-years not ex. 8 per cent. annuity; J. A. Brose, Glenside.

Town.—Gull Lake, $1,200 10-years 6 per cent. annuity; F. W. Hinton, Gull Lake.

The following is a list of debentures reported sold from May 27th to May 30th, 1918:—

School Districts.—Mawer, $4,000, Rosefield, $2,500; Waterman-Waterbury Manufacturing Company, Regina. Lilian, $1,500, North Lake, $1,300, Shackleton, $1,000, Riverdene, $1,200, Gabriel, $1,900, Lynthorpe, $1,000; W. L. McKinnon and Company, Regina. Margo, $2,000, One Mile Coulee, $2,000; Canada Landed and National Investment Company, Winnipeg. Hester, $2,300, Glenview, $2,000; Great-West Life Assurance Company, Winnipeg. Kingsmead, $2,000; E. B. Jonah, Regina.

Rural Telephone Companies.—Short Creek, $4,600, Hilldrop, $1,000, St. Gregor, $1,300; W. L. McKinnon and Company, Regina.

KENT COUNTY FINANCES

The last of the Kent county debentures, issued for the House of Refuge, were liquidated on Monday, June 10th. The only county debt is now $15,000, issued for patriotic purposes. The tax rate is to be struck this week, and will include grants for patriotic purposes.

NEW BRUNSWICK BONDS

The particulars of the tenders which were received by the province of New Brunswick for an issue of $70,000 5 per cent. bonds, due August 1, 1937, are as follows:—

Messrs. Wood, Gundy and Company, 87.78; Eastern Securities Company, Limited, 87.316; J. M. Robinson and Sons, 87.30; Dominion Securities Corporation, Limited, 87.29; Greenshields and Company, 87.25.

ADVANCE IN PRICE OF VICTORY BONDS

On Saturday, the 8th instant, the price of Victory Loan bonds of all maturities was advanced from 98⅞ and interest to 99½ and interest. The new price is considerably above the issue price, and is an indication of the strength of the bond market. The fact that the Victory bonds are exempt from federal taxation, and that it has been suggested that the new issue should not have this feature, no doubt has something to do with the price movement. Dealers reported an active demand for the bonds at 98⅞ and interest, and those who desired to sell could easily obtain a price of from ½ to 1 per cent. less than this. Now that the selling price has been raised to 99½, the price which the dealers will be willing to pay will, no doubt, increase proportionally.

NEWFOUNDLAND'S VICTORY LOAN

Preparations are being made in Newfoundland to float an internal war loan, to be called the Victory Loan. This is the first time that an attempt has been made to float an issue of bonds in the country. The population is estimated at 250,000, and the wealth per capita is, as well known, very small. Since 1914, however, the country has been fairly prosperous, a good market for fish, which is the principal product of the island, being assured, and the iron mines thriving under the increased demand and higher prices for iron and steel.

On account of the fact that Newfoundland politics have always been characterized by severe party strife, there was some hesitation on the part of the government in offering this issue. It has, however, been decided to proceed with it, and the Canadian Victory Loan has been used as a model in discussing the subject. About a month ago it was suggested that the minimum payment be made $50 and the maximum $500, with intermediate amounts; that the rate should be 6 per cent., with a special discount for payment in full of total subscription; that the bonds should also be non-assessable and negotiable, as well as redeemable; the maturing period should not be longer than ten years, excepting in the case of the $500 denominations, which should be for twenty years, as the man who could purchase sums of this amount would naturally prefer a longer period as a safe and substantial investment. It was also suggested that the surrender of Newfoundland debentures in part payment could be arranged.

Exempt from Dominion Tax

It is good business to increase your holdings of **Victory Loan Bonds,** because the security is of the highest quality, the income return attractive, and you are not required to pay Dominion Income Tax.

Price, 99½% and Interest

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TAXATION PREFERABLE TO PRICE REGULATION

System of Maximum Prices Has Invariably Failed—Encouragement of Production and Taxation of Profits More Satisfactory

The 27th bulletin of the Departments of History and Political and Economic Science in Queen's University, Kingston, is by Mr. W. C. Clark, and is entitled: "Should Maximum Prices be Fixed?" It is pointed out that the old theory of supply and demand is not altogether fallacious, in spite of lack of the popular favor. The booklet discusses the attempts to control prices as follows:—

"The popular remedy is one which attacks the symptoms of the disease, rather than the cause. Soon after the outbreak of this war, as of most wars, governments were besieged with complaints against the rising cost of living. The blame was, of course, laid at the door of speculation, profiteering, exploitation by middlemen. To curb this wickedness, all that needed to be done, so the press told the public and the public told the government, was to fix maximum prices.

"Now it is conceivable that the state could fix prices with success. But certain conditions would have to be fulfilled. The state would have to understand thoroughly the nature of prices and the price system, and would have to assume the various functions with regard to production and consumption which the price system and competition have been shown to perform. Whether a single authority could be set up with wisdom enough to exercise the power with any certainty of beneficial results is doubtful, for the play and interaction of all the motives and considerations that determine prices and relate them to each other would seem to defy human calculation. History, is full of unsuccessful attempts. The experience of Julian the Apostate, of Constantine, of mediæval Europe, of some American colonies during the Revolution, of revolutionary France, goes to show that governmental regulation of prices usually results in aggravating the evils which it seeks to remedy. But an age of supermen, of super-organizers, may defy the teaching of history. Success is still conceivable. In the following paragraphs, we shall attempt to discover whether in the present war, governments have been any more successful in realizing the nature of and executing the great task which popular clamor against high prices forced upon them.

Cause of Agitation for Price Fixing.

"The case for fixing prices is in large part merely the criticism of what Mr. Hoover calls 'the specious arguments of the siren of high prices.' The force that drives most governments to adopt the policy is the popular cry that if prices rise, the poor alone suffer. High prices, it may be, reduce consumption, but they reduce it through the methods of famine, throwing the greater part of the burden on the people of limited means. Money, if you like, is just a system of food or commodity tickets; your dollar bill is a blank ticket, enabling you to command the world—to the extent of one dollar. Unfortunately these tickets are unequally divided and as long as this is true, what is an inconvenience to the rich man may be a cruel hardship to the poor. But, on the other hand, the fact must be accepted that any remedy that materially reduces consumption must accomplish its object chiefly through the great body of consumers. The rich, after all, are relatively few in number and their consumption of the chief necessaries, such as bread, is individually very little greater than that of the masses of the people. Besides, they are better able, and perhaps as a class more likely, to respond to a patriotic appeal for substitution of foods and readjustment of diet. Finally, the real point is whether the proposed alternative offers any better solution of the problem. Can the unequal incidence of high prices be remedied by any governmental legerdemain with prices?

Sugar Regulation in England.

"Recent experience confirms the verdict of history that the moment a government attempts to fix maximum prices, it sets in motion forces which react to the injury of the poor even more than to the injury of the rich. The English handling of the sugar question is a case in point. As this is a commodity of which the supply was absolutely controlled by the government, this is usually cited as a successful instance of price regulation, but a Royal Commission reported last summer that if other necessaries were similarly controlled and distributed, the unrest would become very dangerous during the winter. Finding itself with only 75 per cent. of the usual importation, the sugar commission, instead of rationing the people or selling the diminished quantity for what it would fetch, simply fixed a price somewhat below the market level. At this price it turned the sugar over to the grocers in proportions in which the total was divided before the war and insisted on their distributing it equitably among their regular customers at corresponding prices. As businesses wax and wane, and as an unexampled shifting of the English population had occurred since 1913, the grocers found it impossible to work out the principle strictly. They adopted instead what was perhaps the best course left open to them by giving away the sugar 'with a pound of tea,' 'sometimes in the literal sense of that expression, but more often simply by being accommodating or otherwise, according as the would-be purchaser of sugar was in respect of other things a customer whom it was desirable to placate.' The results were worse than if no attempt had been made to control prices. For in the first place, if allowance is made for indirect payments and for the large amount of inconvenience and annoyance endured, the consumers as a whole paid just as much as they would have paid in an open market. And in the second place, unrestricted prices would have brought a more just distribution of the shortage.

"Under the scheme adopted, the restriction of supply fell almost wholly on the poor who were 'choked off' by the grocers, and on those localities where the industrial population had grown most rapidly. Obviously the desire of the retailer to placate the rich would give the wealthy at least their usual advantage. The poor could seldom afford to spend a couple of shillings on other things for every pound of sugar bought, and so were frequently refused any sugar at all. Food Controller Devonport steadily refused to force the grocers to sell because he realized that at the government price the sugar would not have gone round and the queue system of distribution would have resulted, first comers getting all they asked for and late-comers getting none at all. Time and again, during the present war, the test of physical power which is involved in the queue system has been proved just as inequitable as that of money power and much more conducive to industrial unrest. The scandals of unequal distribution of sugar finally compelled the adoption of a system of rationing based on registered orders."

Rationing and Price Fixing Unsuccessful.

Illustrations are also given from France, Germany and the United States and it is pointed out that the regulation of the price of wheat in Canada and the United States has not met with the success anticipated. The bulletin concludes as follows:—

"We must conclude that the overwhelming weight of evidence is against a policy of fixing maximum prices. While ostensibly an easy solution for the problems of profiteering and the distress of the consumer, it fails to accomplish the objects sought and it has a multitude of unforeseen consequences which are frequently worse than the original evils. It fails to check waste and unnecessary consumption; it drives the commodity from the market and discourages production; it throws out of balance the sensitive mechanism of the price system; it involves endless frauds, with a general lowering of the moral standards of the community. It therefore aggravates the conditions which it seeks to remedy and if pursued far enough, it will inevitably drive the government to adopt two other drastic measures. For arbitrary prices determined with no reference to competition must be supplemented by arbitrary regulation of production and consumption.

"The state, that is to say, must control production and direct the production of the different commodities, either by a system of compulsory labor or by some graduated scale of rewards which would lure the requisite proportion of laborers to the different industries. Further consumption would have to be controlled by an elaborate system of rationing. Only by so doing would the state ensure the performance of the various functions ordinarily performed by the competitive price system which has now been discarded, in whole or in part, as the governor of industry. Most governments fail to understand those functions—so automatically and unconsciously are they performed at present—or to see the necessity of assuming them. If they do take up the burden, there is at least a chance of success, though the task is so huge and so complicated that it might seem to require something like omniscience on the part of a single authority. For instance, all the available evidence goes to show that Germany, in spite of her wonderful efficient bureaucracy, has made at least a partial failure of rationing, and as for production she has regarded any comprehensive measure of control as impossible even for her.

"In Canada, at any rate, the adoption of these measures is entirely impracticable. Control of production in

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either of the two ways suggested is obviously impossible. Rationing is likewise impracticable because the population is scattered so thinly over so large an area and because the system would require a civil service and police staff disproportionate to the total of the population. Mr. Hoover's conclusion on this point for the United States is even truer of Canada; figuring that it would require more than 1,750,000 people, he says, 'rationing is a hopeless suggestion and one which can never under any possible conception be imposed on the American people.' We may therefore congratulate ourselves that our own authorities have placed production before price and, with a few exceptions, have steadily refused to adopt a policy of fixing maximum prices.

Production May be Stimulated.

"But to deny the efficacy of what seems the simplest solution is not to deny the desirability of the state concerning itself in other ways with the problem which war has created. The conclusion reached above was not based on any doctrinaire belief in laissez-faire but on a study of the facts of experience. Other forms of state interference or state guidance can undoubtedly be justified by the same test, by the ability to contribute in actual practice to a greater measure of social welfare. Space permits only the barest mention of a few of these. They are all based on the principle that the causes rather than the symptoms of the disease must be attacked. Thus since the root cause of the present trouble in the Northern Hemisphere is scarcity, governments should bend every effort to augment supplies.

"In the case of food, for instance, organization of labor supply; aid to producers in securing seed, fertilizers, tractors and other machinery; removal of artificial obstacles, wherever possible; proper direction as to probable trend of future demand; education of producers as to best methods; provision of timely and accurate market information; direction of substitution in food production—such things are indispensable. Most people recognize the necessity of some fundamental reorganization of our productive resources. Where labor, materials, capital, etc., are painfully limited, every possible care should be taken to direct them solely to the production of essentials and, indeed, only those with the highest food values. The food administration should take all practicable steps to facilitate such a reorganization. It is conceivable that, if the supply of any commodity is of supreme importance and if conditions are so uncertain as to provide little or no incentive to producers, the guarantee of a minimum price may be necessary, as has been given for wheat in the United States, and for potatoes and the grains in England. But there are grave dangers of serious financial losses to the state and of creating a vested interest which will resist its own removal.

A Campaign of Education.

"On the demand side also, much can be done. Correct information and sound advice will do much to prevent panicky buying and can be effectively supplemented by organization of buyers, encouraged and directed by the government. Wasteful consumption can be reduced, substitution of less needed or more nutritive foods can be secured, by elaborate publicity and advertising campaigns. Much has been done in this field already, though mistakes have been made through lack of an elementary knowledge of psychology and economics. Man is not a glorified test-tube, nor should he be advised to consume high-priced commodities which represent a wasteful working up of our potential food resources. In these days when the largest part of the commercial supply of poultry comes no longer from the barnyard as a cheap by-product,, the average man wisely refuses to accept the $2 chicken as a regular substitute for his $1 three pound beef roast. To demand chickens and thus divert labor to a very wasteful process of converting food potentialities into actual food can only be justified on the optimisitc assumption that the war is to be won out on existing stocks of food. But a commonsense campaign for economy, substitution and wise consumption could do a great deal to stretch supplies and check that panicky buying which now tends to give the sellers of certain commodities a quasi-monopoly position.

Profits May be Secured by State.

"Finally, to meet that mixture of good and evil which is condemned wholesale as 'profiteering,' the most effective remedy is drastic taxation of excess profits, taxation far more drastic and pervasive than we have yet attempted. To this end, registration and licensing of middlemen of every kind and for all important commodities; periodical reports as to supplies, costs price margins and profits; and power to inspect books, if necessary, will be indispensable if 'tab' is to be kept on trade conditions and the taxation programme made effective. Mere publicity will do a great deal to keep dealers within bounds. But if any instances of objectionable profiteering, such as manipulation or cornering of the market, do occur, these can easily be discovered by experts, and revocation of licenses, commandeering of supplies or other appropriate penalties should follow. Profiteering in the ordinary sense—i.e., taking advantage of market conditions, would merely result in excessive profits and these would almost wholly come back to the public in the form of taxes. Greater revenue from taxation would mean that the government would not need to raise so much by credit loans. Less inflation would therefore result and hence one of the chief reasons for high prices would be removed. A policy of war finance based, not on inflation but on drastic taxation, chiefly of incomes, is long overdue in all countries.

Wages Have Risen Also.

"If it did actually happen that the price of the chief necessaries rose to a level absolutely beyond the reach of a certain class in the nation, a case would be made out for more radical remedies—perhaps higher pension or separation allowances, enforcement of a minimum wage high enough to make possible the purchase of sufficient necessaries, or even a government subsidy. Some of these would, of course, be attended by dangers. The raising of wages would have to be confined to a limited class, else a vicious circle would result—higher wages leading to higher prices, higher prices to higher wages, and so on. Again, such a policy as the English bread policy, whereby, chiefly for political reasons, bread is sold below cost, and the difference is met out of the treasury, involves the state in heavy expenditure and will probably encourage rather than check the consumption of the subsidized product. The case for should be clearly proved. Rising prices should not be considered apart from rising wages. To what extent do steadier employment and higher wages make up for higher prices? Not wholly, we must admit, but the following quotation from the organ of the British Fabian Socialists is significant:—

" 'It is literally true that there were at all times more people hungry in England in the years of peace and prosperity that preceded the war than there are now in the fourth year of unprecedented conflict and expenditure—more infants perishing for lack of milk, more children found at school insufficiently nourished, more adults slowly starving to death, more unfortunate and friendless aged passing silently out of life from sheer lack of food and warmth. Far fewer families in the British Isles failed to get not only a full but even an extravagant Christmas dinner in 1917 than in 1913.'

"This statement, which is corroborated by organs representing such different angles of social sympathy as 'The Nation' and the 'Spectator,' gives one a better perspective, and reminds us that the evil of unequal and inadequate incomes is a peace problem as well as a war problem."

INCREASED TAXATION IN ONTARIO COUNTIES

An increase in the county tax rate of Norfolk amounting to nine mills will, it is understood, be made shortly. This is the result of contributions to the British Red Cross, Patriotic Fund, Young Men's Christian Association and Salvation Army. There is a general sentiment against floating any more debentures.

The county of Ontario also recently decided to add one-half a mill to the tax rate for the purpose of granting $3,000 to the Young Men's Christian Association.

Wellington county's rate has been fixed at 7.62 mills, or more than a mill over that of last year. This rate is exclusive of the grant to the Red Triangle of ¾ of a mill, affecting all places which have not made a grant.

The county council of Oxford recently passed an interesting resolution. It was decided that in future all county officers asking for an increase in salary must at the same time hand in their resignation. The occasion of the resolution was the increase in the salary of the county treasurer.

Announcement has been made of the formation of a partnership for the purpose of carrying on the work of auditing and accounting under the style and firm name of Cooper, Sanburn and Company, with temporary offices at 105, 352½ Portage Avenue, Winnipeg.

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ROAD IMPROVEMENTS TO BE RESTRICTED

Room for Many Improvements But Financial Situations Prevent Expenditure

"The Public Service Monthly," issued by the province of Saskatchewan, contains the following outline of the policy of the department of highways:—

"The probable policy of the Department of Highways as regards road work for the year 1918, in view of existing conditions, has been a matter of some speculation amongst the people of the rural districts and especially amongst municipal councils in every part of the province. Those who heard Hon. S. J. Latta, minister of highways, speak at the rural municipal convention at Moose Jaw in the beginning of March, were given an outline of the department's proposals, and the changes which have now taken place were foreshadowed on that occasion.

"Several factors combine to make the year 1918 an excellent period for planning future works, to be undertaken under more favorable conditions than obtain at present, and to determine upon a comprehensive and settled programme of highway construction, the carrying out of which, although it may extend over a period of years, will bring about the department's ambition, which is to have the whole province covered with a system of well constructed main highways, giving to the majority easy access to their most convenient market. The chief reason why this should be a year for planning rather than for the carrying out of an extensive programme of road work, may best be set out in the words of Mr. Latta, when he said: 'I am convinced that good roads are absolutely essential in the building up of the great farming country, and that the road policy is of quite supreme importance in ordinary times. Present times and conditions, however, are extraordinary. The supreme thing now is the winning of the war, and every dollar possible should be directed towards this end. Considering then these things, the capital expenditure this year will be reduced to a minimum, provision being made for only such works as are absolutely essential.' As the amount of construction work to be done this year will therefore be confined to the construction of such bridges as are most urgently required, the time is opportune for preparation for the future, and for starting a policy which in the end will satisfy the needs of the community for better communications.

"The Department of Highways is planning for a system of main highways throughout the province, supplemented, with the assistance of the rural municipalities, by the construction of lateral feeders, in such a manner as to eventually constitute a system of cross country main routes. The first step to attain this object has already been taken. A circular letter was sent to all municipal councils, asking them to send in a map showing all the existing highways through the settled districts leading to market towns or shipping points. These individual maps will subsequently be grouped into one large map, and where the roads do not connect, the department and the municipalities concerned will confer and cooperate in effecting a junction which will be satisfactory to all. In passing it may be mentioned that a large number of these municipal road maps have already been received, and the department hopes in a very short time to have the whole of this important information at hand.

"It is probable that the rural municipalities will be expected to look after the construction and maintenance of all purely local roads and feeders to the roads constituting the main road system, and the department will endeavor to devote the money which will be available for government expenditure on road construction work to co-operating with the municipalities in carrying out the construction of roads included in the main road system.

Motor License Grants.

"The department will again as last year distribute to rural municipalities grants from the revenue received from automobile licenses to be used for the maintenance and improvement of main roads leading to market towns. The Highways Act provides that this grant shall be not less than $300 nor more than $600 in any one municipality and further that the total of all such grants paid in any fiscal year shall not exceed in the aggregate 80 per cent. of tne net revenue received by the treasury department during the previous fiscal period from the fees collected for automobile licenses. Last year the maximum amount of $600 was granted to municipalities surrounding the cities; $500 was granted to the municipalities surrounding towns of a population of 2,000 or over and the balance was given to municipalities in proportion to the area of each municipality. The ordinary-sized municipality of nine townships received $425.

Road Drags.

"There are some who advocate that the use of the road drag should be made compulsory, but while the department is willing to do all in its power to encourage the employment of this most useful implement in maintenance work, by force of example, by road dragging competitions, and by continued recommendations of its use, so drastic a rule could not be put in force unless the rural municipalities themselves requested the government to adopt such a course.

PRIMITIVE METHODS OF HANDLING COAL

No Serious Attempts Made to Prevent Great Waste in Mining and Coking of Coal in Canada

"Upon the whole question of coal Canada is woefully behind the times," stated Sir Clifford Sifton at the ninth annual meeting of the Commission of Conservation. "Dr. Adams," continued Sir Clifford, "the chairman of our committee on minerals, a considerable time ago, after studying the question, moved for the appointment of an inspector of mines in Western Canada. This proposition was laid before the government and it concluded to make the appointment. Instead, however, of consulting Dr. Adams and the committee on minerals in making the appointment, the government made an appointment which it can only be said was entirely inadequate and unsatisfactory. It still remains a fact that wasteful methods of mining are permitted throughout western Canada. No serious attempt has been made to grapple with the problem of preventing the serious and irreparable waste which is constantly going on in the mining of our western coal areas. Provision for inspection to prevent the loss of human life has been made by the provinces; but the permanent waste of very large quantities of valuable coal still goes on. What is required is a competent public service of technically trained men who will undertake the supervision and control of the mining of coal upon Dominion lands and put an end to the waste which is going on at the present time.

"In another respect, we are, as I have frequently stated, greatly to blame for pursuing wasteful methods. There are in the Dominion of Canada at the present time approximately 2,600 coke ovens. Of these, 910 only are by-product ovens. The rest, amounting to about 1,700 ovens, convert the coal into coke without saving the by-products. We are thus using coal in the most wasteful way and throwing away great sources of wealth."

CANADIAN NORTHERN EXPENDITURE

The sum of $2,000,000 will be spent in improvements and construction on the Canadian Northern Railway during this year. Practically all of the work will be one lines west of Port Arthur, in Saskatchewan and Alberta.

FIRST NATIONAL CORPORATION OF BOSTON

A company has been organized in Boston as a subsidiary to the First National Bank of Boston, and will be known as the First National Corporation. Its capital of $2,250,000, fully paid, is entirely owned by the bank. The corporation, it is stated, will supplement the work of the bank in the foreign field. It will do an international letter of credit business, and will develop a discount market for acceptances, particularly in New England. Offices have been opened in Boston, and branches will be established in other cities and in foreign countries as business develops.

The annual general meeting of shareholders of the Home Bank of Canada will be held at the head office of the bank, 8 King Street West, Toronto, June 25th.

DIVIDENDS AND NOTICES

THE MONTREAL CITY AND DISTRICT SAVINGS BANK

Notice is hereby given that a Dividend of Two Dollars and forty cents per share has been declared on the Capital Stock called and paid up of this Bank, and will be payable at its Head Office, in this city, on and after Tuesday, the second day of July next, to shareholders of record the 15th of June at 12 o'clock noon.

By order of the Board,
A. P. LESPERANCE,
Manager.

Montreal, May 27th, 1918.

CANADIAN CAR & FOUNDRY COMPANY, LIMITED, MONTREAL

Notice is hereby given that a dividend of Three and One-Half per Cent. upon the accrued dividends on the preference stock of the Company has been declared, payable on July 15th, 1918, to shareholders of record at the close of business June 15th, 1918. The transfer books of the Company will not be closed.

Shareholders will confer a favor upon the management by advising The Royal Trust Company, Montreal, Transfer Agents for the stock, of any change in address.

By Order of the Board.
F. A. SKELTON,
Vice-President & Treasurer.

Montreal, June 1st, 1918

THE CANADIAN CROCKER-WHEELER CO., LIMITED

DIVIDEND NOTICE

The directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-Quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending June 30th, 1918, to shareholders of record June 20th, 1918. Also a dividend of One and Three-Quarters per cent. (1¾%) on the common stock of the Company for the three months ending June 30th, 1918, to shareholders of record June 20th, 1918.

The stock books will be closed from the 20th to the 30th of June both days inclusive.

Checks will be mailed to shareholders on June 29th, 1918.

By Order of the Board.
L. R. GRIMSHAW,
Secretary-Treasurer.

St. Catharines, June 5th, 1918.

PROVINCIAL PAPER MILLS CO., LIMITED

Notice is hereby given that dividends of One and Three-Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable July 2, 1918, to shareholders of record at the close of business June 15th, 1918.

By Order of the Board.
S. F. DUNCAN,
Secretary-Treasurer.

Dated Toronto, June 4th, 1918.

DOMINION TEXTILE COMPANY, LIMITED.

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the **Dominion Textile Company, Limited**, has been declared for the quarter ending **30th June, 1918**, payable July 15th to shareholders of record **June 29th, 1918.**

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 10th June, 1918.

DOMINION TELEGRAPH COMPANY

The Annual General Meeting of the shareholders will be held at the Company's head office, Standard Bank Building, 15 King Street West, Toronto, on Wednesday, July 10th, 1918, at 12.30 p.m.

By order,
FREDERIC ROPER,
Secretary and Treasurer.

June 10th, 1918.

THE RIORDON PULP AND PAPER COMPANY, LIMITED

PREFERRED STOCK DIVIDEND No. 24

Notice is hereby given that a dividend of 1¾% (being at the rate of 7% per annum), on the Preferred Stock of this Company, has been declared payable June 29th, 1918, to shareholders of record at the close of business, June 25th, 1918.

By order of the Board,
F. B. WHITTET,
Secretary-Treasurer.

Montreal, March 18th, 1918.

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Notice is hereby given that a Dividend of **Five Per Cent.** for the current half-year (being at the rate of **Ten Per Cent.** per annum) on the paid-up Capital Stock of this Institution has been declared, and that the same will be payable at the Society's Office, corner Wyndham and Cork Streets, Guelph, Ontario, on and after **Tuesday, July 2nd, 1918.**

The Transfer Books will be closed from the twentieth to the thirtieth day of June, 1918, both days inclusive.

J. E. McELDERRY,
Managing Director.

Guelph, June 4th, 1918.

CITY OF MONTREAL BONDS

The syndicate which purchased the Montreal bonds last week, through the Bank of Hochelaga, is composed of Rene T. Leclerc and Versailles, Vidricaire and Boulais, Limited. The former handled an issue of Montreal bonds earlier this year, and the latter firm placed an issue of $1,500,000 of Outremont bonds on a 6 per cent. basis.

The bonds of the present issue are dated May 1st, 1918, and are in $100, $500 and $1,000 denominations.

SASKATCHEWAN BOND SALE

The province of Saskatchewan has sold an issue of $1,500,000 6 per cent. 20-year bonds to Nay and James, of Regina, at 94.625. The tenders were opened on Wednesday, June 12th, by the Hon. C. A. Dunning, provincial treasurer. The price paid was a little above a 6¼ per cent. basis. The Regina firm was acting for a syndicate managed by Brent, Noxon and Company, of Toronto, and including A. E. Ames and Company, Wood, Gundy and Company, Dominion Securities Corporation and W. A. Mackenzie and Company, all of Toronto. The selling price has not yet been announced, but it is understood the bonds will be offered the beginning of the week.

A tender was also received from C. Meredith and Company, of Montreal, of 94.70. The Toronto syndicate, however, specified for payment in Regina, and their offer was on that account considered more favorable.

Subscriptions from the army to the eighth German war loan brought the total of the loan up to 15,001,425,000 marks, according to Berlin despatches.

STATE CONTROL OF LIFE INSURANCE

Is It a Possible Economic Development in the Near Future?—Enormous Expense Would Be Involved

BY L. K. FILE, F.I.A., F.A.S.

There seems to be a belief in some quarters that, after the war is over, there will be a popular demand for the nationalization, or taking under government control, of many commercial enterprises now under private control, and that the great business of life insurance will be one of the first ones to be so dealt with. In support of this view, it is stated that one of the more important planks of the Labor Party platform in Great Britain is government control of all branches of insurance, and attempts are made to prove that in the United States the tendency is in the same direction.

No Justification for Nationalizing Life Insurance.

To one, however, who attempts to look below the surface and to make some analysis of causes and effects, it is a little difficult to see much justification for this attitude. There are many factors that must needs enter into the question, and the bearing of each one must be studied before a general conclusion can be arrived at. Let us consider just what results would justify the state taking over all the life insurance institutions in the country, assuming, of course, that if the state should do so, adequate compensation would be granted those entitled to it. The only result that would in any way justify such a course would be the furnishing at less cost of the same service that the companies are now furnishing. Unless this is accomplished the transfer would result in an economic loss. The question of greater security affects the question very little because of the unquestioned strong position of our leading life assurance institutions. But would such a result follow? The probabilities are all against it. As a matter of fact, actual experience as exemplified in New Zealand proves that the state fund does not give policyholders any cheaper insurance than the private companies. In New Zealand we could not have a better opportunity of studying what state control of insurance can do. The New Zealand insurance fund is well known throughout the insurance world for progressiveness and economic management, and yet the private companies doing business in New Zealand in competition with the state fund have no difficulty in getting their full share of business offering.

Unsound Theories Will Defeat Themselves.

So much for the merits of the proposition. Now let us consider for a moment another aspect of the question. It is believed in some quarters that the war has given a great impetus to the growth of socialistic ideas, and that many such ideas will be put into effect when the war is over irrespective of whether they are economically sound or not. The propaganda that the companies had to meet from the fraternals in past years and which has now been completely refuted by the fraternals finding themselves obliged to give up their "lower cost" ideas and raise their own rates is now reappearing in another and a more insidious form. Owing to lack of adequate publicity regarding the soldiers and sailors insurance scheme adopted in the United States, the seed has taken root and the public has in many cases come to believe that the companies have been and are charging too much, and that the state scheme there adopted of granting insurance to their fighting men at an annual rate of $8 per thousand is complete proof of this. The fact that the officials in charge of the state scheme frankly state that the premiums are merely nominal and must be supplemented by millions and perhaps billions of dollars from the public treasury has been overlooked by them. The actual working out of the scheme, however, will demonstrate this quite clearly and must convince all reasonable people that insurance cannot be sold at bargain rates even by the state. As a matter of fact, the soldiers and sailors scheme was never intended to be self-sustaining but was a patriotic war measure and not a commercial measure.

An Insuperable Obstacle.

However, the chief, and to my mind the insuperable, obstacle to state control of insurance, even if such control were to be seriously contemplated is to be found in the many complex and tremendous problems that must be dealt with at the close of the war. The problem of finance, alone, involving as it does the care of the enormous war loans and the resultant heavy taxation, is a staggering one and will tax the abilities of the leading statesmen in all countries for many years to come. It is hard to see how any nation can be willing to spend many millions more in taking over life insurance companies and perhaps rendering themselves liable for large annual subsidies in addition, in order to maintain the new system, a proceeding possibly rendered necessary by the adoption of rates absolutely inadequate, but adopted to make it appear that state administration is cheaper.

Best Educational Propaganda.

The best educational propaganda, and one to which, in my opinion, the companies would offer no opposition, would be the establishment in every country of a state life insurance fund such as is found in New Zealand. The state could establish its fund by buying out some existing company if necessary. The experience in New Zealand, already referred to, proves conclusively that the companies have little to fear from such competition, and the little competition the state fund did furnish, would be a small price to pay for the favorable advertising that would result from a comparison of the results under the two systems.

That there is a movement in the direction of the establishment of such funds is shown by the fact that there is a bill now before the legislature of Massachusetts with the object of providing an organization of agents and solicitors for the savings bank scheme of life insurance which has hitherto been done over the counter only. The bill, if enacted into law, will give Massachusetts what would in effect be a state fund, working along the same lines as the private companies.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended June 7th, 1918:—

Trethewey, 66,000; Beaver, 75,512; La Rose, 104,047; O'Brien, 64,075; Dominion Reduction Company, 85,000; Temiskaming Mining Company, 59,180; Edwards and Wright, 88,000; National Mine, 41,857; Mining Corporation of Canada, 215,147; Buffalo, 198,000; McKinley-Darragh, 173,453. Total, 1,170,271.

The total shipments since January 1st now amount to 12,317,283.8 pounds, or 6,068.4 tons.

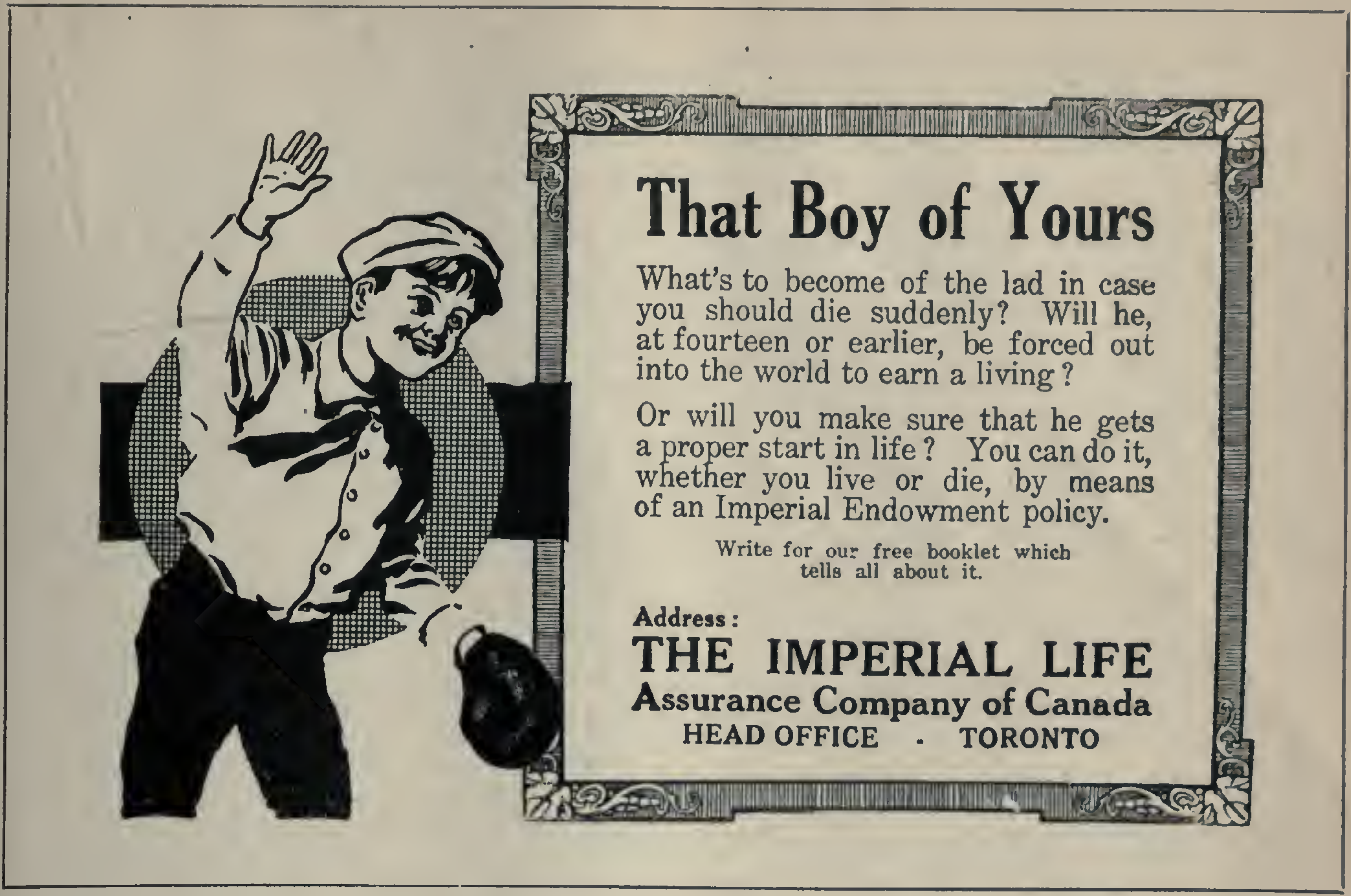
MISCELLANEOUS INSURANCE IN ALBERTA

The following is a statement of miscellaneous insurance business in Alberta for the year 1917:—

	Premiums.	Losses.	Ratio of losses to premiums. Per cent.
Accident	$180,433.15	$ 56,263.94	31
Sickness	49,471.18	19,727.66	40
Tornado	779.52	6,049.47	776
Sprinkler leakage	716.53	194.16	27
Inland marine and transportation	2,546.63	1,059.79	42
Steam boiler	6,701.34	257.82	4
Live stock	29,707.46	12,753.67	43
Burglary	1,564.32	623.95	40
Guarantee	54,254.08	40,816.10	75
Automobile	38,419.30	9,533.98	25
Plate glass	31,269.03	15,212.08	49
Employers' liability	206,636.13	103,254.48	50
Totals	$602,498.67	$265,747.08	

It will be seen that the tornado insurance is the only case in which the losses exceed the premiums. The amount of this class of insurance is, however, quite small, and if a considerable loss is incurred in any year the losses may be many times the premiums. This was the case in 1917, a loss of $5,500 being incurred by the Home Insurance Company on a frame corrugated iron implement and machinery warehouse at Medicine Hat, Alberta, as the result of a tornado on June 28th, 1917. If this item were omitted the premiums would be in excess of the losses.

In only one other class, viz., guarantee insurance, are the losses in excess of 50 per cent. of the premiums, and very few companies incurred losses heavier than the premiums they received.



That Boy of Yours

What's to become of the lad in case you should die suddenly? Will he, at fourteen or earlier, be forced out into the world to earn a living?

Or will you make sure that he gets a proper start in life? You can do it, whether you live or die, by means of an Imperial Endowment policy.

Write for our free booklet which tells all about it.

Address:
THE IMPERIAL LIFE
Assurance Company of Canada
HEAD OFFICE - TORONTO

AGRICULTURE IN THE WEST

Substantial Increase in Dairy Produce—Crop Prospects are Good

The opinion expressed by the greater number of the agents of the Canadian Northern in the crop report of last week, that but little permanent damage had been done the growing grain in Western Canada on account of frost, high winds and adverse weather conditions, is vindicated in the report received from 230 agents of the Canadian Northern at the head offices of the company recently.

Generally speaking, the weather has become favorable throughout the entire grain growing areas served by some 6,000 miles of the company's lines in Manitoba, Saskatchewan and Alberta. Eighty-five agents report the wheat "as above ground and looking fine."

Moreover, it is shown that in cases where real damage was thought to have been done by frost or wind, that the wheat is showing green and appears to have suffered no damage apart from temporary set-back in growth.

Farming Becoming More Varied.

A remarkable increase during 1917 in handlings of livestock and of butter, cheese, eggs, dressed meat and dressed poultry, over its lines in Western Canada is indicated in a statement compiled by the freight deparment of the railway. Any great increase in tonnage in these commodities, of course, could not be accomplished without pronounced progress in permanent farming in areas served by the Canadian Northern Railway in Manitoba, Saskatchewan and Alberta. It is significant that the prairie provinces are becoming exporters of dairy products, where in recent years they were importers on a considerable scale.

During 1917, 11,363 cars of livestock were handled over the lines of the Canadian Northern Railway system, as compared with 7,245 during 1916. This is an increase of 4,118 cars or 57 per cent.

Of cattle in 1917, there were handled 5,421 cars, as compared with 2,900 in 1916. Of hogs 2,274 cars, as compared with 1,768 in 1916. Of sheep 261 cars in 1917, as against 76 in 1916; and mixed stock 3,407 in 1917, as compared with 2,501 in 1916. The percentage of increase in cattle was 87 per cent.; of sheep, 243 per cent.; hogs, 29 per cent.; and mixed, 36 per cent.

During 1917 the produce shipped from stations on the Canadian Northern western lines reached a total of 24,618,000 pounds, as compared with 21,436,000 pounds in 1916, an increase of 3,182,000 pounds, or 15 per cent. The butter shipped amounted to 8,146,000 pounds, as compared with 6,826,000 pounds in 1916, an increase of 1,320,000 pounds. The cheese ed amounted to 8,146,000 pounds, as compared with 6,826,000 in 1916, an increase of 292,000. Eggs in 1917 amounted to 5,980,000 pounds, as compared with 5,682,000 in 1916, an increase of 298,000 pounds. Dressed meats handled over the lines amounted to 9,108,000 pounds in 1917, as against 7,866,000, an increase of 1,242,000. Dressed poultry shipments totalled 312,000 pounds during 1917, as compared with 282,000 in 1916. The percentage of increase for butter handled was 19 per cent., cheese 37 per cent., eggs 5 per cent., dressed meat 16 per cent., and dressed poultry 11 per cent.

AUSTRALIAN WAR SAVINGS CERTIFICATES

The interest return upon Canadian war savings certificates is much better than that upon those issued in Australia. The interest rate in Australia is 4½ per cent.; 17s. and 6d. will purchase a certificate for £1, and corresponding amounts will purchase certificates for £5, £10, £50, £100 and £1,000. The certificates are payable three years from date of purchase. They are exempt from wealth levy, Commonwealth and state stamp duty, interest is free of income tax, and they are payable to bearer. War savings stamps are also for sale in amounts of sixpence and two shillings and sixpence, and booklets are supplied free in which they may be affixed.

Slightly over 79 per cent. of the municipalities of Canada own and operate their own water supply systems.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended June 12th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
.....com.	....	....	....
Abitibi.....com.	....	17	....
Ames-Holden.....pref.	61	60	1031
"	....	....	....
Asbestos Corporation.....pref.	53	....	10
" "	150	....	3
Bell Telephone	....	....	....
British Columbia Fishing & Packing	54	53	105
Brompton	34	35½	5
Brazilian.....com.	33	....	985
Canada Car.....pref.	77½	77	753
"	45	44	125
Canadian Converters.....com.	60½	60	265
Canada Cement.....pref.	....	90	91
"	....	....	....
Canada Cottons.....pref.	....	....	....
" .....pref.	....	....	....
Canadian Con. Rubber	150	147½	....
Canadian Pacific Railway	....	....	30
Canadian General Electric	....	59	....
Canadian Locomotive.....com.	59¾	....	25
Canada Steamship Lines.....pref.	....	76	131
" " "	....	....	....
Can. Forgings	....	....	....
Civic Investment.....com.	....	....	....
Civic Power	25	....	2010
Cons. Mining and Smelting.....com.	....	....	...
Consumers Gas.....pref.	....	....	36
Dominion Coal.....pref.	....	....	5
Dominion Iron.....com.	60	59⅞	315
Dominion Steel Corporation.....pref.	....	...	15
" " "	91⅛	91	121
Dominion Textile.....pref.	....	100	...
"	....	....	....
Goodwins Ltd.	....	....	....
Hillcrest	[illegible]	28	....
Howard Smith Paper.....com.	....	....	....
Lake of the Woods Milling.....pref.	....	100	....
" " "	167	161½	15
Laurentide Co.....com.	....	...	....
Lyall Const.	[illegible]	13½	25
Macdonald.....com.	....	....	...
Mackay Cos.....com.	103	105	96
Maple Leaf Milling.....pref.	....	93	21
" " "	....	120	....
Montreal Tel	150	....	....
Montreal Tramway.....deb.	....	....	211
" "	....	50	....
Montreal Light, Heat and Power	....	....	....
Montreal Cotton.....com.	....	....	....
" .....pref.	66	....	....
Nova Scotia Steel.....pref.	....	....	10
Ontario Steel.....com.	....	....	....
Ottawa L. H. & P.	82	....	30
Penmans	74	72	6
" .....pref.	....	....	....
Price Bros.	....	....	....
Riordan Paper	118	....	110
" .....pref.	....	94½	....
Quebec Railway, Light, Heat & Power	21	19⅝	395
Shawinigan Water & Power	113	112½	170
" " " .....rights	....	....	....
Spanish River.....com.	13½	13	....
" .....pref.	....	..	....
Smart Woods	....	....	....
Steel Co. of Canada	64½	63	160
" " " .....pref.	....	....	....
St. Lawrence Flour Mills.....com.	70	69	285
Toronto Railway.....com.	60	....	....
Wabasso Cotton	41	42	5
Woods	70	65	110
Bank of British North America	...	....	....
Bank of Commerce	...	....	16
Bank of Montreal	179⅞	....	107
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	....	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	248	....	39
Dominion Bank	202	....	15
Merchants Bank	167	....	9
Molsons Bank	179⅞	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	7
Standard Bank.....com.	....	....	....
Union Bank	....	149	11

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	....	....
Bell Telephone	....	....	....
Canadian Car	....	....	....
Canada Cement	....	....	1000
Canadian Converters	....	82	1000
Canada Pelt	....	....	....
Cedars Rapids	....	....	2100
Dominion Coal	....	87	...
Dominion Cotton	96½	....	1000
Dominion Iron and Steel	86	84	1000
Dominion Textile.....A	....	....	....
" " .....B	...	....	....
" " C	....	....	....
" " .....D	....	....	....
Lake of Woods Milling	....	....	....
Laurentide	....	....	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	..	....
National Breweries	....	85	....
Nova Scotia Steel	....	....	....
Ogilvie.....A	....	100	....
" .....B	....	100	....
" C	....	100	7000
Penmans	....	....	....
Price Bros	....	....	....

Montreal Bonds (*Continued*)	Opened	Closed	Sales
Quebec Railway, Light and Power	....	....	....
Riordan Paper	....	....	....
Steel of Canada	95¾	95½	6800
First Dominion War Loan	....	94	8800
Second Dominion War Loan	....	93	3700
Third Dominion War Loan	...	....	....
Wabasso Cotton	....	....	1000
Wayagamack	....	....	....

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	21	..	..
" .....pref.	58	...	50
American Cynamid	....	32	....
Bell Telephone	....	....	....
Barcelona	9⅞	9⅝	140
British Columbia Fish	47	....	5
Brazilian	34	33¾	66
B. C. Packers	....	....	....
Canada Bread	[illegible]	18½	25
" .....pref.	....	....	10
Canadian Car & Foundry	31½	29	....
" " " .....pref.	77	76	10
Canadian Canners	....	....	...
" .....pref.	....	....	20
Canadian General Electric	103½	102	7
" " " .....cum div. pref.	...	....	....
Canada Landed & National Investment	148⅝	....	....
Canadian Locomotive	60½	59	20
" .....pref.	....	85	5
Canadian Pacific Railway	....	....	....
Canada Permanent	162½	....	....
Canada Steamship	39¾	39¼	1
" " .....pref.	76¾	76¼	128
Can. Salt	....	....	..
Cement.....com.	60¼	59½	75
"	....	....	....
City Dairy	....	40	....
" .....pref.	89	85	....
Coniagas	300	275	....
Confederation Life	....	....	....
Consumers Gas	....	141½	....
Crows Nest	....	....	15
Dome	800	750	....
Dominion Canners.....pref.	70	68	....
Dominion Iron.....com.	....	....	...
Dominion Steel Company	59¾	59	30
Dominion Savings	41	....	....
Duluth Sup	....	....	...
P. N. Burt	....	....	10
" .....pref.	..	...	33
Hamilton Provident	137	135	....
Huron & Erie.....com.	....	204	....
La Rose.....com.	47	42	....
Mackay Companies	75	74	27
" .....pref.	65	64½	73
MacKinley Darragh.....com.	....	....	....
Maple Leaf Milling	106¾	106	227
" " " .....pref.	....	94½	54
Monarch	....	40	2
" .....pref.	80	....	16
Nat. S. Car	8½	7½	10
" .....pref.	37	30	75
Nipissing	895	800	110
Nova Scotia Steel	65	....	....
" " " .....rights	....	....	....
Pacific Burt	34	....	....
" .....pref.	77¾	....	....
Prov. Paper	55	....	....
Penmans.....com.	75	73½	....
Petroleum	1350	1325	....
Porto Rico	30	28	....
Quebec L. H. & P.	20	19	....
Riordon	119	117½	....
Rogers.....com.	....	....	....
Russell Motor	75	70	....
" .....pref.	79	76	....
Sawyer-Massey	15	....	....
" .....pref.	40	....	....
Spanish River	15	13	....
" .....pref.	....	....	50
Cons. Smelters	24⅜	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " .....pref.	5	....	...
Steel Company of Canada	63¾	63¼	370
" " " .....pref.	91	90	6
Toronto General Trust	....	200	....
Toronto Paper	....	70	....
Toronto Railway	69	....	....
Trethewey S. Mines.....com.	...	15½	1000
Tucketts	18½	....	....
" .....pref.	....	....	....
Winnipeg Electric	48	....	....
Twin City	41½	40	95
Bank of Commerce	....	....	10
Bank of Ottawa	201	....	....
Bank of Hamilton	....	....	....
Bank of Montreal	....	....	....
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	....
Dominion Bank	202	....	16
Imperial Bank	185	....	51
Merchants Bank	....	....	1
Molsons Bank	....	....	....
Royal Bank	208	....	1
Standard Bank	200	....	....
Union Bank	....	149	35

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	....
Canada Locomotive	....	85	....
Colonial Loan	....	....	....
Penmans	....	85	....
Quebec Railway L. H .& P.	....	....	....
Steel Company of Canada	92	....	....
First War Loan	95½	95	10100
Second War Loan	94½	94¼	11100
Third War Loan	93¼	93	68100

DEVELOPING CANADA'S LIGNITE DEPOSITS

Government Operations Commenced on an Extensive Scale—Much Private Capital Lost in the Industry

One result of the critical fuel situation during the past year in Canada, has been that attention has again been directed to the extensive lignite deposits which are found in many parts of Canada. Many private attempts have been made to mine these deposits, but so far no success has been attained, and a considerable amount of capital has been lost in such enterprises.

An exhaustive study of the question has been made by the lignite committee of the advisory council for Scientific and Industrial Research. This committee recommends the establishment of a plant for briquetting the lignite; to be financed and operated by the Dominion, Manitoba and Saskatchewan governments. The plant should, it is maintained, be located in southern Saskatchewan, "at a locality where the lignites are of poor grade, with the idea that if it were successful at this point, it would undoubtedly be successful elsewhere in Saskatchewan and Alberta." The report of the committee will, it is stated, be issued shortly.

Mr. C. W. Peterson, deputy fuel controller, was recently in the west on official business and conferred with the various provincial governments and fuel administrators regarding coal supplies and the publicity campaigns which have been pushed in the west to encourage the early buying of the winter's coal supply. He attended a conference of coal mine operators at Calgary, where increased production and better preparation were the main subjects of discussion. Mr. Peterson stated that in the absence of serious trouble, it seemed likely that the lignite mines of Alberta would be able to cope with the added burden of supplying Manitoba and Saskatchewan with domestic fuel next winter.

The supplies of lignite appear to be enormous. The serious question has been whether they can be profitably operated. Regarding this point the report of the lignite committee, which is in preparation, states:—

"The art of producing carbonized briquettes has passed the laboratory stage and no further information can be got by laboratory methods. The producer must face the difficulties inherent in commercial production, which are approximately of the same order as those met with in the smelting of certain ores. The road to success in the briquetting problem is strewn with the wrecks of amateur attempts to do this apparently simple thing, which accounts for the fact that private capital is so chary of such enterprises. The problem, therefore, in Saskatchewan is one which should be undertaken by the government as a public utility, at least until such processes as may be adopted are demonstrated a commercial success."

The committee's estimates give $400,000 as the capital cost of the completed plant. Production costs at the plant for carbonized and briquetted fuel, covering operating costs and fixed charges, are estimated at not more than $7 per ton. In this estimate no financial allowance has been made for the recovery of by-products, which are stated to be large and valuable.

Lignite of high grade can be utilized for fuel without further treatment, although it is, of course, inferior to bituminous coal. The object of briquetting is to increase the fuel value and at the same time to utilize the by-products. One of the principal difficulties in establishing a plant of this kind in Manitoba or Saskatchewan, would be the fact that there is no large centre of population near the deposit, where a by-product, like gas, could be profitably disposed of.

A lignite plant established in Manitoba or Saskatchewan would have a large advantage in the way of transportation over competing sources of supply. The main sources of deposit in southern Saskatchewan are closer both to Winnipeg and to Regina than are either the Pennsylvania mines, or the nearest Alberta source of supply, which is Drumheller, Alberta. Developments have been carried on for some time near Estevan by a private company. Recently, the Interprovincial Coal Company, Limited, was incorporated under the Company's Act of Manitoba, and licensed in the province of Saskatchewan with a capital of $500,000. They have considerable deposits and a siding from the Canadian Pacific Railway station at Roche Percée, which almost adjoins their property. It is expected that present developments will be continued in the form of shipments of the highest grade of lignite, and it is planned to install a briquetting plant when sufficient capital has been secured. In view of the coal situation in the West, a market is assured, provided that the fuel can be produced at anything like a competitive price. The cost of development and of operations are at the present time so high, that a new company is forced to incur a relatively higher capital expense than one that was developed years ago.

FORESTRY FORETHOUGHT

Taking no thought for the morrow has been characteristic of Canada's forestry policy in the past. In the early days the forest was looked upon as an impediment to development, and great areas were ruthlessly destroyed by fire to make room for farms. Then for many years the lumber industry cut and culled the choicest timber without a thought as to the reproduction of the crop. Gradually, however, it was realized that only scientific cutting, combined with careful replanting, could prevent the exhaustion of the country's timber and pulpwood resources.

This realization was followed by a generation of debate concerning the methods of forest management that should be adopted. In spite of that, however, it was possible for Dr C. D. Howe, one of Canada's leading forestry experts, to say recently that: "We are woefully ignorant of many of the fundamental facts absolutely essential to the first tottering steps in the management of the timber resources of the country."

There is urgent need for a definite stocktaking of the commercial timber and pulpwood now available. Mathematical accuracy is not essential, but sufficient cruising and gathering of data should be completed to permit of reliable estimates being made. Such work has already been done by the Commission of Conservation in British Columbia. Similar work will be done in Ontario as soon as the funds are available and the necessary organization has been completed. Then, too, the provincial government of New Brunswick is engaged in making such a survey. As yet, however, only a partial methodical stocktaking has been made of the available pulpwood supplies of Quebec. Quebec has, however, the most important pulpwood area in Canada. The transportation facilities of the province, both natural and artificial, are excellent for the delivery of pulpwood and pulpwood products on the important markets in America and England.

Much additional information as to the amount, distribution and accessibility of these pulpwood areas should be ascertained. Then, measurements of each tree in typical areas set apart for that purpose, should be made from time to time to ascertain the natural annual increase in diameter under normal conditions in the forest. This information would make possible a close estimate of the probable duration of the supply.

But, unless there is a replacement of the trees removed, it is obvious that the supply can only last for one generation of trees. In a study of a limited area in the St. Maurice valley Dr. Howe found that balsam and hardwoods predominate in the new growths, and that spruce and pine are being steadily and surely depleted. By practising scientific forestry, and by discovering means for utilizing the hardwood forests profitably, much may be done to correct this defect. However, to improve upon nature, it is necessary to know how nature acts and reacts upon the thing we wish to improve. Thus far, no determined and sustained efforts have been made in Canada to get such data in regard to forests. It will be essential to discard the trust-to-luck-and-to-nature policy and substitute therefor a policy based on knowledge obtained by scientific studies of conditions.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	1 31-32	2 1-32	....
Mont. funds	Par	Par	¼ to ½
Sterling—			
Demand	4.8425	4.8475	4.87
Cable transfers	4.8580	4.8610	4.88

Rate in New York:—Sterling demand, 4.74⅞.

Bank of England rate, 5 per cent.

GOVERNMENT FINANCE

PUBLIC DEBT	1918
	$ cts.
Liabilities—	
Payable in Canada	860,440,810 36
Payable in London.........	362,703,312 40
Payable in New York......	75,873,000 00
Temporary Loans..........	583,175,197 39
Bank Circul'n Redemp. Fd.	5,799,609 27
Dominion Notes...........	258,841,652 92
Savings Banks............	51,915,288 23
Trust Funds..............	10,720,427 87
Province Accounts.........	11,920,481 20
Miscel. and Bkg. Accounts.	27,355,105 01
Debt	2248,745,482 65

	1918
Assets—	$ cts.
Investments—Sinking Fds.	16,818,396 17
Other Investments........	250,650,100 01
Province Accounts.........	2,296,327 90
Miscel and Bkg. Accounts	834,745,031 19
Total Assets............	1104 509 855 30
Total Net Debt 31st May..	1 144 235 627 35
Total Net Debt 30th April.	1130 729 029 47
Increase of Debt..........	13,506,597 88

Revenue and Expenditure on account of Consolidated Fd.	Total to 31st May, 1918
Revenue—	$ cts.
Customs	28,748,968 25
Excise....................	3,856,323 39
Post Office	3,100,000 00
Pbc. Works, R'lways & Canals	3,320,640 56
Miscellaneous	4,575,488 08
Total....................	43,601,420 28
Expenditure	9,612,667 96

Expenditure on Capital Account, Etc.	Total 31st May, 1918
	$ cts.
War......................	5,098,204 73
Public Works, Railways and Canals...........	359,392 54
Railway Subsidies	....
Total...........	5,455,597 27

PRELIMINARY STATEMENT OF THE TRADE OF CANADA FOR APRIL

	Month of April			Twelve Months ending April		
	1916	1917	1918	1916	1917	1918
Imports for Consumption.	$	$	$	$	$	$
Dutiable Goods..............	28,929,084	44,786,638	44,593,023	301,646,492	477,565,760	542,126,008
Free Goods..................	21,218,746	42,021,171	34,030,918	227,893,059	404 425,122	412,211,971
Total imports (mdse.)..........	50,147,830	86,807,809	78,623,941	529,539,551	881,990,882	954,337,979
*Coin and bullion............	464,789	50 2,362	434,758	34,152,875	28,118,693	12,211,569
Total imports..............	50,612,619	87,310,171	79,058,699	563,692,426	910,109,575	966,549,548
Duty Collected..............	9,797,265	13,875,485	13,837,227	107,739,356	151,701,450	161,550,207
Exports.						
Canadian Produce—The mine........	3,690,744	3,889,510	5,173,604	67,485,603	85,815,673	75,044,596
The fisheries.........	829,515	648,336	1,132,754	22,497,045	24,708,074	33,086,569
The forest..........	2,287,939	2,461,312	3,601,195	51,629,899	56,080,582	53,039,587
Animal produce	5,112,105	5,514,691	6,386,232	104,681,883	128,198,054	173,614,622
Agricultural produce	21,305,977	11,443,161	30,216,948	264,348,728	363,550 885	586,487,371
Manufactures	21,573,078	40,859,646	23,693,925	250,386,418	496,686,244	619,436 795
Miscellaneous	292,677	328,793	956,994	6,981,208	6,389,670	5,334,451
Total Canadian produce	55,092,035	65,145,449	71,161,652	768,010,784	1,161,429,182	1,546,043,991
Foreign produce.......	809,061	1,795,814	986,764	35,913,808	28,822,085	45,332,954
Total exports (mdse)...........	55,901,096	66,941,263	72,148,416	803,924,592	1 190,251,267	1,591,376,945
*Coin and bullion............	71,619	68,601	111,034	98,663,350	196,544,030	3,533,836
Total exports..............	55,972,715	67,009,864	72,259,450	902,587,942	1,386,795,297	1,594,910,781
Aggregate Trade.						
Merchandise..............	106,048,926	153,749,072	150,772,357	1,333,464,143	2,072,242,149	2,545,714,924
Coin and bullion............	536,408	570,963	545,792	132,816,225	224,662 723	15,745,405
Total trade..............	106,585,334	154,320,035	151,318,149	1,466,280,368	2,296,904,872	2,561,460,329

*Note.—It will be noted that the figures relating to the imports and exports of coin and bullion for the twelve months ending April, were: imports 1916, $34,152,875; 1917, $28,118,693; 1918, $12,211,569; and exports 1916, $98,663,350; 1917, $196,544,030; 1918, $3,533,836. Although it has been customary to include these figures in trade returns, the total trade figures are seriously disturbed by them in this instance and they should not be taken as an indication of the trade of Canada.

Statistics relating to Dominion Savings Banks, Post Office Savings Banks, National Debt, Building Permits Compared, Index Numbers of Commodities, Trade of Canada by Countries, and Preliminary Monthly Statement of Canada's Trade appear once a month as issued by the various Government departments.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended June 12th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........com.	45	48	Can Salt.............. 6's	92.50	....	Home Bank.... ,.......	....	62	N. S. Steel, 6% deb.......	82.50	87.50
" ....pref. 7%	79	89	Can. Steel & Foundry 6's	90	96	Imperial Oil..............	270	287.50	Ont. Pulp....... .... 6's	75	80.50
Alta Pacific Grain..pref.	80	90	Can. Starch ....pref.	64.50	72	" Trust..........	....	37.50	Page Hersey....... pref.	65	78
Atlantic Sugar.......com	8.50	14	Can. Timber & Land.....	90	108	Inter. Mill ....pref.	82.50	88.50	P. L. Robertson Screw..	....	37
" " ......pref.	32	36.50	Can. Westinghouse......	100	120	Lambton Golf Club......	350	400	Rosedale Golf	....	315
" " .... 6's	80	86.50	Chapman Ball Bearing..	22	29	London Loan & Savings.	95	105	Sovereign Life...........	12.50	20
Belding Paul........com.	12	15	Cockshutt Plow.....pref.	70	80	Maple Leaf Con. Milk pf.	50	....	Sterling Bank....	....	80.50
" " ....5's	75	80	Consumers Cordage pref.	75	85	Maritime Coal.........6's	68	71.50	Sterling Coal........com.	14.50	16
Black Lake............6's	22	24.50	Dom. Fire	18	22.50	Matthew-Blackwell com.	42.50	49	" " ......bonds	70	73
" .... pref.	3	4.50	Dom. F'dry & Steel 8% pf.	85	90	Matthew Laing.......6's	93	97.50	St. Lawrence Sugar 6's..	90	95
Can. Cons. Felt.....pref.	34	40	Dom. Glass ....com.	34	40	M'Donald...........pref.	76	81.50	Temple Theatre.....com.	....	65
" " " ....com.	4	6.25	Dom. Iron 5's. 1939.......	73.50	77	Mexican North........5's	7	10.50	Toronto Carpet.....com.	88	....
Can. Fairbanks .....pref.	84.50	92.50	Dom. Power... .....pref.	92	96.50	Mississauga Golf	45	55	Toronto Power 5's 1924..	79	83
Can. Machinery.....com.	14.50	....	" " ....5's	60	85	Morrow Screw........6's	85	92.50	Toronto York Rad.....5's	90	95
" " pref.	49	54	Dom. Steel .....6% pref.	80	86	National Life............	37	....	West. Assurance	7	8.75
" " bonds	75	82.50	Dunlop Tire..... . 6's	94	100	National Potash.........	.90	1.25	Wt. Can. Flour.... com.	100	125
Can. Marconi............	1.25	2	Eastern Car...........6's	88	93	North Ont. L. & P.... 6's	75	83.50	....	....	....
Can. Oil........ ....pref.	80	95	Ford Motor.............	....	215	....	....	....	....	....	...

CONFERENCE ON VITAL STATISTICS

A conference on vital statistics between representatives of the Dominion and provincial governments is being held, June 19th to 21st, under the auspices of the Dominion Bureau of Statistics. The object of the conference is to create a Dominion-wide scheme of vital statistics under Dominion and provincial co-operation.

Vital statistics are administered by the provinces, but the subject is more or less closely allied to the census and to the general scheme of population statistics. In the past, the provinces have carried out the work by different methods and standards, with the result that interprovincial and international comparisons are impossible, though some very important problems, including the regulation of immigration, the protection of public health, etc., hinge thereon.

The insurance and immigration departments and the Pensions Board of Canada will also take part in the proceedings, and the Actuarial Society of America, the Union of Canadian Municipalities and the Municipal Improvement League will be represented. It is also the intention to have a leading vital statistician of the United States present.

The Right Hon. Sir George Foster will open the conference at 10 a.m., Wednesday, June 19th. The conference will discuss the matter primarily from a scientific standpoint, and will lay down a detailed scheme for submission later on to the governments concerned.

An issue of $60,000,000 Armour and Company 6 per cent. debenture bonds has been sold to a syndicate of Chicago banks.

On the 3rd inst., Canadian railroads asked permission of the Interstate Commerce Commission to raise rates on business done on their lines within the United States, to the level provided by Director-General McAdoo under the recent road orders for American railways. So far no decision has been announced.

ALFRED WRIGHT
President

ALEX. MACLEAN
Manager & Secretary

LONDON & LANCASHIRE GUARANTEE & ACCIDENT Co

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Manitoba and Saskatchewan............WINNIPEG
British Columbia and Alberta..... ...VANCOUVER

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Established 1845
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COLLECTIONS
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ESTABLISHED 1841
Dominion Bank Building, Toronto, Canada

The wages of the railway employees in Canada are to be increased in a similar proportion to that granted to the employees of the United States roads.

The Bank of Montreal announces that a temporary branch has been opened at Petawawa Camp, Ont., for the convenience of the troops in camp. The branch will be under the management of Mr. F. A. Hiscock.

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Paid up Capital - - - $200,000.00.
Authorized Capital - - - $1,000,000.00.
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Merchants Casualty Co.
Head Office: Winnipeg, Man.

The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments Embracing the entire Dominion of Canada.

SALESMEN NOTE

MERCHANTS CASUALTY Co.

Our accident and health policy is the most liberal protection ever offered for a premium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

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B. M. WHITLEY,
Secretary-Manager

Canada Security Assurance Company
HAIL DEPARTMENT
CALGARY - ALBERTA

The head office of the Security Life Insurance Company has been moved from 907 Kent Building, to 37 Yonge Street, Toronto. The telephone number is now Main 5764.

The Canada War Trade Board has passed an order regulating the price of manufactures of gold and silver, etc. Prices of these articles are not to be raised without the permission of the minister of trade and commerce.

For Sale

Dominion Trust Building
Regina

Six-story Office Building, fireproof construction, on northeast corner Rose Street and Eleventh Avenue. For particulars apply to

HUNTER COOPER
Regina, Sask.

BANK CLEARINGS

The following are the bank clearings for the weeks ended June 7th, 1917, and June 6th, 1918, respectively, with changes:—

	Week ended June 6, '18.	Week ended June 7, '17.		Changes.
Montreal	$ 86,498,796	$ 93,038,602	—	$ 6,539,806
Toronto	65,655,472	58,788,191	+	6,867,281
Winnipeg	40,873,605	49,117,705	—	8,244,100
Vancouver	9,850,589	7,674,544	+	2,176,045
Ottawa	8,404,453	6,852,480	+	1,551,973
Calgary	6,000,748	6,642,495	—	641,747
Hamilton	4,781,881	4,843,675	—	61,794
Quebec	4,681,736	4.625,192	+	56,544
Edmonton	3,185,511	2,627,227	+	558,284
Halifax	8,628,469	2,751,392	+	5,877,077
London	2,848,500	2,338,580	+	509,920
Regina	3,134,574	3,098,738	+	35,836
St. John	2,099,473	2,136,216	—	36,743
Victoria	1,961,968	1,886,723	+	75,245
Saskatoon	1,774,767	1,613,299	+	161,468
Moose Jaw	1,349,900	1,104,340	+	245,560
Windsor	1,015,562	....		......
Brandon	588,534	511,716	+	76,818
Brantford	953,836	835,679	+	118,157
Fort William	691,364	747,897	—	56,533
Lethbridge	779,711	816,913	—	37,202
Medicine Hat	405,209	523,463	—	118,254
New Westminster ..	405,500	354,631	+	50,869
Peterboro	669,925	611,120	+	58,805
Sherbrooke	847,440	764,479	+	82,961
Kitchener	731,190	764,620	—	33,430
Totals	$258,818,713	$255,069,917	+	$ 2,733,234

The Toronto bank clearings for the current week are $72,817,222, compared with $59,138,786 for the same week in 1917, and $52,113,201 in 1916.

INEQUALITIES IN TAXATION

A pamphlet has been issued by the Bureau of Municipal Research, Toronto, dealing with the question of inequalities in assessments. It is pointed out that "Inequitable taxation, even if low, is worse than high, though just, taxation, because it tends to give artificial advantage to some individuals, groups and localities over other individuals, groups and localities."

The injustice is not, of course, intentional, but is none the less effective. As the pamphlet points out, no reader of the daily press can fail to be impressed with the fact that there is widespread dissatisfaction, both with the present laws and with the method of enforcing them. The Provincial Public Roads and Highways Commission pointed out, in 1914, some inequalities of assessment between different municipalities, which may be summarized as follows:—

	Per cent. of assessed value on sale price.	
County.	Lowest percentage in county.	Highest percentage in county.
Elgin	29.2%	95.2%
Frontenac	23.0%	69.0%
Halton	45.0%	92.0%
Middlesex	27.2%	96.0%
Waterloo	30.2%	96.0%
Wentworth	6.2%	94.2%

The bureau submits the question whether a provincial commission for the equalization of assessments, as between and within municipalities, would be of service.

Regarding city assessments, an analysis of 66 sales of Toronto property in 1915 indicated as far as information was obtainable, that in the case of 32 sales of unimproved land, the total assessments were 39.2 per cent. of the total of the sale prices, and in the case of 34 sales of improved property, the total assessments were 67.9 per cent. of the total of the sale prices. In July of the same year, 26 unimproved properties were assessed at 51.8 per cent. of the total of the sale prices and 69 improved properties at 63.26 per cent. of the total of the sale prices. Sale price is, of course, an uncertain guide in many cases, and other sales might show results quite the opposite. It is certain, however, that such inequalities of assessment do exist.

The pamphlet also summarizes other questions of interest, such as, whether incomes other than salaries are assessed as completely as incomes from salaries; is unimproved property assessed as heavily in proportion as improved property? When properties exempt from taxation are sold, should not a certain percentage of the sale price go to the municipality?

CANADA FOOD BOARD

The Canada Food Board has passed an order which is expected definitely to prevent speculation in the produce business, and to limit profits to a reasonable margin over cost. On and after July the first, wholesale selling price of meats, lard, cheese, butter, oleomargarine or eggs, in selling to a retail dealer, is not to be more than 10 per cent. over the cost price; in selling to another wholesale dealer, the profit is not to be more than 4 per cent.

DISCOVERY OF NICKEL AND COPPER ORE

Extensive deposits of nickel and copper ore of a high grade, have been reported in the Eardley Mountains, near Luskville, Quebec. The discovery is on wild land that has been frequently prospected. The property is over 500 acres in extent, and it is not yet known how extensive the deposits are.

The British-American Nickel Corporation recently announced their intention of locating a nickel refinery at Deschenes, which is not far from the Eardley district. The company states, however, that they were at the time quite unaware of this deposit.

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ASSOCIATION

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ON ALL APPROVED PLANS.

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HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION!

The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED.	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED.....................	INCREASE 166%
ADMITTED ASSETS......	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds.........$	66,500,000	Investments under Canadian Branch, over...$	16,000,000
Deposited with Canadian Government and Government Trustees, over..............	7,000,000	Revenue, over...............	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

D. M. McGOUN, Mgr. P. W. DORAN, Chief Agent, Ont.

PROFIT RESULTS COUNT

ASK FOR SAMPLES

London Life Insurance Co.

LONDON ... ... Canada

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In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co., write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"
HEAD OFFICE - TORONTO, CANADA

A Practical Pointer on Salesmanship

It is of first importance in good salesmanship to select a worthwhile article to sell, something about which you can become enthusiastic with a reason—a reason that will last. In Life Insurance Salesmanship, for instance, a discriminating agent would naturally select the policies of the Mutual Life of Canada because—first, the Company is well-established—Second, it has an unblemished record—Third, it has a continental reputation as a dividend payer—Fourth, it is a democratic organization—Fifth, it is a wonderfully successful going concern—and lastly, being the only Canadian Policyholders' Company its contracts find a ready market. Where a company is so favorably known one half of the trouble of making the sale is avoided. If you get the best goods in your line and go to it, success is certain. Last year our agents placed $20,000,000 paid-for business.

The Mutual Life Assurance Co. of Canada
Waterloo . Ontario
CHARLES RUBY, General Manager E. P. CLEMENT, K.C., President

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If you need LIFE INSURANCE it is to your interest to inquire into the terms on which the many attractive Policies of THE GREAT-WEST LIFE ASSURANCE COMPANY are issued. These Policies provide protection on most liberal conditions at low rates, and are known for the high profit returns paid to Policyholders.

State your age and needs, when full details will be mailed by return.

The Great-West Life Assurance Co.
DEPT. "P"
HEAD OFFICE : WINNIPEG

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

FIRE PREVENTION IN ALBERTA

Carelessness is Cause of Most Fires—Number Can Be Reduced by Educational Methods

The Saskatchewan government is impressing upon the public, through the medium of the schools, the necessity for fire prevention.

A bulletin has been issued by Fire Commissioner A. E. Fisher, addressed to the school teachers of Saskatchewan in which an appeal is made for assistance in the publicity campaign on fire prevention. The bulletin reads as follows:—

"A fire prevention campaign is in progress at the present time, the aim being to reduce as much as possible the excessive fire loss which is suffered annually in this province. A very important feature in this movement is the education of our citizens along fire prevention lines. The influence of the school teacher in his or her district is fully appreciated. Will you assist in this educational propaganda by occasionally discussing the question of fire prevention with your pupils? They in turn will undoubtedly mention the subject in their homes thereby indirectly bringing this important subject to everyone's attention. Such a method would undoubtedly be effective in eliminating the causes of many of our fires, the majority of which are absolutely due to carelessness and are consequently preventable.

Most of Fires Could be Avoided.

"May I give you a few facts to show the absolute necessity of fire prevention:—

"(1) Our fire loss in 1917 amounted to $2,750,000. Over 50 per cent. of this loss was due to carelessness—burning rubbish, burning straw piles, children playing with matches, carelessly throwing down lighted matches, cigar and cigarette stubs, overheated stoves, defective stove pipes, defective chimneys, cleaning clothes with gasoline near stoves and open fire. Carefulness and inspection of property would eliminate this loss. This waste would equip 325 scout aeroplanes for use on the Western Front. Impress on your pupils the necessity of carefulness and attention to fire prevention.

"(2) Twenty-three lives were lost and 15 were severely burned.

"(3) Fire is the greatest ally of the high cost of living. Every fire destroys food stuffs which at the present crisis of our national history are invaluable not only to the boys overseas, but also to those who remain behind. Destruction of food stuffs by fire lessens the supply and the natural consequence is higher cost. Conserve what we have and thereby assist in reducing the high cost of living.

"(4) More money is required at the present time to replace property destroyed by fire than formerly. Protect and save what we have.

"(5) In 1917 we lost in elevator fires about two hundred and sixty-five thousand bushels of wheat. Approximately thirty thousand bushels have been destroyed in barn and granary fires. Do you realize the amount of bread that could be made from the total wheat loss. This loss is serious. Care must be taken to protect our grain supply.

"(6) Greater production is the slogan of the day. Why produce more if we burn up what we have. Greater production and fire prevention go hand in hand.

Means of Prevention.

"These few points will emphasize the necessity of fire prevention. Show your pupils how the elimination of carelessness will reduce our fire loss. Encourage each pupil to look around his home and see if the premises are clean, if the wood work is endangered by the close proximity of the stove or stovepipes. Talk fire prevention regularly to your pupils. Have the pupils of the higher grades write compositions on fire prevention. In your talks use these war-time and peacetime suggestions:—

"Clean-up.

"Oily rags and waste should not be left lying around the barn.

"Never neglect to have flues cleaned, examined and re-
Sired at least once a year
Kitc."Stove pipes should not pass unprotected through wooden
ns.
Totarish should not be permitted to accumulate in base-
anywhere else about the premises.
The Torontperty at regular intervals.
$72,817,222, com
1917, and $52,113,

"Children should not play with matches.

"Trash should be removed without delay.

"No smoking should be permitted around barns or granaries.

"Handle gasoline with caution. Every time you fill the tank of an auto or tractor with gasoline by lamplight or an open light you are inviting a loss.

"Oil stoves and lamps should be filled only in daylight and never near an open light or fire.

"Only properly cured hay should be stored in barns. Spontaneous combustion destroys many barns.

"Fire is the Kaiser's best friend.

"Your co-operation in this great campaign is earnestly requested. You can awaken a provincial wide interest in this campaign if you will 'do your bit.' Are you willing to assist. If any information is required along the lines of fire prevention write the fire commissioner's office and same will be gladly given you.

Clean-up Week.

"Mr. A. E. Fisher, fire commissioner of the province of Saskatchewan, has billed the whole province with notices calling upon our citizens to clean up their property in order that the fire loss may be reduced.

"Judging from reports which have been received by the fire commissioner the interest of our citizens in this general clean-up movement is certainly most commendable.

Prairie Fires.

"The number of prairie fires which have occurred this spring show conclusively that our farmers are rather careless in the matter of the spring burning. The fire commissioner is preparing leaflets relative to prairie fires and spring burning which will be sent to all secretary treasurers of municipalities. This leaflet is of such a size that it can be easily placed in the envelope with tax notices. This will draw the attention of the public to the requirements and penalties of the law."

ESTIMATE PULPWOOD RESOURCES OF CANADA

The following table shows the approximate amounts of certain classes of pulpwood material now standing in the several provinces of Canada. All sizes of the species named are included. It represents, to some extent, a compromise between the guesses made by various individuals or organizations in the past, and information relating to partial areas based upon investigations actually made in the field:—

	Cords.	
Nova Scotia	30,000,000	spruce and balsam
New Brunswick	33,000,000	" " "
Quebec	300,000,000	" " "
Ontario	200,000,000	" " "
Total for Eastern Canada	563,000,000	
Prairie provinces	85,000,000	" " "
Prairie provinces	100,000,000	poplar
British Columbia	285,370,000	Sitka, spruce, western hemlock, balsam and cottonwood.
Total for Western Canada	470,370,000	
Total for all Canada	1,033,370,000	

In considering this table certain allowances must be made in arriving at commercial possibilities. In the first place, vast amounts of material of suitable size for pulpwood are so situated as to be commercially inaccessible. In other cases, bodies of timber of limited size are so scattered as to make profitable operation impracticable. Further, balsam does not float readily for long distances, and heavy losses result from sinking where long drives are necessary.

Another factor, sometimes overlooked, is the heavy demand upon these forests for purposes other than the cutting of pulpwood. The greatest of these is for the manufacture of lumber, for which very large amounts of spruce and balsam are used annually in Eastern Canada.

It is understood that negotiations are being completed for reopening the Ross rifle plant at Quebec, which has been idle since March, 1917, and pistols will be made on United States orders.

Solid Growth

UP-TO-DATE business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

To-day, they exceed by far those of any Canadian Life Assurance Company.

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HEAD OFFICE - MONTREAL

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE
PROSPECT BUREAU.
BULLETIN SERVICE.
ADVERTISING and
ALL ROUND SUPPORT

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Are better equipped for the journey,
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EQUITABLE

Mutual in Principle and Practice

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A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

The Equitable Life Assurance Society
of the United States

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W. E. Taylor, Second Vice-President

EQUITABLE

THE PRUDENTIAL has a large force of Canadian employees at work in every large city in the Dominion selling Gibraltar-like life insurance policies and industriously paying death claims in afflicted homes day after day. The Prudential has throughout the United States and Canada Fifteen Million Policies in Force, equal to nearly twice the population of the Dominion, and indicating the popularity of this big American Company.

AGENTS WANTED.

The Prudential Insurance Co. of America

Incorporated under the laws of the State of New Jersey.
FORREST F. DRYDEN, President. Home Office, NEWARK, N.J.

THE **MONARCH LIFE**
SECURITY AND SERVICE
HEAD OFFICE - WINNIPEG

The Travellers Life Assurance Company of Canada

Head Office - - Montreal

HON. GEORGE P. GRAHAM, President

TO AGENTS:—Write the Home Office for particulars of direct renewal contract.

CLEAVAGE IN CANADIAN CAR AND FOUNDRY COMPANY

(Continued from page 16)

aggregating considerably over one million dollars. This was, in no sense, a bonus or commission, as the circular falsely states. Moreover, on a previous occasion, Senator Curry endorsed notes of agency of Canadian Car & Foundry Company, Limited, in New York, in the amount of five hundred thousand dollars, without security and without compensation. This agency company was a subsidiary formed for the purpose of handling the Russian contracts, and the shareholders have been benefited by this financial assistance.

"The directors are confident that no fair-minded shareholder will dispute the propriety of their action in this matter. The so-styled committee states that it has invited the co-operation of the present management to elect several "independent directors."

"What was in fact suggested to the management by certain of these gentlemen was that they should be permitted to nominate the majority of the board and in this way be given control of the company; and, in particular, they insisted upon the election of Senator Beaubien and Mr. A. Hicks Lawrence, as directors. They stated that if an assurance to this effect, was not forthcoming, a campaign would be commenced to obtain proxies in opposition to the present board. The directors replied that no such assurance could or would be given, the matter being one for the shareholders to decide. The present attack on the management is the result.

The question of a dividend policy has been most carefully considered, and the best answer the directors can make to the so-styled committee's criticism is the circular recently sent to you by your president. The liquid assets of the company fully justified the recent declaration of a 3½ per cent. payment on the deferred preference dividends. The seven months' statement for the current fiscal year, which will be issued to shareholders on or before the date of the annual general meeting on July 15th, will unquestionably show that the action of the directors in this respect was a conservative one.

"The undersigned directors consider it unnecessary to refer further to the statements contained in the circular, otherwise than to say that they deem these statements so misleading and damaging that they have instructed counsel to demand an immediate retraction and apology from those responsible for the publication of the circular."

The reply is signed by K. W. Blackwell, W. F. Angus, G. E. Drummond, W. W. Butler, R. H. Parks, V. G. Curry, and F. A. Skelton, directors of the company.

Commenting on the subject, Mr. F. A. Skelton, the vice-president and treasurer, points out that the company's affairs are progressing very satisfactorily at the present time, its order books are well filled, and a period of great prosperity evidently is in front of the company, unless unforeseen difficulties with regard to obtaining labor and materials prevent it from utilizing its present organization to the fullest possible advantage.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railways for the first week of June:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
June 7	$2,927,000	$2,846,000	— $81,000

Grand Trunk Railway.

	1917.	1918.	Inc. or dec.
June 7	$1,333,194	$1,383,669	+ $50,475

Canadian Northern Railway.

	1917.	1918.	Inc. or dec.
June 7	$ 908,700	$ 847,100	— $61,600

The city council of Ottawa has proposed to the Ottawa Light, Heat and Power Company, that the city acquire its holdings and interests, and operate the amalgamated concerns as a municipal plant. At a recent meeting of the company, it was decided to have an appraisal made of all the stock and assets of the company with a view to carrying on further negotiations with the city.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship —Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

MOOSE JAW RENTAL AGENTS.—The Ralph Manley Agency, Limited, Walter Scott Block, Moose Jaw, handle the renting of Moose Jaw Improved City Property. Their facilities permit them to rent and re-rent property as well as looking after collections and any necessary repairs. Established 1908. Correspondence solicited.

FIRE INSURANCE head office, Toronto, requires man experienced in examining and passing business, and capable of handling agency correspondence. All replies treated confidentially. Apply Box 185, *Monetary Times*, Toronto.

MAPPING CLERK WANTED. — Fair knowledge of plans, rates and policy drafting generally. Apply personally or by letter, General Fire Assurance, Room 101, Continental Life Building, Toronto.

TIMBER LIMITS FOR SALE.—We have for sale, at a very attractive price, three excellent Timber Limits in British Columbia, comprising approximately 2,000 acres. These Limits will cruise 56,000,000 feet, of which 13,000,000 feet is Cedar and the balance Hemlock, Balsam, Spruce and Cypress, all of which is virgin. These Limits are accessible to deep water transportation and located only 150 miles from Vancouver in a sheltered bay. Absolute title, guaranteed by the government, will be given purchaser. This is unquestionably one of the best Timber investments in Western Canada. We can furnish blue prints and engineer's report to anyone interested. F. Griffin & Company, Yorkshire Building, Vancouver, B.C.

ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Assets, reserve and net surplus almost doubled is the record of the Alliance Insurance Company, of Philadelphia, during the past eight years. The total assets are now over $3,000,000, and consist mostly of bonds and stocks at their market value. The capital stock of the company is $750,000 and the reserve for reinsurance almost $1,000,000. Considerable reserves have also been set aside for unpaid losses for national and other taxes and for the contingent fund, in addition to which there is also a surplus of $750,000. The surplus of policyholders is $1,624.824. The following figures illustrate the growth of the company during the past eight years:—

Jan. 1st.	Gross assets.	Reinsurance reserve.	Net surplus.
1910	$1,632,376	$558,513	$454,444
1915	2,399,489	673,641	773,097
1918	3,114,009	978,627	874,824

The company has been engaged in business for over thirteen years, and writes fire, marine, automobile and miscellaneous insurance. It entered the Canadian field about two years ago, and its chief agents in Canada are Robert Hampson and Son, Montreal. Messrs. Parkes, McVittie and Shaw, of Toronto, are the agents for Ontario.

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Trade Review and Insurance Chronicle
of Canada

Established 1867 — Old as Confederation

JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Motorize Farming This Year!

Increase in Acreage—Large Immigration Into Canada—Possibilities of Wheat Growing in Canada are Enormous—Plenty of Land at Low Prices For Immigrants — Machinery is Beginning to Revolutionize Farming—Inventions Come at Opportune Time.

By **CHARLES W. STOKES**

"CANADA must grow more wheat this year." But merely to repeat this non-arguable fact does not bring one single additional acre under cultivation. The desired end—more wheat—can obviously be attained only by one or both of two methods, either more wheat per acre or more acres under wheat.

The first, depending as it does upon causes mostly beyond human control, can be omitted from this discussion. The second is therefore the only logical solution. Either the man who is growing wheat already must grow more, or else the man who isn't growing it must grow some now.

The Canadian farmer in 1917 grew 234 million bushels, which was less than he grew in the two preceding years but probably the best he could do in the face of natural obstacles. With both patriotic and pecuniary motives to actuate him, practically every Canadian farmer who can grow wheat is doing so. Limited as he is by the possession of only one pair of hands, he has probably reached the limit of what he can grow unless he relinquishes some other branch of agriculture—in which case there would result a storm of indignation at the then-impossible prices of bacon, eggs, milk, vegetables and beef.

The number of wheat-growers has, of course, increased to some extent. Sixty-one thousand immigrants entered Canada from the United States last year, amongst whom were a large number of agriculturists—a larger proportion, indeed, than in most previous years. In the three prairie provinces, whither most of these immigrants went, there was in consequence a large amount of new land broken. There will be a great many more immigrants coming in this year, war or no war, for wheat prices are high, prairie land is cheap, and a good crop will pay for the land in the first year.

Probably, too, the back-to-the-land publicity has borne some fruit. Probably a certain number of city workers, partly in a desire to help the cause, partly attracted by the profit of raising wheat at a fixed price of $2.21 per bushel (with a not-distant prospect of an increase), partly to beat the high cost of city living, are now growing wheat. Let us hope so, at any rate, if only for the reputation of publicity.

But even then—

This is the day of "even thens." Notice, for example, that when the British War Minister wants 800,000 more men, he pays a splendid tribute to what has been done to date, but concludes "Even then—"; and gets his men. In 1917, Canada had nearly 15 million acres producing wheat, nearly fourteen of which were in the prairie provinces; but even then there are 1,400 million acres in Canada, without going to the trouble of including the Yukon and the North-West Territories.

It would, of course, be ridiculous to suggest that every one of these acres should be producing wheat. Millions of them are already producing something else indispensable, such as bacon or beef; other millions are afforested, rocky, mineral-bearing, clay, swamp, alkali or unsuitable. Yet unless there are not numerous other millions still remaining that should be producing wheat, Canada would not be in the colonization game—would not be able to justify its slogan of "The World's Future Bread Basket," for 234 million bushels, while they sound like a big quantity, are but a drop in the bucket of the world's needs.

The prairie provinces, for instance, have an acreage of 460 million. The estimate has been made, and as far as I know has never been disputed, that 200 million acres are suitable for cultivation. The area actually cultivated to all crops, according to the incomplete data that can be collated from government statistics, is about 20 million acres; that is to say, about 10 per cent. of the estimated resources. In other words, at this, the most stupendous moment in the history of the world, 90 per cent. of the best wheat land in the British Empire, capable of producing enough food to feed for a year, at the most modest computation, from 300 to 400 million people, is lying idle.

Conscript it? This demagogic solution is characterized by a certain ineptitude when it is remembered that while there are speculators in land the same as there are speculators in stocks and in food, the majority of this land is held either by the government, who will readily give any non-teutonic male over eighteen years of age 160 acres of it free, or by owners who would readily sell it to anyone who could pay the current market price. To discuss the reasons for the great amount of "speculative" land that is now on the market would take too long; in brief, it can be said that there are very few speculators who would not now sell at the market price. In fact, a questionnaire sent out by a large developing agency to non-resident owners of western land reveals that many such owners would consent to any reasonable arrangement, even the bare remission of taxes. Confiscating this "speculative" land would be a waste of time unless every acre of it is laid under contribution to the need of the hour, which is to grow more wheat.

It can be laid down as a broad principle that every western farmer is farming as much land as he can handle. Numbers of them have during the past two or three years invested much of their profit from high-priced wheat in more land—many are actually holding at this moment more than they can properly manage. What is wanted is not land, but labor.

There are those who say the labor problem will adjust itself. The chief attraction to labor is always its compensation; and with the slackening of munition work there is the possibility of a movement towards agricultural work. Last year Alberta farmers paid an average summer wage (according to government statistics) of $76.09 per month including board.

But even then, are we much nearer averting the danger of world-starvation, which, according to an economic pessimist, is due for three years hence if the war keeps up that long? The real problem is to speed up production not by putting more men on the land to produce in the same ratio as their predecessors, but to contrive that each man, new and old, will produce more per head.

Farm labor concentrated on a small area is intensive and non-expansive in output. It is his family of growing boys which enables the small farmer to dispense with a hired man—only that and nothing more. But the output of farm labor can be increased per head spread over a larger area and motorized. Ten men cannot plough a 1,000-acre field any quicker than one man can plough a 100-acre field—with horses; but two men can plough a 1,000-acre field considerably quicker—with machinery.

Therein probably lies the chief hope for more wheat. Is it entirely impracticable that these millions of acres of land which lie idle through no fault of their own, nor generally of their owners, could not be brought under cultivation this year by a gigantic program of contracting? There are any number of farming contractors in Western Canada, most of whom are open and able to accept more work; but the average contractor requires—and reasonably—quick payment, which may range from $500 to $2,000 per quarter-section, and as things are at present, there are few "speculators" who could put up that amount. Private or public financial backing might be made available—and surely the financing of wheat-growing is a legitimate outlet for national money; but failing any movement to provide such backing, is it impossible that the Dominion of Canada could not come to a reasonable arrangement with the owners of this idle land for it to be used this year by the Dominion of Canada, to grow more wheat by motorized means?

To "syndicate farming"—which means, broadly, farming by machinery on a large scale—many objections, mostly social, can in normal times be consistently urged. These, however, are not normal times. Machinery is even now breaking land in England where most kinds of machinery were never known before. The Allies want the wheat; we have the land, we can get a reasonably large quantity of machinery, we can, by making farm labor sufficiently attractive, get the labor. Not to bring these elements into combination is to make our own resources an idle boast.

OIL-PRODUCING DEPOSITS OF CANADA

Many Deposits of a Low Grade—Very Little Attempt at Development

The "United Empire," the magazine of the Royal Colonial Institute, in describing the oil resources of the empire, outlines those of Canada as follows:—

New Brunswick.

For many years the oil-shales of New Brunswick have been known, and schemes for their utilization have frequently been put forward. They are true oil-shales, but in a much fresher or less inspissated state than the Scottish oil-shales—as much as 2.3 per cent. being soluble in petroleum spirit. The quantity of shale in well-worked seams, proved at outcrop in borings and in mines, is enormous; while it is doubtful whether more than a fraction of the oil-shale area has been fully prospected. Exhaustive tests have been made, with the result that yields of crude oil of from 27 to 48 gallons per ton have been obtained; while ammonium sulphate has been produced at the remarkable proportion of 77 lb. per ton. This latter result was obtained in a large scale test by the Pumpherston Oil Company. These results compare very favorably with the 22 gallons of crude oil and 42 lb. of ammonium sulphate yielded by Scottish shales. The material is too rich for the ordinary Scottish-type retort, but would lend itself admirably to a lower-temperature method.

In Albert County one of the best fields could be mined for a number of years by open-cast work with steam diggers. Schemes for mining and retorting anything from 1,000 to 6,000 tons per day have been suggested in this locality, and a government scheme of development has been promulgated. Several of the fields are close to tide-water, and are traversed by railways.

Similar oil-shales, though possibly not quite so rich, are known in Nova Scotia. The latest news from that province is that a field conveniently situated for transport is about to be opened up, and a new form of retort capable of dealing with 300 tons per day is to be erected. This, however, is a mere beginning.

Quebec.

In the province of Quebec oil-shales have been identified, but no serious attempt has yet been made to develop them.

Alberta.

The great tar-sand outcrops of the Athabasca River, Alberta, though not oil-shales, but inspissated asphaltic oil-sands, offer what appears to be an excellent field for low-temperature distillation. The amount of material is practically inexhaustible. and it sometimes contains as much as 15 to 18 per cent. of hydrocarbons. A good yield of oil at a low temperature could be obtained. and the residue utilized to some extent in glass-making, etc. There is reason to believe also that a fair yield of ammonium sulphate could also be obtained.

There are other deposits, not yet fully studied. that might add to the quantity of retortable material in Canada; but these brief notes are sufficient to indicate what large virgin fields await exploitation. The Nova Scotia and New Brunswick areas, on account of their comparative proximity to the United Kingdom, are of the greatest importance.

Newfoundland.

Oil-shales of promising type have been discovered in Newfoundland, but have been neglected, chiefly owing to attempts, hitherto unsuccessful, to develop oil-fields. No complete account of the oil-shales has been published, but the quantity is said to be large.

FRIENDLY SOCIETIES IN ONTARIO

Results of Life, Sick and Funeral Benefit Insurance in 1917—Total Insurance in Ontario is Over $150,000,000.

According to the annual report of the Ontario Registrar of Friendly Societies, there are twenty-seven societies writing life insurance in Ontario, and one hundred and thirty-five writing sick and funeral benefits. A summary of the life business is given on this page.

The largest life business is written by the Canadian Order of Foresters, followed in order by the Chosen Friends, Oddfellows Relief, United Workmen, and Maccabees. The latter, however, has much the largest total business, its insurance in force totaling $359,824,687. The Royal Arcanum and the Catholic Order of Foresters also have large totals of $246,382,161 and $150,942,500 respectively.

The following societies write life insurance in Ontario only:—Commercial Travellers' Association; Knights of Malta; Mutual Masonic Compact; Ontario Commercial Travellers' Association. Total benefits of $2,719,906 were paid during the year.

Of the societies paying sick and funeral benefits, the majority are associations of employees, the remainder consisting of religious or social organizations. Their business is summarized as follows:—

Number of members	172,020
Deaths during the year	3,500
Amount paid in funeral benefits	$189,658
Number of members sick	33,468
Number of weeks' sickness	166,812
Amount paid for sick benefits	$811,774
Amount paid for medical attendance	90,621
Amount paid for special relief	61,229
Assets at 31st December, 1917	3,923,377
Liabilities	108,754

Short Name of Society.	Total membership in Ontario at 31st December, 1917.	Amount of Insurance in force in Ontario at 31st December, 1917.	Number of Certificates in force anywhere at 31st December, 1917.	Amount of Insurance in force anywhere at 31st December, 1917.	Number of Claims matured in Ontario in 1917.	Amount of Insurance Benefits paid in Ontario during 1917.	Amount of Disability Benefits paid in Ontario during 1917, including pensions and gratuities.	Assets in Ontario at 31st December, 1917.	Liabilities in Ontario at 31st December, 1917.	Total Assets anywhere at 31st December, 1917.	Total Liabilities anywhere at 31st December, 1917.
		$ c.		$ c.		$ c.	$ c.	$ c.	$ c.	$ c.	$ c.
Chosen Friends, Grand Council, Canadian Order	24,787	22,816,042 88	28,680	26,518,357 38	398	360,732 94	64,445 67	1,327,335 06	20,183 27	1,332,336 06	27,103 27
Civil Service Mutual Benefit Society	586	125,000 00	606	146,050 00	6	1,660 00	....	15,283 63	....	15,283 63	....
Commercial Travellers' Association	12,232	5,553,638 45	12,382	5,553,638 45	117	77,961 92	....	1,328,814 69	....	1,328,414 69	....
Federated Association of Letter Carriers	409	387,250 00	1,161	....	6	5,250 00	....	4,845 50	....	4,845 50	....
Foresters, Canadian Order of, High Court	43,892	43,896,000 00	84,932	84,621,500 00	493	492,905 36	....	6,532,836 91	69,806 12	6,539,066 66	144,629 30
Foresters, Catholic Order of	8,630	8,941,500 00	150,737	150,942,500 00	108	122,100 00	....	....	26,000 00	7,323,845 01	201,867 29
Hamilton Firemen's Benefit Fund	81	....	81	....	1	150 00	....	41,928 70	....	41,928 70	....
Hamilton Police Benefit Fund	98	....	98	....	1	480 00	(b)2,785 80	118,794 84	....	118,794 84	....
Home Circles, Canadian Order of	5,301	6,281,512 00	5,855	6,898,472 00	107	143,694 39	4,310 74	596,366 26	6,045 56	696,365 26	6,049 69
Knights of Malta, Chapter General of Canada	333	71,750 00	171	71,750 00	3	200 00	....	10,193 28	....	10,193 28	....
Knights of Pythias	8,414	243,443 00	72,461	96,500,135 00	4	3,600 00	....	9,346,488 04	414 25	9,346,488 04	414 25
London Police Benefit Fund	46	....	46	....	....	....	....	81,005 87	....	81,005 87	....
The Maccabees	9,191	9,300,000 00	300,061	359,824,687 92	110	135,769 25	25,316 82	4,109 93	6,000 00	23,967,640 48	1,910,282 26
Mutual Masonic Compact	203	20,300 00	203	20,300 00	6	600 00	....	246 81	....	246 61	....
Oddfellows, Canadian Order, Grand Lodge	2,736	2,080,880 67	2,905	2,228,630 67	43	34,066 73	300 00	206,951 67	10,274 47	206,961 87	16,274 47
Oddfellows Relief Association	16,018	17,663,600 00	26,900	30,686,000 00	194	238,811 87	....	1,738,324 47	22,625 00	1,743,324 47	74,125 00
Ontario Commercial Travellers' Association	2,881	1,816,310 00	2,884	1,816,310 00	39	21,910 00	....	377,607 84	2,510 91	377,607 84	2,510 91
Orange Grand Lodge of British America	(a)60,000	3,514,000 00	4,951	4,799,000 00	62	60,057 78	....	145,313 14	9,500 00	145,313 14	14,500 00
Royal Arcanum	1,587	2,914,866 00	145,568	246,382,161 88	42	98,668 84	....	97,083 43	15,764 00	5,329,874 71	788,230 62
Royal Templars of Temperance, Supreme Body	3,690	3,880,750 00	4,298	5,833,500 00	80	72,806 78	....	463,696 61	15,135 99	468,696 61	18,135 99
Societe des Artisans Canadiens Francais	1,643	1,340,594 00	44,405	33,578,062 06	16	9,450 00	4,264 55	5,000 00	2,900 00	2,996,024 69	37,473 22
Sons of England Supreme Lodge	21,423	2,921,250 00	4,060	8,019,850 00	63	59,600 00	300 00	226,312 53	12,400 00	226,315 63	14,750 00
Sons of Scotland	4,588	3,661,967 00	6,180	4,061,217 00	116	86,127 84	....	676,501 05	22,250 00	676,501 06	25,250 00
St Joseph Union of Canada	7,263	7,899,850 00	23,865	27,907,920 00	84	66,719 78	2,470 00	1,386,000 66	7,000 00	1,996,000 66	185,488 81
Toronto Firemen's Benefit Fund	340	....	340	....	....	1,635 19	(b)23,466 09	303,398 31	....	303,398 31	....
Toronto Police Benefit Fund	671	....	671	....	1	886 30	(b)34,800 11	728,330 84	....	728,330 84	....
United Workmen, Ancient Order of	12,909	12,444,301 72	12,909	12,444,301 72	382	460,822 17	....	1,037,730 60	64,384 66	1,037,730 60	64,384 66
Totals	243,781	156,788,705 22	941,682	1,103,457,343 98	2,449	2,558,635 64	163,370 78	27,341,595 47	402,797 46	66,958,740 75	3,581,753 34

(a) About. (b) Gratuities and Pensions.

CROP PROSPECTS IN SASKATCHEWAN

The statistics branch of the department of agriculture, province of Saskatchewan, gave out on the 10th instant the following information regarding the wheat crop of the province:—

The average height of the wheat was from four to five inches, oats from two to three inches, while barley was just through the ground, or one or two inches in height. The warm weather of the preceding few days was just what was needed for the growing grain, and crops generally were in good condition. The only damage reported was that resulting from the frosts and windy weather a few weeks previous, and much of this damage had been repaired by reseeding. Cutworms had also been noticed in some parts.

CANADIAN WAR SAVINGS STAMPS

It has now been practically decided that war savings stamps will be issued by the Dominion government, although they may not be on sale for some time. The scheme has been successful in England and in the United States. It is reported that Sir Herbert Ames, M.P., will have charge of the arrangements.

An order-in-council has been passed prohibiting the export from Canada of hides and leather. The order is, it is reported, due to depletion of Canadian stocks. Another order has been passed prohibiting the export of tires for motorcycles and motor vehicles except under license issued by the customs department on the approval of the War Trade Board.

GAS COMPANY INVESTIGATION

Increase of Rates Has Been General Throughout Ontario —Cost of Operation is Higher

Some time ago the Consumers' Gas Company of Toronto, applied to the city council for permission to increase its rates. The council requested the city auditor, Mr. Walter Sterling, and the commissioner of finance, Mr. Thomas Bradshaw, to make an investigation. Their report was submitted to the council a short time ago, and contains important information, not only regarding the operations of the Consumers' Gas Company, but also of other companies, introduced for comparative purposes.

The capital stock of the company is now $5,256,465. Since 1887 the new capital issued has been as follows:—

1887—	$200,000.00	was subscribed	at	$180.32	per each $100.00
1889—	125,000.00	“	“	176.60	“ “
1889—	175,000.00	“	“	175.10	“ “
1891—	100,000.00	“	“	168.25	“ “
1893—	100,000.00	“	“	183.04	“ “
1900—	50,000.00	“	“	215.47½	“ “
1903—	50,000.00	“	“	209.15	“ “
1903—	100,000.00	“	“	192.86	“ “
1904—	100,000.00	“	“	200.00	“ “
1904—	250,000.00	“	“	210.00	“ “
1906—	250,000.00	“	“	200.75	“ “
1907—	300,000.00	“	“	190.66	“ “
1907—	450,000.00	“	“	180.44	“ “
1909—	250,000.00	“	“	203.91	“ “
1910—	500,000.00	“	“	199.99	“ “
1911—	384,500.00	“	“	192.64	“ “
1913—	340,500.00	“	“	166.84	“ “
1913—	157,000.00	“	“	161.95	“ “
1917—	478,700.00	“	“	150.00	“ “
	$4,360,700.00	Average price		$184.50	

Thus the average amount paid by shareholders for each $100.00 during the last thirty years is $184.50. Dividends are limited to 10 per cent. per annum upon the par value of the stock, not upon the amount paid therefor. The average income return therefore upon the shareholders' investment is 5.42 per cent.

The low price obtained in 1917, namely, $150.00 per $100.00, was undoubtedly due to the general decline in market values which had taken place in practically all public utility securities, and to the higher income return which investments generally yielded. While in 1909 and 1910 investors regarded a yield of 5 per cent. as a reasonable one for such a security as the stock of the Consumers' Gas Company, and were willing, therefore, to purchase new shares at $200.00, to-day 7 per cent. is regarded as the return which the stock should yield, $144.50 being the market price thereof. These facts are mentioned in explanation of the view held that the company should continue to receive about $200.00 for each $100.00 of new stock sold, as it did years ago; also to point out that while in the past the company could secure new capital moneys at a cost of about 5 per cent. the rate is now nearer to 7 per cent., or an increase of 40 per cent.

Reserve Fund.

The reserve fund in 1915 stood at $3,534,532.00, and now amounts to $3,525,833.00. An examination has been made to determine from what source the fund has been built up. It has been clearly determined that it represents only the premium on capital stock, and has not been accumulated out of the earnings or profits of the company. It represents the excess over par which shareholders have paid for their stock, and therefore is part of the shareholders' cash contribution in the enterprise. If it had been accumulated out of profits, then it would have been necessary to have investigated the effect that such accumulation had upon the price now being charged for gas, to consumers.

Plant and Building Renewal Fund.

The plant and fund is regulated by the company's charter, which provides that it is entitled to carry to it annually 5 per cent. of the value of the plant and buildings in use by the company. There is charged against it all repairs and renewals required to be made to plant and buildings. It has accumulated as follows during the past four years, ending January 31st:—

1915	$1,255,004.00
1916	1,412,257.00
1917	1,537,820.00
1918	1,662,972.00

It might be surmised that the fund is being unnecessarily increased, but when it is remembered that practically all companies have been withholding making important repairs, renewals, extensions, etc., during recent years, owing to the abnormally high cost of money, labor and material, it will be realized that to insure the future continuance and efficiency of the undertaking it is essential that the fund shall be maintained in a strong position, so that when normal conditions prevail the company may proceed with improvements and extensions which have been temporarily deferred. Then again, it must be remembered that at certain intervals in the life of such a utility, extensive and costly work has to be done which far exceeds the annual increment to the fund; and therefore preparation must be made for such emergencies. Not only is the company, by statute, permitted to maintain this fund, as it is doing, but, in our judgment, it is in the interest of the consumer that it should do so, and especially during such abnormal times as we are now passing through.

Results of Operations.

The investigation of the operations of the company for the years 1915 and 1016 reveals the following: After deducting from earnings: operating charges, the dividends to shareholders, and plant and building renewal fund appropriation, there was a deficit for the year ending September 30th, 1915, of $143,274.00; and for the year ending 30th September, 1916, of $97,792.00; both of which deficits were charged to the reserve fund. In the year ending 30th September, 1917, the earnings of the company did not permit it to set aside the full statutory 5 per cent. to plant and building renewal fund; otherwise there would have been a deficit of $46,311.00, which therefore may be regarded as the deficit for that year.

These deficits have had the effect of reducing those funds to an amount below what they should normally be, and it is quite evident that a continuance of this policy would not only be a serious matter for the future welfare of the company, but also for the consumer.

Cause of Deficits.

In order to determine the cause of the deficits referred to, an examination has been made into the chief items which enter into the cost of operation.

In 1917 there was utilized 211,320 tons of gas coal, which for our purposes may be assumed to be the amount which will be consumed in 1918, although it is claimed that in view of the greater demand for gas, a larger volume will be required. The increase in the price of gas coal, compared with that paid in 1915 is $2.3443 per ton. This represents an excess cost for gas coal alone of $495,397.48 or 63 per cent. The quantity of gas oil consumed in 1917 was 4,810,688 gallons; the increased cost per gallon over that paid in 1915 was 3.894 cents, or a total of $187,328.19, an increase of 81 per cent. The amount of fuel consumed in 1917 was 126,726 tons; the increased cost per ton over that paid in 1915 was $1.511, which represents a total increase in cost of $191,483.00, or 40 per cent. The price paid for labor, according to an analysis made, has increased 42 per cent. since 1915, which represents an increase of $192,426.00. Taxes have increased $73,214.00 since 1915. Thus, the aggregate increase in cost of operation, as compared with conditions in 1915, will amount to no less than $1,139,849.00.

A comparison was also instituted of costs in 1916 with those prevailing in 1918. As in the previous comparison, the same quantities of supplies for 1917 were taken as a basis for 1918 expenditure. It was found that the aggregate increase in cost of the several items previously enumerated will amount to $1,076,766.00.

And then, again, a comparison was made of costs in 1917, with those now prevailing, on the same assumption as to material and labor, when it was found that for 1918 the cost will be $595,076.00 in excess of that of 1917.

(Concluded on page 48)

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of Canada

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THE MOBILIZATION OF LABOR

The acute situation that has developed in the labor market, both in Canada and the United States, again brings to the fore the perennial problem of properly mobilizing the nation's labor power. The outbreak of war found Canada faced with a serious situation, in which unemployment and the closing down of industries brought the country to the verge of an economic crisis. The same situation arose in the United States, giving the utmost concern to the authorities everywhere. For a time attention was centered upon the problem of finding work for the unemployed; but the sudden expansion of war work reversed the whole situation and submerged the problem, for the time being, of how best to co-ordinate the labor and industry of the nation.

It is a problem, however, that will not down. It has been extremely difficult since the outbreak of war to find the labor essential for carrying on fundamental war work, both in manufacturing and in agriculture. In the latter, the most difficult phase of the situation is the securing of labor for seeding and harvest. Agriculture, no doubt, is the outstanding example of a seasonal occupation; but there are also many seasonal trades which cause a surplus of labor to emerge at more or less regular intervals. This labor, in the past, has been largely wasted; and there has been also an extravagant waste of labor energy through under-employment, over-employment and the failure, in general, to adequately co-ordinate the labor and industry of the nation.

While the several provinces of the Dominion, and the individual States of the Republic, have had labor bureaux of one sort or another for the providing of men with jobs, and jobs with men, nevertheless, these vital functions have been but poorly performed. Ontario has made a splendid beginning; but the other Canadian provinces lag far in the rear, in the solution of this problem. The truth seems to be that the efficient directing of the country's labor force can be accomplished only under federal authority. The United States has afforded sufficient example of the inefficiency of purely local administration of surplus labor.

A system of federal labor bureaux would effect many economies and cut down the expenses of administration, because directed by a single executive head. It is reasonable to expect that a superior personnel would be secured under the federal supervision of labor bureaux, since those employed therein could be brought under the scope of the Civil Service Act. Moreover, it is necessary to take the national view of the labor problem; to rise above local prejudices; to win the support of organized labor; and, above all, to swing the prestige of the federal government and parliament behind the whole scheme. But, whatever the best solution may be, it is of imperative importance that the problem be attacked now, to the end that our economic life shall not be dislocated at the close of the war.

RECONSTRUCTION IN UNITED KINGDOM

The British Labor Party, a short time since, gave to the world its programme of political and economic reconstruction after the war—a programme which, if carried into effect, is destined, according to the belief of Mr. Arthur Henderson and his confrères, to lay the foundations of a new social order. No doubt the labor parties and the Socialists of Europe expect peace to usher in full democratic control; but they are likely to be disappointed insofar as changes of a fundamental nature in diplomacy, politics and industry are to be accomplished overnight.

Specifically, the British Labor Party demands the enforcement of a minimum wage for all workers; the democratization of industry by giving labor a voice in its management; the shifting of taxes to large incomes and fortunes made during the war; and the appropriation of the surplus wealth of the nation for the common good. These are glittering phases. To what extent can they be translated from the realm of theory and speculation into the hard facts of everyday life?

At the conclusion of the war the United Kingdom will face a stupendous task in dealing with the demobifization of 8,000,000 workers, 5,000,000 of whom are at present engaged in military and naval service. To throw this vast labor force upon the country at a time when war orders have ceased, would effect economic paralysis. The British Labor Party has at least made one constructive proposal—that plans be immediately perfected for the carrying on of great national works, so that unemployment will not be permitted to develop, at least to any appreciable degree. The government of the United Kingdom has itself declared its intention of spending £300,000,000 sterling upon the building of cottages for the working class. Great power stations for the development and distribution of electrical energy may also be undertaken, as well as the extension of the nation's system of light railways and canals. It is obvious that, if national enterprises on a huge scale are started, the demand for materials from private industry will gradually result in the re-establishment of the normal trade and industry of peace.

We are not at all convinced that the war has demonstrated the superiority of State administration over private enterprise, or the capacity of uniformed masses of men to direct and control industry. As for a minimum wage, it is clear that labor cannot get more than it produces—and not even all that it produces; for otherwise capital would not be attracted to fields that prove unprofitable. Inordinate labor demands will kill industry, both domestic and foreign; for it is plain that a high level of wages, and excessive costs of production, diminish a nation's power to compete in the neutral markets of the world. The future of labor is to be found, not in short hours, inefficient work, and artificial wages, but in technical and trained efficiency and increased production. A just return to capital, commensurate with the risks of industry, and the loyal co-operation of trained and efficient labor will do more to safeguard the standard of living and advance true democracy than the vaporings of any Bolsheviki class, whether at home or abroad.

CANADIAN MANUFACTURES AND THE TARIFF BOARD

The Canadian Manufacturers' Association appears to have definitely decided to reopen the tariff issue. The plan of campaign has been very thorough, and involves not only activities of the association itself, but also of co-operating organizations. A few weeks ago the Canadian Industrial Reconstruction Association was formed, with the avowed purpose of considering after-the-war problems of industry and trade. The president of the association is Sir John S. Willison, and the directorate is practically identical with Canadian manufacturers' interests. Now it has been proposed that a tariff board should be created, which would be a government body having for its duties the investigation of tariff questions.

Mr. S. R. Parsons, in his speech last week, at the annual meeting of the Manufacturers' Association, presented a strong case for the interests of manufacturers in Canada. Generally speaking, no use was made of any "infant industry," or other time-worn arguments. He presented his case straightforwardly as in the interests of Canadian manufactures. What he did succeed in doing was in pointing out the prominent patriotic part which they have played in the war, and certain reasons why their interests should be maintained.

Whether it is intended that a general programme of higher tariffs will be put forward, remains to be seen. According to the manifesto of the Canadian Industrial Reconstruction Association, this would seem to be the case. The present is, however, a decidedly inopportune time for a program of this kind, and it would inevitably lead to the breaking up of the Union Government and of a recurrence of party politics more bitter than before. If, on the other hand, it is merely the intention to maintain the present degree of production, the activity on the part of the manufacturers would seem to be somewhat unwarranted. The agricultural interests in Canada have, without doubt, advanced enormously during the past few years, both in organization and in prosperity, but, as yet, there has been no organized attack upon protection. It may be the intention of the manufacturers to anticipate a move of this kind, but this is not yet known.

In view of the condition of the national finances, the reduction of any source of revenue is not probable. Judging from the last budget speech, moreover, it is evidently the intention of the government to evade the issue entirely, and to regulate trade by direct action in the way of embargoes and other trade restrictions.

THE BUSINESS PROFITS TAX

With a view to encouraging discussion of the business profits tax, the Toronto Bureau of Municipal Research has issued a pamphlet requesting opinions of it. The bureau mentions the four test questions as to the desirability of any mode of taxation. These questions are: First, Is it equitable, that is, capable of being levied with fairness? Second, Is it convenient to collect? Third, Can it be collected economically? Fourth, Is it conducive to the public benefit?

The pamphlet quotes the answers given in 1912 by the president of the Ontario Municipal Association. Regarding the first question, he states that the business tax is not levied according to whether the individual is or is not able to pay it. It is levied if the property is put to good use and is not levied when the property remains idle. There seems, in fact, to be a general impression that a business profits tax discourages industry and the profitable use of capital. If the business tax were the only tax we had, unquestionably this would be the case, and there would be a tendency for property to be left idle, which otherwise might be actively employed. When, however, substantial property taxes are levied, the same argument does not hold. It could equally be applied to the income tax for the latter places a tax upon abilities profitably and usefully employed, while it leaves untouched those which remain in idleness. The same thing would apply to income derived from investments according to whether it were intelligently and wisely invested, or merely remained comparatively unproductive.

As to the second question, it will be admitted that the collection of the tax is attended with some difficulties. These difficulties are, however, almost entirely confined to the matter of assessment and they are no greater in this case than they are frequently in the assessment of income or property taxes. The same may practically be said regarding the third question. In answer to this one, the president of the Ontario Municipal Association referred to the frequent cases when the premises at the time of collection were occupied by persons other than those who occupied them at the time of assessment. This is, no doubt, an objection, but it is merely a question of detail, and does not affect the equity or inequity of the tax.

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EVILS OF OVER-INSURANCE

Fire Chief Tremblay, director of public safety of the province of Quebec, stated recently that many city fires have occurred because properties and stocks were over-insured by so-called insurance agents. He said that one of his firemen, acting on instructions, had secured fifteen policies of $500 each on the furniture in his house. Regarding losses in Canada generally, Mr. Tremblay said: "The fire losses in this country are enormously more per capita than anywhere else in the world, and I hope our governments will take vigorous measures. Fifty per cent. of the fire wastage can be stopped if proper laws were made and enforced. The loss in Canada from fire per capita is $3.58."

UNITED CANADIAN INSURANCE MANAGER

(The Monetary Times Photo.)
CHAS. E. BERG.

Readers of *The Monetary Times* will be interested to learn that Mr. Charles E. Berg, well known in insurance circles on account of his work in connection with the founding of the Hudson Bay Insurance Company and his successful management of that company until it was purchased by the Royal Insurance Company of Liverpool, England, has re-entered the field of insurance. His especial concern at the moment is the management of the United Canadian Insurance Company, with head office at 510 Hastings Street W., Vancouver. This company recently secured a Dominion charter. Mr. Berg has been connected with insurance since 1898. It was in 1905 he moved to Canada from North Dakota and organized the Hudson Bay Insurance Company, the head office of the company being subsequently moved to Vancouver.

The connections which Mr. Berg brings to his new task will stand him in good stead, while his managerial experience will prove decidedly advantageous to him in this new enterprise.

PUBLICATIONS RECEIVED

Regulation of Railways.—By S. O. Dunn, editor of the Railway Age. By reason of the author's close connection for many years with railroads he is able to speak with considerable authority on this question. Besides a discussion of regulation, a number of chapters are also devoted to a comparison of the advantages of government as compared with private ownership. The general conclusion is in favor of the latter. The book is especially serviceable to Canadians by reason of the fact that two chapters are devoted to Canada's experience in the government ownership of railways. The various events since the United States entered the war in 1917 are also explained. Appleton and Company, New York, $1.75.

PERSONAL NOTES

MR. W. J. TAYLOR, of the Woodstock "Sentinel-Review," and "Rod and Gun," has been elected president of the Canadian Press Association.

MR. W. H. SOMERVILLE, A.I.A., has been appointed secretary of the Mutual Life of Canada, succeeding Mr. Charles Ruby, who was recently appointed manager.

MR. J. WALTER WARDLAW, who began his railroad career with the Grand Trunk Railway at Toronto, has been appointed general manager of the Central Vermont Railroad, with office at St. Alban's, Vt.

MR E. R. WOOD has been appointed chairman of the committee in charge of the next Victory Loan campaign. Various matters relative to the coming loan are being discussed at a meeting of the Toronto bond dealers to-day.

MR. GEORGE H. THOMPSON, of Quebec, vice-president of the Union Bank of Canada, has been elected to the board of directors of the Bell Telephone Company of Canada. Mr. Thompson replaces the late Mr. C. F. Sise, on the board.

MR. GEORGE INNES MACKENZIE, formerly of the Regina Brokerage and Commission Company, is now in charge of the casualty department of Oldfield, Kirby and Gardner, Winnipeg, in place of Mr. J. Elmer Woods, who has gone to the war.

MR. A. L. CROSSIN, of Oldfield, Kirby and Gardner, Winnipeg, was a visitor to *The Monetary Times'* office this week. Mr. Crossin is on his way to Ottawa to attend a meeting of the Second Victory Loan Committee, called for Tuesday of next week.

MR WILLIAM J. HETHERINGTON, who was manager of the William Laking Lumber Company, and the Riverdale Lumber Company, died at his home 61 Prince Arthur Avenue, Toronto, last week. Born in Toronto, 51 years ago, Mr. Hetherington was raised and educated in this city. He was a member of the Independent Order of Foresters and of Zetland Masonic Lodge.

CROP ACREAGE FOR 1918

The North-West Grain Dealers' Association has completed an estimate of the acreage in crop as on June 8th, 1918, showing also a comparison with the figures for last year. The estimate (in acres) is as follows:—

	Dominion government census.		
	1917.	1918.	Increase.
Wheat	13,619,400	15,526,100	14.0%
Oats	8,559,500	9,133,000	6.7%
Barley	1,850,000	1,955,500	5.7%
Flax	909,800	1,000,000	10.0%

Progress of the grain movement is reported on June 8, 1918, as follows:—

	Bushels.
Wheat inspected to date	151,579,000
Wheat in transit, not inspected	1,559,000
Wheat in store at country points	3,686,000
Wheat used for seed, feed and country mills	35,000,000
Wheat in farmers' hands to market	2,000,000
	193,824,000
Less dual inspection (estimated)	3,000,000
Total wheat crop	190,824,000
Oats inspected to date	54,966,600
Oats in transit, not inspected	363,000
Oats in store at country points	1,844,000
Oats in farmers' hands to market	2,000,000
Barley inspected to date	9,142,900
Barley in transit, not inspected	50,700
Barley in store at country points	352,000
Flax inspected to date	4,927,600
Flax in transit, not inspected	20,000
Flax in store at country points	247,700

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GERMAN SHIPPING AFTER THE WAR

Germany Will Find Herself in the Background After Years of Inactivity

The following article, written by Herr Oskar Linder, of Hamburg, a well-known German authority on shipping, appeared recently in the "Norddeutsche Allgemeine Zeitung," of Berlin, and was later translated in "Commerce Reports":—

With no branch of Germany's economic life has the world war played such havoc as with German oversea shipping. A good two-thirds of the collective German trade fleet has, up to the present, through seizure or capture, fallen into the possession of the enemy or been sunk, or else appears to be greatly imperilled.

To this must be added the frequently overlooked fact that German oversea shipping firms have, since the beginning of the war, despite the absence of any income worth mentioning, been obliged to spend, month in and month out, enormous sums for keeping their ships lying in neutral harbors in good condition, for harborage, and for the hire and support of the seamen on these ships—expenditures which have, of course, gradually become less with the entrance of the majority of the States originally neutral into the coalition against us, yet which still to-day require considerable quotas. There must, furthermore, be added the taxes at home, the cost of keeping in condition the ships lying here, the usual business expenses, the support of those employees who have joined the colors and of their dependants, and much besides.

The handsome profits which some of the large German shipping firms have gathered since 1916 through the transportation of iron ore and coal in the Baltic Sea can, in the face of these expenditures, hardly be considered as more than a drop upon a hot stone.

If the predicament of the German oversea shipping firms appears on the very face of matters to be an extremely difficult one, it appears still more perilous when it is compared with the foreign competition that it must meet on the world's seas after the end of the war, for the shipping companies of the neutral and enemy countries have earned altogether fantastic sums during the years of the war. They have thereby not only been in a position to declare dividends of unprecedented size, but have in addition to this also transferred vast sums to reserve and emergency funds, whereby their ability to compete against the weakened German shippers has increased to such an extent that one cannot but face the coming war of competition with concern.

Neutral Shipping Has Gained.

There has, furthermore, arisen in the neutral countries a lot of new and, at the same time, exceptionally well capitalized shipping enterprises that will likewise have a weighty word to say in the shipping rivalries after the war. Thus, for example, in Norway, which surpasses all other countries in this respect, there were established in 1915 no less than 488 new shipping firms with a total capital of 120,000,000 crowns [at normal exchange the crown is worth $0.268 United States currency]; in 1916, 459 more firms, with a collective capital of 353,400,000 crowns (according to other estimates actually 550,000,000 crowns).

How large the profits of the shipping companies of the neutral and hostile countries are, may be indicated through a few examples. Norwegian shipping firms, which have paid the highest dividends of all (up to 400 per cent.), can here be ignored, as it is our purpose to describe the alterations in the regular navigation service and the Norwegian shipping undertakes principally tramp service. Important, on the other hand, are the figures for the Swedish firms, which, before the war, were considerable feeders of the standard German lines, but which have now become so strong that they have entered upon the regular service themselves or have extended and solidified already existing lines to such an extent that German lines can hardly count on the Swedish traffic in the future. The amounts, for instance, for the year 1916 were:—

Shipping firm.	Stock. Crowns.	Net profits. Crowns.
Svea	8.400,000	10,000,000
Swedish-American Line	4,700,000	9,950,000
Swedish-Lloyd	5,800,000	8,530,000
Transatlantic	4,500,000	12,400.000
Swedish East Asiatic Line ..	4,000,000	6,200,000
Sweden-América-Mexico Line	2,800,000	2.830,000

In 1917 the expansion of Swedish lines made still greater progress—above all, that of the firm Transatlantic, in Goteborg, which, before the war, was an insignificant firm, capitalized at 2,400,000 crowns. This company had at the end of 1917—after several increases in capital which came partly through the distribution of free shares—a capital of 12,000,000 crowns; and, after consolidation with the Sweden-America-Mexico Line (which likewise can look back over a brilliant development during the war), a transportation capacity of 172,000 tons. Of late the Transatlantic is said to have undertaken an additional increase in capital of 1,200,000 crowns in order to take over the bonds of the Viking Company. This consolidation would give the Transatlantic concern a fleet of 44 vessels with a carrying capacity of 216,000 tons. In addition, 10 steamers, of 8,000 tons capacity each, are said to have been ordered. The company intends to extend still more its lines, which now go to all parts of the globe, especially those to North and South America; and, when it gains control over considerable ready money, it will constitute a competition against the German North American lines and against the Hamburg South American steamship companies, that must be taken very seriously.

Of the other Swedish shipping firms, we might mention here the Svea concern, which has increased its capital to 16,800,000 crowns, and owns a fleet of 67,000 tons capacity; also the Swedish Lloyd, whose capital before the war amounted only to about 1,900,000 crowns, but has now been increased to 9,700,000 crowns, with a corresponding increase in tonnage.

Of great importance for an estimate of the future of our shipping combines is the progress which the two largest Danish lines—the Forenede, which sails to North America; and the Estasiatisk Kompagni, which, as the name suggests, runs lines to east Asia—have made during the war. The Forenede, for instance, made in 1916, with a stock capital of 30,000,000 crowns, a net profit of no less than 40,000,000 crowns, of which a good 10,500,000 crowns was allotted to the reserve and emergency funds. The collective reserves of this company amounted to more than 26,000,000 crowns at the end of 1916; and its bank credits totalled 44,000,000 crowns. The East Asiatic Company, which, besides its shipping, trades in goods, gathered a net income of 47,800,000 crowns on a capital stock of 15,000,000 crowns.

The large Dutch shipping firms have likewise made enormous profits. The following table presents their results for 1916 [the Dutch florin, or guilder, is worth $0.402 United States currency at normal exchange]:—

Shipping firm.	Stock capital. Florins.	Net profits. Florins.
Holland-America Line ...	12,000,000	26,500,000
Stoomvaart Mij. Nederland	19,000,000	18,600,000
Kon. Nederl. Stoomboot Mij.	15,050,000	19,000,000
Rotterdamsche Lloyd	15,000,000	15,100,000
Kon. Hollandsche Lloyd ..	10,000,000	10,900,000

The example of the Holland-America Line shows best what enormous progress took place in the inner consolidation of the Dutch firms. The reserve of this company, which in 1913 amounted to 6,600,000 florins, grew to 24,800,000 by the end of 1916—in other words surpassed the previous stock capital (which in the meantime had been increased by 15,000,000 florins) by more than double. In addition, the company has available funds amounting in all to 21,700,000 florins. The reserves in the Nederland company, which have increased in the same period from 6,700,000 to 23,000,000 florins, exceeded the capital by 4,000,000 florins. The available funds of the Rotterdamsche Lloyd amounted at the end of 1916 to about 25,000,000 florins, with a share capital of 15,000,000 florins and a ready reserve of 16,000,000 florins.

Japan's Progress is Phenomenal.

But the business successes of the neutral European shipping firms are far surpassed by the earnings of the Japanese oversea lines. Thus the largest Japanese shipping firm, Nippon Yusen Kaisha, that sails from East Asia to all the important shipping markets, had a net profit in the summer half-year 1916 of 19,780,000 yen [the Japanese yen is equivalent to $0.498 United States currency]; in the winter half-year 1916-1917 actually 22,150,000; in a singe fiscal year it earned. therefore, about 42,000,000 yen. The company's capital stock amounted at the end of the fiscal year of 1916-1917, after a previous increase through the distribution of free shares, to 27,500,000 yen, the net profits of this single company being thus about 15,000,000 yen more than the amount of the capital.

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The company's fleet has grown considerably. The total available reserves amount to nearly 63,000,000 yen. Of ready money the company had at its disposal at the end of March, 1917, 55,300,000 yen. According to reports on hand, the company is supposed to have raised its capital in the meantime to 100,000,000 yen. That German firms running lines to Asia—that is, the Hamburg-American Line, the Norddeutsche Lloyd, the Hansa and the German-Australian Steamship Company—will be in a difficult position should there ever arise competition with these Japanese shipping firms, and that no amicable settlement need be expected, requires no emphasis.

The shipping firms of the other countries of the Entente have likewise, especially those of England, obtained exceedingly large war profits. And even though they may in a way have suffered considerable losses in ships through the submarine war, the large English, French and Italian owners of lines (and alone their rivalry is to be feared) have in consequence of these very earnings been able to maintain their fleets for the most part at the normal number, and in some cases to enlarge them, by buying out smaller companies. Besides, they are in possession of considerable ready money, which gives them an immense advantage over German companies.

The important Cunard Line had, for instance, in 1916, with a capital of £3,800,000 sterling (£1,000,000 of which went to a new issue of shares) a net profit of £2,350,000, as against £1,350,000 in 1915 and only £891,128 in the good shipping year of 1913. [The British pound sterling is equivalent to $4.8665 United States gold]. The available funds of the company amount to £1,770,000, representing, therefore, nearly half of the augmented capital. The White Star Line has available funds to the amount of £2,100,000; its capital stock aggregates £3,750,000. The Leyland Line has £6,000,000 in ready money, bank credits and securities, whereas its capital amounts to only £1,200,000 original stock and £1,700,000 preferred stock and bonds.

In the case of the French and Italian shipping firms there are, in addition to the war profits, quite recently granted subsidies which are to serve the purpose of enhancing the competing power of the national fleet in the period following upon the war. In France credits to a total amount of 360,000,000 francs [the franc is worth $0.193 United States gold] have been granted for the purchase and construction of seaworthy ships, to which it must be added that French shipping already before the war enjoyed the highest subsidies in the world. In Italy, besides an appropriation of 165,000,000 lire [lira equals $0.193 at normal exchange], exemptions from taxes for a period of several years for purchased and for new ships alike and premiums on construction have been granted. Thus, a new firm has been established under government patronage with a capital of 500,000,000 lire, a sum alongside of which the capital of the largest of German shipping firms, the Hamburg-American Line, with its 180,000,000 marks [at normal exchange the German mark is worth $0.238 United States currency], makes a modest impression.

State Assistance Not all Powerful.

A survey of the above data will lead inevitably to the admission that the outlook for the German oversea shipping firms after the war is by no means rosy. The German government's gratifying measures of assistance in favor of the shipping trade do not alter the situation in the least. For even if the shipping firms are granted considerable sums for the construction of ships to replace the ones lost, in accordance with the provision for the reconstruction of the German merchant marine, yet, on the other hand, the sums to be paid out according to the law are so adjusted that even in the most favorable cases the shipping firms have at least to bear a portion of the cost of reconstruction, equivalent to the value of the ship in peace times. The indebtedness of the shipping firms will therefore, in spite of the law, be subjected to a still greater increase before they obtain possession of sufficient tonnage to enable them to resume the struggle for their former fields of activities. This fact alone reveals plainly enough that the law amounts much less to a patronage of the shipping concerns than a measure for the extension of German foreign trade, of German economic life in general, which without a speedy reconstruction of the German merchant marine would have to pay millions of marks yearly to foreign countries, if any even approximately sufficient tonnage be put at its disposal at all, considering the scarcity of ocean-going vessels.

The material presented above proves in addition how little the immediate bourse speculation in shipping stocks ensuing upon the publication of the law is actually justified. German shipping firms will have to apply every possible energy and influence in order to reconquer their former place in the sun. As things are situated there need be expected no handsome dividends for years to come, even should the high freight rates now prevailing be paid for any considerable time after the war, which possibility is justly doubted in shipping circles. The profit of the first few years will in all likelihood be appropriated, for the most part, for the immediate payment of the obligations assumed during the war and for those to be assumed for the reconstruction of ships, as well as for the completion of the reserve funds, which naturally will have to be put to considerable use.

TORONTO STOCK EXCHANGE OFFICERS

At the annual meeting of the Toronto Stock Exchange, held on Tuesday, the 18th inst., the following officers and committee were re-elected: President, H. R. Tudhope; vice-president, Geo. W. Blaikie; secretary, O. Heron; treasurer, E. G. Wills; committee, D. S. Cassels, Edward Cronyn and Stewart B. Playfair.

(British and Colonial Press Photo.)

HILTON R. TUDHOPE.

Mr. H. R. Tudhope, the president, is a member of the firm of A. E. Ames and Company. He was born in Orillia, Ont., in 1877 and was educated at Gravenhurst public and high schools. He began his business career as a clerk with Messrs. Ames and Company in 1896, and became a member of the firm in 1898. The vice-president, Mr. Blaikie, is head of the firm of Geo. W. Blaikie and Company.

SIR THOMAS WHITE IN WASHINGTON

Sir Thomas White has been in Washington during the past few days, discussing the commercial and financial relations of Canada and the United States. The principal one is that of the coming war loan. An unprecedented level is to be set as the goal of the loan in Canada, and the Fourth Liberty Loan in the United States, to the amount of $6,000,000,000, will, it is expected, be open about the same time. It is understood that the minister will be back in Ottawa next week for a conference with the heads of the various committees connected with the last war loan, and that the terms of the coming loan will be thoroughly discussed.

Another question which is engaging his attention in Washington is that of trade and exchange relations between Canada and the United States. New York exchange is now quoted here at over 2 per cent., and the balance of trade is heavily against us. Some remedy is to be sought, either in the form of trade restrictions or of a Canadian credit in New York.

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LIFE PREMIUMS AND LOSSES

Some United States Companies Subject to Excess Profits Tax—War Losses Anticipated

General counsel Job E. Hedges, of the Association of Life Insurance Presidents of the United States, has urged the House Ways and Means Committee, which recently sat at Washington, to clarify the excess profits tax section of the war revenue law, so that it could not be held to apply to funds held in trust for policyholders.

The war revenue act of the United States permits corporations to realize a net return of 7 per cent. upon the capital invested in their business without liability to the excess profits tax. The average returns realized upon investments of life insurance companies does not exceed 5 per cent. By technical ruling of the treasury department, the companies legal reserves are denied recognition as invested capital. As a result of this ruling, many of the companies may be made to appear liable to the excess profits tax, notwithstanding the fact that the ratio of their gross earnings to their actual invested capital is at least 2 per cent. lower than the rate permitted to ordinary corporations without payment of an excess profits tax.

With life insurance companies relieved of the excess profits tax upon the ground that they did not earn excess profits, they would still be liable to the same income tax as all other classes of corporations, as well as to the special tax of eight cents per $100 of new insurance, which other classes of corporations do not pay.

Army and Navy War Insurance.

Mr. Hedges showed the economic and social service rendered by life insurance in readjusting conditions due to untimely death. He also dwelt upon the government's endorsement of the principal of life insurance, saying: "You have in fact organized the entire army and navy into a great mutual life insurance company."

The institution of life insurance, Mr. Hedges declared, has been built up, without governmental subsidy, upon mathematical principles into a vast system of voluntary co-operation between policyholders for mutual protection on a basis of cost, plus the expense of administration. The companies are merely administrative agencies. Approximately 8 per cent. of all legal reserve business, including about 60 per cent. of all business carried by stock companies, is on the mutual plan. Of the stock companies only nine earned and paid to stockholders in 1917 dividends in excess of the minimum rate authorized by the excess profits law. The total of these dividends was $436,373, and the average ratio of dividends to capital invested was 8.45 per cent. Only three of these companies exceeded the 9 per cent. minimum rate recognized by the act as exempt from the excess profits tax.

Similarity of Mutual and Stock Companies.

In his illustration of the reasons for and the methods of building up the reserve, Mr. Hedges pointed out to the committee that the net single premium is the capital sum or reserve required to furnish the desired insurance under a paid-up policy, and that since it is generally inconvenient for the insured to pay the net single premium at the outset, it is commuted into convenient annual payments, from which the reserve must be built up by degrees. The aggregate of these reserves contributed by the policyholders constitutes the principal item in the capital of every life insurance company. In a mutual company it is the only capital until a surplus can be accumulated from expense savings or favorable mortality experience. Mr. Hedges continued:—

"The capital of a stock company includes, in addition to the reserves and surplus, the capital stock which merely affords a further guarantee for the payment of the outstanding insurance. Every gentleman on this committee who holds a policy of old line life insurance is a part proprietor of the company. If the company be a mutual one, the policyholders are the only proprietors. If it be a stock company, their interests preponderate."

The character of life insurance investments permitted by law is limited and specifically defined by statute. Safety, not profit, is the aim. Mr. Hedges showed from the records that during the 25 years since 1893 the average return has been less than 5 per cent.

Turning from income to outgo, Mr. Hedges made it clear that outstanding life insurance contracts entered into in times of peace, at rates based on peace mortality statistics, contain no provision for extra war premium—or if they did, they have been waived—and that of necessity the extra losses under these contracts, due to the war, will constitute an additional burden upon the companies to be met out of surplus.

The insurance in force on male lives of the draft age, he said, exceeds three billions of dollars. The best figures obtainable as to the Canadian war losses indicate a ratio in civilian losses in 1916 of about 35 per cent. and in Great Britain of about 20 per cent. Discounting the latter by half, the prediction is warranted that American life insurance companies will sustain an excess mortality of not less than $25,000,000 annually, to defray which no extra premium has been or can be charged.

Mr. Hedges informed the committee that there has been a horizontal decline in the value of securities held by American life insurance companies and that their earning power has also been materially decreased by reason of the low return upon the large subscriptions to Liberty Loans which have been and will be made in pursuance of what the executives recognize as a patriotic duty of the life insurance companies.

LAND HOLDINGS IN SOUTHERN ALBERTA

A pamphlet has been issued by the Lethbridge Board of Trade, entitled "How Much Land a Man Needs." It is pointed out that those who do not burden themselves with too much land will probably be in a more favorable position than those who have more than they can cultivate properly.

"Our best farmers long ago came to the conclusion that the closest approach to thrift and safety in this district lay in a steadily pursued plan of summer fallowing no less than one-third of their acreage each year." The point is illustrated by a Russian parable supplied by President G. R. Marnoch, of the board of trade.

Regarding the city of Lethbridge, the pamphlet states that out of $1,200,000 of sales of farm implements at one branch in Lethbridge in 1917, 92.7 per cent. of it, or approximately $1,100,000, was done in cash. In 1916 82 per cent. of the business, or somewhat less than $1,000,000, was for cash. The prospects for 1918 are considered to be even better than they were in 1917.

YORKSHIRE INSURANCE COMPANY, LIMITED

Among the oldest of British insurance companies is the Yorkshire Insurance Company, which has been established since 1824. According to the report for the year ended December 31st, 1917, another very successful year of business has been concluded. The net premiums from the five departments, after deductions of reinsurance, amounted to $3,045,620, as against $2,414,620 in the previous year. The losses were $1,478,500, this being 48.5 per cent. of the premiums, or an advance of 1.4 per cent. over last year. The sum of $235,335 has been carried to profit and loss, and the reserve for unexpired liability is $1,218,250.

In the employers' liability account the premium income for the year amounted to $571,640, and the claims were $248,165. The reserve for unexpired liability is now $228,660, and provision for outstanding claims $259,245; $100,000 was carried to profit and loss, and the balance carried forward was increased to $270,600.

The premium income in general insurance amounted to $1,556,095, and the claims paid and outstanding were $808,920, or 52 per cent., which is slightly less than last year. The reserve for unexpired liability is $622,450, and, after carrying $125,000 to the profit and loss account, the balance carried forward is increased to $385,685.

The balance at the credit of profit and loss from last year was $396,085, and, after the additions from the different departments, the total was $2,276,150; $1,000,000 was set aside as provision for excess duty, and $550,000 was carried to the general reserve fund. Dividends amounted to $313,220, and $392,930 was carried forward. The general reserve fund now amounts to $2,819,940.

Work is to be commenced shortly in Prince Rupert on eight steel steamships of 8,500 tons each, according to W. P. Hinton, vice-president and general manager of the Grand Trunk Pacific Railway. The vessels will be built by a United States company, using the drydock at Prince Rupert.

Northern Crown Bank

HEAD OFFICE .. WINNIPEG

Capital (authorized) $6,000,000 Capital (paid up) $1,431,200

Rest and Undivided Profits $920,202

A general banking business transacted at all branches

DIRECTORS

PRESIDENT Capt. Wm. Robinson
VICE-PRESIDENT Jno. Stovel
W. R. Bawlf Sir D. C. Cameron, K.C.M.G. E. F. Hutchings
A. McTavish Campbell Geo. Fisher

BRANCHES IN WESTERN CANADA

ALBERTA
Calgary
Edmonton
High River
Red Deer

B. COLUMBIA
Ashcroft
Marpole
Quesnel
Steveston
VANCOUVER
Hastings St.
Mt. Pleasant
Victoria

MANITOBA
Arden
Beausejour
Binscarth
Brandon
Crandall
Glenboro
La Riviere
Melita
Miniota
Pierson
Pipestone
Rathwell
St. Boniface
Ste. Rose du Lac
Somerset
Sperling
Steinbach
Stonewall
WINNIPEG
Portage Ave. and Fort St.
Portage and Sherbrooke
Main & Selkirk
William and Sherbrooke

SASKATCHEWAN
Alameda
Allan
Aneroid
Balcarres
Bladworth
Borden
Brock
Cadillac
Dubuc
Dunblane
Dundurn
Duval
Earl Grey
Fiske
Fleming
Foam Lake
Glen Ewen
Govan
Hanley
Harris
Holdfast
Imperial
Kenaston
Kinley
Lancer
Langham
Laura
Liberty
Lloydminster
Lockwood
Macoun
Manor
Marengo
Maymont
Moose Jaw
Nokomis
Plato
Ponteix
Portreeve
Prelate
Qu'Appelle
Quill Lake
Regina
Rockhaven
Rush Lake
Saltcoats
Saskatoon
Scotsguard
Sedley
Sheho
Stornoway Stn.
Swift Current
Venn
Viscount
Waldeck
Wymark

BRANCHES IN EASTERN CANADA

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Bath
Bracebridge
Brockville
Burford
Cheltenham
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Enterprise
Florence
Inglewood
Inwood
Kingston
Mallorytown
Napanee—Odessa
OTTAWA
Sparks St.
Rideau St.
Wellington St.
Port Dover
Scotland
Seeley's Bay
TORONTO
King St.
Dundas and Chestnut Sts.
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show the interest due on all your investments.

Tables range from 2½% to 8% from 1 day to 368 on sums from $1.00 to $10,000

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Weyburn, Yellow Grass, McTaggart, Halbrite, Midale, Griffin, Colgate, Pangman, Radville, Assiniboia, Benson, Verwood, Readlyn, Tribune, Expanse, Mossbank, Vantage, Goodwater, and Osage.

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H. O. POWELL, General Manager

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Full Stock, or Special Patterns made to order

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It means the happiness and welfare of those most dear.
Ask for Booklet: "Make Your Will."

CAPITAL, ISSUED AND SUBSCRIBED ...$1,171,700.00
PAID-UP CAPITAL AND RESERVE 860,225.00

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Executor, Administrator, Assignee, Trustee, Etc.

HEAD OFFICE: WINNIPEG, CAN.

BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY, VANCOUVER AND VICTORIA

EDMONTON FINANCES

Debt Has Been Kept Down—Heavy Deficit on Street Railway But Other Utilities Showed Surplus

According to the annual statement of the city of Edmonton for the year ended 31st December, 1917, the net debt of the city is now $21,556,948, or about $900,000 less than two years ago. The following is a statement of assets and liabilities as at 31st December, 1917:—

Assets.

Capital—	
Lands, buildings, properties, utilities, etc.	$20,829,931
Expenditures against hypothecated debentures	2,479,044
Unexpended debenture funds, advanced to current account	1,289,798
	$24,598,774
Current—	
Interest	$ 5,795
Taxes receivable	6,157,075
Accounts receivable and suspense	301,906
Stores and loose tools	410,449
Capital expenditures unprovided for by sale of debentures	237,570
	$ 7,112,796
Total assets	$31,711,571

Liabilities.

Capital—	
Debentures issued (less sinking fund investment)	$21,556,948
Current account (on debentures hypothecated)	2,479,044
Capital surplus	562,781
	$24,598.774
Current—	
Bank overdraft and special loans	$ 2,945,303
Accounts and bills payable	744,638
Advanced from capital account	1,289,798
Accrued debenture interest and redemption	1,542,398
Sundries	186,892
Reserves for overhead depreciation	395,673
Revenue surplus	8,091
	$ 7,112,796
Total liabilities	$31,711,571

The expenditure and revenue for the year is summarized as follows:—

Expenditure.

Departments—	
Assessor and tax collector	$ 19,693
Auditors	1,500
Building inspector	4,042
Children's Shelter	10,924
City clerk	4,381
City hall maintenance	9,820
Commissioners	8,928
Comptroller	8,847
Engineer	13,654
Farm gaol	1,545
Fire (including water for hydrants)	145,584
Health and cemeteries	16,563
Legal and claims	7,053
License and collections	7,906
Markets	5,357
Parks	10,486
Police (including commission)	84,643
Pound	3,181
Sewer maintenance	10,326
Street lighting	45,122
Street cleaning and scavenging	72,442
Streets (maintenance and repairs)	31,664
Streets (fountains and water troughs)	2,132
Streets (maintenance of boulevards)	3,289
Streets (drainage)	5,786
Streets (destroying noxious weeds)	343
Treasurer	6,017
Miscellaneous	59,557
Grants and donations	53,728
Interest and exchange	445,004
Debenture interest and redemption	1,290,696
Surplus for year 1917	8,091

Revenue.

Departments	$ 43,641
Miscellaneous	15,175
Assessment	2,127,488
Interest and exchange	179,421
Net surplus from 1916	41,591
Total revenue	$2,407,318

The total assessment of Edmonton is now $112,430,190, and the net assessment $160,917,090. The tax rate for the year was 26.50 mills, and including frontage taxes and arrears of water rates, yielded a total of over $3,000,000.

The net assessment in 1914 was $191,283,970, so it has been practically cut in two. Between 1911 and 1912, it made a most remarkable jump from $46,494,740 to $123,475,070. The tax rate is now at its highest point in the history of the city, the rate of 21 mills last year having been exceeded only in 1901 by one-half mill.

BRITISH COLUMBIA INSURANCE COMPANIES

Fire Losses Low — Miscellaneous Business Generally Satisfactory

The ratio of fire losses to premiums on the business written in British Columbia during 1917 was 24.5 per cent., which is an extremely low rate. Only one company incurred a loss greater than its premiums, and in this case the difference was not large. The returns of some of the more important companies were as follows:—

	Premiums.	Losses incurred.	Losses paid.
Phœnix Assurance	$254,359	$ 79,693	$102,899
Liverpool and London and Globe Insurance	164,577	27,273	33,122
Royal Insurance	110,609	29,878	38,258
Commercial Union Assurance	104,969	41,903	40,612
Hartford Fire Insurance	96,904	14,316	11,721
Guardian Assurance	95,248	17,875	28,400
London and Lancashire Fire Insurance	90,215	27,730	23,134
Northern Assurance	78,942	16,801	16,773
Queen Insurance	74,940	18,943	23,943

Miscellaneous Insurance.

The returns of miscellaneous insurance are as follows:—

	Premiums.	Losses.	Ratio of losses to premiums.
Accident	$197,510	$110,947	56%
Sickness	50,621	21,157	42%
Liability	68,712	103,920	151%
Automobile	134.417	50,597	38%
Burglary	2,746	130	5%
Guarantee	35,216	9,545	27%
Plate glass	31,844	12,369	40%
Marine	283,449	152,880	54%
Livestock, steam-boiler, sprinkler leakage, inland transportation & explosion. (Indicated by initial letters)	5,511	227	4%
	$809,031	$461,776	57%

The liability insurance, which will be observed, is the only case in which the losses were greater than the premiums. There were 61 companies writing miscellaneous insurance during the year.

Mr. Darwin P. Kingsley, president of the New York Life Assurance Company, has completed his eleventh year in that office. During this period the company has progressed steadily, and is keeping up its record for the present year. The total business for the first twelve days of this month is $15,180,000 as against $12,671,000 for the same period in June last year.

Women Should Make Wills

It is quite as important for women to make their Wills as for men. In either case, it is of prime importance to appoint an Executor who will have the time and ability to do full justice to the Estate. Appointing individuals as Executors is frequently unsatisfactory on account of an individual not having the experience, the leisure or the willingness to properly carry out all the details essential to successful administration.

Let Us Send You Our Booklet on Wills.

THE
TORONTO GENERAL TRUSTS CORPORATION

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Branches: Ottawa Winnipeg Saskatoon Vancouver

Chartered Trust and Executor Company

(Formerly The Title and Trust Company)

Is authorized to act as Administrator, Receiver, Executor, Liquidator, etc., without giving security.

An estimate of the Company's charges for acting in any Trustee Capacity will be gladly given. Enquiries solicited.

Board of Directors

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Chartered Trust and Executor Company

Traders Bank Building Toronto

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HEAD OFFICE, BRANDON

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Acts as Executor, Administrator, Trustee, Liquidator, and in any other fiduciary capacity.

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company

WINNIPEG, Man.

Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

The Union Trust Company, Limited

Toronto

HENRY F. GOODERHAM, President

JAMES K. PICKETT, General Manager.

The Standard Trusts Company

DIVIDEND No. 28

Notice is hereby given that a Dividend at the rate of 9% per annum on the paid-up Capital Stock of the Standard Trusts Company has been declared for the half-year ending 30th June, 1918, and that the same will be payable at the Head Office of the Company, 346 Main Street, Winnipeg, on or after the Second day of July, 1918.

The Transfer Books will be closed from the 16th to the 30th of June, both days inclusive.

By Order of the Board.

WILLIAM HARVEY,
Managing Director.

Winnipeg, June 3rd, 1918.

CANADIAN FINANCIERS TRUST COMPANY

Head Office - - Vancouver, B.C.

TRUSTEE EXECUTOR ASSIGNEE

Agents for investment in all classes of Securities.
Business Agent for the R. C. Archdiocese of Vancouver.
Fiscal Agent for B. C. Municipalities.

Inquiries Invited

General Manager Lieut.-Col. G. H. DORRELL

National Trust Company

Limited

DIVIDEND NOTICE.

Notice is hereby given that a dividend for the three months ending June 30th, 1918, at the rate of

TEN PER CENT. PER ANNUM.

has been declared upon the Capital Stock of the Company, and that same will be payable on and after July 1st, 1918.

The Transfer Books will be closed from the 20th to the 30th June, both days inclusive.

By order of the Board.

W. E. RUNDLE,
General Manager

Toronto, June 5th, 1918.

RENT AND USE AND OCCUPANCY INSURANCE

Possibility of Loss and Income is Insurable as Well as Property

Mr. C. A. Macmorran, insurance manager for British Columbia of the London and British North America Company, Limited, discusses rent and use and occupancy insurance in the "Vancouver Sun," as follows:—

Few property owners fail to protect their buildings by fire insurance, but very many people, whose income is entirely dependent on rentals, neglect to provide for suspension of their source of revenue due to their building being rendered partially or completely untenantable by fire. In a similar manner, manufacturers frequently overlook that they can protect by insurance their loss due to cessation of business activities during the period required to repair or rebuild the premises damaged by fire. Possibly, therefore, a brief outline of what insurance companies contract to cover under a rent policy and under a use and occupancy policy, respectively, may be of interest. The following is the rent clause commonly used:—

"This insurance is to cover the rentals of the stipulated buildings, whether occupied or unoccupied. The liability of the insurers shall not, however, in any event, exceed the net rentals as defined in section 3 hereof, being received at the time of the happening of the fire or that may be actually under lease, together with the estimated rentals of the unoccupied portion or portions of the said building.

Terms and Conditions.

"This insurance is hereby granted by the insurers and accepted by the assured, on the following terms and conditions:—

"(1) The insurance shall cover the net rental of said buildings from the time of the occurrence of the fire and for the period necessary for reinstatement, not exceeding in all one year's net rental or the sum insured.

"(2) In case of total or partial destruction of or loss by fire to the building, it shall be deemed to be the duty of the assured, as a basis of settlement of the loss of rent, to rebuild or repair, as the case may be, the premises with all despatch. Loss to be computed from the date of the occurrence of said fire, and to be determined by the time it would require to put the premises in tenantable condition.

"(3) The liability of the insurers shall be further limited to the actual or estimated net rental of the building—i.e., after deduction has been made for the partial or total discontinuance of heating, lighting, cleaning, elevator service, taxation and for any other saving, however caused.

"(4) The assured undertakes to maintain insurance concurrent with this policy to the extent of the full yearly rental of the premises, as defined in section 3 hereof, and in the event of the assured failing so to do he shall be a co-insurer for the deficiency.

"(5) In the event of any disagreement, either as to the period necessary for reinstatement, the estimated rentals of any unoccupied portion or portions or of the actual net loss sustained by the assured, the same shall be left to the judgment and determination of appraisers or arbitrators, as provided in the printed conditions of this policy."

No Hardship Imposed.

It will be observed that the assured is required to carry insurance to the extent of the full "net" yearly rental of the premises, or himself be a co-insurer for the difference, and that the insurance company excludes liability for janitor's services, cost of fuel, etc.. as such expenses would be reduced, if not entirely eliminated, during the time necessary to render the building tenantable. This latter provision does not impose any hardship on the assured, however, for, of course, the co-insurance requirements would only apply if the assured had not maintained insurance to the extent of the full "net" rentals—i.e., after deducting said janitor's services, cost of fuel, etc.

The rate for rent insurance on all classes of building, wherever situated and however occupied, is 50 per cent. of the gross rate of the building, the expectation being that not more than 50 per cent. of the face value of a policy can be realized upon, six months being considered sufficient time in which to restore the damaged building.

With respect to use and occupancy insurance, no form can be laid down for general use, nor can any rates be fixed, as the different cases necessitate individual treatment. For example, a plant may operate full time during the summer months and only half time, or not at all, during the winter, and this would necessitate making provision in the policy for its varying earnings by specifying different loss limits per day by periods proportionate with the earnings. As a rule, the loss limit per day is based upon 300 working days in each year, and the amount for which the insurance company is liable is 1-300ths of the policy for each working day the plant is entirely prevented from operating, and for a pro rata share of the proportionate amount only thereof, in case of partial prevention of operations.

Use and Occupancy.

Considerable difference of opinion exists, even amongst insurance companies, as to what actually is embraced under "use and occupancy," some contending that the term means profit, and others asserting that it means net income, but in any event, the intention is to reimburse the assured for the loss of money he does not receive while his plant is inoperative, and the actual cover is a matter to be set forth in individual contracts between the insurance company and its assured. If the policy covers net income, then the basis of settlement of any loss must be what the assured would have received (his receipts from sales, less the cost of manufacture) if his plant had not been rendered inoperative. If the contract covers profit, that profit would not commence until fixed charges had been met, including taxes, interest on mortgages, interest on capital invested in any portion of the plant which the assured is unable to operate, salaries and wages of employees under contract, or necessary to be retained in order to maintain organization and general maintenance charges of every description.

BANK BRANCHES OPENED AND CLOSED

The following is a list of bank branches opened and closed during May, 1918:—

Branches Opened—Four.

Barcelona, Spain	Royal Bank of Canada.
Bristol's Corners, Que.	Merchants Bank of Canada.
Campbell's Bay, Que.	Merchants Bank of Canada.
Winnipeg, Man., Portage and Garry Branch	Bank of Hamilton.

Branches Closed—Twelve.

*Cap de la Madeleine, Que.	Banque Provinciale du Canada.
*Frankville, Ont.	Merchants Bank of Canada.
Jaspar, Ont.	Bank of Nova Scotia.
Markdale, Ont.	Wm. Lucas and Company.
Marpole, B.C.	Northern Crown Bank.
Montreal, Que., Cotes des Neiges	Royal Bank of Canada.
*Montreal, Que., Point St. Charles	Bank of Toronto.
*Montreal, Que., St. Francois de Salano	Banque d'Hochelaga.
St. Germaine (Lac Etchemin), Que.	Banque Nationale.
*Stanstead, Que.	Canadian Bank of Commerce.
Toronto, Ont., King and George Streets	Bank of Nova Scotia.
Vancouver, B.C., Mt. Pleasant	Northern Crown Bank.

*Sub-branches.

Kissel, Kinnicutt and Company, of New York, are offering 7 per cent. three-year mortgage gold notes of the Puget Sound Traction Light and Power Company. This company was incorporated in 1912, and is a holding company, controlling well-established utility companies serving Seattle, Tacoma and other Puget Sound points with electric light, power, and city and interurban transportation.

The Hamilton Provident and Loan Society

DIVIDEND No. 94

Notice is hereby given that a Dividend at the rate of Eight per cent. per annum has been declared for the half year ending June 30th, 1918, upon the paid-up Capital Stock of the Society, and that the same will be payable at the Society's Head Office, Hamilton, Ontario, on and after Tuesday, the 2nd day of July, 1918.

The Transfer Books will be closed from the 15th to the 30th of June, both days inclusive.

By order of the Board.

D. M. CAMERON, Treasurer.

Hamilton, May 31st, 1918.

THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 123

Notice is hereby given that a Dividend of Three per cent. for the quarter ending June 29th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid Up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after July 2nd, 1918, to shareholders of record at the close of business on June 15th, 1918.

By Order of the Board.

M. AYLSWORTH,
Secretary

London, Canada, May 27th, 1918.

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada.
Particulars on application.

The Canada Standard Loan Company
520 McIntyre Block, Winnipeg

WRITE FOR BOOKLET ON "PROFITS FROM SAVING"

STANDARD RELIANCE MORTGAGE CORPORATION

Head Office. 82-88 King St. E. Toronto

THE DOMINION SAVINGS AND INVESTMENT SOCIETY

Masonic Temple Building, London, Canada

Interest at 4 per cent. payable half-yearly on Debentures

T. H. PURDOM, K.C., President — NATHANIEL MILLS, Manager

THE COMMERCIAL LOAN AND TRUST CO.

Head Office - WINNIPEG

THOS. D. ROBINSON, President. C. W. N. KENNEDY, Vice-President.

WESTERN MORTGAGE INVESTMENTS UNDERTAKEN FOR CLIENTS. Correspondence Solicited.

W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of TEN PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board.

GEO. H. SMITH, Assistant General Manager

Toronto, May 29th, 1918.

The Ontario Loan and Debenture Co.

DIVIDEND No. 124

Notice is hereby given that a QUARTERLY DIVIDEND of 2¼ PER CENT. for the three months ending 29th June, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd July next, to Shareholders of record of the 15th June.

By order of the Board.

A. M. SMART,
Manager

London, Canada, May 28th, 1918.

5½% INTEREST RETURN

INVEST YOUR SAVINGS in a 5½% DEBENTURE of

The Great West Permanent Loan Company

SECURITY

Paid-up Capital	$2,412,566.31
Reserves	756,580.13
Assets	7,168,537.29

HEAD OFFICE, WINNIPEG

BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria; Edinburgh, Scotland.

London & Canadian Loan & Agency Co., Ltd.

ESTABLISHED 1873 — 51 YONGE ST., TORONTO

Paid-up Capital, $1,250,000 Rest, $850,000 Total Assets, $4,855,944

Debentures issued, one hundred dollars and upwards, one to five years. Best current rates. Interest payable half-yearly. These Debentures are an Authorized Trustee Investment. Mortgage Loans made in Ontario, Manitoba and Saskatchewan.

W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after **1st July, 1918**, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board.

6th June, 1918. WALTER GILLESPIE, Manager.

FINANCES OF TORONTO

Considerable Increases in Expenses and in Taxation—Some Expenses are Reduced—Debt Burden is Heavy

Estimates of the city of Toronto for the year 1918 include the large sum of $13,604,813 for uncontrollable expenditure, almost half of which consists of debt charges. The estimates of expenditure are as follows:—

Controllable:	
Court of revision	$ 4,800
City relief office	8,928
Special grants	9,480
Auditor's department	16,200
Cattle market	18,224
City council	36,582
Law department	43,512
Architect's department	62,710
Social service commission	91,598
City clerk's department	94,469
Miscellaneous	109,298
City abattoir	115,992
Assessment department	120,270
War bonuses	238,515
Park's department	382,003
Treasurer's department	443,173
Property department	771,806
Street cleaning department	887,000
Fire department	1,340,627
Works department	1,882,401
Total	$ 6,677,588
Uncontrollable:	
Grants, statutory and fixed	$ 14,800
Commission on claims	15,000
Industrial schools	19,954
War bonuses	64,678
Public library	149,524
Separate schools	217,936
Public health	424,135
Special works	495,980
Provincial war tax	605,728
Public hospitals	739,522
Administration of justice	1,151,499
Board of education	3,226,103
Debt charges	6,479,954
Total	$13,604,813
War expenditure	3,763,201
Grand total	$24,045,602

Large Sum from Taxation.

The estimates of revenue are as follows:—

Ordinary:	
Canadian National Exhibition	$ 35,000
Market and other fees	40,123
Sundry	74,037
Licenses	101,700
Civic abattoir	108,000
Administration of justice	114,400
Rentals from city property	274,547
Civic car lines	300,000
Street railway revenue	1,000,451
Water rates	2,362,268
	$ 4,410,526
Special:	
Surplus and transfers from 1917	1,527,404
Taxation	18,107,672
Grand total	$24,045,602

One-Half Expenditure Uncontrollable.

These items are expressed as fractions of the whole, as follows:—

Revenue.	Per cent. of whole.	Expenditure.	Per cent. of whole.
Ordinary	18.34	Controllable	27.77
Special	6.35	Uncontrollable	56.58
Taxation	75.31	War	15.65
	100.00		100.00

The following are the latest statistics of the city:—

Assessment	$605,727,725
Exemptions not included in above	87,375,684
Population	473,829
Area of city (acres)	25,339
Tax rate: General (mills)	23.30
" School (mills)	7.20
" Total (mills)	30.50
Gross funded debt	100,323,433
Sinking fund	24,427,757
Net funded debt	75,895,676

Surplus Realized in 1917.

The actual revenue for 1917 exceeded the estimates by $238,698, and $69,086 of appropriations were not expended. Both these items were carried forward as receipts for 1918. Every source of revenue, excepting that consisting of rentals, licenses, fees, etc., realized a greater revenue than was anticipated, and out of 27 departments or services, 18 spent less than they had at their disposal.

The city's permanent assets are valued at $100,042,539, while the net debt is $75,895,676. While, therefore, the debt is high, being about $160 per head, the city has more than the usual proportion of assets. There are, however, about $7,000,000 of unsold debentures, issued to finance public works, which had been commenced before the end of 1916, and during 1918 there are $2,740,684 of debentures maturing.

CITY OF BRANTFORD FINANCES

The total receipts of the city of Brantford during the year ended December 31st were $948,390, including $40,000 of treasury certificates and $70,000 from the Bank of Montreal. The treasury certificates were redeemed during the year.

Some of the receipts were as follows:—

Taxes	$561,066
Water commission	50,000
Municipal Railway Revenue Act	22,314
Hydro-electric	17,221
Sinking fund earnings	42,201

Over $70,000 was used on new works, principally waterworks. The main heads of expenditure are as follows:—

Expenditure.

Board of education	$108,070
Hospital	23,000
Police	23,174
Fire	28,375
Streets and walks	22,927
Material	30,768
Street lighting	24,966
Garbage	17,434
Water	57,000
Provincial war tax	18,164
Dominion war loan	43,977
Patriotic fund	24,500
Interest on general debt	112,862
Interest on local debt	41,232

The following is a summary of assets and liabilities:—

Assets.

Current	$ 53,354
Debentures carried over	116,787
Works under construction	16,991
Advances	110,150
War relief advance	5,000
Municipal utilities	1,149,910
Permanent	1,036,831
Unrealizable	99,000
Local improvement	774,981
Investments	1,024,546
	$4,387,554

Liabilities.

Current	$ 18,027
Special	199,673
Trust funds	9,128
Workmen's compensation	2,000
Waterous Engine Works, Limited	2,238
General debt	2,552,340
Local debt	901,839
	$3,685,249

WORKMEN'S COMPENSATION IN ONTARIO

Results of Year 1917—General Increase Due Mainly to Higher Wage Scale—Operation is Expensive

The annual report of the Ontario Workmen's Compensation Board for the year 1917 has just been made public. The board commenced operations on January 1st, 1915, so that this completes the third year of operations.

The industries subject to the act are divided into two schedules; in those under the first schedule, the losses are borne by the industry as a whole; in those under the second schedule, they are borne by the employer alone. The second schedule comprises such bodies as railroads and municipalities, where to apportion the loss would be an obvious injustice.

In submitting the report, the following general review of the work of the year is given:—

The total amount of assessments in schedule 1 for the year, including estimated adjustments, was $2,460,882.89; the number of employers was approximately 14,000; the total estimated payroll was $256,580,000; the estimated number of full-year workers covered was 287,750.

The total amount of compensation in schedule 1 for the year, actually awarded and estimated still to be awarded, was $2,434,209.66. The amount paid and estimated still to be paid for medical aid for the half-year during which the medical aid provisions were in force was $167,028.14.

Industries under schedule 2 are not under the insurance system but the employers are individually liable for payment of the compensation fixed by the board for accidents as they occur. The amount of compensation awarded in the industries under schedule 2 during the year was $623,556.37, $460,420.84 of which was for railways, and $75,815.19 for municipal corporations.

A separate chapter gives the work handled during the year, without regard to when the accidents happened. Regarding this point, the report states: That this point of view is to be distinguished from that of chapter one in which the compensation is assigned to the year in which the accidents happened, and the assessments to the year for which they are levied. This latter mode of treatment is necessary in schedule one industries in order to fix the rates of assessment. It involves in any early report the use of estimates for adjustment of assessments and estimates for compensation still to be dealt with after the close of the year, thus making the statement only a provisional one. Chapter one deals with the year 1917 in this way. The final figures for 1917 will not be available for some time, but will be given in the next report, as the final figures for 1916 are given in chapter five of the present report. The actual figures for the work handled by the board during the year are, upon the other hand, available immediately upon the close of the year.

The total amount of compensation awarded during the year 1917 was $2,913,085.81, $2,289,529.44 being in schedule one and $623,556.37 in schedule two, the average per day being $9,071. The total during 1916 was $2,011,468.94, $1,559,759.01 being in schedule one and $451,709.93 in schedule two, the average per day being $7,800.

Wages Have Generally Increased.

The increase in compensation, and also the increase in amount of assessments is due to the increased rate of wages perhaps more than to the increase in industrial activity, and accidents are no doubt now more fully reported than in the early history of the operation of the act.

During the year 1917, 28,702 accidents were compensated, 25,277 in schedule one, 3,406 in schedule two, and 19 Crown cases. The total during 1916 was 18,208, of which 15,370 were in schedule one, 2,825 in schedule two and 13 were Crown cases.

During 1917 there were 3,008 cases in which medical aid only was paid covering the last half of the year.,

The total number of accidents of all kinds reported during the year 1917 was 36,514, 30,701 being in schedule one, 5,813 in schedule two and 18 Crown cases, the average per day being 126, the total number of fatal cases being 454. The total number of accidents reported during 1916 was 26,092, 21,269 being in schedule one, 4,860 in schedule two and 17 Crown cases, the average per day being 87.

The amount paid to employers' safety and accident prevention association and their inspectors during the year was $38,210.24. The administration expenses of the board amounted to $133,629.50, of which the province contributed $100,000 in addition to commissioners' salaries and office accommodation. The cost of administration borne by schedule one employers during the year was .86 of 1 per cent. of the assessments received during the year, or 1.27 of the compensation awarded.

Medical Aid.

The medical aid amendment to the act went into force July 1st, 1917. Under this, workmen, whether disabled more or less than seven days, are entitled during a period not exceeding one month from the commencement of disability, to medical and surgical aid and hospital and skilled nursing services necessary as a result of the accident. This in schedule one industries is to be provided by the board or as the board may direct or approve, and is to be paid for out of the accident fund. In schedule two industries it is to be provided by the employer individually.

A schedule of medical and surgical fees has been adopted by the board to be used as a guide in fixing allowances for medical aid under the provisions of the act. Fixed rates have also been arranged as far as possible for hospital accommodation throughout the province. The provincial secretary has ruled that all hospitals entitled to government grant are to be entitled to this grant upon all patients whose maintenance is paid by the Workmen's Compensation Board, notwithstanding that such patients may not be public war patients.

Pursuant to authority contained in the medical aid amendment, a regulation was passed by the board during the year requiring all employers having more than 15 workmen usually employed to provide and have in charge of some suitable person a first aid kit, and requiring every employer having 300 or more workmen usually employed, to provide at his factory or plant an emergency first-aid-room, with necessary equipment and supplies, and to have the same in charge of a clerk, nurse, or other person who has taken a recognized course of study in first-aid to the injured.

Working of the Act.

The year 1917 has been an exceedingly satisfactory one in the operation of the act. Workmen, in addition to receiving compensation, are now enjoying the benefit of the new medical aid provisions; and, notwithstanding the additional expense involved, it has been found possible, with the large contribution now made by the province toward expenses, to reduce the employers' rates of assessment. This has been done retroactively for 1917 in most of the important classes of industry. The rates are now very much lower than those originally fixed when the act first went into operation. The average rate per $100 of pay roll under the rating schedule originally adopted for 1915 was (an estimated) $1.64; the average rate for 1915 under the schedule as finally adjusted was $1.09; and the average preferred rate for 1917 (an estimated) is 98 cents. An explanation of the method of fixing rates is contained in the rate book for 1918.

As has been frequently pointed out, the rates in Ontario are exceedingly low in comparison with those in other places, though the benefits to injured workmen are higher than in many places having higher rates of assessment. A feature of the Ontario act which must be highly satisfactory to both workmen and employers is the fact that practically all the money contributed by employers goes to the workmen or their dependants as compensation, or is paid for medical aid.

The state insurance system of workmen's compensation law to which the Ontario act belongs has been extending rapidly in recent years. Acts very similar to the Ontario act have gone into force in British Columbia and Nova Scotia, and one has recently been passed in Alberta. Properly carried out, this system should be cheaper, more beneficial and more equitable than any other. Profits and unnecessary expenses are eliminated. The administrative body in such a system has no motive to give the workmen or his dependants less than they are entitled to, and no motive to charge the employer more than he should pay.

DYE INDUSTRY FOR WALKERVILLE

A company has been organized and is applying for a charter to engage in the manufacture of aniline and other dyes in the town of Walkerville, Ontario. The company, which will have a capital of $1,000,000, has been formed by Hiram Walker and Sons, distillers, of Walkerville. As soon as the charter is secured the company will commence building a $1,000,000 plant at the river front at Sandwich upon property leased from the Canadian Salt Company. It will also build a factory at Walkerville to manufacture toluol.

TO THE SHAREHOLDERS OF

La Banque Nationale

FIFTY-EIGHTH ANNUAL REPORT, 1918.

The fifty-eighth annual general meeting of the shareholders of this institution was held at the office of the Bank on Wednesday, the 12th of June, 1918, at three o'clock p.m.

There were present:—Messrs. Rodolphe Audette, J. B. Laliberté, Victor Châteauvert, Nazaire Fortier, Charles Pettigrew, Nap. Drouin, Nap. Lavoie, Revds. Canon J. C. Arsenault, Tancrède J. Pâquet, Messrs. Lt.-Col. Chas. A. Chauveau, Alph. A. Dechêne, J. F. Dumontier, N. Arthur Drolet, Pierre Drapeau, A. S. Garneau, Charles Grenier, N.P., Elzéar Labrecque, M.D., M. A. Labrecque, S. Jules LaRue, N.P., J. C. Lévesque, James McCone, Chas. Noreau, F. X. Rainville, Alf. A. Roy, Zotique Turgeon, Geo. V. Tessier, Cyrille Tessier, N.P., L. P. Thibault, etc., etc.

Mr. Rodolphe Audette was called to the chair and Mr. P. Lafrance was requested to act as secretary.

Before proceeding to the reading of the annual report, the following gentlemen were elected scrutineers, viz.: Messrs. N. Arthur Drolet, Charles Grenier, N.P., Charles Noreau.

The president read the following report of the affairs of the Bank:—

REPORT OF THE BOARD OF DIRECTORS.

Gentlemen Shareholders:—

The Directors have the honor to submit to your approbation the result of the operations of the Bank for the year 1917-18, by the statement of Profit and Loss Account, together with the statement of the Assets and Liabilities of the Bank:—

The balance to the credit of Profit and Loss, on 30th April, 1917		$ 59,965.83
The profits of the year, after paying interest on deposits and deducting bad and doubtful debts		435,283.20
Forming the sum of		$495,249.03
Which has been disposed of as follows:—		
To Quarterly Dividends, at the rate of 9% per annum (i.e., 2¼% payable 1st August, 2nd November, 1st February and 1st May)	$180,000.00	
To Reserve Fund	100,000.00	
To Depreciation on securities and for contingencies	100,000.00	
To Depreciation on Bank premises	35,000.00	
To Depreciation on fixtures	10,000.00	
To Pension Fund	15,000.00	
To War Tax on circulation	20,000.00	
		460,000.00
Leaving to the credit of Profit and Loss a balance of		$ 35,249.03

This past year has been for the Bank an exceptional one, both as to profits and general increase of its business. It is not our intention to make lengthy comparisons on the items mentioned in the statement; we will simply mention the principal ones.

We had, last year, notes of the bank in circulation, to the amount of $3,591,956. This year, the item is $4,260,980, an increase of $669,024, which explains the $1,700,000 that we have on deposit in the central gold reserves. This item of circulation, which we curtail as much as possible, shows the large capacity which the bank has to circulate its notes through its branches and sub-agencies and the amount of its business, so much divided. This facility for circulating our notes, which could easily reach $6,000,000, will certainly justify and necessarily oblige an increase of capital. Our deposits, last year, were at $27,618,301.28; this year, they are $27,213,155.01. This item deserves an explanation, because, though it shows an apparent diminution of $405,145.37, there is really an increase, as last year included in this item was an amount of $1,292,190.09 due to the Canadian Government. This year, we have made a separate item of what is due to the Government, so that the increase on the regular deposits is $887,044.72. The item mentioned as "deposits received elsewhere than in Canada" represents those of our branch at Paris, France. They are, this year, $1,211,921.61; they were, last year, $1,238,112.96: a small diminution of $26,191.35.

The Paris branch, in spite of the war, showed, up to the end of February, a very satisfactory increase, but the German offensive of March last had for effect drawings of large amounts, and those drawings are repeating themselves in this second German offensive. We are, however, encouraged by the confidence of our Parisian depositors, not only by their confidence in the bank, which, whatever happens in Paris, would reimburse them, but by their confidence in the final success of the war; otherwise, they would have drawn their moneys on a larger scale.

This general increase of $887,044.72 in the deposits does not seem large, at first sight, but it is a large one, if we consider the Victory Loan and the sale of debentures, in general, which is made by drawings on the deposits of the banks. This sale of municipal and industrial debentures is practically a new kind of business in the Province of Quebec, as also the Government's loans; we must expect that our deposits will feel the effect of such a new departure, at least in the increase, which will be less than the increase we would have expected otherwise.

If, this year, we have been able to increase our deposits, in spite of the investments of our depositors, the reason is due to the abundance which exists in our parishes, where the products of the farm have obtained high prices which give to agriculture a plenty and which make it what it deserves to be: the most prosperous of our industries.

Our loans have also increased considerably. We have contributed, like the other banks, our share to the loans made to the Government, without restricting our loans to commerce, to industry and specially to agriculture, which we encourage by all our efforts, in giving instructions to all our managers to favor the farmers as much as possible, so that they may improve their farms, their herds and all other things which may better their condition and increase their production. Agriculture is a very important factor for La Banque Nationale. We are making the greatest possible efforts to promote it, knowing that it is, at the same time, advantageous to the Bank, and also contributes to the development of our Province. We are the bank most interested, as we are the one having the greatest number of branches and agencies in the farming country-places of the Province. We desire to identify ourselves, more and more, with the farming community without neglecting the commercial and industrial interests.

We believe in a policy of prudence. We are going through a difficult period and if, since the beginning of the war, the Bank and the country have had prosperous times which seems a sin when we see misery and death ruling in European countries, we must prepare ourselves to have our turn of bad times. This preparation will be arrived at by prudence and economy. Prudence teaches us to curtail advances to the public, to divide them so as to encourage commercial and industrial ventures of first utilities, only giving parsimoniously and the least possible to luxury, fashions, fancies and amusements. This policy, our merchants and our industrials should follow. It is a policy of restriction in buying and in the manufacture of objects that are not of first utility and a diminution of stocks in general, so that, when bad times arrive,—and they are sure to come—we will not be taken by surprise. We do not say anything new; the economists of the country, the governments and the Bankers' Association are expressing the same ideas.

This year, the opening of branches, agencies and sub-agencies has been limited; we opened a branch in Mont-Laurier and closed one at Laprairie. Seven agencies were opened and these before an agreement between banks was made not to open any during the war; four were closed.

According to what was promised at the last annual meeting, a dividend at the rate of 9 per cent. was paid. The reserve is increased by $100,000, and an amount of $100,000 is appropriated for depreciation on values and contingencies, as a further protection for our assets. We considered that it was necessary to write off from our fixtures $10,000 and from our premises, $35,000. We believe in the necessity of such a reduction, once in a while, so that both of those items be kept at their minimum value. The amounts paid to the

Pension Fund and the War Tax on our circulation are the usual amounts.

The inspection of all the bank, its branches and agencies has been carefully made. Our staff, though conscription imposed upon it more responsibility and work, has given complete satisfaction. We have been obliged to take into consideration, in regard to them, the high cost of life and have voted them, outside of the regular increases of salaries, a special war indemnity to the amount of $30,569.45.

Last year, we expressed the wish to see the end of the war before this meeting; unhappily, it goes on more furiously than ever. Let us pray and hope that Providence will favor the armies of the Allies and give us Peace in Victory before our next meeting.

R. AUDETTE,
President.

N. LAVOIE,
General Manager.

TO THE
SHAREHOLDERS OF LA BANQUE NATIONALE

In accordance with sub-sections 19 and 20 of Section 56 of the Bank Act, 1913, and as auditor for La Banque Nationale, I have the honor to submit the following report:—

I have compared the above balance sheet with the books and vouchers kept at the Head Office of La Banque Nationale and with the certified returns from the different branches to the 30th April, 1918; I have checked the cash and verified the securities and other valuables at the Head Office and at four of the principal branches of the Bank; and, after having obtained all the necessary information and explanations, I certify that, in my opinion, this balance sheet represents a true and correct view of the state of the bank's affairs up to the 30th April, 1918.

I have, in addition to the above-mentioned, during the current year, checked and verified the cash and securities at different branches and Head Office of the Bank and found them to be in agreement with the entries on the books of the Bank relating thereto.

I may also mention that the different officials of the Bank have given me, to my satisfaction, all the required information concerning the Bank's affairs and transactions which have come under my notice, and I consider them within the power of the Bank.

OCT. BELANGER, L.I.A.,
Auditor.

Quebec, May 17th, 1918.

Moved by Mr. Rodolphe Audette, seconded by Mr. J. B. Laliberté: That the report of the Directors and the statements now read be adopted, printed and published for distribution among the shareholders. Adopted.

Moved by Mr. Charles Grenier, N.P., seconded by Mr. Alph. A. Dechêne: That Mr. Octave Bélanger, accountant duly qualified as per section 56 of the Bank Act, be appointed auditor of the Bank for the year 1918-19, with the same remuneration. Adopted.

The election being then proceeded with, the following gentlemen obtained the largest number of votes and were consequently duly elected Directors for the ensuing year: Messrs. Rodolphe Audette, J. B. Laliberté, Victor Châteauvert, Nap. Drouin, Naz. Fortier, Chas. Pettigrew and Nap. Lavoie.

The president left the chair and Mr. A. S. Garneau being called thereto, it was moved by Mr. Charles Noreau, seconded by Mr. Arthur Drolet: That thanks be tendered to the President and Directors for the services they have rendered to the shareholders during the past year. Adopted.

Moved by Mr. Zotique Turgeon, seconded by Lt.-Col. Charles A. Chauveau: That the thanks of this meeting are due and tendered to Mr. Rodolphe Audette for his services in the chair, and also to the scrutineers and secretary for the fulfilment of their respective duties.

This motion was adopted and the meeting adjourned.

R. AUDETTE,
President.

P. LAFRANCE,
Secretary.

Quebec, 12th June, 1918.

At the meeting of the Directors held on the same day, Mr. R. Audette was re-elected President, and Mr. J. B. Laliberté, Vice-President of the Bank for the ensuing year.

P. LAFRANCE,
Secretary.

GENERAL STATEMENT—APRIL 30th, 1918.

LIABILITIES.

Notes of the Bank in circulation		$ 4,260,980.00
Due to the Canadian Government		5,444,435.35
Deposits payable after notice	$20,949,282.03	
Deposits payable on demand	5,051,952.27	
Deposits elsewhere than in Canada, payable after notice	1,211,921.61	
		27,213,155.91
Unclaimed dividends	$ 1,282.30	
Dividend payable 1st May	45,000.00	
		46,282.30
Balances due to other banks in Canada	$ 184.00	
Balances due to banks and banking correspondents in the United Kingdom	13,902.34	
Balances due to banks and banking correspondents in foreign countries	3,135.55	
Acceptances under letters of credit	43,430.00	
Other liabilities	34,425.01	
		95,076.90
Total Liabilities to the public		$37,059,930.46
Capital paid-up	$ 2,000,000.00	
Reserve Fund	2,100,000.00	
Profit and Loss account	35,249.03	
		4,135,249.03
		$41,195,179.49

ASSETS.

Current coin	$ 286,091.52	
Dominion notes	2,232,990.00	
Deposit in the central gold reserves	1,700,000.00	
		$ 4,219,081:52
Notes of other banks	$ 398,120.00	
Cheques on other banks	1,203,692.38	
Balances due by other banks in Canada	815.05	
Balances due by banks and banking correspondents in foreign countries	381,561.36	
		1,984,188 79
Deposit with the Dominion Government to secure bank note circulation	$ 100,000.00	
Imperial and Dominion Government securities	4,461,000.00	
Canadian municipal, British and other public securities	1,503,746.45	
Railway and other bonds, debentures and stocks	1,082,685.74	
Call loans on bonds, debentures and stocks	2,235,169.42	
		9,382,601.61
Total Assets immediately available		$15,585,871.92
Current loans and discounts in Canada (less rebate of interest, $55,000.00)	$23,372,287.53	
Current loans elsewhere than in Canada	250,000.00	
Overdue debts (estimated loss provided for)	25,085.32	
Liabilities of customers under letters of credit	43,430.00	
Real estate (other than Bank premises)	399,661.19	
Mortgages on real estate sold by the Bank	206,888.67	
		$24,297,352.71
Bank premises and fixtures (less amounts written off)	$ 1,170,552.18	
Other Assets	141,402.68	
		1,311,954.86
		$41,195,179.49

R. AUDETTE,
President.

N. LAVOIE,
General Manager.

WANTED $10,300

Security Value $773,219.00

WE WILL SELL $10,300 City of Courtenay 6% 20-Year Bonds—Price 92½

Will sell in lots of $100 and upward. Each one hundred dollar bond will cost you $92.50. Interest is payable half-yearly. The City of Courtenay is located on Vancouver Island in the midst of one of the finest farming districts of British Columbia. It has a population of about 500 and enjoys what is probably the lowest tax rate of any city in British Columbia. It has its own electric light plant and unlike many other municipalities is not burdened with debt. Its total bonded indebtedness being only $20,000, of which the above issue forms a part. Courtenay's property assessment is:

Lands	$552,969.00
Improvements	220,250.00
Total	$773,219.00

Therefore these bonds are an absolutely safe investment

Royal Financial Corporation Limited

Capital Paid Up, $566,220.32.

703 ROGERS BUILDING,
VANCOUVER, B.C.

E. B. McDERMID,
Managing Director

FINANCES IN THE ORIENT

China is Experiencing Unprecedented Prosperity, Which is Reflected in the Republic's Finances

The annual review of world trade with special reference to the trade of the Far East made by the Hongkong and Shanghai Banking Corporation at its annual meeting, which is taken as the chief authoritative review of Oriental trade and finance each year, shows exceptionally favorable financial conditions in Far Eastern countries during 1917. While the unfavorable effect of war was felt in all countries, particularly as regards shipping, conditions in China, Japan and India were such as to give very favorable returns for the year. Of the trade and financial year for China the report says in part:—

Notwithstanding the many disabilities, such as exchange fluctuations, political disturbances, floods and shortage and uncertainty of tonnage, under which it has been carried on during the past year, trade in China has been on the whole satisfactory for both foreign and native merchants. The world's production of raw materials being now barely sufficient for the world's needs, it is not surprising that the demand for the produce of central and northern China—cereals, cotton, wool, oils, hides, etc.—should be maintained, despite the higher rates of exchange, freight and insurance.

In former years a high level of exchange tended to curtail exports from China, but this was not so in 1917, and European and American buyers have been able to pay the prices asked from this side. It is to be noted also that America has consumed large quantities of Chinese produce which before the war found a market only in Europe. The result has been that the native merchant has received higher prices for most of his produce than he has done for many years past. He has, therefore, been able to pay the higher prices required for imported commodities; and considering the difficulties experienced in the supplying markets, the trade in piece goods and other imports has been satisfactory.

The risks and difficulties inseparable from the interchange of commodities, already greatly increased by war conditions, have been intensified, and the strain borne by merchants and bankers, with their depleted staffs in carrying on the business of the country, in maintaining the supplies essential to the prosecution of the war, and at the same time in steering clear of financial trouble, has been arduous and severe.

From a financial point of view, the past year was even a more prosperous one for China than its predecessor. The total maritime customs collection for 1917 was 38,177,000 haikwan taels, equivalent, at the average rate of exchange of 4s. 3.13-16d., to £8,241,857 ($40,109,000 United States gold), as against a collection for the previous year of 37,764,000 haikwan taels, equivalent, at the rate of 3s. 3.13-16d., to £6,264,496 ($30,486,175 United States gold).

Revenue is Adequate.

Considering the handicap imposed upon China trade by adverse war conditions and a dearth of tonnage, the increase in the actual collection is no less remarkable than that of the sterling equivalent, due to the extraordinary high rate of exchange. Thanks to this latter factor, the maritime customs revenue during the past year has not only met the service of the various loans which are a first charge upon it, but has paid the whole of the Boxer Indemnity service and, for the last six months of the year, the service of the Reorganization Loan, which, by a special clause of the loan agreement, is charged upon surplus customs' revenues. After the discharge of all these liabilities, there still remained a surplus of 10,000,000 taels, of which 2,000,000 taels was released to the Chinese government in August last, and the balance has since been paid into salt revenue account in reimbursement of contributions previously made toward payment of the Boxer Indemnity.

The net salt revenue collection paid into the group banks during the year 1917 amounted to $70,627,249, local currency; from which, after discharging all liabilities and maintaining a fixed reserve of $10,000,000, an amount of no less than $68,613,370 (including contributions received from the maritime customs) was released to the free use of the Chinese government.

In addition, China has now entered upon negotiations with its allies for the revision of the customs tariff to an effective 5 per cent., which may be expected to result in a substantial increase to the revenue. The country's revenue is also gaining by the slow but gradual improvement in railway earnings. The earliest of them in which we were interested, the Shanghai-Nanking Railway, is now more than paying its way. After meeting all its current expenses, including the payment of interest on its debt in sterling, the accounts for 1916 show a surplus of about £17,000.

BRITISH WOMEN IN THE WAR

According to official announcement there are, at the present time, 4,538,000 women and girls employed in classified trades that are under the jurisdiction of the British Board of Trade. These figures are exclusive of women employed in small trades and on the land. Domestic servants are also excluded. All hospital helpers, Red Cross and other nurses are not counted. Taking all classes of British women war workers the total is considerably over 5,000,000.

Less than 200,000 women were employed in Great Britain before the war began and these were mostly in textile mills. The report for 1917 gives 198,000 in government offices exclusive of civil service and local government. The latter two employed 146,000. Munition workers numbered over 800,000; workers in chemical and engineering plants, 200,000; land workers, 100,000 (with an additional 30,000 called for this summer) and thousands as mechanics, motor drivers, ambulance drivers, street car and omnibus operators, cab drivers, every sort of railway work, letter carriers, bank clerks and office workers of every kind. Recruiting goes on steadily in all these lines and the response has been to the tune of 15,000 a week.

BRANT COUNTY TAX RATE

The total sum to be raised in Brant County for the present year is $129,812.50, exclusive of the provincial war tax. Of this sum $96,019 must come through taxation. The special war grants include $6,500 for the Red Cross, $30,600 for the Patriotic Fund, and $5,000 for the Y.M.C.A. Red Triangle. A levy of 1.6 mills will also be required to cover the work of roads and bridges.

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WINNIPEG'S FINANCIAL POSITION

The city of Winnipeg has been well administered, financially, during the past year, according to the report just issued. The annual statement of the Winnipeg sinking fund trustees for the year ended April 30th, 1918, shows total assets amounting to $9,100,139, a gain of $957,444 over the previous year. About 40 per cent. of this total is invested in government bonds, or bonds of the city of Winnipeg, the balance being mostly in western municipality debentures or in the Bank of Montreal. Securities purchased at a discount are valued at cost, and when they mature a profit will, therefore, be realized. Those which were purchased at a premium, on the other hand, have been written down to par. The total premiums written off in this way amount to $68,808. The interest earnings for the year were over $500,000, and, after deducting interest requirements, the excess interest earnings are $198,166. Included in this total is an amount of $14,177, which consists of profit realized on maturing securities which had been carried on the books below par.

The total surplus income including the amount carried forward from last year, was $249,066. Fifty thousand dollars was transferred to investment reserve account, at the credit of which there is $250,000. It will be observed that the average interest earned during the year was 6.123 per cent., which is considerably above the interest estimated in fixing sinking funds rates. Only one of the investments, the debentures of a school district, is in arrears, and it is being settled at present.

During the year $1,500,000 was wiped off the city's debt account, and during the last four years a total of $6,000,000 has been cleared off the books. This reduction in the city's debt is a very agreeable contrast to the heavy increases which have been incurred by other Canadian municipalities. It is partly accounted for by the fact that Winnipeg has paid for patriotic grants, etc., out of current taxation without adding anything to the debt for this purpose. The complete statement appears on another page of this issue.

CANADIAN PULP AND PAPER TRADE

Bulletin No. 5 of the Canadian Pulp and Paper Association calls attention to the fact that in the ten months ending January, 1918, we imported paper and manufactures of paper to the value of $6,330,823. Most of these goods could have been obtained just as well in Canada, and, in view of the adverse trade balance with the United States, which now amounts to $400,000,000 per year, the purchases should be made here.

Canadian exports of pulp and paper products now amount to about $60,000,000 per annum, or about $200,000 for every working day of the year. Only five years ago the total manufactured exports were around $55,000,000, and the trade balance was heavily against us. The pulp and paper exports have played an important part in establishing a balance in our favor and by reducing imports of such products. From the United States we could still further lower our unfavorable balance with that country and increase the total balance of trade in our favor.

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Kitchener, Ont.—The city has sold debentures to the amount of $45,694, bearing interest at the rate of 6 per cent.

Strathroy, Ont.—Messrs. Brent, Noxon and Company, of Toronto, have been awarded a block of $13,835 6½ per cent. bonds, payable in 20 annual instalments.

Woodstock, Ont.—Debentures to the amount of $20,000 and $18,000, running for 10 years and bearing interest at the rate of 6 per cent., will be issued by the city.

Dartmouth, N.S.—The town has awarded a block of $150,000 6 per cent. bonds to H. M. Bradford, of Halifax, N.S. He offered 98.21 for 10, 15 or 20-year bonds.

County of Peterboro, Ont.—Messrs. C. H. Burgess and Company, of Toronto, have purchased a block of $15,000 5½ per cent. 20-instalment bonds. The proceeds will be used for enlarging and furnishing the offices in connection with the county courthouse and jail. They also purchased a block of $7,000 5 per cent. 20-instalment bonds. The proceeds will be used for bridge construction and improvement of county property.

Edmonton, Alta.—Tenders for Alberta school district debentures were opened on June 10th, and the five different blocks were awarded as follows: Block No. 1, Rural, 10-years 7 per cent.—Lewis S.D., $1,600; Two Rivers S.D., $500; Fifteen Mile Lake S.D., $1,500; total, $3,600. Block No. 2, Rural, 10-years 7 per cent.—Amethyst S.D., $1,500; Wilcox S.D., $1,200; Shank's Lake S.D., $1,000; total, $3,700. Block No. 3, Rural, 10-years 7 per cent.—Shaftesbury S.D., $1,200; Creek Valley S.D., $750; Hillanvale S.D., $1,200; total, $3,150. The three blocks were awarded to Messrs. Macneill and Young, of Toronto, all at 98.03. Block No. 4, Rural, 6-years 7 per cent.—Hillman S.D., $300. The block was awarded to Messrs. Brent, Noxon, and Company, of Toronto, at 97.02. Block No. 5, Consolidated District, 10-years 7 per cent.—Sundial Consolidated S.D., $5,000. The block was awarded to Messrs. W. L. McKinnon and Company, of Toronto, at 99.

Victoria, B.C.—The corporation of the city of Victoria offers for sale the following debentures:—

Due date.	Amount.
September 15, 1919	$ 2,500.00
October 15, 1919	20,000.00
September 15, 1920	1,500.00
October 15, 1920	25,000.00
October 15, 1921	17,000.00
May 15, 1922	2,000.00
September 15, 1925	500.00
October 15, 1927	384.18
Total	$68,884.18

These debentures are a direct obligation of the city of Victoria, are in denominations of $500, bear interest at the rate of 5 per cent. per annum, payable half-yearly, and are payable as to both interest and principal at the office of the Bank of British North America in either London, New York, Montreal, Toronto, or Victoria at holder's option. They are free from taxation as personal property by the province of British Columbia, and bear the certificate of the inspector of municipalities for British Columbia. This issue is offered to the public at a rate to yield the investor 7 per cent. per annum, interest to commence from date of purchase.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from June 4th to June 7th, 1918:—

School District.—Currie, $2,000 10-years not ex. 8 per cent. instalment; John Lavender, Dirt Hills, Sask.

Rural Telephone Companies.—Turn Hill, $5,350 15-years not ex. 8 per cent. annuity; J. A. George, Rush Lake, Sask. Wiseton, $3,500 15-years not ex. 8 per cent. annuity; E. M. Holmes, Wiseton. Storthoaks, $900 15-years not ex. 8 per cent. annuity; E. A. Handfield, Storthoaks.

The following is a list of debentures reported sold from June 4th to June 7th, 1918:—

School Districts.—Golden Valley, $2,000, Beehive, $2,500; Waterman-Waterbury Manufacturing Company, Regina. Omand, $1,000; A. E. Gudelot, Kinistino. Orillia, $2,400; Nay and James, Regina.

Rural Telephone Companies.—Clayton, $500, Turvin, $13,000; W. L. McKinnon and Company, Regina.

SASKATCHEWAN BOND ISSUE

The syndicate which recently purchased $1,500,000 of province of Saskatchewan 6 per cent. bonds at 94.625 and interest, offered them at 96.62 and interest, yielding 6.30 per cent. The issue was oversubscribed within four days.

URUGUAY TO MAKE BOND ISSUE

The republic of Uruguay is contemplating the purchase of the Uruguayan Central Railroad and a number of public utilities from British interests. For this purpose it is proposed to issue government bonds to the amount of 60,000,000 pesos, or about $64,000,000 in our money. As very few of the bonds could be sold locally, very high rates would have to be paid in the international money market. It is proposed to create a market in the following manner: Exporters are to be compelled to receive 25 per cent. of the selling price of their goods in these bonds. Those who are engaged in the export trade are the most prosperous class in the country at present, and this would be a case of conscription of wealth from the most easily available source.

ALBERTA BOND SALE

The province of Alberta last week sold $800.000 of bonds to the Canada Bond Corporation and C. H. Burgess and Company, of Toronto, at 95.83 and interest. The complete list of bids was as follows:—

Canadian Bond Corporation & C. H. Burgess & Co.	95.83
Wood, Gundy & Company	95.781
Dominion Securities Corporation	
N. A. Mackenzie & Company	
Brent, Noxon & Company	
G. A. Stimson & Company	95.37
Exford Securities Corporation	95.33
R. C. Matthews & Company	95.17
C. Meredith & Company	
A. Jarvis & Company	
A. E. Ames & Company	94.881

The issue is being offered to the public at 97.08 and interest, yielding 6.40 per cent.

LONDON ASSURANCE COMPANY

According to the annual report of the London Assurance Company for the year ended 31st December, 1917, the premium income from the fire department amounted to $4,363,625, and the losses inclusive of all claims amounted to $2,076,445. The balance at the credit of the fire fund is now $4,500,000. The sum of $424,970 was transferred to profit and loss account. The general reserve fund is $3,150,000, the life assurance fund $13,771,835, the capital and leasehold redemption fund $91,305, accident fund $189,485, marine fund $6,750,000, and the investments depreciation account $1,500,000. The company holds $6,583,855 of British government securities, and large amounts of mortgages, Indian, Colonial and foreign government, provincial and municipal securities, and railway and other debentures and stocks.

The head office for Canada is located in Montreal, and Messrs. W. Kennedy and W. B. Colley are joint managers for the Dominion.

The official administratorships of the entire province of Saskatchewan, instead of being confined to two trust companies as hitherto, have been allocated to the more important trust companies interested in the province, and the judicial district of Battleford, which runs from Borden on the east to the boundary with Alberta, has been assigned to the Saskatoon office of the Northern Trusts Company, who have other important interests there. Their representative is the well-known Saskatoon financial agent, Mr. J. S. Carmichael.

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DOMINION STEEL CORPORATION'S REPORT

Production Has Suffered Through Labor Conditions—Redemption of Funded Debt

The annual meeting of the Dominion Steel Corporation, Limited, was held in Montreal on Friday, the 14th inst. According to the report which has been prepared for the year ended March 31st, 1918, the earnings for the year were $11,030,112. The following is a summary of the profit and loss account:—

Net earnings (including interest on investments and surplus funds), after deducting all manufacturing, selling and administrative expenses and government taxes for the year ending March 31, 1917, but before charging provision for sinking funds, depreciation and interest ..		$11,030,112
Deduct provision for sinking funds, depreciation and renewals, etc.		1,384,241
Interest on bonds and debentures		1,064,209
Less preference dividends for year ending March 31, 1918:		
Dominion Steel Corporation, Limited ..	$420,000	
Constitutent companies	560,000	
		980,000
		$ 7,601,660
Add balance April 1, 1917		7,596,892
		$15,198,553
Deduct dividends on common shares of Dominion Steel Corporation, Limited (aggregating 4½ per cent.)		1,444,396
Balance March 31, 1918		$13,754,157

Funded Debt Reduced.

Disbursements for bond interest have been reduced from $1,230,203 to $1,064,209 and there was received for interest on surplus funds the sum of $374,076. No deduction from profits was necessary to provide for the extinction of discount and premiums on securities, the entire balance on debit of this account having been disposed of by special appropriation from surplus last year.

During the year in addition to the regular dividends on the preference shares of the corporation, and the preferred stocks of the Dominion Coal Company and the Dominion Iron and Steel Company, two quarterly dividends of 1 per cent. each and two of 1¼ per cent. each, making 4½ per cent. altogether, were paid to the holders of the common shares of the corporation. On March 31st, 1917, an appropriation of $3,000,000 was made from surplus for special construction expenditures and for government taxes.

The capital expenditures for the year amounted to $2,435,073, the chief items being upon the property of the Dominion Iron and Steel Company and principally in respect to its mines at Wabana, its coke ovens and blast furnaces. Current and working assets have increased by $5,638,809 and current liabilities have increased by $1,066,107.

Funded and mortgage debts have been decreased by almost $1,000,000. The following bonds and debentures having been retired:—

Dominion Coal 5 per cent. 30-year bonds	$138,500
Dominion Iron and Steel Company 5 per cent. 30-year bonds	131,000
Dominion Iron and Steel Company 5 per cent. consolidated 5 per cent. bonds	85,653
Dominion Shipping Company serial debentures	117,000
Dominion Steel Corporation 6 per cent. 5-year notes	470,606
Employees 6 per cent. debentures	17,829
	$960,588

Production Has Fallen Off.

The coal output for the year was as follows:—

Year ending	Gross tons.
March 31st, 1918	3,781,615
March 31st, 1917	4,279,772
March 31st, 1916	5,261,198
March 31st, 1915	4,550,512
March 31st, 1914	5,047,683

The decrease in the coal output is attributed chiefly to the operation of the Military Service Act. The production of iron and steel in the past two years has been as follows (in tons):—

	Year ending March 31st, 1917.	Year ending March 31st, 1918.
Pig iron	346,926	332,231
Steel ingots	377,079	374,332
Blooms and billets for sale ..	144,051	139,557
Rails	17,495	17,103
Wire rods for sale	67,492	73,650
Bars	5,259	1,542
Wire	35,142	27,165
Nails	20,175	16,347

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended June 14th, 1918:—

Penn Canadian Mines, 65,975; McKinley-Darragh Mines, 65,821; Buffalo Mines, 88,000; La Rose, 65,837; Dominion Reduction Company, 166,500; Mining Corporation of Canada, 214,922; Nipissing Mining Company, 171,835. Total, 838,890.

The total shipments since January 1st now amount to 13,156,173.8 pounds, or 6,578.1 tons.

DEVELOPMENT OF NEW BRUNSWICK COAL

A group of United States capitalists are considering investing in the coal industry in New Brunswick. A party recently toured the maritime provinces with Fuel Controller Magrath. Included in this party were F. E. Peabody and W. H. Leland. They propose investing $500,000 in the fields in the neighborhood of Minto, New Brunswick. The provincial government is understood to be quite in favor of giving them the opportunity.

ANGLO-AMERICAN EXCHANGE

During the week ended June 14th gold shipments were sent from the Bank of England to the Federal Reserve Bank to the amount of $15,000,000. The shipment itself actually came from Canada, and is a part of the Bank of England's reserve at Ottawa.

The Federal Reserve Bank has had on deposit on the Bank of England a considerable sum since the time last year when British bankers paid off notes on which they had borrowed $52,000,000 in the United States.

The Bache Review states that the English bank has assembled during the year at Ottawa an amount varying from $100,000,000 to $200,000,000, part of which has been imported from South Africa by way of the Pacific coast. There has been some discussion, but no official confirmation to the effect that the British government had turned over to the United States the task of financing the Allies, and that hereafter she would finance her own war purchases.

The Bache Review also refers to the admirable manner in which the Bank of England has met the enormous financial strain. The correspondent of the Wall Street Journal, Mr. Herbert M. Casson, makes the statement that there is less personal freedom to-day than there was under King John. The Magna Charta has been set aside until after the war. Railroad fares have just been increased by 10 per cent., a total increase of 60 per cent. Prices are almost altogether at a new high level. One redeeming feature, however, is that food has never been so evenly distributed. The rich never had so little, the poor never had so much. The war has solved many problems in the way of political strife and industrial enmities. There is no labor and there is no capital, but both are united for the one purpose

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INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

City Dairy Company.—The company, which recently declared a dividend of 1¾ per cent. on the preferred stock, has improved its position since the last annual report. It is understood that never in the company's history has its business and financial condition been better. The common dividend was passed in September, 1916, and the preferred in December, 1916. It is not unlikely, in view of the company's good showing, that deferred dividends will be paid off within the next year.

North American Pulp and Paper.—Chicoutimi Pulp Company has acquired a controlling interest in the Saguenay Light and Power Company which operates an electric light and power system in the town of Chicoutimi, Quebec, and the surrounding territory. Chicoutimi Pulp Company is a subsidiary of the North American Pulp and Paper Company, which has increased its timber limits by the acquisition of the Battle Island properties. It now holds 561,000 acres of freehold timber land and 700,000 on leasehold.

Sault Ste. Marie Railway Company.—The following is a statement of revenue and expenses of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company for the month of April, 1918:—

Main Line:	
Total operating revenue	$1,514,160.47
Total expenses and taxes	1,423,131.13
Operating income	$ 91,029.34
Chicago Division:	
Total operating revenue	1,030,159.88
Total expenses and taxes	905,378.31
Operating income	$ 124,781.57

Consolidated Mining and Smelting Company.—The company makes the following statement of ore receipts at Trail Smelter, from May 22nd to May 31st, 1918, inclusive, and from October 1st, 1917, to date in tons:—

Company's mines:		
Centre Star	477	41,505
Le Roi	477	54,249
Sullivan	1,290	51,988
St. Eugene	79	820
Emma	107	23,142
Lucky Thought	....	516
Molly Gibson	....	993
Highland	44	406
Ottawa	....	29
No. One	506	4,554
Richmond Eureka	....	36
Other mines	1,497	53,031
Total	4,477	231,269

International Nickel Company.—The annual statement for the year ended March 31st, 1918, shows earnings of $15,991,485, after deducting manufacturing, selling expense, ordinary repairs, maintenance and foreign taxes. With other income, the total was $16,181,500. From this was deducted administrative and head offices expenses amounting to $4,200,859, and sums for depreciation of plants, mineral exhaustion, etc., leaving profits of $10,129,987. After paying 6 per cent. on the preferred stock and 6 per cent. on the common for the first quarter, and 4 per cent. for the other three quarters, a surplus of $2,065,003 was carried forward in the balance sheet. The company has operated at maximum capacity during the year, except for slight interruptions, due to the fuel and transportation situation in the winter. The new refinery at Port Colborne, Ontario, is approaching completion, and it is expected that it will be put in operation during the coming summer. The cost of this plant up to March 31st, has been $5,314,091, and over $1,000,000 was spent during the year on the company's other plants in Canada and the United States.

Middle West Utilities Company.—During the year ended April 30th, 1918, this company made considerable extensions in its holdings, and also experienced a satisfactory year in the way of income. The following is a statement of its income and expenditure:—

Income		$1,955,210.77
Expenditure:		
Administration expense	$194,921.64	
Miscellaneous charges, including taxes, etc.	43,314.32	
		238,235.96
		$1,716,974.31
Interest on collateral notes and bonds	$550,939.00	
Interest on collateral loans, etc.	124,433.92	
		675,372.92
Net income for year		$1,041,601.89

During the fiscal year the company acquired the outstanding stock of the Southern Illinois Railroad and Power Company, the Hamilton Utilities Company of Benton, Illinois, the Hoopeston Gas and Electric Company, and one or two other companies.

Canadian Converters' Company, Limited.—The annual report for the year ended April 30th, 1918, gives the following statement of profits:—

To interest on bonds	$ 23,940
To reserve for depreciation	27,000
To reserve for bad debts and provision for war tax, 1917	21,500
To dividends paid	52,005
To dividend payable May 15th, 1918	17,335
To balance at credit	373,316
	$515,096
By balance	$297,207
By profits of subsidiary companies to date	217,316
By interest accrued on Victory bonds	572
	$515,096

The profits from the subsidiary companies is the best result yet attained by the company, being an increase over last year of about $13,000. Bank loans, which in the last statement amounted to $70,000, have been wiped out entirely, and the company has purchased $25,000 of Victory bonds. A dividend of 4 per cent. per annum was paid from 1912 to 1915, when it was reduced to 2 per cent., and was passed entirely in August, 1915. One per cent. was paid during each quarter of the past year, however, so that 4 per cent. has again been realized by the investors. The assets are now $2,786,070, and the balance at profit and loss is $373,316.

LA BANQUE NATIONALE

The annual statement of the La Banque Nationale, reference to which was made in our issue of June 7th, appears upon another page of this issue. While the bank has not extended its business as rapidly as some of the other Canadian banks, its management, especially during the past twenty years, has been very careful and conservative, and the bank has made steady progress. This is illustrated by a comparison with the figures in 1910:—

	1910.	1918.
Notes in circulation	$ 1,884,226	$ 4,260,980
Deposits payable after notice	7,756,485	20,949,282
Deposits on demand	2,603,807	5,051,952
Capital paid up	2,000,000	2,000,000
Reserve fund	1,200,000	2,100,000
Profit and loss account	26,014	35,249
Specie	151,454	286,091
Dominion notes	681,466	2,232,990
Deposit with Dominion government for security of note circulation	100,000	100,000
Call loans on stocks and bonds	879,803	2,235,169
Current loans, discounts and advances to the public	11,926,574	23,372,287
Bank premises, furniture and stationery	565,844	1,170,552

The bank practically confines its activity to Quebec province, which it covers thoroughly with 233 branches. Outside of Quebec province it has a branch in Ottawa and agencies in Bourget and Curran, Ontario.

INDUSTRIAL BONDS
Well secured, bearing 8% with large stock bonus. Write for prospectus to
PATRICK DONNELLY
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SASKATOON, SASK.

H. MILTON MARTIN
Real Estate, Insurance and Financial Agent
Properties Managed Valuations Made
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29 TEGLER BLDG. P.O. DRAWER 998

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London Office—30 Duke Street, St. James's

J. S. DENNIS, President. JAMES W. DAVIDSON, Vice-President.
The Western Agencies & Development Co.
Limited
FARM LANDS AND INVESTMENTS
Calgary, Alberta, Canada

Hettle-Drennan Co., Limited
Bankers
Administrators, Assignees, etc.
Insurance and Bonds
Rental Agents Money to Loan
J. O. HETTLE, Manager **SASKATOON**

Lougheed, Bennett, McLaws & Co.
CALGARY, ALTA.
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Solicitors for:
The Bank of Montreal, The Canadian Bank of Commerce, The Merchants Bank of Canada, The Royal Bank of Canada, The Canada Life Insurance Company, The Great-West Life Assurance Co., The Hudson's Bay Co., The Massey-Harris Co., Limited.

W. J. BOWSER, K.C. R. L. REID, K.C. D. S. WALLBRIDGE
A. H. DOUGLAS J. G. GIBSON
Bowser, Reid, Wallbridge Douglas & Gibson
BARRISTERS, SOLICITORS, ETC.
Solicitors for Bank of British North America
Yorkshire Building, 525 Seymour St., Vancouver, B.C.

J. S. CARMICHAEL
FINANCIAL AGENT
Estates Administered. Valuations Made. Properties Managed
SASKATOON, SASK.

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GRAIN MERCHANTS
THOMAS FLYNN Established 1845 **Board of Trade Building, Toronto, Ontario**

COLLECTIONS
R. G. DUN & CO.
ESTABLISHED 1841
Dominion Bank Building, Toronto, Canada

EXPENSES AND PROFITS OF AGRICULTURE

Prices of Produce and of Supplies Have Both Advanced Substantially

The Northwestern National Bank, in its review for June, 1918, discusses the multiplicity of lines of farm implements, and the possibility of conservation in this field. The Commercial Economy Board of the Council of Defence has been gathering information on this subject, and its report concludes as follows:—

"It will be seen that the simplification of implement lines will not only save labor in the implement factories and steel mills by making possible longer runs on the machinery; it will also release a portion of the machinery for work on munitions, ships' parts, etc. In addition it will cut down the amount of stock the jobbers and retailers will have to carry, thus releasing capital for the purchase of government securities."

The Review continues to discuss the subject as follows:— "For a long time vehicle manufacturers have been asking why there should be a multiplicity of widths and thicknesses of wagon tires, heights of wheels and widths of shafts. Very well; they have now been standardized, for good and all. Also, why should such rural frivolities as lazy-backs for wagon seats, and left-hand plows, both heretofore made in large quantities, be allowed to consume the equipment of our factories, the investment capital of our dealers, and so forth? Very well, then, lazy-backs are taboo; left-hand plows are sent to the limbo, where languishes other dodo luxuries, such, doubtless, as the larboard moustache cup, and, perhaps, the left-handed monkey wrench.

"Also directing attention to the implement industry was the action of the Senate, on May 13th, directing the Federal Trade Commissioner to investigate the cause or causes for the high prices of agricultural implements and machinery required by farmers, and to report 'whether under the facts found, the farmers are required to pay an unreasonable price for things they are required to purchase and use on the farms in the production of food products, and whether they are thereby prevented from making a fair profit for their labor and money expended toward production.'

"Again, on the day following this action, the whole farm implement business, under the proclamation of the president, was placed under federal control, entailing the licensing, not later than June 20th, 1918, of all 'individuals, partnerships, associations and corporations,' engaged in the business of the importation, manufacture, storage and distribution of farm equipment. Unreasonable profits are prohibited, and equipment shall not be resold within the same trade without reasonable justifications, such a transaction being deemed a 'wasteful practice.'

"A later official notice explains that retailers of farm equipment are not required to procure licenses, 'but they must not profiteer.' Authority for the prohibition of such profiteering by retail dealers is given in the Food Control Act. The proclamation especially enumerates 78 articles, including tractors, trucks, binders, harvesters, windmills, silos, fencing, many small and large tools, and in fact, all 'tools, utensils, implements, and machinery required for farm use in actual production of foods and feeds.'

"Thus it seems that with prices fixed for such important products as wheat and wool that the farmer has to sell, there will be a corresponding regulation affecting what the farmer has to buy. Flour and sugar have been under government control for some time. The fertilizer industry was placed under Federal control on March 21st, and although this will affect the northwestern farmer very little, it indicates the government policy. An extensive inquiry into the binder twine industry has been instituted, though the regulation of the price of sisal, swollen to the point of extortion, is unfortunately beyond our control. The supervision of the sale of tools and implements will tend further to stabilize agricultural balance sheets.

High Prices Compensate for High Costs.

"The cost to the farmer of seed, labor, equipment and home necessities, is high, but it is offset by increases in the income from the sale of his products and the increase in the value of his land. Farm wages have not advanced as rapidly during the last four years as farm land values. Since the season of 1912-1913, up to the season of 1916-1917, increases in prices of articles that farmers have to buy surpassed the increases in crop prices; during the past season, however, crop prices have soared ahead, and the farmer has a better chance for profit on his toil and investment.

"It is not so much a question what the price of wheat or meat or wool may be, as what their bartering powers are, and how great an ultimate surplus can be invested in government bonds or certificates of deposit. An illuminating report has been issued by the Department of Agriculture showing the fluctuation during recent years in the prices of articles bought by farmers and the varying amounts of these articles purchasable with the proceeds from an acre of wheat, corn, cotton, or an average of all crops—figures that are countrywide in their scope, and not always, of course, applicable to local conditions.

Advance in Price is General.

"Ninety-four articles of purchase are tabulated in this government list, ranging from tin pans to double wagons. It is almost a flippant comment to state that not a single one of these ninety-four articles commonly bought by farmers has become cheaper in price since 1909; but, of course, the opposing fact is that the prices of all farm products have also increased; we are merely operating on higher levels.

"The article that shows the smallest relative increase since 1909 is coal oil, the 1917 price being 103 per cent. of that of 1909. The next articles on the list, necessary for the maintenance of our farms, are axle grease, cream separators, coffee and plug tobacco, the 1917 cost being 123, 127, 128 and 129 per cent. over that of 1909; fruit jars, rubber boots, tedders, gasoline, scythes and manure spreaders come next, in the order named. Going to the other end of the list, the greatest advances in prices have been made in crude carbolic acid, the 1917 price being 240 per cent. of that of 1909, the next few on the list being, in the order of greatest increase, brooms, hemp rope, lard, binder twine, paris green, calico, wooden buckets, tin dish-pans and grain sacks.

Exchange Value of Wheat is Still Ahead.

"What is most vital to us in the Northwest, however, is whether we can get more or less of these articles with an acre of wheat than we could in 1914, for instance, when the European war started. When the Northwestern farmer goes to town with a unit of agricultural wampum as expressed in an acre of 1917 wheat, can he bring back more or less lumber, coal, plows, shot-guns, shovels or sheeting than he could in 1914 with a like unit?

"He can bring home more now than in 1914, these government figures tell us. The bartering value of wheat is greater. There are six exceptions to this in the 1914 comparison, and only one of these affects the farmer very seriously. This exception is binder twine, which shows a disproportionate rise in price. The returns from an acre of 1914 wheat would purchase 126 pounds of this farm necessity, and only 122 pounds in 1917. An acre of 1909 wheat could be exchanged for 150 pounds of binder twine. The other five articles on this list of 1914 exceptions are hemp rope, lard, paris green, carbolic acid and brooms.

"The rest of these ninety-four items, including such articles as flour, sugar, men's and women's clothing, hardware, wire fencing, harness, and some tools and machinery, were relatively cheaper in 1917 than in 1914 when measured by the purchasing power of wheat in those years.

"In comparing the years 1909 and 1917, the scale is not nearly so uniform. Seven articles are relatively the same now as then; a farmer, were he so fantastically inclined, might have traded the proceeds of one acre of either 1917 or 1909 wheat for 22 pairs of gloves, 12 flannel shirts, 5.2 cwt. of barb wire, 43 boxes of screw hooks, 415 cwt. of steel wire, 18 halters or 1.4 harrows. While there are only six articles that are more "expensive" in 1917, as compared with 1914, there are, as between 1917 and 1909, twenty out of the ninety-four."

PUBLICATIONS RECEIVED

Matachewan Gold Area.—Bulletin No. 34 of the Ontario Bureau of Mines. Well illustrated, and also contains a map of the district.

Messrs. M. J. Walsh and Son have been appointed sole agents for Montreal of the Alliance Insurance Company, of Philadelphia. This appointment was made by Messrs. Robt. Hampson and Son, who are chief agents for Canada of the company in question.

DIVIDENDS AND NOTICES

THE MONTREAL CITY AND DISTRICT SAVINGS BANK

Notice is hereby given that a Dividend of Two Dollars and forty cents per share has been declared on the Capital Stock called and paid up of this Bank, and will be payable at its Head Office, in this city, on and after Tuesday, the second day of July next, to shareholders of record the 15th of June at 12 o'clock noon.

By order of the Board,
A. P. LESPERANCE,
Manager.

Montreal, May 27th, 1918.

CANADIAN CAR & FOUNDRY COMPANY, LIMITED, MONTREAL

Notice is hereby given that a dividend of Three and One-Half per Cent. upon the accrued dividends on the preference stock of the Company has been declared, payable on July 15th, 1918, to shareholders of record at the close of business June 15th, 1918. The transfer books of the Company will not be closed.

Shareholders will confer a favor upon the management by advising The Royal Trust Company, Montreal, Transfer Agents for the stock, of any change in address.

By Order of the Board.
F. A. SKELTON,
Vice-President & Treasurer.

Montreal, June 1st, 1918

THE CANADIAN CROCKER-WHEELER CO., LIMITED

DIVIDEND NOTICE

The directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-Quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending June 30th, 1918, to shareholders of record June 20th, 1918. Also a dividend of One and Three-Quarters per cent. (1¾%) on the common stock of the Company for the three months ending June 30th, 1918, to shareholders of record June 20th, 1918.

The stock books will be closed from the 20th to the 30th of June both days inclusive.

Checks will be mailed to shareholders on June 29th, 1918.

By Order of the Board.
L. R. GRIMSHAW,
Secretary-Treasurer.

St. Catharines, June 5th, 1918.

PROVINCIAL PAPER MILLS CO., LIMITED

Notice is hereby given that dividends of One and Three-Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable July 2, 1918, to shareholders of record at the close of business June 15th, 1918.

By Order of the Board.
S. F. DUNCAN,
Secretary-Treasurer.

Dated Toronto, June 4th, 1918.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the **Dominion Textile Company, Limited**, has been declared for the quarter ending **30th June, 1918**, payable July 15th to shareholders of record **June 29th, 1918.**

By order of the Board.
JAS. H. WEBB.
Secretary-Treasurer.

Montreal, 10th June, 1918.

BARCELONA TRACTION, LIGHT AND POWER COMPANY, LIMITED

(Incorporated under the Laws of Canada)

To the Bondholders of the Barcelona Traction, Light and Power Company, Limited:

I am directed by the Committee, appointed in 1915 to watch over the interests of the Bondholders of the Company, to advise you that, owing to the delay and complications resulting from the continuance of the European War, affecting both the delivery and the cost of machinery and other supplies, it will be impossible for the Company to resume full payment in cash of the interest on its Bonds on the 1st December next, as was contemplated when the Bondholders met in June, 1915. The Committee, in consultation with the Directors, are, therefore, formulating a plan, the basis of which will be the payment in cash of a portion of the interest commencing with the coupon due 1st December, 1918, with compensating arrangements for deferring payment of the full interest.

In due course the plan will be submitted to the Bondholders for their approval.

In the meantime, the Committee request holders of the Interim Scrip issued during the last three years in satisfaction of the interest coupons, to defer lodging the same for exchange into definitive notes.

Dated June 18th, 1918.

On behalf of the Bondholders' Committee,
T. PORTER,
Secretary.

3 London Wall Buildings, London, E.C. 2.

CANADA CEMENT COMPANY, LIMITED

ORDINARY SHAREHOLDERS

DIVIDEND No. 9

Notice is hereby given that a dividend of 1½% for the three months ending June 30th, 1918, being at the rate of 6% per annum on the paid-up Ordinary Stock of this Company has been declared, and that the same will be paid on the 16th day of July next to Ordinary Shareholders of record at the close of business, June 30th, 1918.

H. L. DOBLE,
Secretary.

Montreal, June 17, 1918.

GUELPH AND ONTARIO INVESTMENT AND SAVINGS SOCIETY

Incorporated A.D. 1876

Authorized Capital	$1,000,000.00
Paid-up Capital	782,701.90
Reserve Fund	739,435.00
Total Assets	4,353,512.83

Notice is hereby given that a Dividend of **Five Per Cent.** for the current half-year (being at the rate of **Ten Per Cent.** per annum) on the paid-up Capital Stock of this Institution has been declared, and that the same will be payable at the Society's Office, corner Wyndham and Cork Streets, Guelph, Ontario, on and after **Tuesday, July 2nd, 1918.**

The Transfer Books will be closed from the twentieth to the thirtieth day of June, 1918, both days inclusive.

J. E. McELDERRY,
Managing Director.

Guelph, June 4th, 1918.

TORONTO PAPER MANUFACTURING CO., LIMITED

Notice is hereby given that a dividend of three per cent., together with a bonus of two per cent., on the paid-up Capital stock of this Company has been declared for the half-year ending June 30th, 1918, and that the same will be paid on July 2nd, 1918, to shareholders of record at the close of business on June 22nd, 1918. The Company's books will be closed from June 24th to 30th, both days included.

By order of the Board.
A. W. BRIGGS.
Secretary.

June 14th, 1918.

STATEMENTS OF THE

Winnipeg Sinking Fund Trustees

For the Year Ending April 30th, 1918.

The Sinking Fund Trustees submitted their Annual Report to the City Council on June 10th, 1918. The Total Assets now amount to $9,100,139.16, a gain of $957,444.83 over the previous year. The Gross Interest earnings for the year amounted to $516,620.02, while the interest requirements were $318,453.54, leaving a balance of $198,166.48. After deducting $8,825.52 for Expenses and writing off $11,850.47 Premiums on Investments acquired during the year, there remained the sum of $177,490.49 to be transferred to Surplus Income Account. This added to the Surplus carried forward from last year made a total of $249,066.21. From this amount $50,000 was transferred to Investment Reserve Account, which now stands at $250,000, and $114,848.66 to City of Winnipeg Levies Account, relieving the City of providing levies for debt items for which no Assets exist or have been replaced, leaving a balance to be carried forward to next year of $84,217.55. The average rate of Interest earned during the year was 6.123 per cent. With the exception of one Roman Catholic Separate School District in Saskatchewan which is under settlement by the Local Government Board no Investment was in arrears either for Principal or Interest as at April 30th, 1918. The Net Debt of the City has been reduced by over $1,500,000 during the year, and over $6,000,000 during the last four years. During the last two years $169,874 has been Applied from Surplus Income to the credit of By-Laws, and all premiums amounting to $68,808.99 have been written off Investments.

The statements for the year follow:—

Comparative Balance Sheet

As at April 30th, 1918 and 1917.

ASSETS.

	1918.	1917.
Funds Invested:		
Investments at cost or under as follows:—		
School District Debentures—		
Manitoba—Schedule "1" ...	$1,027,689.27	$ 950,427.26
Saskatchewan—Schedule "2"	562,772.55	541,070.99
Alberta—Schedule "3"	205,316.39	218,250.41
	$1,795,778.21	$1,709,748.66
Rural Municipal Debentures—		
Manitoba—Schedule "4" ...	$ 306,323.73	$ 328,355.62
Saskatchewan—Schedule "5"	357,161.54	386,554.90
Alberta—Schedule "6"	12,534.56	13,040.00
	$ 676,019.83	$ 727,950.52
Saskatchewan Rural Telephone Debentures—Schedule "7"	1,374,363.01	860,630.94
Debentures of Cities and Towns—Schedule "8"	216,791.36	234,346.23
Government Bonds—Schedule "9"	1,935,865.15	1,163,189.64
Miscellaneous Investments—Schedule "10"	471,435.57	385,987.15
City of Winnipeg Stock and Debentures—Schedule "11"	1,886,479.33	1,931,191.16
	$8,356,732.46	$7,013,044.30
Interest accrued	227,184.43	174,242.63
Total investments and interest accrued	$8,583,916.89	$7,187,286.93
Cash in Bank of Montreal..	516,222.27	955,407.40
Total	$9,100,139.16	$8,142,694.33

LIABILITIES.

	1918.	1917.
Debentures and Stock Redemption Purposes:—		
Amortization Instalments and Interest specifically allocated as follows:—		
General Debentures, Schedule "12"	$ 618,428.58	$ 455,145.34
Local Improvement Debentures—City's Share, Schedule "13"	190,443.23	239,473.34
Property Owners' Share, Schedule "14"	1,711,193.77	1,908,599.32
Water Works Debentures, Schedule "15"	524,056.25	475,170.19
Power Debentures, Schedule "16"	35,073.83	25,847.87
Stock Conversion Debentures—		
By-law 9590—Schedule "17".	$1,378,381.42	$1,208,811.42
9583—Schedule "18".	467,671.12	350,957.11
Consolidated Stock—		
By-law 5086—Schedule "19".	904,283.50	865,116.15
5509—Schedule "20".	248,096.80	207,003.48
5885—Schedule "21".	290,925.62	238,089.98
6412—Schedule "22".	301,190.66	277,845.70
6969—Schedule "23".	325,721.00	258,449.53
7525—Schedule "24".	1,205,300.90	958,004.92
8288—Schedule "25".	565,154.93	402,604.26
	$8,765,921.61	$7,871,118.61
Investment Reserve	250,000.00	200,000.00
Surplus	84,217.55	71,575.72
Total	$9,100,139.16	$8,142,694.33

Comparative Profit and Loss Account

For the Years Ended April 30th, 1918 and 1917.

	April 30, 1918.	April 30, 1917.
Interest earnings—Gross	$502,542.57	$418,039.26
Deduct Amortization Interest Requirements	318,453.54	273,234.67
Excess interest earnings.......	$183,989.03	$144,804.59
Profit on Maturity of Securities...	14,177.45	3,656.74
Excess earnings from Investments	$198,166.48	$148,461.33
Administrative and General Expenses	8,825.52	7,380.31
Net profit for year	$189,340.96	$141,081.02
Appropriation:—		
Premiums on Investments acquired during fiscal period, now written off	$ 11,850.47	$ 14,599.50
Balance transferred to Surplus..	$177,490.49	$126,481.52

Surplus Account

As at April 30th, 1918.

Surplus as at May 1st, 1917			$ 71,575.72
Profit and Loss Account for year ended April 30th, 1918—balance transferred			177,490.49
			$249,066.21
Deduct:—			
Amount transferred to Investment Reserve		$ 50,000.00	
Amount applied to City of Winnipeg Levies account in connection with the following By-Laws:—			
By-Law No. 996.	$29,393.20		
By-Law No. 1677.	39,464.80		
By-Law No. 2126.	38,042.09		
By-Law No. 2723.	3,792.70		
By-Law No. 5882.	4,155.87		
		$114,848.66	
			$164,848.66
Surplus at May 1st, 1918			$ 84,217.55

Investment Reserve Account

Balance at May 1st, 1917	$20,000.00
Transferred from profits for year	50,000.00
Balance at April 30th, 1918	$250,000.00

Winnipeg, May 25th, 1918.

We have audited the books and accounts of the Sinking Fund of the City of Winnipeg for the year ended April 30th, 1918, and have received all the information and explanations we have required.

We have examined at the depositaries the Securities representing the Investments, all of which were found to be in order. The cash in Bank was verified by a certificate obtained from the Bankers.

The Investments purchased at a premium have been written down to par value and those purchased at a discount are included at cost. Provision has been made for possible depreciation.

All amortization requirements have been complied with.

The foregoing balance sheet is in accordance with the books, and, in our opinion, is properly drawn up so as to present a true and correct view of the condition of the Sinking Fund of the City of Winnipeg as at April 30th, 1918.

MARWICK, MITCHELL, PEAT & CO.,
Chartered Accountants.

INDIA'S NEW WAR LOAN

The Indian government is issuing a second war loan at 5½ per cent., with a three-year and a five-year maturity, redeemable at par; a seven-year obligation, redeemable at 103 and a ten-year bond, redeemable at 105. The subscription books will remain open until September 15th, and the proceeds of the loan will be turned over to the British government as part of India's £100,000,000 contribution to the cost of the war.

FOURTH LIBERTY LOAN IN SIGHT

The Fourth Liberty Loan next fall will probably be for at least $6,000,000,000, and is likely to be floated in October.

This was indicated in an announcement by the secretary of the treasury that, in preparation of the fourth loan, about $6,000,000,000 in certificates of indebtedness will be issued within the next four months. They will be offered in blocks of $750,000,000 each every two weeks, beginning June 25th; will bear 4½ per cent. interest, and will have varying maturity periods, none exceeding four months.

SUPPLY FALL WHEAT FOR SEED

Steps are being taken by the agricultural section of the Ontario Resources Committee to have good fall wheat seed for sale to encourage farmers who now have it to hold it, and to advise those who have not a supply to purchase early. The district representatives of the agricultural department were circularized, and instructed to make a systematice survey of the wheat situation in their counties. They were asked to report to the department the number of acres of fall wheat killed during last winter, the number of acres in hand, and also to locate any possible supplies of seed.

GOOD OPENING FOR CANADIAN TIMBER

A report received at Ottawa from J. E. Ray, Canadian trade commissioner, Manchester, England, indicates that the British government is propounding a scheme to erect at least 300,000 houses, under State and municipal rate aid, as soon as conditions are favorable. Mr. Ray said that this prospective demand for building timber, doors, window sashes, etc., should be closely followed by Canadian manufacturers.

There are unmistakable signs that after the war timber merchants and builders will turn to Canada for larger supplies of these structural woods than they imported four or five years ago.

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for industrial purposes in the city and vicinity of

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Quebec, P.Q.

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ON BEHALF OF CLIENTS

UNITED GRAIN GROWERS SECURITIES COMPANY, LTD.
WINNIPEG

The Trustee Company of Winnipeg, Limited
Head Office ... 300 NANTON BLDG., WINNIPEG

President—Sir D. C. Cameron, K.C.M.G. *Vice President*—W. H. Cross. *Managing Director*—M. J. A. M. de la Giclais. *Directors*—Pierre de Lancesseur, Horace Chevrier, N. T. MacMillan, W. J. Bulman, W. B. Sterling, W. A. Windatt.

Executors, Trustees, Administrators, and Agents for Investors in Mortgages

TORONTO PAPER MFG. COMPANY, LTD.
MILLS AT CORNWALL, ONT.

Manufacturers of Loft dried, Air dried, Tub sized Bond, Ledgee and Linen Papers. S. C. and M. F. Writing, Envelope and Coloured Flats. Extra grade S. C., M. F. and Antique Book, Lithograph and Off-set Papers. Linen Finishing a specialty.

— Ask your dealer for samples and prices. —

Montreal and Toronto Stock Transactions

Stock Prices for Week ended June 19th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi com.	....	....	....
Ames-Holden com.	....	....	504
" pref.	62	61½	1285
Asbestos Corporation	20	....	....
" " pref.	55	54¾	225
Bell Telephone	130	....	....
British Columbia Fishing & Packing	....	....	....
Brompton	56	55	590
Brazilian	34½	34⅛	115
Canada Car com.	33	32½	110
" pref.	....	....	165
Canadian Converters	46	41	5
Canada Cement com.	60½	60	436
" pref.	....	90	239
Canada Cottons	....	....	220
" pref.	....	....	57
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	149	145½	....
Canadian Locomotive	....	....	30
" " pref.	....	....	20
Canada Steamship Lines com.	40½	39¾	527
" " " pref.	76	....	86
Can. Forgings	151	....	....
Civic Investment	....	....	....
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	101
Consumers Gas com.	....	....	....
Dominion Coal pref.	....	94½	10
Dominion Iron pref.	....	....	163
Dominion Steel Corporation com.	61¾	61½	5725
" " " pref.	....	....	....
Dominion Textile	90	89½	260
" pref.	....	100	1
Goodwins Ltd.	....	....	....
Hillcrest	....	....	....
Howard Smith Paper	....	....	....
Lake of the Woods Milling com.	....	....	15
" " " pref.	....	100	....
Laurentide Co.	....	....	260
Lyall Const. com.	78	....	25
Macdonald	14	13½	....
Mackay Cos. com.	....	....	75
Maple Leaf Milling com.	106¾	106	134
" " " pref.	....	....	....
Montreal Tel.	....	....	....
Montreal Tramway	....	....	....
" " deb.	....	....	3000
Montreal Light, Heat and Power	....	....	381
Montreal Cotton com.	57	53½	210
" pref.	....	....	....
Nova Scotia Steel pref.	....	....	10
Ontario Steel com.	....	....	15
Ottawa L. H. & P.	....	81½	101
Penmans	....	74	30
Sherwin-Williams	....	....	21
" " pref.	....	....	1
Riordan Paper	119½	119	210
" pref.	....	....	10
Quebec Railway, Light, Heat & Power	20¾	20	570
Shawinigan Water & Power	....	....	65
" " " rights	....	....	....
Spanish River com.	15	13	525
" pref.	51	....	....
Steel Co. of Canada	66¼	66½	10069
" " " pref.	91½	93½	215
St. Lawrence Flour Mills com.	76¾	76⅝	1290
Toronto Railway com.	....	....	10
Wabasso Cotton	44	....	....
Woods	70	....	35
Bank of British North America	....	....	....
Bank of Commerce	....	....	....
Bank of Montreal	210	....	56
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	....	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	218	....	....
Dominion Bank	202	....	....
Merchants Bank	167	....	31
Molsons Bank	179⅞	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	1
Standard Bank com.	....	....	....
Union Bank	....	150	35
Imperial Bank	....	....	5

Montreal Bonds

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	70	....
Bell Telephone	....	....	....
Canadian Car	....	....	....
Canada Cement	96	....	2000
Canadian Converters	....	82	....
Canada Felt	....	....	....
Cedars Rapids	....	83	500
Dominion Coal	....	87	500
Dominion Cotton	....	....	500
Dominion Iron and Steel	86	84½	1000
Dominion Textile A	....	....	....
" " B	....	....	....
" " C	....	....	....
" " D	....	....	....
Lake of Woods Milling	....	100	....
Laurentide	....	....	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	....	....
Nova Scotia Steel	....	....	6500
Ogilvie A	....	100	....
" B	....	100	....
" C	....	100	....
Penmans	....	....	....
Price Bros	....	....	....

Montreal Bonds (Continued)	Opened	Closed	Sales
Quebec Railway, Light and Power	....	....	0100
Riordan Paper	....	....	....
Steel of Canada	....	....	....
First Dominion War Loan	....	95½	13000
Second Dominion War Loan	....	....	61900
Third Dominion War Loan	....	95⅝	72700
Wabasso Cotton	....	....	1000
Wayagamack	....	....	2500

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	21	....	140
" pref.	65	63	....
American Cynamid	....	32	....
Bell Telephone	....	....	....
Barcelona	9⅝	9⅝	130
British Columbia Fish	47	....	25
Brazilian	34½	34	340
B. C. Packers	....	....	....
Canada Bread	19½	18¾	35
" pref.	....	....	....
Canadian Car & Foundry	33	32	....
" " " pref.	74	72½	....
Canadian Canners	....	....	....
" pref.	....	....	10
Canadian General Electric	101	100	54
" " " cum div. pref.	....	....	....
Canada Landed & National Investment	148¾	....	....
Canadian Locomotive	60½	59	....
" pref.	....	[illegible]	10
Canadian Pacific Railway	....	....	....
Canada Permanent	....	162	258
Canada Steamship	41	40⅛	343
" " pref.	75¾	75	195
Can. Salt	....	....	....
Cement com.	60¾	60½	137
"	....	....	10
City Dairy	....	40	....
" pref.	89	85	....
Coniagas	300	275	....
Confederation Life	....	....	....
Consumers Gas	....	144½	6
Crows Nest	....	....	....
Dome	725	650	350
Dominion Canners pref.	38	33	....
Dominion Iron com.	....	....	....
Dominion Steel Company	61⅜	61	50
Dominion Savings	....	....	....
Duluth Sup	41	....	....
P. N. Burt	....	....	....
" pref.	....	81½	35
Hamilton Provident	137	133	....
Huron & Erie com.	....	204	....
La Rose com.	42	40	....
Mackay Companies	75	74½	86
" pref.	65	64	17
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	107½	104½	284
" " " pref.	....	95	32
Monarch	....	40	....
" pref.	80	....	....
Nat. S. Car	8½	7½	....
" pref.	37	30	....
Nipissing	900	95	441
Nova Scotia Steel	65	62	....
" " " rights	....	....	....
Pacific Burt	34	....	....
" pref.	77½	....	....
Prov. Paper	50	....	....
Penmans com.	75	73½	....
Petroleum	1375	1325	....
Porto Rico	30	28	....
Quebec L. H. & P.	20½	19½	50
Riordon	119	117½	....
Rogers com.	....	....	....
Russell Motor	80	75	25
" pref.	80	78½	10
Sawyer-Massey	15	....	....
" pref.	40	....	....
Spanish River	15	13½	....
" pref.	....	....	3
Cons. Smelters	24⅜	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	66¾	66½	398
" " " pref.	94	92½	205
Toronto General Trust	....	200	18
Toronto Paper	....	68	....
Toronto Railway	60	....	15
Trethewey S. Mines com.	....	15½	....
Tucketts	18½	....	....
" pref.	....	....	....
Winnipeg Electric	48	....	....
Twin City	40½	39½	114
Bank of Commerce	....	....	12
Bank of Ottawa	201	....	....
Bank of Hamilton	....	....	....
Bank of Montreal	....	....	11
Bank of Nova Scotia	248	....	....
Bank of Toronto	187	....	....
Dominion Bank	202	....	13
Imperial Bank	185	....	55
Merchants Bank	....	....	....
Molsons Bank	....	....	....
Royal Bank	208	....	2
Standard Bank	200	....	....
Union Bank	....	119	104

Toronto Bonds

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	....
Canada Locomotive	....	85	500
Colonial Loan	....	....	....
Penmans	....	85	....
Quebec Railway L. H .& P.	....	....	....
Steel Company of Canada	92	....	....
First War Loan	95¾	95⅜	38200
Second War Loan	95	94½	6000
Third War Loan	93¾	93⅝	41800

DIVIDENDS AND NOTICES

THE OGILVIE FLOUR MILLS COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of three per cent. has been declared on the Common Stock of **The Ogilvie Flour Mills Company, Limited**, payable Tuesday, the second day of July, 1918, to Shareholders of record at the close of business, Friday, the twenty-first day of June, 1918.

By order of the Board.

G. A. MORRIS,
Secretary.

Montreal, June 14th, 1918.

NOVA SCOTIA STEEL AND COAL CO., LIMITED

DIVIDEND NOTICE

A dividend of two per cent. on the Preferred Shares of the Company for the quarter ending June 30th, 1918, has been declared payable July 15th, 1918, to shareholders of record of June 29th, 1918.

By order of the Directors,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, June 14th, 1918.

NOVA SCOTIA STEEL AND COAL CO., LIMITED

DIVIDEND NOTICE

A dividend of one and one-quarter per cent. on the Ordinary Shares of the Company has been declared, payable on July 15th, 1918, to shareholders of record of June 29th, 1918.

By order of the Directors,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, June 14th, 1918.

THE REAL ESTATE LOAN CO. OF CANADA, LTD.

DIVIDEND No. 63.

Notice is hereby given that a Dividend at the rate of three and one-half per cent. for the half-year ending 30th inst., has been declared upon the Capital Stock of the Company, and that the same will be payable at the Office of the Company in Toronto, on and after 2nd July, 1918. The Transfer Books of the Company will be closed from 22nd to 29th June, both days inclusive.

By Order of the Board.

E. L. MORTON, Manager.

Toronto, 20th June, 1918.

Central Canada Loan & Savings Co.

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO AND ONE HALF PER CENT. (2½ p.c.) for the three months ending June 29th, 1918, at the rate of TEN PER CENT. (10 p.c.) per annum, has been declared upon the Capital Stock of this Institution, and the same will be payable at the Offices of the Company, Toronto, on and after Tuesday, the second day of July, 1918. The Transfer Books will be closed from the 17th to the 29th of June, both days inclusive.

By order of the board,

E. R. WOOD,
President.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4 c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

BOOKKEEPER, ACCOUNTANT, BANKER, OFFICE MAN.—Become an expert in your chosen profession. The demand for high-grade trained men is keen. The trained man is not only able to respond and make good when opportunity presents itself, but has the power within him to create opportunity. Mail instruction in Higher Accounting, Chartered Accountancy (C.A. Degree of every province), Banking (Degree of Canadian Bankers' Association), Auditing, Business Law, Cost Accounting and Bookkeeping. Satisfaction assured—highest endorsements of successful students. We also teach—Commercial Art—Advertising—Show Card Writing—Salesmanship—Story Writing and Journalism—Civil Service and all Commercial Subjects. Write us for particulars (Department M.T.) Shaw Correspondence School, Toronto.

A TARIFF FIRE OFFICE requires an active, energetic man to act as inspector for Ontario. Apply, stating age and experience, to Box 187, *Monetary Times* Office, Toronto.

MONEY MARKETS

Messrs. Glazebrook & Cronyn, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	2 1-32	2 1-16	....
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	4.8480	4.8510	4.87
Cable transfers	4.8610	4.8625	4.88

Rate in New York:—Sterling demand, 4.75¾.
Bank of England rate, 5 per cent.

MAKING RAILROAD HISTORY

Railroad history has been made rapidly the last few days, both in number and importance of the new strokes of policy and in the probable consequences. Four major developments—the "dismissal" of railroad executives, the provision for a billion budget, a wholesale wage raise and a correspondingly wholesale fare and rate increase,—while each representing considerable past investigation and consultation, have been put in actual effect with a speed and decisiveness possible only under the new war regime.

All these sweeping measures stand variously for the rectifying of a great and grave situation. The treatment of railroad heads is intended to obviate an almost impossible dual position, replacing it by undivided allegiance to a single control. The one qualification would seem to lie in need of caution against loss of the best calibre for the authority to be newly delegated,—possibly a loss through salary parsimony.—"Boston News Bureau."

We Own and Offer

City of Montreal

5-Year 6% Gold Bonds.

Dated Dec. 1st, 1917. Due Dec. 1st, 1922.

The above Bonds can be had in convenient denomination of $500. Interest payable by coupons semi-annually, June 1st and Dec. 1st, at Montreal, Toronto, New York, and negotiable anywhere.

We can offer these bonds at 99 and interest, to give an investment yield of

6¼%

Delivered at Your Bank. You may Wire at Our Expense.

Graham, Sanson & Co.
INVESTMENT BANKERS

TORONTO GENERAL TRUSTS BLDG. - - TORONTO

CROP PROSPECTS THROUGHOUT CANADA

Increase in Acreage of Wheat and Oats—Weather has Retarded Growth

The Dominion Bureau of Statistics issued a few days ago the first or preliminary estimate of the areas sown to grain and hay crops this spring, with a report on their condition on May 31, as compiled from the returns of crop correspondents. The returns show very satisfactory increases in the areas sown to wheat and oats, and the condition of these crops on May 31 was generally better than at the same date last year.

Areas Sown to Grain and Hay.

The total area sown to wheat for the whole of Canada for 1918 is estimated at 16,080,800 acres, as compared with 14,755,850 acres, the finally established figure for 1917, representing an increase of 1,324,950 acres, or 9 per cent. The area to be harvested of fall wheat is 338,000 acres, and the area sown to spring wheat is 15,742,800 acres; so that the increase of the latter as compared with 1917 is 1,712,250, or 12 per cent. The area sown to oats is placed at 13,739,000 acres, as compared with 13,313,400 acres last year, an increase of 425,600 acres or 3.2 per cent. The acreage of barley is 2,395,800, as compared with 2,392,200 in 1917, of rye 234,530, as against 211,880, of peas 200,430, as against 198,881, of mixed grains 506,530, as against 497,236, of hay and clover 8,200,300, as against 8,225,034, and of alfalfa 103,800, as against 109,825. The areas sown this year to wheat, oats, barley and rye are the highest on record for Canada. The acreage sown to wheat in the prairie provinces totals 15,196,300 acres, as against 13,619,410 acres last year, to oats 8,767,000 acres, as against 8,559,500 acres, and to barley 1,845,500 acres, as against 1,850,000 acres. To wheat Manitoba has sown 2,618,000, Saskatchewan 9,222,000 and Alberta 3,356,300 acres. Under oats the acreages are for Manitoba 1,500,000, for Saskatchewan 4,602,000 and for Alberta 2,665,000, whilst for barley Manitoba has 715,000 acres, Saskatchewan 663,500 acres and Alberta 467,000 acres. Nearly all the provinces have considerably increased their acreage under spring wheat, Nova Scotia by 11, New Brunswick by 44, Quebec by 24, Ontario by 45, Manitoba by 7, Saskatchewan by 11½, Alberta by 16 and British Columbia by 6 per cent. The acreage under oats is also increased by percentages ranging from 1 per cent. in Saskatchewan to 13 per cent. in British Columbia, Manitoba showing no change.

Condition of Crops on May 31.

Throughout the West the month of May was exceptionally cold, with heavy frosts and consequent retarding of growth. According to the reports of crop correspondents, expressed numerically in percentage of the average yield of the past ten years, the condition of the principal grain crops was on May 31 as follows: Fall wheat 80, as against 85 last year; spring wheat 101, as against 93; all wheat 100.5, as against 92; rye 95, as against 97. For other crops the condition on May 31 this year, expressed in percentage of the decennial average, was: Peas and mixed grains, 103; hay and clover, 101; alfalfa, 97; and pastures, 100.

Ontario reports (June 5) that timely rains with warm weather have favored the growth of all field crops. Prospects are excellent for another good hay crop, and spring grains never gave better promise at the beginning of June. Saskatchewan reports (May 28) that rain and snow were general throughout the province during the week with the exception of some parts of western Saskatchewan. Alberta reports (June 10) that warmer weather has been prevalent during the past week with light local showers. Growth generally is coming along fairly fast.

Recent Weather has been Favorable.

With the advent of weather favorable to the crops the tone of reports of the condition of growing grain in Western Canada is generally optimistic. In the weekly report of the agents along western lines of the Canadian Northern Railway to the executive officers of the company, 109 of the 250 agents reporting declare the wheat is advancing splendidly and that where the favorable conditions have not already overcome the set-back due to adverse weather conditions in early weeks, the recovery will not be long delayed. Only 29 of all the agents reporting to the Canadian Northern from the Western Canada grain belt, indicate delay now from unfavorable weather conditions.

HYDRO-ELECTRIC GUARANTEED BONDS

R. C. Matthews Company, Toronto, are offering for sale $300,000 Hydro-Electric Power Commission 4 per cent. gold debentures, dated August 1st, 1917, and due August 1st, 1957, at 69.33 and interest, yielding 6.05 per cent. The issue is guaranteed by the province of Ontario, and is for further extensions of the Hydro-Electric system.

MONTREAL'S REALTY TAX

The city council decided on June 17th that the additional realty tax for the current year should be 35 cents on each $100 valuation. The recommendation of the city commission for a 40 cent tax was amended to the above amount.

In view of the 35 cent tax, the commissioners must now reduce the supplementary budget by $300,000 to make up the difference between the 40 cent and 35 cent tax.

TORONTO ELECTRIC LIGHT COMPANY

The city of Toronto intends to give notice to the Toronto Electric Light Company of its intention to purchase the property and business of the company in 1919. The original agreement between the company and the city, made on July 31st, 1889, provides that the city may, at the end of thirty years, buy out the company, provided that notice has been given one year previous. If a price is not agreed on, it may be submitted to arbitration. Three arbitrators are to be chosen, one by the city, one by the company, and the third by the two already appointed. If the city does not purchase at the end of thirty years, it may do so after succeeding periods of twenty years on the same conditions.

The Toronto Electric Light Company has a capital stock of 6,000,000, one-half of which is preference stock and the other half common. There are also outstanding $969,500 of first mortgage 5 per cent. bonds, due in 1933.

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended June 19th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power........com.	44.50	48	Can. Mortgage	....	83	Eastern Car..........6's	89	94	National Telephone...5's	50	56
" ....6's	78	88	Can Salt.............. 6's	92.50	....	" " ....pref.	45	....	N. S. Steel, 6% deb.......	82 50	87.50
Alta Pacific Grain..pref.	81	89	Can. Steel & Foundry 6's	88	96	Home Bank....	60	65	Ont. Pulp............ 6's	76	80.50
Amer. Sales Book..pref.	....	90	Can. Starch ....com.	10	14	Imperial Oil..............	275	290	Page Hersey....... pref.	65	78
Atlantic Sugar.......com	9	14	Can. Westinghouse......	100	118	" Trust..........	....	37.50	People's Loan............	80	90
" " ......pref.	34	40	Carter Crume.......pref.	....	70	Lambton Golf	350	395	Rosedale Golf	....	310
" " .... 6's	80	86.50	Chapman Ball Bearing..	22	29	London Loan & Savings.	90	105	Sovereign Life...........	12.50	20
Belding Paul........com.	12	15	Cockshutt Plow.....pref.	71	81.50	Maritime Coal......com.	20	25	Sterling Bank....	....	82
" " ....pref.	76	83	Consumers Cordage pref.	75	85	" " ....6's	68	72	Sterling Coal........com.	14.50	16
Black Lake............6's	23.50	25	Dom. Fire...............	18.50	22.50	Massey Harris..........	105	135	" " ....6's	70	73
" .... pref.	3.75	4.50	Dom. Glass ....com.	35	40	Matthew-Blackwell com.	42	49	St. Lawrence Sugar 6's..	89	94
Can. Cereal & Flour.com.	....	.80	Dom. Iron 5's, 1939.......	76	83	Matthew Laing.......6's	93	97.50	Temple Theatre.....com.	....	65
Can. Cons. Felt.....pref.	34	40	Dom. Linseed...........	70	....	M'Donald...........pref.	76.50	81.50	Toronto Carpet.....com.	68	....
Can. Fairbanks ... .pref.	85	92.50	Dom. Power ... .pref.	92	96.50	Mexican North........5's	7	11	Toronto Paper........6's	85	90
Can. L. & P...........5's	43	47	" " ....5's	80	85	Mississauga Golf	45	55	Toronto Power 5's 1924..	79	83
Can. Machinery.....com.	14.50	....	Dom. Steel .....6% pref.	80	86	National Life............	37	....	West. Assurance	7.25	8.75
" " pref.	48	54	Dunlop Tire..... . 6's	94	100	National Potash.........	....	1.20	Wt. Can. Flour.... com.	100	125
Can. Marconi............	1.15	2	....	....	....	....	....	....	....	....	....

ALFRED WRIGHT
President

ALEX. MACLEAN
Manager & Secretary

LONDON & LANCASHIRE GUARANTEE & ACCIDENT C°

Personal Accident
Employers' Liability
Fidelity Guarantee
Teams' Liability
Sickness
Workmen's Compensation
Elevator Insurance
Plate Glass
Automobile Insurance

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Company's Building, 61-65 Adelaide Street East
TORONTO

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Manitoba and Saskatchewan............WINNIPEG
British Columbia and Alberta........VANCOUVER

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THE DOMINION OF CANADA
GUARANTEE & ACCIDENT INS. CO.

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The Oldest and Strongest Canadian Accident Insurance Company
Toronto Montreal Winnipeg Calgary Vancouver

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LONDON
GUARANTEE AND
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Limited
Head Office for Canada:
TORONTO

Employer's Liability
Elevator
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Internal Revenue
Sickness
Court Bonds
Teams and Automobile

AND FIRE INSURANCE

The Imperial
Guarantee and Accident
Insurance Company
of Canada
Head Office, 46 King St. W., TORONTO, Ont.
IMPERIAL PROTECTION
Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.
A STRONG CANADIAN COMPANY
Paid up Capital - - - $200,000.00.
Authorized Capital - - - $1,000,000.00.
Subscribed Capital - - $1,000,000.00.
Government Deposits - - $111,000.

THE EMPLOYERS'
LIABILITY ASSURANCE CORPORATION
OF LONDON, ENG. LIMITED
ISSUES
Personal Accident
Employers' Liability
Workmen's Compensation
Sickness
Automobile
Fidelity Guarantee
and Fire Insurance Policies
C. W. I. WOODLAND
General Manager for Canada and Newfoundland
Lewis Building,
MONTREAL
JOHN JENKINS,
Fire Manager
Temple Bldg.,
TORONTO

P. R. REED,
resident
T. H. REDDING,
Vice-President.
B. M. WHITLEY,
Secretary-Manager

Canada Security Assurance Company
HAIL DEPARTMENT
CALGARY - ALBERTA

The board of trade figures for the month of May show an increase in imports of the United Kingdom of £38,257,000 over the same of last year. The principal increases were: Food, £25,000,000; raw cotton, £4,000,000, and oils, £3,000,000. Exports increased £1,529,000. There was an actual increase in cotton textiles of £4,500,000, but decreases in other commodities account for the reduced total increase.

Reports from the southern part of France indicate much bigger crops of grain, fruits and olives this year than at any time since 1914.

Deliveries of steel ships to the shipping board at Washington in the first two weeks of June numbered 16, with a total dead weight tonnage of 89,162.

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Barrie, Ont.—June 18—The Fisher Flour Mills were destroyed. Caused by overheated electric motor. Estimated loss, $70,000.

June 18—Sheds and contents of the Lewis Coal Company were damaged. Estimated loss, $3,500.

Cabri, Sask.—June 17—Business section of town was damaged. Estimated loss, $100,000.

Chatham, Ont.—June 13—Plant of the Gray-Dort Motors, Limited, was damaged.

Cornwall, Ont.—June 14—Home of Mrs. Bova was damaged. Caused by children playing with matches.

Cloverdale, B.C.—June 5—The Apex sawmill was destroyed.

East Toronto, Ont.—June 19—The Grand Trunk Railway roundhouse was damaged.

Fort William, Ont.—June 11—Two houses on Syndicate Avenue were damaged.

Gore Bay, Ont.—June 11—The homes of Messrs. Alex. Purvis, George Weir and T. Noaks were damaged.

Drummondville, Que.—June 13—Factory of the Drummondville Match Company was destroyed. Caused by girl packing matches too tightly in box. Estimated loss, $100,000.

Hamilton, Ont.—June 15—Wagon-load of raw cotton, which was being taken from the Eagle Knitting Mills to the premises of the Hamilton Iron and Metal Company, was damaged. Estimated loss, $250.

June 19—The engine-room, pattern and moulding shops at the plant of the Canada Foundries, Limited, were damaged.

Moose Jaw, Sask.—June 7—House just north of the government elevators in Britannia Park was damaged. Estimated loss, $2,000.

Morristown, N.S.—June 14—The Wallace warehouse was destroyed.

Newmarket, Ont.—June 18—Building and contents of Mr. T. Blizzard were destroyed. Estimated loss, $12,000.

Pembroke, Ont.—June 18—Business section of the town was damaged. Caused by fire from Pink's garage on Main Street. Estimated loss, $1,000,000. The following is a list of structures destroyed or damaged: F. W. Chambers, grocery and confectionery; Singer Sewing Machine Company's office; Prime barber shop and poolroom; Kehoe, Slattery and Company, haberdashery; W. H. Jones, grocer and provisioner; Leary and Shields (Pembroke's largest departmental store and general merchants); the Royal Bank; Landriault's livery stable; Thomas Pink and Company, garage; Giroux's hotel, Pembroke House; Jewel and Brunette, haberdashers; French's barber shop; Bremen and Company, and a number of private residences, some of them over the stores. The offices of Police Magistrate Stewart and T. J. Galligan, barrister, the Knights of Columbus recreation and club rooms, which were situated over the large store of Leary and Shields, were completely destroyed.

Pontypool, Ont.—June 11—Grain elevator of C. Good and Sons, Toronto, was destroyed after being struck by lightning. Estimated loss, $12,000.

Quebec, Que.—June 8—House of Mr. Alfred Dion was damaged. Caused by lighted match.

Rosser, Man.—June 8—General store and warehouse of E. E. Price were destroyed. Estimated loss, $12,000.

Shaunavon, Sask.—June 15—The business section of the town was damaged. Estimated loss, $400,000. The following business premises were totally destroyed: Hotel Kennedy; Morrison and Nightingale, drug store; post-office; Shaunavon Supply Company, general merchants; J. R. Yorke, gents' furnisher; Tom Smith's butcher shop; Stevenson Brothers, general merchants; Shaunavon Auto Garage; J. F. Zeller, J.P.; W. S. Baker, solicitor; L. Tourigny, solicitor; provincial police office; Dr. Grant, dentist; Dr. Swanston, M.D.; Dr. Hicks, M.D.; J. T. Campbell, insurance agent, and Merchants Bank.

Stewiacke, N.S.—June 10—The old Dickie mill was destroyed.

St. Catharines, Ont.—June 15—Outbuilding of bakery on Page Street was damaged.

Toronto, Ont.—June 15—Polson Iron Works were damaged. Estimated loss, $200. House at 281 Manning Avenue was damaged. Caused by mice playing with matches. Estimated loss, $200.

June 19—Premises of the James Kaiser Spring Bed Company and the Empire Mattress Company at 570 Richmond Street and the building of H. Franklin at 29 Queen Street West were damaged. Estimated loss, $8,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Saskatoon, Sask.—Fire Chief Heath submits the following report for the month of May to *The Monetary Times*:—

The structures destroyed or damaged were:—

Pullman car 1, Ford car 1, rooming-house 1, hotel 1, business buildings 2, barn 2, stable 1.

Among the causes last month were: Overheated heater 1, carelessnss in handling gasoline 1, lighted cigarette butt thrown away 1, defective chimney 1, unknown 2, children and matches 1, spark from locomotive 1.

The total damage resulting from fire for May was $13,988, and the total insurance carried was $83,900.

St. Catharines, Ont.—June 7—Foundry of Mr. R. Black was damaged. Estimated loss on building, $350; on contents, $35. The insurance carried on the building amounted to $1,200; on contents, $1,200.

Thorold, Ont.—June 7—Pulpwood piles of the Ontario Lumber Company were damaged. Estimated loss, $200,000.

ANNUAL MEETING OF FORESTERS

The annual meeting of the High Court of the Canadian Order of Foresters commenced on Wednesday, th 19th instant. About 700 delegates were present. In addition to the ordinary business of nomination and election of officers, etc., the question of the rates will be dealt with. This question has been discussed for some time, and no agreement has yet been reached. During the year investigations have been made by the committee, and their reports have now been presented. Mr. David Allen was High Chief Ranger during the past year, and Mr. T. W. Gibson is chairman of the rates committee.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. MORROW & JELLETT, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

June 19th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	86	8.13
Canada Cement	7	91	7.69
Canada Steamships	7	75½	9.27
Mackay Companies	4	65	6.15
Penmans	6	82	7.31
Steel of Canada	7	94	7.44
Maple Leaf Milling	7	95	7.36
Common:			
Bell Telephone	8	130	6.15
B. C. Fishing and Packing	5	46	10.75
Canada Cement	6	61	9.83
Canadian Locomotive	6	61	9.83
Canadian General Electric	8	101	7.92
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	80	10.00
Maple Leaf Milling	10	107	9.25
Canadian Pacific Railway	10	148	6.75
Ottawa Traction	6	70	8.57
Penmans	6	75	8.00
Dominion Steel Corporation	5	62	8.06
Steel Co. of Canada	6	67	8.95
Mackay Companies	6	75	8.00
Toronto Railway	4	59	6.78
Bonds:			
Canada Bread	6	92	6.52
Canada Cement	6	96	6.25
Canada Steamships	5	80	6.25
Canadian Locomotive	6	86	7.05
Penmans	5	87	5.74
First War Loan, 1925	5	95½	5.23
Second War Loan, 1931	5	94½	5.28
Third War Loan, 1937	5	93½	5.34
Victory Loan, 1937	5½	99½	5.45
....	....	....	....
....	....	....	....

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NEW BUSINESS RECEIVED	INCREASE 146%
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NEW PREMIUMS RECEIVED	INCREASE 166%
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Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds	$ 66,500,000	Investments under Canadian Branch, over	$ 16,000,000
Deposited with Canadian Government and Government Trustees, over	7,000,000	Revenue, over	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

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NEW INCORPORATIONS

More Than Fifty Companies Incorporated During the Past Two Weeks—Two With $1,000,000 Capital

The two largest companies incorporated during the past week were the Troja Steamship Company, Limited, of Montreal, and the Gray Tractor Company, Limited, of Winnipeg, both with capital stock of $1,000,000.

The following is a partial list of charters granted during the past two weeks in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are the provisional directors:—

Keremeos, B.C.—Keremeos Packing Company, Limited, $50,000

Listowel, Ont.—Hay Brothers, Limited, $100,000; F. W. Hay, J. Hay, J. G. Burt.

Brantford, Ont.—Brantford Buildings, Limited, $40,000; F. C. Harp, G. Pickles, F. J. Reid.

Sudbury, Ont.—Caswell Lumber Company, Limited, $40,000; G. Caswell, A. J. Jordan, G. J. Valin.

Hnausa, Man.—Riverton Fish Company, Limited, $25,000; C. C. Robins, E. Solberg, C. Tomasson.

Woodstock, Ont.—Fig-Lax Laboratories, Limited, $50,000; L. Goodyear, B. Goodyear, W. Goodyear.

Sarnia, Ont.—Goodwin and Company, Limited, $40,000; J. F. Goodwin, A. McDonald Lott, J. Garroch.

Balmoral, Man.—Balmoral Trading Company, Limited, $25,000; J. Pulfer, C. H. Stonehouse, J. S. Preston.

Windsor, Ont.—Windsor Mausoleum Company, Limited, $10,000; C. W. Cadwell, H. J. Stewart, F. E. Harvey.

Guelph, Ont.—Guelph Paper Box Company, Limited, $40,000; J. J. Small, A. A. Buchner, W. E. Buckingham.

Quebec, Que.—Laurentian Manufacturing Company, Limited, $10,000; W. Quarrier-Stobo, H. C. Thorn, J. Graham.

Sault Ste. Marie, Ont.—French Bay Lumber Company, Limited, $150,000; J. P. Walsh, C. J. McLaughlin, E. Purvis.

Walkerville, Ont.—Canadian Driver-Harris Company, Limited, $150,000; L. O. Hart, LeRoy Edwards, W. P. Martin.

Medicine Hat, Alta.—Alberta Linseed Oil Company, Limited, $300,000; W. R. Shanks, G. R. Drennan, H. W. Jackson.

Hamilton, Ont.—Neverfail Products, Limited, $50,000; H. A. Burbidge, J. R. Marshall, G. A. Young. Monarch Metal Company, Limited, $250,000; G. A. Young, A. B. Turner, A. H. Johnson.

Vancouver, B.C.—Sentry Manufacturing Company, Limited, $10,000. G. G. Heather and Company, Limited, $10,000. Barons Motors, Limited, $15,000. Quadra Steamship Company, Limited, $100,000. Keats Island Development Company, Limited, $10,000. Canadian Agencies, Limited, $10,000.

Winnipeg, Man.—Phonograph Shop, Limited, $30,000; A. G. Joy, G. A. Axford, J. C. Freeman. West-Woods, Limited, $100,000; W. J. Allen, R. Siderfin, H. A. J. Scott. Gray Tractor Company of Canada, Limited, $1,000,000; J. W. Gray, A. Prugh, E. R. Chapman. Chopin Phonographers, Limited, $50,000; A. M. Shinbane, L. D. Morosnick, M. H. Brotman. H. L. Perry Company, Limited, $25,000; E. J. Bawlf, P. Yates, B. Thompson.

Montreal, Que.—S. H. Ewing and Sons, Limited, $500,000; A. Beaudry, B. McDougall, A. Malo. Ostigny and Fils, Limitée, $100,000; M. M. Charles-Ovide Ostigny, E. Ostigny, P. Ostigny. Pierre Brault, Limitée, $75,000; P. Brault, P. Brault, Jr., O. Brault. Dubuque Realty Company, Limited, $19,000; M. M. Joseph-Emery Phaneuf, R. Poirier, Z. Racette. Mount Bruno Country Club, Inc., $500,000; W. R. L. Shanks, F. G. Bush, G. R. Drennan. Viger Garage, Limitée, $10,000; G. Briere, J. Meunier. International Securities Corporation, $5,000; M. M. Z. Renaud, T. Jodoin. Mount Royal Credit, Limited, $100,000; A. Vallee, R. W. Plimsoll, E. Markgraf. O'Brien Motor Services, Limited, $250,000; R. T. Hencker, H. N. Chauvin, E. Wylie. Hosiers, Limited, $100,000; J. Macnaughton, J. G. Cartwright. Electric Welding and Shipbuilding Company of Canada, Limited, $50,000; J. J. Meagher, H. N. Chauvin, J. E. Coulin. Troja Steamship Company, Limited, $1,000,000; E. F. Surveyor, W. L. Bond.

Toronto, Ont.—Arrow Service, Limited, $40,000; P. Barton, E. A. Ferris, E. Reed. Campbell Grain and Feed Company, Limited, $500,000; E. T. Coatsworth, L. G. McAndless, A. H. McCrimmon. Canada Pulpwood Exporters, Limited, $24,000; A. C. Brown, B. A. Brown, W. G. Kelly. Gelber Brothers, Limited, $200,000; W. H. Ford, L. M. Singer, H. Goldstein. Imperial Clothing Manufacturing Company, Limited, $200,000; W. H. Ford, L. M. Singer, H. Goldstein. Mica Products, Limited, $40,000; W. H. Warrington, N. Petinot, R. Stuart Muir. Middlesex Woollen Company, Limited, $40,000; F. S. Hutner, H. Hutner, H. Hutner. Modern Theatres, Limited, $40,000; J. Singer, A. Singer, L. Singer. Paving and Mastic Company, Limited, $40,000; R. E. Grass, R. Lierberman. Princess Theatre Company, Limited, $50,000; F. J. Hughes, L. J. Phelan, V. Stewart. Regal Ladies' Wear, Limited, $40,000; N. G. Calder, G. A. Willis, W. A. Sadler 'Wilberforce Molybdenite, Limited, $250,000; L. Adams, V. M. Gray, B. M. Gray.

WORLD'S WHEAT PRODUCTION

According to statistics compiled by the International Institute of Agriculture, the world's wheat crop in 1917 was as follows:—

Countries.	1917. Bushels.
North America—	
United States	650,828,000
Canada	233,743,000
Mexico	7,480,000
Total North America	892,051,000
South America—	
Argentina	210,000.000
Chili	14,000,000
Uruguay	18,372,000
Total South America	242,372,000
Europe—	
Austria	36,500.000
Hungary	135,000,000
Belgium	9,000,000
Bulgaria	34,000,000
Denmark	4,300,000
France	144,150,000
German Empire	91,000,000
Greece	4,000,000
Italy	140,000,000
Herzegovina and Bosnia	1,500,000
Netherlands	3,453,000
Norway	241,000
Luxemburg	388,000
Portugal	7,440,000
Roumania	70,000,000
Russia-in-Europe	550,000,000
Serbia	8,000,000
Spain	141,000,000
Sweden	7,497,000
Switzerland	4,556.000
Cyprus and Malta	2,400.000
United Kingdom	64,064,000
Total Europe	1,458,489.000
Asia—	
British India	379.307,000
Japan	23.533.000
Russia-in-Asia	86.000.000
Persia	13,600,000
Total Asia	505,307,000
Africa—	
Algeria	28.980,000
Egypt	29.835,000
The Cape	2,400,000
Tunis	6,963,000
Total Africa	68,178.000
Australasia—	
Total Australasia	123,000,000
Grand total	3.289.530,000

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Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

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BANK CLEARINGS

The following are the bank clearings for the weeks ended June 14th, 1917, and June 13th, 1918, respectively, with changes:—

	Week ended June 13, '18.	Week ended June 14, '17.		Changes.
Montreal	$101,399,744	$ 86,702,832	+	$14,696,912
Toronto	72,817,222	59,138,786	+	13,678,436
Winnipeg	43,697,731	48,964,812	—	5,267,081
Vancouver	11,042,788	8,436,610	+	2,606,178
Ottawa	8,667,314	7,864,126	+	803,188
Calgary	5,666,661	6,474,419	—	807,758
Hamilton	5,006,600	4,994,018	+	12,582
Quebec	4,537,726	4,187,429	+	350,297
Edmonton	3,081,978	2,769,894	+	312,084
Halifax	4,787,518	3,110,977	+	1,676,541
London	2,658,600	2,147,779	+	510,821
Regina	3,242,373	3,361,961	—	119,588
St. John	2,342,800	1,991,618	+	351,182
Victoria	1,981,495	1,638,134	+	343,361
Saskatoon	1,740,657	1,862,504	—	121,847
Moose Jaw	1,374,274	1,066,364	+	307,910
Windsor	1,022,718	......		......
Brandon	508,463	390,603	+	117,860
Brantford	880,238	756,807	+	123,431
Fort William	617,738	640,858	—	23,120
Lethbridge	689,834	791,985	—	102,151
Medicine Hat	581,574	404,296	+	177,278
New Westminster	465,634	297,535	+	168,099
Peterboro	679,547	650,049	+	29,498
Sherbrooke	689,087	560,414	+	128,673
Kitchener	817,868	572,704	+	245,164
Totals	$280,998,182	$249,777,514	+	$30,197,950

The Toronto bank clearings for the current week are $74,780,655, compared with $58,958,448 for the same week in 1917, and $51,909,202 in 1916.

DECREASE IN CANADIAN TRADE

Canada's trade for the months of April and May, 1918, show a considerable decrease as compared with 1917. The figures are as follows:—

	Two months, ending May, 1917.	1918.
Imports:		
Dutiable goods	$101,266,120	$ 92,640,507
Free goods	93,138,068	75,792,515
Total	194,404,188	$168,433,022
Coin and bullion	1,625,851	863,751
Grand total	$196,030,039	$169,296,773
Duty collected	30,958,308	28,824,379
Exports:		
The mine	10,213,082	11,199,519
The fisheries	1,753,842	2,212,888
The forest	7,468,459	10,616,777
Animals and their produce	16,891,499	12,993,504
Agricultural products	83,236,184	54,270,937
Manufactures	93,809,271	57,647,284
Miscellaneous	830,348	1,222,782
Total merchandise	$214,202,685	$150,163,691
Coin and bullion	77,325	....
Grand total exports	$214,280,010	$150,163,691
Total Canadian Trade:		
Merchandise entered for consumption	194,404,188	168,433,022
Merchandise, domestic, exported	214,202,685	150,163,691
Total merchandise for consumption and domestic exported	$408,606,873	$318,596,713
Coin and bullion entered for consumption	1,625,851	863,751
Coin and bullion exported	....	220,540
Merchandise, foreign, exported	5,028,924	3,415,208
Grand total	$415,809,726	$323,096,212

The decrease is greatest in the exports, and this is attributed to the shortage in shipping. The decline in imports is no doubt due to the restrictive regulations, and to decreased buying power.

GAS COMPANY INVESTIGATION

(Continued from page 8)

The results may be summarized thus:

Assuming that the same quantities of supplies and amount of labor will be utilized in 1918 as in 1917, the excess costs for gas coal, gas oil, fuel, labor and taxes:

In 1918, compared with 1915, will be $1,139,849.00.
In 1918, compared with 1916, will be 1,076,766.00.
In 1918, compared with 1917, will be 595,076.00.

These figures are somewhat startling, but they are only in keeping with those exhibited by other similar important public utility corporations.

Some prices charged for gas in other Ontario municipalities are as follows:—Brockville, $1.40; Cobourg, $1.50; Guelph, $1.30; Kingston, $1.50; Kitchener, $1.25; Napanee, $1.50; Oshawa, $1.40; Ottawa, $1.25; Owen Sound, $1.35; Peterborough, $1.50; St. Thomas, $1.20; Waterloo, $1.40; Streetsville, $1.10. In each of these cases there has been one or more increases during the past year. The average price is 27 cents per thousand cubic feet, or 25 per cent. over the prevailing prices a year ago.

An examination was also made into the rates charged in sixty-two representative cities of the United States, and only nine companies were found charging less than the ninety-cent rate of the Consumers' Gas Company.

The report closes with the statement that the investigation has proved:—

"(1) That the cost of new capital to the company has increased about 40 per cent. within the past six years.

"(2) That the cost to the company of gas coal has increased 63 per cent., gas oil 81 per cent., fuel 40 per cent., and labor 42 per cent., within the past three years.

"(3) That the operations of the Company during each of the past three years, ending September 30th, have resulted in deficits.

"(4) That practically the same conditions have been experienced by other concerns which supply gas throughout Ontario, and as a consequence there has been an increase in the price to their consumers of approximately 25 per cent., within the past year and a half.

"(5) That consumers in no municipality in Ontario are being charged as low a net rate for gas at the present time, as those in Toronto. The lowest net rate charged by any municipality is $1.10, and the highest is $1.50, as compared with 90 cents charged by the Consumers' Gas Company.

"In view of the foregoing facts, we are of the opinion that the company is justified in increasing the net rate from 80 cents to 90 cents per 1,000 cubic feet."

Senator Gideon D. Robertson arrived in Toronto on Tuesday the 18th inst., to endeavor to adjust the dispute between the Great North Western Telegraph Company and its local operators. Senator Robertson has been instrumental in settling a number of labor disputes including the recent strike at Winnipeg and the strike which for several weeks tied up the shipyards of the Pacific Coast.

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Total Funds Exceed.................. 151,500,000
Total Fire Losses Paid.............. 193,774,045
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JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

Half Billion Loan For Canada

Victory Loan Record Must be Surpassed—General Opinion Regarding Success of Loan is Optimistic—An All-Canadian Loan for the Canadian Government — Actual Terms Not Yet Announced — Importance of Small Investor is Greater Than Ever — Some Questions Under Discussion

WIDESPREAD attention throughout the Dominion is already directed to the coming war loan. Some questions have arisen which must now be viewed in a light different from the previous loans. It is safe to say, however, that this loan will be opened under more favorable auspices than was the Victory Loan, which had for the most part to break new ground. There were twenty times as many subscribers for the Victory Loan as for any other of the previous Canadian war loans. The total was much greater, and many of the purchasers had never bought a security of any kind before. The educational process is not by any means completed, for 800,000 subscribers in Canada is just about one out of nine in the population. This might easily be doubled.

It seems, moreover, that the small subscriber will be even more important in the coming loan than in the previous one. The large corporations, banks, insurance, trust and industrial concerns will, of course, be able to subscribe for substantial amounts. Probably many of them will surpass their former subscriptions, but there is not the same elasticity in corporation finances as there is, generally speaking, in the finances of the individual.

There is much evidence that not only corporations, but also individuals have been preparing for the coming loan ever since the previous one was closed. It is realized that the Canadian Government must be financed by the Canadian people, and this point cannot be too strongly impressed. It gives a meaning and purpose to the thrift campaign which would not apply otherwise. With few exceptions, Canadian institutions have experienced prosperous years, and in a great many cases have made new levels of profits. Agriculturists have prospered as never before in the history of Canada, and plenty of employment and high wages have fairly well kept pace with the high cost of living in industry. The markets, moreover, as was pointed out to *The Monetary Times* by a prominent Toronto broker, have been extraordinarily clear of provincial, municipal and corporation issues. What few issues have been made have been eagerly purchased within a very short time. There are, moreover, no more issues of size in sight, and there are yet several months to elapse until the books for the loan will be opened.

Considering, therefore, the large number of purchases of municipal and other securities which would ordinarily be made during this period, there is every reason to believe that large sums have been set aside for war investments. The fact that very few of the purchasers by instalment of the Victory Loan could not meet their payments, is also encouraging, as there is much more likelihood of intentional preparation for the next loan.

On account of the exchange situation between Canada and the United States a loan or credit in New York has been considered as an adjustment of trade relations. A small credit or loan might be justified, but there would be no necessity or advantage in resorting to New York for a considerable loan to finance our war requirements. Every dollar raised abroad requires the repayment in some form or other of, say, two dollars in principal and interest, and in the meantime our own income would be to a certain degree wasted, or savings invested in forms which would very probably not yield the 6 per cent. or more, which we would require to pay on the debt abroad. There are, in fact, very few new enterprises which could promise a return of 6 per cent. on the investment, and a fair degree of security.

Sir Thomas White was recently in Washington and New York on financial business, and upon his return stated that a large issue of Canadian Government bonds could only be made upon a 6¼ or 6½ per cent. basis, with flotation charges of 3 per cent. This is, of course, on account of the heavy demand for funds in New York, and more especially for subscriptions for Liberty Loan issues. There may, of course, seem to be much disparity between the yield upon the Liberty Loan bonds and an interest return of 6 per cent. on Canadian Government bonds, but this difference is to a large extent cancelled by the substantial income tax to which issues other than United States government issues are subject. The finance minister also stated that the market for the higher grade of corporation securities was practically upon a 7 per cent. basis. Canadian bonds can be sold in United States, and arrangements have been made with the capital issues committee for this purpose. Considering the state of the market, however, it is not probable that very many sales will be made.

It is generally supposed that the interest rate will be a little higher than the rate on the Victory Loan. The latter bonds are selling upon the market at 99½ per cent., which is slightly above the issue price, and the holder who desires to sell his victory bond could secure practically his cost price. The other Canadian Government issues are also selling around the same level, namely, a 5⅝ per cent. basis. Particular strength has been shown in the transactions on the stock market during the past two or three days, which is to some extent accounted for by the Austrian reverse in Italy, and partly by the scarcity of high-grade investments. In fact, two or three successes such as the recent Italian achievement, might permit of the loan being offered upon a much less favorable basis. In any case, it is clear that on grounds of economy and expediency the loan must be raised in Canada. The actual price will be one of the last points to be settled.

Tax Exempt versus Taxable Bonds.

Another question which has come up for more discussion in connection with this issue than with any of the previous ones, is that of whether the bonds should be exempt from income tax or subject to it. General opinion is that they should be exempt just as were the previous loans. It is thought that two kinds of bonds with two price levels would not be wise. Moreover, as one leading bond dealer in Toronto pointed out to *The Monetary Times*, two price levels would mean two classes of bond holders. The taxable bonds selling on a higher interest basis would appeal to the man of small means and income who would pay no income tax or whose tax would be negligible. On the other hand, the man of large income would prefer the tax-free bonds. The result would be, therefore, that very little revenue would accrue to the Dominion Government as the taxable bonds would gradually find their way into the hands of those not subject to the taxation.

Definitive Bonds to be Prepared Beforehand.

One of the weak points of the Victory Loan is generally admitted to be the procedure of exchange that had to be gone through. In fact, all of the temporary certificates have not yet been exchanged for the definitive bonds and it has been necessary to make interest payments upon presentation of the interim certificates.

To have the definitive bonds ready for delivery upon completion of payment in full would mean an enormous saving of time and expense not only on the part of the public and of the finance department, but also of the banks which are at present very short of help.

It has been practically settled that the total issue will be for $250,000,000, with an objective of $500,000,000. No doubt total subscriptions up to the latter sum will be accepted, as in the case of the Victory Loan. A similar organization will be used, but the system of remuneration is receiving considerable attention and criticism. It is thought by many that those who devote weeks and months of effort in the planning and organizing of the campaign do not fare as well as those who merely canvass during the actual period of selling and pocket the commissions.

Plans Being Discussed at Ottawa.

On Tuesday, the 25th instant, the Dominion Executive which had charge of the Victory Loan met at Ottawa in conference with the finance minister regarding these and other questions relative to the loan. Many of the points will unquestionably be settled although official announcement of the actual terms, etc., will, it is understood, not be made for some time yet. It will probably be November before the loan is launched, so that full preparation can be made. The Victory Loan funds are almost exhausted, and in the meantime the government is being financed by the banks, which will have to be reimbursed from the proceeds of the war loan.

Two gold shipments of $5,000,000 each were made recently to the Federal Reserve Bank of New York. These came from the Bank of England's reserve at Ottawa. The total for the present movement is $25,000,000.

CROP PROSPECTS IN SASKATCHEWAN

Increased Acreage Should More Than Compensate for Damage

The Department of Agriculture, of Regina, has issued the following report on crop conditions in the province:—

Saskatchewan has approximately 9,222,000 acres sown to wheat this year, according to the preliminary estimate made by the provincial department of agriculture. The estimate made by the department is one of the acreage of all grain crops for the present season in the province. In issuing this statement, it is a matter for congratulation to the farmers on their endeavor to materially increase the acreage sown to wheat and other grains.

The increase as shown by the preliminary estimate will add nearly a million acres to the wheat crop and some eighty thousand acres to the oat crop. Taking as a basis the average yield of wheat for the past ten years at 17½ bushels, Saskatchewan, with seasonable weather and a good harvest, should add to the world's depleted wheat stocks some one hundred and sixty odd million bushels of wheat.

The details of the preliminary estimate of the grain crops are as follows:—

	1917. Acres.	1918. Acres.
Wheat	8,273,253	9,222,000
Oats	4,521,642	4,602,000
Barley	669,927	663,500
Rye	53,250	70,000
Peas	2,605	2,500
Mixed grains	39,500	40,000
Hay, clover	260,275	260,300
Alfalfa	9,500	8,700

No estimate has been made of the acreage for flax.

Damage by Winds and Cutworms.

While the terrific winds of last Monday did a great deal of damage in some sections of the province, this damage would not appear to have been general, judging from the reports received during the week-end by the department.

Local showers are reported from some quarters, while other sections report no damage from either wind or lack of rain. Cutworms are reported in the Shellbrook district.

YORK COUNTY LOAN AND SAVINGS COMPANY

The liquidation of the York County Loan and Savings Company was completed on Monday, the 24th instant, in Toronto. The total receipts were $2,371,056, and disbursements other than dividends amounted to $690,470.

TAXING INCOMES

It is clear that incomes will come in for a heavy burden in the new financing for war purposes, and thus the question of any changes in the tax laws is of interest. If the laws were rewritten in toto, as they should be, our legislators might well rectify the discrimination against earned incomes in favor of those that are not.

The present law opens one door to unearned incomes, through which they pass upon payment of normal and super-taxes. But earned incomes above a certain figure are headed through another doorway, where after payment of the same taxes as non-working incomes, a flat penalty is laid upon them, as if in punishment for being the fruits of ability and usefulness.

Also, when disposed to add to excess profits and other taxes on industry and production, will it not be advisable first to consider the incomes that neither work nor fight? A case in point is revealed in a proceeding in the Surrogate's court. A ward, a young schoolgirl boarder, with a yearly allowance of $12,000, files a petition to have it increased to $20,000. Limousines, party dresses, dancing robes, theatres and other "necessities" are mentioned as reasons for this extra allowance. Doubtless all this may be proper in her station in normal times, but not now, when we are wondering if the net liquid income of the nation is sufficient to meet the war's demands.—"Wall Street Journal."

CITY OF CALGARY FINANCES

System Has Been Thoroughly Revised—Provision for Arrears of Taxes

In presenting the financial statements of the city of Calgary, Macintosh and Hyde, chartered accountants, comment as follows on the condition of the city's affairs:—

"After commencing the year with an adverse balance of $12,208.51 there is, at December 31st, 1917, a debit balance of only $294.42, or a gain of $11,914.09. This is despite the fact that the annual estimate allowed for the contribution to taxation by the light department of $15,000 which, not being earned, has not been taken to the credit of general revenue; also, there has been reserved against arrears of taxes the sum of $40,000. This latter amount is available because of an underestimate of the sum accruing during 1917 for penalties on arrears.

"We welcome this reserve as a commencement towards providing for the doubtful taxes which have been separated from arrears for some time past, which amount to $81,931.81, and concerning which we have asked the city commissioners to make provision in the 1918 levy. It is also probable that the taxes on certain outlying districts may prove to be irrecoverable, and the setting up of an adequate reserve should be a matter for the immediate attention of the council.

Utilities Revenue.

"The 1917 results of the operations of the city's utilities are as follows:—

	Inc. or dec.
Electric light department	— $ 61
Street railway department	+ 21,492
Waterworks department	— 16,182
Market and scales department	— 7,437
Paving plant department	— 13,138

"The satisfactory result shown by the street railway is almost entirely accounted for by the large amount of bank interest earned on its depreciation fund and on the substantial balance owed to the street railway by the general fund. There is also a remarkable rise in the value of the inventory of material, which was certified to by the assistant superintendent in the absence of the superintendent.

"Some three years ago it was decided by the city to reduce the charge of street railway revenue for depreciation until such time as traffic conditions became normal. We have looked into the comparative figures of car earnings, which are:—

1913	$755,459.79
1914	690,197.71
1917	556,374.33

"From which it is evident the time has not yet arrived for a return of previous rates of depreciation, under the ruling then made.

Sinking Fund.

"Last year we called attention to the shortage arising from the non-payment of taxes and to the consequent loss of interest earning power. We have now to report that the substantial surplus earnings had practically disappeared at December 31st last, as shown by the following figures:—

Sinking fund reserve	$3,649,439.72
Present value of sinking fund	3,649,242.16
Surplus earnings at December 31st, 1917... $	197.56

"The actual shortage in the fund is:—

Present value of sinking fund	3,649,242.16
Sinking fund	2,241,363.38
Shortage at December 31st, 1917	$1,407,878.78

"Prior to 1917 the utilities contributions had been kept fairly well up to date but, during the past year, only small contributions by the electric light and street railway department have been made, and any balance of sinking fund earned by utilities have become factors in the general financing. The shortage applies to the various departments to the following extent:—

General, present value	$2,395,530.39	
Sinking fund	1,224,212.85	
		$1,171,317.54
Electric light, present value	$ 279,017.36	
Sinking fund	239,563.49	
		39,453.87
Street railway, present value	$ 302,236.51	
Sinking fund	258,910.86	
		43,325.65
Waterworks, present value	$ 631,129.59	
Sinking fund	508,255.31	
		122,874.28
Market, present value	$ 14,654.76	
Sinking fund	10,420.87	
		4,233.89
Paving plant, present value	$ 26,673.55	
Sinking fund	....	
		26,673.55
		$1,407,878.78

"The debenture debt of the city is now $20,477,518, in addition to which there are $2,000,000 of treasury bills outstanding."

SILK IMPORTS INCREASE

In *The Monetary Times* of June 7th there was an error in the article "Luxuries in War Time." Figures were given to show the decrease in imports of silk into Canada, whereas the opposite has been the case. Silk is, in fact, one of the few "luxuries," the import of which is now greater than in 1913, and this is undoubtedly due to a large extent to the scarcity of woolens and cottons, and the comparative plenty of silk supplies. From the year 1913 the imports of silk and manufactures of silk was $9,723,797, while for 1917 the figure was $13,854,906.

NEXT BEST CUSTOMER

Next to Great Britain, Canada is our best customer. We have not been exporting as much to Canada as to France, but the trade has been nearer to a cash basis, with imports of raw materials gathering in indispensable importance each succeeding year.

In ten months ending with April, 1918, our exports to Canada were valued at $616,422,000, exceeded only by war trade with France and England. These exports were three-fifths of all our sales in North America, a group taking in Cuba. Imports amounted to $356,430,000, or $120,000,000 greater than from British East Indies, which is next in quantity of imports. Japan sold us $228,026,000 of goods. In considering future trade conditions, we can hardly be indifferent to the fact that nearly half our raw imports from North America already come from Canada.

A well-posted western banker estimates that Canada every year spends with us $1,000,000,000 for manufactured goods, raw materials, interest and travel. At the same time we lack much in understanding of what this means, has meant for years past, and must signify hereafter.

In Canada's fiscal year just ended, trade rose to $2,502,000,000 from $1,050,000,000 in the last pre-war year. Canada has at last reached a high plane in the marketplace of the world. It has felt the stimulus of a trade balance of $500,000,000 net in its favor against the world.

It has been troubled with the wastage of an adverse exchange rate with us, as much as 2 per cent at one time. Circumstances have mitigated this evil and the rate now stands a little over 1 per cent. Sales to us have gained steadily for some time. They were $7,000,000 more this April than last and for ten months increased $120,000,000. Gold shipments in the current movement from Ottawa run $4,000,000, with another $1,000,00, at least, to come.

Then, perhaps, a British-Canadian credit will be arranged here during the summer to cover British purchases of Canadian wheat. Meanwhile substantial orders for war material and supplies have been executed by Canada for the United States, easing the cost of funds, arousing a new feeling of fellowship and quickening the understanding of what is so obviously true, that there is an identity of interest now between Great Britain, Canada and the United States which, to all appearances, will be permanent.—"Wall Street Journal."

PERSONAL NOTES

Mr. J. Cooper Mason, formerly acting manager of the Home Bank of Canada, has been made general manager.

Mr. Charles Heath, of Portage La Prairie, has been appointed superintendent of insurance for Manitoba, following the resignation of Mr. A. E. Ham.

Mr. George H. Thomson, of Quebec, vice-president of the Union Bank, was recently elected director of the Bell Telephone Company, replacing the late Mr. Sise.

Mr. J. C. O'Donnell, superintendent of the western lines of the Canadian Northern Railway, becomes acting general superintendent of the western divisions of that company temporarily.

Mr. Fred. A. Burgess, manager of the insurance department of Waghorne, Gwynne and Company, Vancouver, has been appointed president of the Mainland Board of Fire Underwriters, Vancouver, B.C.

Mr. B. H. Penny, formerly connected with the British Colonial Fire Insurance Company, at Winnipeg, has become associated with the General Fire Insurance Company of Paris, with headquarters at Winnipeg.

Mr. W. LeRoy Shaw has become manager of the life and accident deparment of the Travellers Insurance Company, of Hartford, with headquarters in Montreal. He will have charge of Montreal and the province of Quebec.

Mr. R. A. Stinson, vice-president of the Canadian Crocker-Wheeler Company, was appointed to the public utilities commission of St. Catharines, succeeding Mr. H. McAvoy, whose resignation was accepted recently.

Mr. James Simpson, the well-known Canadian labor leader, will visit New Zealand for six months on a lecture tour in the interests of temperance. He will also study industrial legislation and labor conditions in New Zealand.

Mr. L. G. Huntley, lecturer at the University at Pittsburg, has become president of the Oil and Transport Corporation. Mr. Huntley is well known in Canada, having been employed by the Canadian government. He is also the author of several works on the oil industry.

Mr. S. Casey Wood, of the firm of Rowell, Reid, Wood and Wright, Toronto, has been elected a director of the Home Bank of Canada to fill the vacancy created by the retirement of Hon. T. A. Crerar, who accepted the portfolio of minister of agriculture in the Dominion Cabinet.

Mr. Wm. J. Cameron, formerly deputy commissioner and actuary of the North Carolina Insurance Department, has become assistant actuary of the Home Life Insurance Company of America. Mr. Cameron is a graduate of Toronto University and a Fellow of the Actuarial Society of America.

Mr. Charles Bauckham, who has for some years been secretary-treasurer of the Standard Reliance Mortgage Corporation, has been appointed manager of the Sterling Trusts Corporation. Mr. Herbert Waddington, the former manager of the Trusts Corporation, has been elected vice-president.

Mr. E. I. Omeltchenko, foreign trade agent of the Central War Industrial Committee of Russia, was in Toronto on Monday. He was also in Ottawa recently. The object of his trip here was to discuss matters of trade and industry with the Canadian government and the Manufacturers' Association.

Mr. Frederick Lamplough, for several years trainmaster for the Ottawa division of the Grand Trunk Railway has been made president, succeeding Mr. L. J. Coleman, who was recently appointed superintendent of the New England lines of the Grand Trunk Railway under the United States railway administration.

Mr. E. Yamada, an importer and exporter of Tokyo, is in Canada on business. In crossing the Pacific he was accompanied by Mr. Tang Hua Lung, late minister of home affairs in the Chinese government, and by Mr. Ho Te Hui, secretary of the National Council of the Chinese Republic. Both of the latter are here for the transaction of official business at Ottawa and Washington.

Dr. F. Miyaoka, of Japan, one of the world's authorities on international law, will visit Toronto shortly, when he will speak at the Empire Club. He recently arrived at Victoria, B.C. Dr. Miyaoka was formerly chief law officer in the Japanese foreign office. He represented the government of Tokyo at the International Tribunal at The Hague, and from 1905 to 1908 was chancellor of the Japanese embassy at Washington.

Mr. Harry T. Ramsdell, president of the Manufacturers and Traders National Bank of Buffalo, and Mr. George H. Prince, chairman of the Merchants National Bank of St. Paul, have been elected to the directorate of the American Foreign Banking Corporation. The directorate now consists of twenty-three and is representative of eighteen different banks in as many important cities of the United States and Canada.

Mr. F. W. Ashe, manager-in-chief of the London, England, office of the Union Bank of Canada, has been transferred to Toronto as assistant manager. His place in London will be taken by Mr. John Geddes, manager of the Vancouver branch of the bank. Mr. George S. Harrison will become manager of the Vancouver bank. Mr. J. W. Hamilton, who recently was moved from Toronto to Winnipeg, is assistant general manager there.

Dr. Thomas Douglas, chairman of the board of directors, of the Phelphs Dodge Corporation, died at his home in New York on Tuesday, the 25th inst. He had been president of the corporation for many years until 1917, when he resigned on account of ill-health. Dr. Douglas was a Canadian and was born in Quebec in 1837. He was educated in Canada and in Europe, and in 1875 went to Phoenixville, Pa., to take charge of the metallurgical operations of the Chemical Copper Company. He was also well known as a philanthropist, contributing to the support of a number of hospitals.

Mr. J. H. Kerr, secretary of the Canadian Westinghouse Company, of Hamilton, died on Monday, the 24th inst. Mr. Kerr was a native of Pittsburg, and had been engaged with the Westinghouse enterprise for many years. He began with the parent company and also assisted in the organization of the English Linotype Company and the French Westinghouse Company. In 1901, when the British Westinghouse was organized, he went to Manchester to organize the factory system. In 1903, on the formation of the Canadian company, he came to Hamilton and for the last 15 years served as secretary.

CHAIRMAN WAR LOAN COMMITTEE

Mr. E. R. Wood, of Toronto, has been appointed chairman of the Dominion executive in charge of the coming war loan. Mr. Wood is president of the Central Canada Loan and Savings Company, of the Dominion Securities Corporation, Limited, vice-president National Trust Company, Limited and of the Brazilian Traction, Light and Power Company, Limited. He is also director of many other enterprises. He was born in Peterborough, Ontario, in 1866. Mr. Wood is chairman of the Board of Governors of Grace Hospital, Toronto, and Regent of Victoria University. In the last loan he acted as chairman of the committee in charge of special subscriptions.

E. R. WOOD.

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TAXATION AND WAR FINANCE

A new scale of war taxation was forecasted in recent announcements of the President of the United States. On May 27th, President Wilson appeared at a joint session of the two houses of Congress and delivered a special message on revenue taxation, urging serious consideration to the importance of immediate changes in the existing federal revenue laws. Secretary McAdoo, on June 5th, in a letter to Chairman Kitchin of the Ways and Means Committee, indicated how drastic the increases in taxation must be.

It is first proposed that one-third of the cash expenditures to be made during the fiscal year ending June 30th, 1919, be provided by taxation. According to his estimates, this would involve raising $8,000,000,000 through taxation. The existing laws are expected to produce about $4,000,000,000.

Second, that a real war profits tax at a high rate be levied upon all war profits. This tax should be superimposed upon the existing profits tax in such a way that the taxpayer should be required to pay whichever tax is the greater. The existing excess profits tax should be amended in certain important particulars, so as to improve inequalities.

Third, that there should be a substantial increase in the amount of normal income tax upon so-called unearned incomes. Under existing law, earned incomes above certain exemptions are taxed 4 per cent. as an income tax and 8 per cent. as an excess profits tax, making a total of 12 per cent., while unearned incomes derived from securities, etc., are taxed only 4 per cent. The 8 per cent. should be recognized as an income tax, and the rate of 12 per cent. should be retained in respect to earned incomes, while a higher rate than 12 per cent. should be imposed on unearned incomes.

Fourth, that heavy taxation be imposed upon all luxuries.

The committee on ways and means, which will have charge of the framing of this, the most stupendous tax-levying measure ever formulated by any nation, has already commenced its deliberations. Public hearings are being held, and in due course a bill will be submitted for the early consideration of Congress.

These reforms in the public finances are thoroughly in accord with best current thought on the subject. Benefiting by the experience of the other belligerent nations, the United States government is endeavoring to pay an unusually large proportion of the cost of the war out of current revenue. Last year Canada paid only one-tenth out of revenue. England has also been pursuing a similar policy, only in a lesser degree. The other nations are paying practically all of the cost out of funds raised by loan.

While it is generally admitted that no matter how the money is raised, it must come out of present income, there is an important difference between confiscating this income in the form of taxation and borrowing it at an advantageous rate of interest. The latter method necessitates the imposition of extra taxation to provide for the interest at least, and securities of corporations subject to this taxation are correspondingly depreciated in value. Those who have saved in the past, and purchased securities with their savings, therefore, stand to lose more in the long run than in the case of the former method, which would absorb a larger portion of their income so long as the war lasted, but would not reduce their capital worth in so great a degree.

The discrimination against unearned incomes is also a reform which has been much recommended in many quarters. It is essential, of course, to exempt a minimum in this case, just as in the case of earned incomes, as many individuals rely entirely on revenue from investments which represent the accumulations of years of labor. Heavy taxation of luxuries is an accepted part of modern finance, particularly war finance.

THE FUEL SITUATION IN THE WEST

Although some United States coal is now assured for Western Canada, the fact remains that local supplies will be increasingly relied upon. Without doubt, the mines in operation in Alberta and British Columbia can meet all requirements, for domestic and steam coal, of the whole country to the head of the lakes; but the question remains, will they? It will not soon be forgotten that the West, outside of Alberta, was in serious danger of a coal famine last winter, owing to labor troubles at the mines during the summer of 1917, and the car shortage during the winter months. Manitoba certainly needed all the anthracite in hand during the extreme and long winter of 1917.

Nevertheless, Alberta alone could meet the entire demands of the West were its mines adequately operated and the danger of a car shortage overcome. Saskatchewan has immense deposits of lignite; and the recent Dominion grant of $400,000 for carrying on experiments in briquetting this coal, may make it largely self-dependent in the near future. It is interesting to know, in this connection, that Professor McLaurin, of the University of Saskatchewan, has for some time been engaged on the problem of furnishing light, heat and power to farmers in that province through the utilization of straw which is now largely wasted. While this work is still in the experimental stage sufficient is known of probable results to raise high hopes that ultimate success will be achieved. This will mean even more to the prairie provinces than the hydro-electric enterprise to Ontario.

A few weeks since the Edmonton "Bulletin" issued a special supplement covering the coal problem in Alberta, in particular, and in the prairie provinces in general. One feature of this supplement is the material and data furnished on the coal resources of Alberta, so far as these have been developed, and their relation to the economic life of the West. The "Bulletin" takes umbrage, and with a certain amount of justice, at a recent statement of the Commission of Conservation on the western fuel problem; and particularly at the commission's observation that "it is inconceivable what would happen if the importation of hard and soft coal from the United States were prohibited." In 1916, 533,000 tons of anthracite and 2,376,000 tons of bituminous coal were imported from the United States into the Canadian West. Especially during the stress of war there would be no hardship either with respect to prices or supplies, through the cutting off of these imports, provided Alberta and British Columbia grappled whole-heartedly with the problem. In a word, Will Alberta mine-owners guarantee to supply the fuel needs of Manitoba and Saskatchewan under these conditions?

However that may be, a distinct service has been performed in impressing the situation on the public. Naturally enough, Canadians east of the lakes know little of western resources. Westerners hold the advantage, so many of them having come from the older Canadian provinces. One rooted belief in the East is that the prairies are devoid of fuel supplies, both of coal and wood. The truth is, the prairies have both—of coal especially there are, in Alberta, inexhaustible supplies. The lignite and sub-bituminous areas of that province are sufficient to fill the requirements of the West for decades and generations to come.

Alberta coal has been found admirably adapted for all domestic purposes—for cookstoves, fireplaces and raising steam, although Crow's Nest coal is better for steam uses. Many westerners who have used both anthracite and Alberta coal for domestic purposes prefer the latter, as it holds the fire longer and gives off less gas. It is greater in bulk and produces more ashes than anthracite; but on the other hand, there is less of cinders and clinkers. Of course, furnaces built to burn anthracite will not give satisfactory results in burning Alberta coal; but that is the fault of the furnace, not the coal. And just here it may be mentioned that valuable experimental work is being carried on to perfect a furnace that will give good results in burning the lower grades of bituminous coal and lignite.

Alberta mines have splendid railroad connections with both Saskatchewan and Manitoba. Anthracite is normally carried from Fort William as far west as Moose Jaw; and the transportation problem in distributing Alberta coal throughout the prairie provinces involves no greater difficulties. The Edmonton "Bulletin" argues that imports of coal from the United States should be permanently cut off; as it is unfair to expect the Albertan mines to rise to the demands of emergencies, and meet them without friction and loss of time. That is a big question which must be decided, in the future, on its merits. What Moose Jaw, Regina, Brandon, Winnipeg and other western cities—not to mention the hundreds of thousands of consumers on the farms—want to know here and now is simply this: Will the Alberta mine-owners deliver the goods?

POSITION OF BANKS IN ENGLAND

Among the oldest and strongest of the great banks of the world must be numbered Lloyds Bank, Limited, of England, which has completed its 60th year of business. Since its commencement the bank has grown until at present it occupies a position among the leading financial institutions of the world. Since 1865 no less than 48 other banking corporations have been acquired, some of them joint stock banks and some of them private banks. In 1884, entrance into London business was obtained by the acquisition of the businesses of Messrs. Barnetts, Hoares & Company, who had been established about 1677 and Bosanquet Salt & Company, who had been established in 1796. Following this year, rapid expansion characterized the bank's activities. In 1865 the number of offices was 14, by 1880 it had increased to 45, and by 1884 to 53. Within sixteen years from that date the number mounted up to no less than 312 and in 1903 to 411, while at present the number is over 600. Correspondents are maintained throughout the world. The Canadian agents and correspondents are the Imperial Bank of Canada, the Canadian Bank of Commerce, the Bank of British North America, the Bank of Montreal, the Dominion Express Company and the Royal Bank of Canada. An ordinary banking business, as we know it, is transacted. The bank and its branches also executes purchases and sales of stocks and bonds, and is prepared to act as executor and trustee of wills, etc.

The report presented at the 60th ordinary general meeting, held in Birmingham, on the 5th of February, indicates the sound position in which banking is at present in England. The profits for the year, after payment of salaries, pensions, contributions to the provident and insurance fund, and making full provision for rebate, income tax, bad debts, contingencies, etc., was £1,463,125. The sum of £107,204 was brought forward from the previous year, making a total of £1,570,330. Dividends at the rate of 18⅛ per cent. less income tax

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid up - - - - $16,000,000
Rest - - - - - $16,000,000
Undivided Profits $1,784,979
Total Assets - - - $426,322,096

BOARD OF DIRECTORS:

Sir Vincent Meredith, Bart., President
Sir Charles Gordon, G.B.E., Vice-President

R. B. Angus, Esq.	Major Herbert Molson, M.C.
Lord Shaughnessy, K.C.V.O.	Harold Kennedy, Esq.
C. R. Hosmer, Esq.	H. W. Beauclerk, Esq.
H. R. Drummond, Esq.	G. B. Fraser, Esq.
D. Forbes Angus, Esq.	Colonel Henry Cockshutt.
Wm. McMaster, Esq.	J. H. Ashdown, Esq.

Head Office: MONTREAL

General Manager—Sir Frederick Williams-Taylor.

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And New York, Chicago and Spokane in the United States

A GENERAL BANKING BUSINESS TRANSACTED

THE CANADIAN BANK OF COMMERCE

Established 1867

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Paid-up Capital . . $15,000,000
Reserve Fund $13,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., *President*
SIR JOHN AIRD ... ... *General Manager*
H. V. F. JONES ... ... *Assistant General Manager*

Over 375 branches throughout Canada and in the United States, England, Mexico and Newfoundland.

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LONDON, ENGLAND, OFFICE—2 Lombard St., E.C.3
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The large number of branches of this Bank in all parts of Canada enables it to place at the disposal of its correspondents unexcelled facilities for every kind of banking business with Canada, and especially for collections.

Savings Bank Department at every Branch
(Yukon Territory excepted).

INCORPORATED
1855

THE BANK OF TORONTO

HEAD OFFICE, TORONTO, CANADA

Capital ....$ 5,000,000
Reserved Funds.. $ 6,555,306

Directors

W. G. GOODERHAM, President. J. HENDERSON, Vice-President
WILLIAM STONE, JOHN MACDONALD, L. ENGLEHART
Lt.-COL. A. E. GOODERHAM, BRIG.-GEN. F. S. MEIGHEN,
WM. I. GEAR, PAUL J. MYLER, A. H. CAMPBELL.

THOS. F. HOW, General Manager. JOHN R. LAMB, Assistant General Manager.
D. C. GRANT, Chief Inspector.

Business men are offered in this Bank the satisfactory banking service provided by our complete facilities and extensive connections.

Bankers

LONDON, ENGLAND—LONDON CITY AND MIDLAND BANK, LTD.
NEW YORK—NATIONAL BANK OF COMMERCE
CHICAGO—FIRST NATIONAL BANK.

ESTABLISHED 1875

IMPERIAL BANK OF CANADA

CAPITAL PAID UP $7,000,000
RESERVE FUND - 7,000,000

PELEG HOWLAND, President. E. HAY, General Manager.

HEAD OFFICE - - TORONTO

GOVERNMENT, MUNICIPAL and other HIGH-CLASS SECURITIES BOUGHT and SOLD

Correspondence Invited

ADDRESS:

THE MANAGER, BOND DEPARTMENT,
TORONTO

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were paid. £400,000 was transferred to reserve, £100,000 to the bank premises account and £100,000 to the staff bonuses account. This left a balance carried forward of £289,464. The total assets are now close to $1,000,000,000, of which over $150,000,000 are invested in British Government securities. The capital stock is £5,008,672; and the profit and loss account has a balance of £629,897. A reserve of £4,000,000 has also been accumulated.

During the year, arrangements were made under which the National Provincial Bank of England, Limited, has become joint proprietor, with Lloyds Bank, of Lloyds Bank of France, Limited.

COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended June 21, 1918:—

Aladdin Cobalt, 65,500; Kerr Lake, 59,658; Hudson Bay, 65,473; Coniagas, 176,000; Nipissing, 152,565; Mining Corporation, 130,818; total, 650,014.

The total shipments since January 1st, now amount to 13,806,187.8 pounds, or 6,903.1 tons.

FUEL SAVING SUGGESTED

At the afternoon session on June 25th, of the annual meeting of the Canadian Association of Stationary Engineers, at London, Ont., discussion took place regarding the fuel situation and conservation of electrical energy. An effort will be made to secure closer co-operation between the Manufacturers' Association and the Canadian Association of Stationary Engineers with a view to saving fuel. A resolution was passed urging that manufacturers who have electrical generating plants, and who have some power to spare, offer their surplus energy to the central stations, where the proper connections can be readily made.

BANK CLEARINGS

The following are the bank clearings for the weeks ended June 21st, 1917, and June 20th, 1918, respectively, with changes:—

	Week ended June 20, '18.	Week ended June 21, '17.	Changes.
Montreal	$ 99,955,573	$ 92,632,110	+ $ 7,323,463
Toronto	74,780,655	58,958,448	+ 15,822,207
Winnipeg	38,981,969	48,249,350	— 9,267,381
Vancouver	10,720,809	7,825,825	+ 2,894,984
Ottawa	8,316,184	6,562,212	+ 1,753,972
Calgary	5,502,463	6,332,209	— 829,746
Hamilton	5,250,423	6,041,949	— 791,526
Quebec	4,359,993	4,280,504	+ 79,489
Edmonton	2,999,481	2,487,656	+ 511,825
Halifax	4,470,053	2,989,185	+ 1,480,868
London	2,432,156	2,030,903	+ 401,253
Regina	3,463,310	3,077,999	+ 385,311
St. John	2,308,830	1,996,517	+ 312,313
Victoria	1,892,221	1,538,160	+ 354,061
Saskatoon	1,684,688	1,716,545	+ 31,857
Windsor	1,275,809	....	......
Moose Jaw	1,193,443	1,057,613	+ 135,830
Brandon	583,899	487,155	+ 96,744
Brantford	923,057	838,049	+ 85,008
Fort William	734,769	1,027,126	— 292,357
Lethbridge	767,684	909,116	— 141,432
Medicine Hat	456,068	637,382	— 181,314
New Westminster ..	391,260	371,255	+ 20,005
Peterboro	602,825	807,833	— 205,008
Sherbrooke	756,512	733,812	+ 22,700
Kitchener	635,717	592,943	+ 42,774
Totals	$275,439,851	$254,181,856	+ $19,982,186

The Toronto bank clearings for the current week are $75,376,722, compared with $59,644,143 for the same week in 1917, and $56,320,154 in 1916.

SASKATCHEWAN FOOD BOARD EXECUTIVE RESIGNS

Hon. G. W. Brown, L. E. Mutton, G. A. Mantle, F. H. Auld and W. A. Wilson, the executive of the Saskatchewan Food Control Committee, have resigned in a body, and have asked to be relieved of their work. In resigning the executive expressed their view that they could no longer carry on the work because of the conditions created in Saskatchewan by certain of the regulations of the Canada Food Board.

NEW OCEAN TRANSPORTATION COMPANY

Cumulative preference shares in the British Colonies Transportation Company, Limited, are at present being offered on the market. This company was formed recently to acquire and operate a fleet of vessels on the Atlantic Ocean to trade between Canadian and American ports. The company has contracted for three new ships, two of which should be delivered in August, and the other in the following month. They are worth over $450,000 and are built to Lloyd's highest classification, having a rating for 13 years. The British Colonies Transportation Company, whose head office is in St. John, N.B., has a capitalization of $250,000 8 per cent. cumulative preference stock, and $500,000 of common stock. The par value of the shares is $100 each. The amounts being issued at present are $230,000 and $400,000, respectively, and the preference stock, which is redeemable at 110 is being offered at par with a bonus of 30 per cent. in the common stock. Goldman and Company, Royal Bank Building, Toronto, who are handling the issues, report that practically all of it has been placed.

HOME BANK'S ANNUAL REPORT

One of the most satisfactory statements so far received was presented at the annual meeting of the Home Bank of Canada held on Tuesday, the 25th inst. The profits for the year ending May 31st, 1918, were $228,963. When the balance at the credit of profit and loss was added to this, the total available was $369,201. Dividends at the rate of 5 per cent. per annum absorbed $97,362. A reserve for depreciation of securities and for contingencies to the amount of $90,000 was set aside; $19,316 was required for the government war tax on note circulation, $10,000 was written off the bank premises account and $2,000 was donated to the patriotic fund. The total assets of the bank are now $23,675,733.68.

In addressing the shareholders, Mr. J. C. Mason, the acting general manager, spoke as follows: "The 13th annual report of the bank shows it to be in a strong liquid position. Our actual cash position is the strongest we have ever occupied, and our liquid assets represent 52.10 per cent. of our total liabilities to the public. Notwithstanding the heavy withdrawals for investment in government and attractive securities, a very substantial increase is shown in the deposits. Our deposits by the public, exclusive of deposits and balances due to the Dominion government, amount to $15,680,000, an increase of over $6,000,000, or 64.12 per cent. in the past three years. The net earnings for the year were larger than last year, being about 10.18 per cent. of the paid-up capital and rest.

"The staff situation, due to the large number of enlistments, is a serious one, but all are working together, early and late, giving faithful war service. Since 1914 the volume of business has increased at least 50 per cent."

Mr. Mason stated that at the outbreak of the war the bank employed 254 men and 15 girls, whereas now the numbers were 165 and 102 respectively.

The head office of the Stuyvesant Fire Insurance Company has been moved to No. 2 Court Street, Toronto, and Mr. H. Begg, of Messrs. Shaw and Begg, has been appointed branch manager for Canada.

Winnipeg will have to raise $606,173 this year as its share of the first levy of $764,178 for Greater Winnipeg Water District. The Winnipeg rate is 3.68 mills on an "equalized" land assesment of $164,836,000. The total assessment for all municipalities is $207,836,000—that of St. Boniface being $14,401,000 and its levy $52,950, or a rate of 4.42 mills.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital - $4,866,666.66
Reserve Fund - $3,017,333.33

HEAD OFFICE
5 GRACECHURCH STREET, LONDON E.C. 3

Head Office in Canada

ST. JAMES ST., MONTREAL

H. B. MACKENZIE, General Manager

ADVISORY COMMITTEE IN MONTREAL:
SIR HERBERT B. AMES, M.P.
W. R. MILLER, Esq. W. R. MACINNES, Esq.

This Bank has Branches in all the principal cities of Canada,, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

Savings Department at All Branches

THE MOLSONS BANK

Capital Paid-Up, **$4,000,000** Reserve Fund, **$4,800,000**

Incorporated by Act of Parliament 1855.

HEAD OFFICE ... ... MONTREAL

BOARD OF DIRECTORS
WM. MOLSON MACPHERSON, President. S. H. EWING, Vice-President
Geo. B. Drummond Wm. M. Birks F. W. Molson
W. A. Black E. J. Chamberlin
EDWARD C. PRATT, General Manager

BRANCHES

ALBERTA
Calgary
Camrose
Edmonton
Lethbridge
BRITISH COLUMBIA
Revelstoke
Vancouver
" East End
MANITOBA
Winnipeg
" Portage Av.
ONTARIO
Alvinston
Amherstburg
Aylmer
Belleville
Brockville
Brucefield
Chesterville
Clinton | Delhi
Dutton | Drumbo
Exeter | Forest
Formosa
Frankford
Hamilton
" Market
" James & Barton
Hensall
Highgate
Iroquois
Kingsville
Kirkton
Kitchener
Lambton Mills
London
Lucknow
Meaford
Merlin
Morrisburg
Norwich
Ottawa
Owen Sound
Port Arthur
Ridgetown
Simcoe
Smith's Falls
St. Mary's
St. Thomas
" East End
Teeswater
Toronto
" Queen St. W.
" West Toronto
Trenton
Wales | Waterloo
Williamsburg
Woodstock
Zurich
QUEBEC
Arthabaska
Bedford
Chicoutimi
Cowansville
Drummondville
Foster
Fraserville and Riviere du Loup Station
Knowlton
Lachine
Lachute | Matane
Mont Joli
Montreal
" St. James St.
" St. Catherine St.
Montreal—Cont.
" Market & Harbor
" St. Henri
" Maisonneuve
" Cote des Neiges
" St. Lawrence Boulevard
" Cote St. Paul
" Park & Bernard
" Montreal, West
" Tetreaultville
Pierreville
Quebec
" Upper Town
Richmond
Roberval | Sorel
Sutton | St. Cesaire
Ste. Flavie Stn.
St. Ours
St. Thérèse de Blainville
Trois Pistoles
Three Rivers
Victoriaville
Ville St. Pierre
Waterloo

AGENTS IN GREAT BRITAIN AND COLONIES—London and Liverpool—Parr's Bank, Limited. Ireland—Munster & Leinster Bank, Limited. Australia and New Zealand—The Union Bank of Australia, Limited. South Africa—The Standard Bank of South Africa, Limited.

FOREIGN AGENTS — France — Societe Generale. Belgium—Antwerp—La Banque d'Anvers. China and Japan—Hong Kong and Shanghai Banking Corporation. Cuba—Banco Nacional de Cuba.

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Collections made in all Parts of the Dominion, and returns promptly remitted at lowest rates of exchange. Commercial letters of Credit and Travellers' Circular Letters issued available in all parts of the world.

BANK OF NOVA SCOTIA
ESTABLISHED 1832

THE BANK OF NOVA SCOTIA

Capital paid-up - $ 6,500,000
Reserve Fund - 12,000,000
Total Assets over 130,000,000

HEAD OFFICE - HALIFAX, N.S.

BOARD OF DIRECTORS
CHARLES ARCHIBALD, President
G. S. CAMPBELL and J. WALTER ALLISON
Vice-Presidents
JOHN Y. PAYZANT
HON N. CURRY
W. W. WHITE, M.D.
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HECTOR McINNES
JAMES MANCHESTER
S. J. MOORE
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General Manager's Office, Toronto, Ont.

H. A. RICHARDSON, General Manager.
J. A. McLEOD, Asst. General Manager.

BRANCHES IN CANADA

30 in Nova Scotia	33 in New Brunswick
7 in Prince Edward Island	9 in Quebec
62 in Ontario	14 in Western Provinces

IN NEWFOUNDLAND

Bay Roberts
Bell Island
Bonavista
Bonne Bay
Brigus
Burgeo
Burin
Carbonear
Catalina
Channel
Fogo
Grand Bank
Harbor Grace
Little Bay Islands
Old Perlican
St. John's
" East End
Twillingate
Wesleyville

IN WEST INDIES

Havana, Cuba, **San Juan,** Porto Rico.

Jamaica—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

CORRESPONDENTS

Great Britain—London Joint Stock Bank Ltd.; Royal Bank of Scotland.

France—Credit Lyonnais.

United States—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank, Seattle.

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Laurentide Company, Limited.—A regular quarterly dividend of 2½ per cent. has been declared, payable July 10th, to holders of record June 25th.

P. Lyall & Sons Construction Company.—A regular quarterly dividend of 2 per cent. has been declared, payable July 10th to holders of record June 30th.

West Kootenay Power & Light Company.—Quarterly dividends of 2 per cent. have been declared on the common stock and 1¾ per cent. on the preferred, both payable July 2nd to holders of record June 26th.

Pacific-Burt Company, Limited.—Profits of $101,551 were earned during the fiscal year ended 31st March, by the Pacific-Burt Company, Limited. This is more than for the year 1916, but less than for the year 1917. Dividends were paid on the preferred stock at the rate of 7 per cent., and on the common stock at the rate of 2 per cent.

North American Pulp Company.—The annual statement of the company and its subsidiaries for 1917, shows the total income to have been $1,318,740, an increase of $510,479 over the previous year. The surplus was $105,164, compared with a deficit of $309,360 for 1916. The net available for bond interest, etc., was $1,061,400, an increase of $531,278.

Atlantic Sugar Refineries, Limited.—Very satisfactory profits for the year ending 30th April, 1918, are shown in the annual reports of the Atlantic Sugar Refineries, Limited. Profits for the year amounted to $462,676, compared with $304,423 in 1917. After deducting interest, depreciation, etc., the balance of $246,782 is equal to almost 10 per cent. on the preferred stock. The surplus carried forward is $323,439.

Southern Canada Power Company.—Gross earnings of the company for the month of May aggregated $40,612, an increase of $4,784, leaving net, after operating expenses and purchased power, of $18,222, an increase of $2,311. For the eight months ending with May, the gross earnings of the company amounted to $313,865, an increase of $56,798, but an increase of $37,450 in operating expenses reduced the net increase to $19,348.

Ticonderoga Paper Company.—The directors of the company declared two quarterly dividends of 10 per cent. each on June 19th, putting the shares on a 40 per cent. basis, and, in addition, declared a bonus of 120 per cent. Both are payable June 29th to stock of record June 27th. The two additional quarterly payments of 10 per cent. will be paid September 30th and December 31st. The Ticonderoga Company is controlled by the Riordon Pulp & Paper Company.

Porto Rico Railways Company, Limited.—The following is a comparative statement of earnings for May, 1918, and for the five months ended May 31st:—

May.	1917.	1918.	Increase.
Gross	$ 77,541.62	$ 86,829.37	$ 9,287.75
Net	37,043.96	38,776.84	1,732.88
For five months:—			
Gross	$370,402.98	$421,954.20	$51,551.22
Net	162,797.45	190,201.21	27,403.76

Ames-Holden & Company.—The annual statement of the company will be ready for the shareholders next week. It will show earnings of approximately $300,000 applicable to the preferred shares after charges, depreciation, deductions, etc. This would represent 12 per cent. on the 25,000 preferred shares and leave nearly 4 per cent. on the 35,000 shares of common stock. This is a decided improvement over the previous year, when the surplus applicable to the preferred amounted to $197,304, or 7.80 per cent. on the preferred and about two-thirds of 1 per cent. on the common.

Kerr Lake Mines.—The output of the company for May totalled 268,000 ounces, which works out at a rate of about 8,645 ounces per day. This is the largest month's output in the history of the company. As the price of the white metal at the present time is 99½ cents per ounce, it will be seen that the earnings of the company are approximately $270,000 for the month. With the cost of production being maintained around 25 cents per ounce, the company made a net profit during the past month of around $200,000, or about $6,000 per day. The May production compared with that of April shows an increase of about 67,000 ounces.

Montreal Light, Heat and Power Company.—The company's return for May shows an increase of $19,246 in net surplus after deducting operating expenses, interest charges and the month's proportion of the dividend on the capital stock. Net income for the month, after operating expenses and fixed charges had been allowed for, amounted to $374,645. The month's proportion of the quarterly dividend of 1 per cent. was $213,334, leaving a net surplus of $161,310. On that basis the company would be earning at the rate of about 7 per cent. on its capital stock before reserve appropriations. A monthly average of $161,310, however, is low on the basis of the company's previous performances.

Mining Corporation of Canada.—Net profits of the company for the year ending December 31st last were $2,557,091, compared with $1,895,583 in the preceding year, which result is arrived at after writing off proper amounts for depreciation and special expenditure. There was paid out of these profits $1,556,296.86 in dividends, ordinary and extra, leaving a surplus for the year of $1,000,795 to be added to profit and loss surplus, which now stands at $3,448,377. Silver production during the year was larger than in 1916 and totalled 4,485,541.56 ounces, as against 4,457,440.80 ounces in 1916.

The balance sheet of the company shows cash in banks totalling $1,032,815 on December 31st last, as against $846,367 the previous year. War loans and treasury bills total $1,154,815, and demand loans $104,940. Ore in transit is placed at 798,869, as against 430,534. Fixed assets (buildings and equipment) are written down from $329,777 to $275,021. The total assets are placed at $11,919,933, as against $4,803,425. The largest increase is in valuation of mining rights, which are placed at $7,553,123, as against $1,327,873 at the end of 1916.

J. G. White Companies.—In submitting the annual report for the year ended 31st December, 1917, the directors referred to the important work being carried on under contract with the government. More contracts of this kind are in view. This work accounts for a considerable increase in both sides of the balance sheet, but the credits will be self-liquidating, as the contracts are completed.

Depreciation of securities has made necessary the writing down of many of the investments, but the underlying situation is felt to be sound. Regarding the prospect for public utility securities the report says:—Electric light and power services, gas and street railway facilities have become such absolute necessities in the daily life of practically all cities and towns throughout the country that it is quite certain that the people who are now enjoying the benefits of these utilities will want to continue their use. To do this it will be necessary in the long run that the companies furnishing the service shall be paid the total actual cost of the service, including adequate depreciation and sufficient profit to permit them to raise the capital necessary to maintain good service. This leads the officers of your companies to hope that the values fixed by special committees of directors, as December 31st, 1917, will within a reasonable time show a substantial excess in market over inventory values of securities held by your companies. As the president, the secretary of the treasury, the comptroller of the currency, and other government and state officials have urged that utility companies should be treated with consideration and increased rates allowed, it is to be expected that the necessity of such increase will gradually be recognized by state and municipal authorities throughout the country, and adequate revenues for the utility companies provided. There is accumulating evidence that public opinion is rapidly appreciating the necessity and justice of this. When this is accomplished higher revenues and a better market and higher prices for utility securities should follow.

GREATER WINNIPEG WATER DISTRICT

One million dollars of Greater Winnipeg Water District 6 per cent. gold bonds are being offered by a syndicate at 96.86 and interest yielding 6¾ per cent. The bonds are dated July 1st, 1918, and are due July 1st, 1923. The district is a municipal corporation, constituted by special act of the Manitoba legislature, and serves the city of Winnipeg and some of its suburbs.

THE BANK OF OTTAWA

Established 1874
94 Branches in Canada

Capital paid up -	$4,000,000
Rest - - -	$4,750,000

A BANK WELL EQUIPPED TO SERVE THE PUBLIC

There is a universal call for saving NOW.

Start a Savings Account at any Branch with a Dollar or more.

4

The Dominion Bank

HEAD OFFICE .. TORONTO

Sir Edmund B. Osler - President
W. D. Matthews - Vice-President
C. A. Bogert - General Manager

The London, England, Branch

Of the Dominion Bank at 73 Cornhill, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada. 347

The Home Bank of Canada

THE HOME BANK OF CANADA

Head Office and Eight Branches in Toronto

8-10 King Street West, Head Office and Toronto Branch.
78 Church Street.
Cor. Queen West and Bathurst.
Cor. Queen East and Ontario.
1220 Yonge Street Subway, Cor. Alcorn Ave.
Cor. Bloor West and Bathurst.
236 Broadview, Cor. Dundas St. East.
1871 Dundas St., Cor. High Park Ave.

BRANCHES AND CONNECTIONS THROUGHOUT CANADA

The Standard Bank of Canada

Quarterly Dividend Notice No. 111

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 31st of July, 1918, and that the same will be payable at the Head Office in this City and at its Branches on and after Thursday, the 1st day of August, to Shareholders of record of the 22nd of July, 1918.

By order of the Board,
C. H. EASSON,
General Manager

Toronto, June 22nd, 1918.

THE MERCHANTS BANK OF CANADA

Head Office: Montreal. Established 1864.

Paid-up Capital,	$7,000,000	Total Deposits (Dec. 1917),	$103,000,000
Reserve Funds,	7,421,292	Total Assets (Dec. 1917),	136,000,000

Board of Directors:

President - - - SIR H. MONTAGU ALLAN Vice-President - - - K. W. BLACKWELL

Thomas Long
F. Orr Lewis
Andrew A. Allan
Lt.-Col. C. C. Ballantyne
A. J. Dawes
F. Howard Wilson
Farquhar Robertson
Geo. L. Cains
Alfred B. Evans
E. F. Hebden
Thos. Ahearn
Lt.-Col. J. R. Moodie

Managing Director - - - - - E. F. Hebden General Manager - - - - D. C. Macarow
Supt. of Branches and Chief Inspector: T. E. Merrett

AN ALLIANCE FOR LIFE

Many of the large Corporations and Business Houses who bank exclusively with this institution, have done so since their beginning.

Their banking connection is for life—yet the only bonds that bind them to this bank are the ties of service, progressiveness, promptness and sound advice.

236 Branches in Canada, extending from the Atlantic to the Pacific

New York Agency: 63 and 65 Wall Street

Bankers in Great Britain: The London Joint Stock Bank, Limited; The Royal Bank of Scotland

37

BANK STATEMENT FOR MAY

The bank statement for the month of May shows still further increases in circulation, in savings deposits and in total assets. The total deposits in Canada are $8,740,801 more than at the end of the month of April and $147,010,584 more than for the month of May, 1917. Savings deposits increased $14,112,669 during the month. Demand deposits, on the other hand, have fallen off considerably. A large increase in current loans indicates business activity throughout the country. Some of the figures are as follows:—

	May, 1918.		Changes during May, 1918.
Note circulation	$ 181,889,959	+	$ 1,234,995
Reserve fund	114,333,518	+	3,800
Demand deposits	535,655,751	—	22,853,470
Notice deposits	947,757,337	+	14,112,669
Total deposits in Canada	1,483,413,088	+	8,740,801
Deposits elsewhere	204,173,285	—	699,837
Current coin	76,570,686	—	1,712,621
Dominion notes	177,655,477	+	8,310,402
Deposits, central gold reserve .	79,870,000	+	600,000
Call loans in Canada	78,466,582	+	969,222
Call loans outside	172,259,879	—	7,558,652
Current loans in Canada	894,817,113	+	10,727,711
Current loans outside	99,300,926	+	33,266
Total liabilities	2,070,543,724	+	6,988,863
Total assets	2,319,958,402	+	7,687,244

The complete report will be given in *The Monetary Times* next week.

CANADIAN CREDIT MEN'S ASSOCIATION

At the annual meeting of the Ontario division of the Canadian Credit Men's Association held on Tuesday, the 25th inst., the following officers were elected: President, Thomas McMilian, Annesley-Dineen Hat and Fur Company; vice-president, A. G. Parker, W. J. Gage Company; secretary-treasurer and manager, A. S. Crighton.

Among the subjects discussed was the proposed bankruptcy act which was drafted for the last session of parliament, and will likely be taken up as a government measure at the next session. Mr. Henry Detchon, general manager of the association, addressed the meeting. He expressed his pleasure at the satisfactory results obtained by the Ontario division on behalf of the wholesale trade of the province during the past year, under the presidency of Mr. W. H. Lamont, and stated his confidence that the organization would continue to expand as a power for good, under the guiding hand of Mr. Thos. McMillan, the newly elected president. One of the most important accomplishments of the association during the year had been the securing of a Bulk Sales Act for the province of Ontario, the act coming into force on October 1st next. Mr. Detchon commended the legislation committee which, under the chairmanship of Mr. Jas. A. Catto, had rendered valuable service in connection with the proposed Bankruptcy Act. "Wholesalers in all provinces are heartily in favor of the bill as amended by the special parliamentary committee appointed by the government at the last session of parliament," said Mr. Detchon, "and practically all of the other interested organizations have given it their endorsement."

In promoting the bill the association had endeavored to retain the best features of the insolvency acts of the various provinces, and at the same time incorporate provisions for the discharge of an honest debtor under certain reasonable restrictions and the compulsory abandonment of assets of debtors who had become insolvent, without recourse to the present complicated and expensive procedure.

One of the great advantages of the Bankruptcy Act is that it would provide uniform legislation in insolvency matters throughout the Dominion. Under the act creditors would still continue to control the administration of estates in which they were interested, and the heavy expense attendant upon the operation of the English and American acts, occasioned by excessive court procedure, which is the cause of great dissatisfaction, would in a large measure be eliminated.

Mr. Detchon explained that the government had had the bill, as amended by the special parliamentary committee, reprinted for distribution in order that all interests might become familiar with it before the next session of parliament, when it is expected the measure will become law.

PREPARATION FOR NEXT WAR LOAN

As stated elsewhere in *The Monetary Times*, the various points in connection with the coming war loan were discussed in a conference at Ottawa, on Tuesday of this week. No official announcement has been made, however, and will not, it is stated, be made for some time. In fact, none of the details have been absolutely settled as yet. As in the case of the Victory loan, there will be a Dominion executive, provincial executive and a committee in charge of special subscriptions. The only actual appointment so far made has been that of Mr. E. R. Wood, as chairman of the Dominion executive.

CITY OF REGINA BONDS

City of Regina 20-year 6½ per cent. gold bonds were sold this week by tender. There were two blocks, one of $175,000 and the other of $55,000, due in 20 and 10 years, respectively. A large number of tenders were received, including the following: Wood, Gundy and Company (for straight-term 6½ per cent. bonds), 97.28 and interest; A. E. Ames and Company (for straight-term 6½ per cent. bonds), 96.59 and interest; G. A. Stimson and Company (for instalment 6½ per cent. bonds), 96.42 and interest; Macneill and Young (for instalment 6 per cent. bonds), 92.32 and interest.

The tender of Wood, Gundy and Company was accepted. The issue is being offered at par and accrued interest.

TRUST AND LOAN COMPANY OF CANADA

Profits for the year ended March 31st, 1918, amounting to £126,892 are reported in the annual statement of the Trust and Loan Company of Canada. Of this amount £29,416 was carried to the statutory reserve account, and £15,153 provided for income tax, £5,000 transferred to contingencies account, and dividends paid at the rate of 12½ per cent. per annum.

The £140,000 which stood at the credit of the special reserve account, together with £29,416 from the profits of the current year, have been transferred to the statutory reserve fund account. This fund now amounts to £600,000, which equals the paid-up capital of the company. Provision was also made for depreciation of securities. Total assets are now £3,976,170. The company is ably represented in Canada by its commissioner, Mr. J Camphell (of Winnipeg), and by assistant commissioners, Mr. E. R. Whitehead (of Winnipeg), R. C. Younge (of Montreal) and J. Rogers (of Regina).

ATLANTIC SUGAR HAS EXCELLENT YEAR

The profits of the Atlantic Sugar Refineries, Limited, for the year ended April 30th, 1918, were $462,676, which is the largest amount so far realized; $88,700 was required for bond interest; $90,882 for bank interest and exchange; and $33,991 for deferred operating charges; $40,000 was set aside for reserve for depreciation of plant, in which account there is now a balance of $60,000. The balance added to the amount already at the credit of profit and loss account, makes a total at the credit of this account of $323,439. No dividend has as yet been paid.

Considering the restrictions which have been placed on the consumption of sugar in Canada, this report is quite encouraging, as it strengthens greatly the financial position of the company. The total business for the year is, in fact, considerably greater than the business for the year 1917. The profits were at a small rate—viz., about 15 cents per 100 lbs. Mr. D. Lorne McGibbon, the president, in his address to the shareholders, also pointed out how the action of the International Sugar Commission in New York restricted in a considerable degree the business and profits of the refinery. This commission, which was formed in October, 1917, allocated as Canada's share 320,000 tons. This is again divided among the Canadian refineries, with the result that business is restricted to quite an extent.

The Atlantic Sugar Refineries was incorporated in 1912, and has a paid-up capital of $3,500,000 of common stock and $2,500,000 of 7 per cent. cumulative preferred shares; there are also $1,470,000 of first mortgage bonds outstanding. The total assets are valued at nearly $7,000,000. The business of the company extends in Canada from Halifax to Calgary, and a large export business is also done to Great Britain and France. In fact at present, in view of the growing demand, business is limited only by the restrictions imposed.

The directorate consists mostly of Montreal people.

THE STERLING BANK
OF CANADA

The service rendered to all our clients has every aspect of "special" service—it is efficient, practical, attentive to details, complete.

Head Office
King and Bay Streets, Toronto 78

The National Bank of Scotland
Limited
Incorporated by Royal Charter and Act of Parliament. ESTABLISHED 1825

Capital Subscribed......	£5,000,000	$25,000,000
Paid up	1,000,000	5,000,000
Uncalled	4,000,000	20,000,000
Reserve Fund	800,000	4,000,000

Head Office EDINBURGH

J. S. COCKBURN, General Manager. GEORGE A. HUNTER, Secretary.
LONDON OFFICE—37 NICHOLAS LANE, LOMBARD ST., E.C.4
JOHN FERGUSON, Manager. DUGALD SMITH, Assistant Manager.

The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies domiciled in London, are retired on terms which will be furnished on application.

AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
AUSTRALIA

PAID UP CAPITAL	$ 19,524,300.00
RESERVE FUND	14,375,000.00
RESERVE LIABILITY OF PROPRIETORS	19,524,300.00
	$ 53,423,600.00
AGGREGATE ASSETS 30th SEPT., 1917	$285,767,140.00

J. RUSSELL FRENCH, General Manager
334 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua (New Guinea), and London. The Bank transacts every description of Australian Banking Business. Wool and other Produce Credits arranged.
HEAD OFFICE: GEORGE STREET, SYDNEY. LONDON OFFICE: 29 THREADNEEDLE STREET, E.C., 2.
AGENTS: BANK OF MONTREAL, ROYAL BANK OF CANADA, BANK OF BRITISH NORTH AMERICA

ESTABLISHED 1865
Union Bank of Canada
Head Office - WINNIPEG

Paid-up Capital	$ 5,000,000
Reserve	3,400,000
Total Assets (Over)	140,000,000

BOARD OF DIRECTORS
Hon. Pres., SIR WILLIAM PRICE President, JOHN GALT, Esq.
Vice-Presidents, R. T. RILEY, Esq.; G. H. THOMSON, Esq.

W. R. Allan, Esq.
G. H. Balfour, Esq.
Hume Blake, Esq., K.C.
M. Bull, Esq.
Major-General Sir John W. Carson.
B. B. Cronyn, Esq.
E. L. Drewry, Esq.
S. Haas, Esq.
A. Hitchcock, Esq.
J. S. Hough, Esq., K.C.
F. E. Kenaston, Esq.
W. H. Malkin, Esq.
R. O. McCulloch, Esq.
Wm. Shaw, Esq.

H. B. SHAW, Gen. Manager
J. W. HAMILTON, Assistant General Manager

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London, England, New York and Montreal Offices, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureaus established at these Branches.

London, Eng., Branches, 6 Princes Street, E.C., and West End Branch, Haymarket, S.W.
New York Agency, 49 Wall Street, New York City.
GEO. WILSON, Agent.

The Bank, having 301 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of Banking business. It has Correspondents in all Cities of importance throughout Canada, the United States, the United Kingdom, the Continent of Europe, and the British Colonies.

Collections made in all parts of the Dominion and returns promptly remitted at lowest rates of exchange. Letters of Credit and Travellers' Cheques issued available in all parts of the world. 199

BANK OF HAMILTON
HEAD OFFICE, HAMILTON

CAPITAL AUTHORIZED	$5,000,000
CAPITAL PAID UP	3,000,000
SURPLUS	3,500,000

DIRECTORS
SIR JOHN HENDRIE, K.C.M.G., President.
CYRUS A. BIRGE, Vice-President.
C. C. Dalton
Robert Hobson
W. E. Phin
I. Pitblado
W. A. Wood
J. Turnbull

J. P. BELL, General Manager.

BRANCHES

ONTARIO
Ancaster
Atwood
Beamsville
Blyth
Brantford
" East End
Burlington
Caledonia
Chesley
Delhi
Dundalk
Dundas
Dunnville
Fordwich
Ft. William
Georgetown
Gorrie
Grimsby
Hagersville
Hamilton
" Barton St.
" Deering
" East End
" North End
" West End
Jarvis
Kitchener
Listowel
Lucknow
Midland
Milton
Milverton
Mitchell
Moorfield
Neustadt
New Hamburg
Niagara Falls
Niagara Falls, S.
Oakville
Orangeville
Owen Sound
Palmerston
Paris
Port Arthur
Port Colborne
Port Elgin
Port Rowan
Princeton
Selkirk
Simcoe
Southampton
Teeswater
Toronto
" Queen & Spadina
" College & Ossington
" Yonge & Gould
West Toronto
Wingham
Wroxeter

MANITOBA
Bradwardine
Brandon
Carberry
Carman
Dunrea
Elm Creek
Foxwarren
Gladstone
Hamiota
Kenton
Killarney
Manitou
Miami
Minnedosa
Morden
Pilot Mound
Roland
Snowflake
Stonewall
Swan Lake
Treherne
Winkler
Winnipeg
" Norwood
" Princess St.

SASKATCHEWAN
Aberdeen
Abernethy
Battleford
Brownlee
Carievale
Caron
Dundurn
Estevan
Francis
Loreburn
Mawer—Melfort
Meota
Moose Jaw
Mortlach
Redvers | Regina
Rouleau
Saskatoon
Stoney Beach
Truax
Tuxford

ALBERTA
Brant
Calgary
Cayley
Champion
Granum
Nanton
Oyen
Stavely
Taber
Vulcan

BRITISH COLUMBIA
Armstrong
Kamloops
Port Hammond
Salmon Arm
Vancouver
Vancouver E.
N. Vancouver
S. Vancouver (Cedar Cottage P.O.)

PLEDGE OF UNENDORSED STOCK

Case Where Bankrupt Broker Has Pledged Stock With Trust Company

BY M. L. HAYWARD, B.C.L.

The case of Boston Safe Deposit and Trust Company vs. Adams, recently decided by the Massachusetts Supreme Judicial Court, arose out of a rather interesting state of facts, and the decision of the court lays down some important principles in reference to the law governing the relations of broker and customer.

In this case a customer deposited with a broker a stock certificate to cover margin on stocks which the broker was carrying for the customer, and the broker became bankrupt at a time when he was indebted to the customer. The question then arose whether, if the certificate were in the broker's hands at the time of his bankruptcy, the customer would be entitled to its return, or whether the certificate would go to the trustee in bankruptcy. On this point the court decided in favor of the customer.

"It follows," said the court, "that at that time the customer would have been entitled to receive the certificate here in question from the broker if the certificate had been in his hands at that time."

Another point arose in the same case, however, as the certificate had been deposited with the broker without being endorsed by the customer, and before his bankruptcy the broker pledged the unendorsed certificate with the Boston Safe Deposit and Trust Company, so that the question, as stated by the court, was "whether the intervening pledge by the broker with the trust company gives the trust company greater rights against the customer than the broker would have had had the certificate remained in his hands."

Rights of the Trust Company.

On this point the court decided in favor of the customer, and the following quotation from the judgment of the court will repay a careful perusal:—

"What the broker got from the customer (when the customer delivered to him without a transfer of it the certificate here in question as margin on his account) was a right in the nature of an equitable mortgage, with a right to have the legal title transferred to him so that they would be the apparent owners of the certificate and the shares represented by it, and so be in a position (in accordance with the custom) to borrow money in his own name on the strength of the certificate and the shares represented by it, without regard to the state of the account between him and the customer. In place of perfecting his title, and so putting himself in a position to do this, the broker assigned to the trust company his unperfected rights in the certificate and the shares represented by it. What he assigned to the trust company was something in the nature of an equity or a chose in action. That the trust company knew; or at least it was chargeable with knowledge of that fact by reason of the fact that the certificate and the shares represented by it had not been transferred by the customer, the owner of it and them. That is to say, what the broker had was an equity, or chose in action. All that he had to give to the trust company was an equity or chose in action. In case of the assignment of an equity or of a chose in action, an assignee gets, and can get, no greater rights than his assignor had. The trust company could have called for a transfer of the certificate and of the shares represented by them. If the customer was not bound to make a transfer to the trust company, it was at least bound to make one to the broker to enable him to make a repledge of the certificate independently of the state of the account between them and the customer. But the trust company did not do so. It chose to rest content with an assignment of the equitable right or chose in action which the broker had. When he became bankrupt it undertook to enforce his equitable right to chose in action. The equitable right of the broker to compel a transfer of the legal title had then come to an end, as we have already held. As assignee of the broker, the trust company's equitable right was no greater than theirs.

"In this case the trust company was not misled by the customer. From the state of the certificate it knew or was chargeable with knowledge that the certificate and the shares represented by it had not been assigned by the customer, and that all that it was getting was an equitable right.

"We are of opinion, therefore, that the trust company has no right to compel the customer to transfer to it the legal title to this certificate and to the shares represented by it."

In this case the court also made the following general remarks in reference to the legal effect of margin transactions:—

"Under the findings of the judge the certificate was handed by the customer to the broker, not because the customer was then indebted to him (for, under the findings, he was not then indebted to him), but because, by the contract between a customer and a stockholder carrying shares for the customer on a margin, it is the duty of the customer to furnish the broker with a margin for his protection in case of a decline in the price of the stock carried, and to enable the broker to borrow the money required to carry the account. In borrowing money on a margin this is necessary, and for that reason and for the protection of the stockbroker the customer has to furnish the broker with securities, even though the customer's account is good in the sense that the securities bought are worth more than the purchase money paid for them."

NEW STEEL FROM OLD

Not so long ago the possibility of making new or good steel solely from old steel or scrap, without the addition of virgin metal as pig iron, was regarded as a dream, at least so far as any commercial aspect was concerned. But there is no longer anything unusual about this. The electric furnace has revolutionized our ideas of this as well as of some other metallurgical phases of the steel industry. To-day, steel of the best quality is made in large units from scrap of poor quality, and from scrap alone, in such furnaces. Even old steel is almost magically reconverted into excellent pig iron, something that would have been considered chimerical if suggested ten years ago.

Something similar to this achievement of the electric furnace is now being accomplished on a large scale in the open-hearth. In two instances, one in Canada and one in the United States, heats as large as 25 tons are being made where 95 per cent. of scrap steel, mostly shell turnings, is the charge.

Necessity is again the mother of invention. War necessity certainly has opened the way to results hitherto regarded as impossible.—"Iron Age."

BRITISH COLUMBIA ELECTRIC RAILWAY

The British Columbia Electric Railway Company, Limited, is experiencing the financial difficulties that are being met by utility companies all over the American continent. This is the result of a fixed scale of prices, while costs of production are increasing rapidly. In contrast to the great majority of manufacturing companies, utility companies and railroads can only increase their charges with difficulty. Under the franchise of the British Columbia Electric the fares cannot be increased above five cents, although the present basis is a 4⅙-cent fare. Owing to the fact that the franchise expires next February, the question of raising fares is a difficult one at present. Jitney competition has been experienced, and is still being met, Vancouver being the only city in Canada in which they still operate. This is in spite of a recommendation made some time ago by Professor Shortt, after a special investigation, that they be prohibited. Curiously enough, the recommendation was acted on by the city of Winnipeg, but not by the city of Vancouver. A deficit has for some time been experienced by the company.

Just at present it is having difficulty with its employees on the wage question. Street railway men recently asked an increase in the wage bill which would practically amount to 50 per cent. The maximum wage for city motormen and conductors was to be 51 cents per hour in place of 40 cents as at present. While this was an increase of only 30 per cent., other stipulations, including that for an eight-hour day, brought up the total amount. This would mean an increase in costs to $640,000 a year. The company offered a 10 per cent. increase, and when this was refused by the men they applied for arbitration. This was satisfactory to both parties and will be proceeded with very shortly.

The head office of the company is in London, England, and it is, in fact, incorporated by Imperial charter. The original issues of stock and debentures were made in England, and most of the securities are still held there.

Northern Crown Bank

HEAD OFFICE .. WINNIPEG

Capital (authorized) $6,000,000 Capital (paid up) $1,431,200
Rest and Undivided Profits $920,202

A general banking business transacted at all branches

DIRECTORS

President Capt. Wm. Robinson
Vice-President Jno. Stovel
W. R. Bawlf Sir D. C. Cameron, K.C.M.G. B. F. Hutchings
A. McTavish Campbell Geo. Fisher

BRANCHES IN WESTERN CANADA

ALBERTA
Calgary
Edmonton
High River
Red Deer

B. COLUMBIA
Ashcroft
Marpole
Quesnel
Steveston
Vancouver
Hastings St.
Mt. Pleasant
Victoria

MANITOBA
Arden
Beausejour
Binscarth
Brandon
Crandall
Glenboro
La Riviere
Melita
Miniota
Pierson
Pipestone
Rathwell
St. Boniface
Ste. Rosedu Lac
Somerset
Sperling
Steinbach
Stonewall
Winnipeg
Portage Ave. and Port St.
Portage and Sherbrooke
Main & Selkirk
William and Sherbrooke

SASKATCHEWAN
Alameda
Allan
Aneroid
Balcarres
Bladworth
Borden
Brock
Cadillac
Dubuc
Dunblane
Dundurn
Duval
Earl Grey
Fiske
Fleming
Foam Lake
Glen Ewen
Govan
Hanley
Harris
Holdfast
Imperial
Kenaston
Kinley
Lancer
Langham
Laura
Liberty
Lloydminster
Lockwood
Macoun
Manor
Marengo
Maymont
Moose Jaw
Nokomis
Plato
Ponteix
Portreeve
Prelate
Qu'Appelle
Quill Lake
Regina
Rockhaven
Rush Lake
Saltcoats
Saskatoon
Scotsguard
Sedley
Sheho
Stornoway Stn.
Swift Current
Venn
Viscount
Waldeck
Wymark

BRANCHES IN EASTERN CANADA

ONTARIO
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Brockville
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Enterprise
Florence
Inglewood
Inwood
Kingston
Mallorytown
Napanee—Odessa
Ottawa
Sparks St.
Rideau St.
Wellington St.
Port Dover
Scotland
Seeley's Bay
Toronto
King St.
Dundas and Chestnut Sts.
Spadina Ave.
Woodbridge
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OFFICERS OF THE BANK

R. Campbell, General Manager J. P. Roberts, Supt. B.C. Branches
V. F. Cronyn, Supt. Eastern Branches

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Tables range from 2½% to 8% from 1 day to 368 on sums from $1.00 to $10,000

IS INDISPENSABLE AS AN OFFICE TOOL—SAVES TIME—ABSOLUTELY CORRECT.

Price $10.00

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Supreme Court of Ontario, Toronto

THE

Weyburn Security Bank

Chartered by Act of The Dominion Parliament

HEAD OFFICE, WEYBURN, SASKATCHEWAN

Branches in Saskatchewan at

Weyburn, Yellow Grass, McTaggart, Halbrite, Midale, Griffin, Colgate, Pangman, Radville, Assiniboia, Benson, Verwood, Readlyn, Tribune, Expanse, Mossbank, Vantage, Goodwater, and Osage.

A GENERAL BANKING BUSINESS TRANSACTED

H. O. POWELL, General Manager

THE LONDON CITY AND MIDLAND BANK LIMITED

HEAD OFFICE: 5, THREADNEEDLE ST., LONDON, E.C. 2

FOREIGN BRANCH OFFICE: 8, FINCH LANE, LONDON, E.C. 3

	$5 = £1		
		Deposits - - - - - -	$1,102,758,840
Subscribed Capital - - - - -	$124,532,160	Cash in hand and at Bank of England	220,551,765
Paid-up Capital - - - - -	25,944,200	Money at Call and Short Notice -	155,017,800
Reserve Fund - - - - - -	21,714,130	Bills of Exchange - - - - -	175,264,955

This Bank is the Proprietor of The Belfast Banking Company, Limited, and will facilitate transactions between Canada and Ireland

SIR EDWARD H. HOLDEN, Bart., *Chairman*

LLOYDS BANK LIMITED,

HEAD OFFICE: 71, LOMBARD ST., LONDON, E.C. 3.

		($5 = £1.)
CAPITAL SUBSCRIBED - -		$156,521,000
CAPITAL PAID UP - - -		25,043,360
RESERVE FUND - - - -		20,000,000
DEPOSITS, &c.	(December, 1917)	873,489,725
ADVANCES, &c.	do.	307,333,545

THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND & WALES.

Colonial and Foreign Department: 17, CORNHILL, LONDON, E.C. 3. London Agency of the Imperial Bank of Canada.

The Agency of Foreign and Colonial Banks is undertaken.

FRENCH AUXILIARY:

LLOYDS BANK (FRANCE) & NATIONAL PROVINCIAL BANK (FRANCE) LIMITED.

A CASE ON LIABILITY INSURANCE

Liability for Loss of Profits from Damaged Property—Case Where Stock Has Been Pledged

A case recently decided by the Supreme Court of Nova Scotia, wherein the Nova Scotia Tramways and Power Company brought suit against the Employer's Liability Assurance Company, turned on a rather neat point of insurance law, and will repay a careful perusal.

In this case the Nova Scotia Tramways and Power Company was operating an electric railway in Halifax, and took out a policy in the Employer's Liability Assurance Company, whereby the assurance company agreed to protect the power company from loss from the liability imposed by law upon the power company for damages on account of bodily injury suffered by any person or persons other than the employees of the power company, and an additional clause in the policy provided that it would "cover loss from liability for damage to property of every description."

The policy was duly issued, the premium paid, and then, one fine day, one of the power company's electric cars jumped the rails, and ran into and injured a store building and the stock of goods therein.

It was admitted, and there was no dispute on this point, that the power company was liable for the damage to the building and the goods, and also for the storekeeper's loss of profits from his business while the building was being repaired, and the insurance company admitted that it was liable for the damage to the building and the goods, but claimed that it was not liable for the loss of profits, so the question for the decision of the Court was whether the words of the policy, loss from liability for damage to property of every description," would cover the loss of profits under the above circumstances, and the decision of the Supreme Court of Nova Scotia was that the assurance company was liable.

Analogy of Bodily Injury.

"It will not be denied," said the Chief Justice, "that if the power company became liable for damages on account of bodily injury sustained by a person injured on its electric cars, it would be liable for all the damages sustained by that person by reason of his being incapacitated for work for a period of time. His incapacity to earn wages, or his inability to attend to his business would be an element to take into consideration in assessing the damages for his injuries, and I do not see how it could be contended that the assurance company would not be liable to indemnify the power company for the whole of the damages the latter company was compelled to pay, including the portion awarded to the individual by reason of his inability to earn wages or attend to his business for the time being.

"In the same way, the power company in this case became liable to the storekeeper for not only the physical injury to the property, but also for the loss or injury incident to that physical injury—namely, the inability of the building to perform its usual functions while it is being repaired.

"If the assurance company is liable in the former case, I do not see why it is not liable in the latter.

"The policy requires the assurance company to indemnify the power company against loss for the liability imposed upon it by law for damage to property and part of that damage imposed upon it by law is due to the fact that the property is by the injury rendered for a time incapable for the use to which it was formerly put.

"The power company has suffered a loss through, or by reason of, its liability for damages to the property and the whole of that damage was what the assurance company agreed to indemnify the power company against."

Liberal Interpretation of the Clause.

Another Judge stated the same principle in the following words:—

"I think that the words of the policy may be fairly said to mean an undertaking to indemnify the power company against any loss which it may be legally liable to pay, by reason of its having, in the operation of its electric cars, accidentally damaged any description of property. The loss of profits in question, I think, clearly, the assurance company was liable to pay by reason of such damage. The words, 'damage to property,' in the policy, taking it as a whole, were intended, I think, as the equivalent of 'by reason of damage to property.' Bearing this in mind, and using the very words of the policy, the power company's liability for damage to property of a third party resulting from such an accident is not limited to the mere diminution in value of the property. It is liable as a tort feasor for the negligence of its servants and not as underwriters insuring the property damaged. And the assurance company undertakes to indemnify the power company against the whole loss of such liability and not a part of it."

HOSPITALS AND CHARITIES IN ONTARIO

Administration Has Been Economical—War Production of Food Encouraged

According to the 48th annual report of the inspector of prisons and public charities of Ontario, the number of institutions of this kind in the province at present is 265. There are 94 public hospitals, 68 private hospitals, 38 refuges, 29 orphanages, three homes for incurables, two convalescent homes and 31 county houses of refuge. Each of these, as far as possible, has received official visits of inspection. During the year the total expenditure for hospitals was $4,450,957, and the provincial grant was $318,450. The principles upon which provincial aid is given, are as follows:—

1. A provincial grant is made for all patients in a hospital during the first ten years of its existence at the rate of 20 cents per day, irrespective of what sum is contributed by the patients themselves. From August 10th, 1917, this grant has been increased to 30 cents per day.

2. After a hospital has been in existence for ten years the grant is paid only for patients for whose maintenance $7 per week or less is contributed.

3. In all cases the limit is 120 days, and if the patients remain in the hospital longer than that period, the refuge rate of seven cents per day is allowed.

4. Children over one year and under 12 years are allowed for at the rate of seven cents per day.

5. No allowance is made for infants under one year of age.

Aid to Sanatoria for Consumptives.

Special regulations apply to sanatoria, viz.:—

1. A grant of $4,000 on the erection and satisfactory equipment of the necessary buildings.

2. A grant of $3 per week for the maintenance of each indigent patient.

These grants to be in consideration of proper accommodation being provided and only to assist in the maintenance of indigent patients coming from the province of Ontario. There were 2,638 patients cared for in the 12 different Sanatoria for Consumptives during the past year.

Of the expenditure for hospitals, $637,109 was for capital account, the balance being for maintenance and equipment. Expenses of management and upkeep, have, of course, increased very rapidly. In March, 1917, the cost rate per patient of some of the leading hospitals was as follows:—

Toronto General Hospital	$2.17
Royal Victoria Hospital, Montreal	2.20
Hospital for Sick Children, Toronto	2.26
Winnipeg General Hospital	2.47
Montreal General Hospital, Montreal	2.53
Johns Hopkins, Baltimore	3.41
Massachusetts General, Boston	3.31
Presbyterian Hospital, New York	3.41

The cost rate per day has now increased to over $3 at Toronto General Hospital, and to $2.51 per day at the Hospital for Sick Children, Toronto. Prohibition legislation appears to have one concrete result at least, in the number of private hospitals in the province, many of which were almost wholly for the use of alcoholic patients.

The General Hospital, Toronto, receives the largest amount of provincial aid—namely, $20,936. Others who receive large amounts are the City Hospital of Hamilton, the Hospital for Sick Children, Toronto, and St. Michael's Hospital, Toronto. The average cost of each patient per day varies from 71 cents in the case of the General Hospital at Mattawa, to over $3 per day in several of the hospitals.

The cost of the houses of refuge is, of course, much lower, varying from 28 cents per day to $1.25 per day. The county houses of refuge are largely supported by taxation, although some revenue is derived from profits of agriculture and other sources.

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While you are away from home for the season's recreation, let your mind be free from anxiety regarding your War Bonds and other valuable documents. Place them in perfect safety and privacy, accessible at your convenience in a

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TORONTO GENERAL TRUSTS CORPORATION
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Your Estate may be Small, But—

whether it involves one or one hundred thousand, it is equally entitled to the advantages of Trust Company administration.

This Company welcomes its appointment as executor of small estates, and gives them the same care, the same business experience and judgment and the protection of the same safety measures as larger estates.

Read "I Give, Devise and Bequeath." Copy on request.

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HENRY P. GOODERHAM, President
JAMES K. PICKETT, General Manager.

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Chartered Trust and Executor Company
Traders Bank Building Toronto

The Standard Trusts Company

DIVIDEND No. 28

Notice is hereby given that a Dividend at the rate of 9% per annum on the paid-up Capital Stock of the Standard Trusts Company has been declared for the half-year ending 30th June, 1918, and that the same will be payable at the Head Office of the Company, 346 Main Street, Winnipeg, on or after the Second day of July, 1918.

The Transfer Books will be closed from the 16th to the 30th of June, both days inclusive.

By Order of the Board.
WILLIAM HARVEY,
Managing Director.

Winnipeg, June 3rd, 1918.

Canadian Guaranty Trust Company

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LT.-COL. A. L. YOUNG, Vice-President.
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General Manager Lieut.-Col. G. H. DORRELL

5% Absolute Security

OVER 200 Corporations, Societies, Trustees and Individuals have found our Debentures an attractive investment. Terms one to five years.

The Empire Loan Company
WINNIPEG, Man.

National Trust Company
Limited

DIVIDEND NOTICE.

Notice is hereby given that a dividend for the three months ending June 30th, 1918, at the rate of

TEN PER CENT. PER ANNUM.

has been declared upon the Capital Stock of the Company, and that same will be payable on and after July 1st, 1918.

The Transfer Books will be closed from the 20th to the 30th June, both days inclusive.

By order of the Board.
W. E. RUNDLE,
General Manager

Toronto, June 5th, 1918.

CANADIAN MILLING INDUSTRY

One of the Most Successful Canadian Industries—Regulations Have Not Achieved Their Object

Greenshields and Company, of Montreal, in their Monthly Review for June, comment as follows on the recent report of the Cost of Living Commissioner on the milling industry:—

A report on the milling industry of Canada, issued within the month from the Cost of Living Branch of the Department of Labor at Ottawa, might be dismissed as of little moment, but for one thing. Public sentiment being not unnaturally sensitive to and suspicious of anything that savors of war profiteering, it is at the least unfortunate that an official report of the kind should be so framed as to tend to the incitement of public opinion against legitimate business, operating fairly under the laws of the country not a monopoly in any sense, and, on the report's own showing, entitled to commendation for the moderation of its charges, not to blame for extortion. If Bolshevist doctrines are slow to take hold in Canada, plainly some official quarters can lay claim to little of the credit.

Cost of Living.

The auspices under which the report was issued would suggest that some plan for the reduction of food costs was under consideration. Nothing of the sort appears. The larger companies, because of efficiency and quantity production, are proved to have been earning a unit of profit so small as to be insufficient to sustain the smaller companies. To fix arbitrarily a lower unit of profit would drive some hundreds of these smaller companies out of business.

But the larger companies, because of an increase in the volume of business handled, have been able to make profits larger than normal, and the report turns from a consideration of cost-of-living factors to a consideration of whether the government might not conveniently lay claim to a share of those profits greater than it now obtains through the operation of business profits taxes applicable to all industries alike. This might be assumed to be the province of the finance department, but was evidently not so considered by the cost of living investigator.

Unit of Profit Small.

What the report discloses is principally that, although under an arrangement made concurrently with the fixing of a price for wheat, profits of the millers were to be limited to 25 cents a barrel, the larger companies have in fact been earning less. The Ogilvie Company, for instance, is shown to have expanded its earnings from 15 cents a barrel in 1914 to 20 cents in 1917. The commercial risk of the milling business had more than doubled, because of the rise in the price of wheat, but the profit of the miller had increased only one-third. Among the larger companies as a whole, the report found that profits per barrel milled in 1917 had varied from about 17 cents to 30 cents, with the admission that extraneous earnings, such as profits on wheat—which by a turn of the markets could have been converted into a loss—played a considerable part in the showing.

The common-sense view would be that, having regard to capital invested and risks assumed, the millers have been charging moderately for the services rendered, and obviously have had little or nothing to do with the rise in the cost of living. They have been averaging apparently a profit of about 2 per cent. on sales, while the farmer, if the cost of raising wheat be placed at 80 cents a bushel, has been earning a profit of about 175 per cent.

Misleading Deductions.

But the obvious meaning of the figures has been obscured or distorted by the emphasis placed on the fact that, with the unit of profit so moderate, a large increase in the volume of business has permitted of some increase in total earnings. Accordingly the summaries of the report as sent broadcast through Canada were so worded to lend themselves readily to double-column captions along the lines of the "Enormous Profits of the Millers," with their incentive to off-hand deductions by the unthinking masses who take no trouble to analyse the facts for themselves.

Before the suggestion of the investigator be adopted, namely, that special taxation be decreed against the millers, the government can hardly fail to give weight to several considerations:—

1. Probably more than any other industry in Canada, the milling industry may be considered to be "on its own" to-day. In the early part of the war, the duty was taken off wheat flour, and the milling industry was thereby thrown open to free competition from outside Canada, although the millers had paid, and were expected to continue paying, duty on machinery needed for their plants. Temporarily there is an embargo on flour in both the United States and Canada, due to the mutual desire of the countries to protect their supplies. But this was a measure decided on in the interest of the Allies, and not for the protection of the millers.

2. The millers are already contributing to the public treasury under a business profits tax which ranks as one of the most drastic war taxation measures in force among the allied nations. When profits rise above 20 per cent. on invested capital, the government takes 75 per cent. and leaves a company with 25 per cent. To increase the government's proportion would plainly bring taxation to a limit where private enterprise would naturally halt altogether. That such is felt to be the case is an obvious deduction from parliament's recent decision to re-enact the tax, as it stood, with further upward revision, despite the urgent needs of the treasury.

One of Our Big Exporters.

3. Excessive or discriminative taxation applied to the millers would be a fatal blow to the development of one of the country's most important exporting industries. Millions of dollars have been added to Canada's exports by a far-sighted policy of restricting exports of pulp wood in order that the manufacture of pulp and paper products might be increased. We are talking of doubling our production of wheat, and, reversing the policy in respect to pulp and paper, suggesting something to discourage the milling of wheat into flour, and so the sale of the finished rather than the raw article. For the eleven months ended February last, Canadian exports of flour amounted to 8,881,673 barrels, of a value of $84,747,000. In quantity these figures showed an increase of more than 400 per cent. over the figures for the full fiscal year of 1907-1908, and in value an increase of more than 900 per cent. The progressive growth of our flour exports as a factor in Canada's external trade is set forth impressively enough in the following summary of exports for the fiscal period ended March 31st in each of the past eleven years:—

	Barrels.	Value.
1918 (x)	8,881,673	$84,747,000
1917	7,425,723	47,473,474
1916	6,400,214	35,767,044
1915	4,952,337	24,610,946
1914	4,832,183	20,581,079
1913	4,478,043	19,970,689
1912	3,738,836	16,034,064
1911	3,049,046	13,854,790
1910	3,064,028	14,859,854
1909	1,738,038	7,991,413
1908	1,962,740	3,454,954

(x) Eleven months ended February 28th.

Reinvestment of Profits.

4. Expansion in output as shown in the foregoing figures has proceeded very considerably from the reinvestment of surplus earnings of the companies, and such reinvestment is Canada's main dependence to-day for industrial growth. New capital is going largely into war loans. It could not be attracted in any event into an industry subject to discriminative taxes. If the milling industry is to keep pace with Canada's expansion in agricultural production, and keep within the country the profits of capital and labor that are rightly hers, rather than turn them over to the foreigner who would buy our wheat and do his own milling, is it the part of common sense to suggest that this is an industry to be singled out for a special levy on profits?

Arrangements to ship 28,000,000 tons of coal to northwestern states and portions of Canada, via the Great Lakes, were made recently by the United States fuel and railroad administrations. Approximately four million tons of this quantity will be shipped to Canada.

The Hamilton Provident and Loan Society

DIVIDEND No. 94

Notice is hereby given that a Dividend at the rate of Eight per cent. per annum has been declared for the half year ending June 30th, 1918, upon the paid-up Capital Stock of the Society, and that the same will be payable at the Society's Head Office, Hamilton, Ontario, on and after Tuesday, the 2nd day of July, 1918.

The Transfer Books will be closed from the 15th to the 30th of June, both days inclusive.

By order of the Board.

D. M. CAMERON, Treasurer.

Hamilton, May 31st, 1918.

THE HURON AND ERIE MORTGAGE CORPORATION

QUARTERLY DIVIDEND No. 123

Notice is hereby given that a Dividend of Three per cent. for the quarter ending June 29th, 1918, being at the rate of TWELVE PER CENT. PER ANNUM upon the Paid Up Capital Stock of this Corporation, has been declared, and will be payable at the Corporation's office in this City on and after July 2nd, 1918, to shareholders of record at the close of business on June 15th, 1918.

By Order of the Board.

M. AYLSWORTH, Secretary

London, Canada, May 27th, 1918.

Six per cent. Debentures

Interest payable half yearly at par at any bank in Canada. Particulars on application.

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Head Office - WINNIPEG

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W. M. BANNATYNE, Manager. R. T. HERON, Asst. Manager.

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of TEN PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June.

By order of the Board.

GEO. H. SMITH, Assistant General Manager

Toronto, May 29th, 1918.

The Ontario Loan and Debenture Co.

DIVIDEND No. 124

Notice is hereby given that a QUARTERLY DIVIDEND of 2¼ PER CENT. for the three months ending 29th June, 1918, (BEING AT THE RATE OF 9 PER CENT. PER ANNUM) has been declared on the paid up capital stock of this Company, and will be payable at the Company's Office, London, Ontario, on and after the 2nd July next, to Shareholders of record of the 15th June.

By order of the Board.

A. M. SMART, Manager

London, Canada, May 28th, 1918.

5½% INTEREST RETURN

INVEST YOUR SAVINGS in a 5½% DEBENTURE of

The Great West Permanent Loan Company

SECURITY

Paid-up Capital	$2,412,566.31
Reserves	756,580.13
Assets	7,168,537.29

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W. WEDD, JNR., Secretary. V. B. WADSWORTH, Manager

THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

Notice is hereby given that a Dividend of Two per cent., being at the rate of Eight per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after **1st July, 1918**, to shareholders of record on the books of the Company at the close of business on 15th inst.

By Order of the Board.

6th June, 1918. WALTER GILLESPIE, Manager.

CANADA'S COAL MINING INDUSTRY

Deposits Are Not Economically Distributed—Government to Enter Industry

The report of the Honorary Advisory Council for Scientific and Industrial Research on the Briquetting of Lignites has been presented to the public by the sub-committee of the Privy Council. The report is the work of Mr. R. A. Ross, E.E., and in preparing it, use has been made of all the literature and information in the hands of the Dominion government, and of the public records of the United States government. An excellent map illustrates the origin of the coal consumed in different parts of Canada. Vancouver Island coal supplies most of British Columbia, though Nicola Valley coal is used to a considerable extent in the Okanagan district. Crow's Nest and Lethbridge coal is used in a wide territory extending from south-eastern British Columbia, across southern Alberta and Saskatchewan to the boundary of Manitoba. Edmonton coal is used principally in central Alberta and Saskatchewan, and Souris coal in south-eastern Saskatchewan. The district from Winnipeg to Montreal is supplied with United States coal, this territory being too far distant from the coal sources of the east and west of Canada to allow of successful competition from these points. At both extremities there is a district where there is more or less competition. In western Manitoba, for instance, both United States and Alberta coal are used. The whole of the Maritime Provinces and southern Quebec, are, of course, supplied by Nova Scotia coal. The difficulty with Canadian coal, is, it is evident, one of distribution rather than of quantity or quality. The conclusions of the committee are summarized as follows:—

1st. The fuel resources of the Dominion of Canada are second only to those of the United States, the greatest coal country in the world.

2nd. In spite of this fact, Canada imports at present, and always has imported, 50 per cent. of her fuel from the United States.

3rd. Canadian efficiency in this regard is, therefore, about 50 per cent.

4th. Under these conditions the problem must be attacked, preferably by the government, and not by isolated commercial agencies working in competition with each other.

5th. There is in Canada an immense area whose coal requirements are met from American sources.

6th. The province of Saskatchewan is the balancing point for fuel from the east and from the west, and for this reason fuel prices are the highest, although underlying a great part of this province are immense deposits of lignite awaiting use.

7th. It is therefore recommended that the attack on the fuel problem of Canada be concentrated first on the production of domestic fuel from the lignites of Saskatchewan for the following reasons:—

(a) Because the price of anthracite coal in normal times in this district is the highest and runs about $15 per ton. (b) Because successful briquetting of the lignites of southern Saskatchewan will also solve the problem of briquetting the higher grade lignites of Alberta. They also recommend that immediate action be taken by the Dominion government and outlined their reasons as follows:—

1st. The necessity exists for the development of all our fuel resources.

2nd. The best immediate returns will be secured by the development of lignite briquetting processes.

3rd. The country has the raw materials, the brains and the command of money for such national work.

4th. Leaving the problem in private hands will result in long delays during which we must buy our fuel abroad.

5th. In view of the broad national importance of the field the actual capital necessary is of secondary importance only.

6th. Full success will mean the stoppage of millions of outgo to the United States and its expenditure in wages in Canada.

7th. If only a partial success be secured a step shall have been taken in a problem which must be solved ultimately.

8th. A complete failure is unthinkable, but granted that outcome, the money if judiciously spent will have demonstrated the uselessness of further trials, and will lay a ghost which otherwise will be continually in evidence.

Regarding the commercial aspects of the proposition, the committee report as follows:—

Having dealt with the technical aspects of carbonizing and briquetting, it is now appropriate to discuss the handling and marketing of the finished product. This involves commercial handling which is equally important as production. As notes on the above remarks, the following are presented:—

1st. The plant in contemplation will be constructed as a unit to which other units of similar size can be added, or established elsewhere. A similar plant of this size would not supply more than a local market. If constructed at Estevan, for example, it would have its market only in Regina. Moose Jaw, and the intervening country, as the tonnage of 40,000 per year of domestic fuel would only supply the requirements of a population of 20,000 people.

2nd. Assuming a cost of $7 per ton at the plant, and a transportation cost of $1.50 to Moose Jaw, with a dealer's profit and delivery cost of $1.50, the total price to the consumer at Moose Jaw would not exceed $10 per ton. It would be less at Regina, and still less in the intervening country districts where it would not be sold to a dealer or delivered by him, but would be unloaded by the farmers from their own cars. This price at Moose Jaw, however, under the worst conditions would be two to five dollars less per ton than present prices paid.

3rd. While the present costs of coal have been referred to above, it must not be supposed that these will continue, for recent past records indicate an increased cost of 50 cents per ton per year. As a matter of fact, the rate of increase may be expected to be considerably higher than this, leading eventually to the elimination of anthracite altogether on the score of price, with the imminent prospect of an embargo being placed on the export of this coal from the United States in the not distant future. In short, the costs of anthracite must go up, and the costs of briquettes will go down with larger production, and the spread, therefore, becomes continually greater.

4th. Using present figures for one year's operation, the annual saving of a minimum of $2 per ton to the people of this district would total $60,000.

5th. Even if no saving were made, and the selling costs of briquettes were as high as that of anthracite coal at present, there would be kept in the country the sum of $360,000 per year.

The cost of a plant to produce 30,000 tons per day is estimated as follows:—

Construction and equipment	$346,150
Cost of operation for six months (an experimental period)	10,000
Interest for six months at 6 per cent.	10,384
Total	$366,534

The fixed charges—viz., 6 per cent. for interest, 10 per cent. for depreciation and 4 per cent. for repairs, would come to 20 per cent., or $73,307. This would be $2.44 per ton of coal produced. It is estimated that the operating costs would be $136,500 per year, or $4.55 per ton. This makes a total cost per ton of $6.99. In these calculations no allowance was made for by-products, many of which are quite valuable.

CANADIAN OFFERINGS IN UNITED STATES

Sir Thomas White, upon his return from Washington last week, outlined the procedure regarding the issue and sale of Canadian securities in the United States. He referred, of course, to the wholesaling of stocks and bonds to bankers and dealers there and not to transactions between individuals, regarding which there is no restriction whatever.

"As a matter of procedure," said Mr. White, "the board will require that all Canadian issues, before being considered by them, shall first be approved as to issue in Canada by the Canadian minister of finance. This preliminary having been complied with, the board will then determine, upon their individual merits, applications for permission to issue in the United States. These applications must be made and supported before the American Capital Issues Board by the parties interested or their representatives. They will not be made or recommended for federal consideration by the Dominion authorities, as this, for obvious reasons, would be undesirable."

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IMPERIAL FINANCE AND TRADE

Imperial Finance Board Proposed—Colonial Sentiment in Favor of Individual Borrowing

"United Empire," the journal of the Royal Colonial Institute, discusses in its June number the financial relations between the United Kingdom and the Empire as follows:—

"One of the questions which will come before the forthcoming Imperial Conference is that of finance. Now that the United States have taken over the financing of the Allies, our own task is relatively so much easier, since Great Britain has only to finance herself and the Dominions, and the latter are in part financing themselves. But an analysis of the position at once shows the complexity of the problem. Before the war the Dominions went to Lombard Street instead of to Downing Street for their loans; since the war their loan issues to the public have been few, and the Imperial government has lent them money direct. But this money has been for two different purposes—first, for the training and transport of Dominion troops, in other words, for direct war purposes; and, secondly, in the way of trade for the purchase and transport of Dominion produce, or indirect war purposes. Now the first will cease with peace, or, at least, with the return of the Dominion troops to their homes; the second, owing to the general disturbance of trade conditions, the shortage of transport, and the importance of preventing raw materials getting through to the enemy, will apparently last long after the declaration of peace—according to the terms of the published zinc contract with Australia, for a period of at least ten years after the war. There is this further difference: In the latter case we obtain goods against cash, and it is in a sense an ordinary commercial transaction, which, in some shape or other, would have taken place had there been no war, although the bargain would have been struck between individual traders and not between governments. In the former case nothing of the kind would have occurred but for the war, and we cannot estimate valor and military assistance freely given in a ledger account. There would, therefore, seem to be a case for consolidating the one loan at the end of the war, when the military account is closed, and for maintaining the other series of trading accounts on a separate basis.

Finance After the War.

"It must be remembered that as soon as the war is over, the Dominions will need money for public works development, which was urgently required before 1914, and which now has a leeway of four years to make up. The Dominions will probably prefer to revert to the old system of individual borrowing in Lombard Street, when 'each cask stood on its own bottom'—the additional half per cent. they may have to pay is well worth while in an autonomous Empire; and for that reason the formation of an Imperial finance board, which has been suggested in some quarters, is not likely to be looked on with much favor for that class of business. It is unquestionably a wise instinct that leads each individual to prefer to keep his own bank account. But the fact that Imperial trade will remain for some time in the hands of the governments does suggest that a finance department would be useful in connection with these transactions, since it would help to regulate exchange, which in any event will be a ticklish problem during the four or five years when things are beginning to settle down. But before such a department is constituted, the Empire will have to come to a definite decision on a question of principle—whether the new system of inter-state trading is to be permanent, in which case the finance department would lay its foundations broad and deep for a recognized new method; or whether it is only to last a few years as a temporary expedient, until we go back to pre-war methods of private and individual trade, in which case the finance department would be in the position of a temporary receiver winding up various estates as occasion offered. Mr. Hughes, in a speech delivered some months ago in Australia, seemed to suggest the inauguration of a permanent method of state organization of production, collection and sale, which is obviously not far removed from inter-state trading; the Non-Ferrous Metals Act in the United Kingdom was another instance of the tendency in the same direction from this side. This question of principle should be discussed by the Imperial Conference at some length, and, if possible, brought to a decision. It is a matter on which there may be legitimate differences of opinion between one state and another as to the best course to pursue, and a discussion would clear the air all round."

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Edmundston, N.B.—Messrs. J. M. Robinson and Sons, of St. John, N.B., have been awarded a block of $40,000 6 per cent. 20-year bonds.

Red Deer, Alta.—Tenders for $24,000 treasury bills were opened on June 22nd. The offer of 97.75, of the Canada Bond Corporation, of Toronto, was accepted.

Vancouver, B.C.—The municipal bond by-law for 1918 was read and taken up for the first time last week. It provides for the issuance of $500,000 of 5-year 6 per cent. debentures.

Edmonton, Alta.—The finance committee of the school board and the city council discussed the term of debentures to be given by the city when the trustees invest their $300,000 capital funds in Edmonton securities, at a joint meeting on June 19th. While several of the committee appeared desirous of coming to a decision, solving as it would financial problems for the city, it was agreed to let the matter stand over until a meeting to be called within a few days.

Saskatchewan.—The following is a list of authorizations granted by the Local Government Board from June 10 to June 14, 1918:—

School Districts.—*Bighorn, $500 8-years not ex. 8 per cent. annuity; Dymtro Sapach, Arabella. Vimy, $2,500 10-years not ex. 8 per cent. annuity; H. L. Pickering, Wilcox. Coulee Creek, $2,500 10-years not ex. 8 per cent. annuity; C. L. Hanson, Glenside. Kellerville, $2,800 10-years not ex. 8 per cent. annuity; J. L. Dodds, Cliftonville. *Stony Vista, $600 5-years not ex. 8 per cent. instalment; F. C. Callan, Fairmount. Thorne, $2,500 10-years not ex. 8 per cent. annuity; V. Thorne, Monchy. Laporta, $2,200 10-years not ex. 8 per cent. annuity; W. W. Young, Craiglands. Burton Lake, $2,500 20-years not ex. 7 per cent. instalment; Anthony Jaeb, Humboldt.

Rural Telephone Companies.—Stockholm, $8,600 15-years not ex. 8 per cent. annuity; B. R. Edquist, Stockholm. Middleton, $1,300 15-years not ex. 8 per cent. annuity; J. R. Hill, Earl Grey. Kindred, $800 6-years not ex. 8 per cent. annuity; C. S. Dennis, Holdfast. Lothian, $11,900 15-years not ex. 8 per cent. annuity; Geo. E. Rogers, Smithburg. Robsart, $12,500 15-years not ex. 8 per cent. annuity; Thos. F. McGregor, Robsart.

The following is a list of debentures reported sold from June 10 to June 14th, 1918:—

School Districts.—Home, $2,600, Canada, $1,600, Sunshine, $2,500, Rock Point, $2,500, Rocky Hills, $1,800; Waterman-Waterbury Manufacturing Company, Regina. Springbrook, $1,000; Canada Landed and National Investment Company, Winnipeg.

Rural Telephone Companies.—Richburg, $8,400; Kerr, Fleming and Company, Regina. Spalding, $24,200; Nay and James, Regina. Lorndale, $3,800, North Forres, $5,700; W. L. McKinnon and Company, Regina.

Towns.—Leader, $7,500, $3,500; W. L. McKinnon and Company, Regina.

Rural Municipality.—Montmartre, $1,200, W. L. McKinnon and Company, Regina.

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*Being sold by the Local Government Board.

TWIN CITY RAPID TRANSIT BONDS

The company is said to have obtained authority from the Capital Issues Committee in Washington to reissue $5,000,000 of Minneapolis street railway bonds, due January 15 next, and is making arrangements for the financing with a local banking firm.

MONTREAL FACES A DEFICIT

The total amount of revenue from all sources under the increased taxation amounts to $4,371,725. But, as the total requirements for the rest of the year amount to $4,559,806, there is a deficit of $188,081.

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CONFERENCE ON VITAL STATISTICS

To Remain in Provincial Hands, But Uniform Methods To Be Adopted

For some time need has been felt for greater uniformity in provincial systems of vital statistics. Accordingly, a conference on the vital statistics of Canada, between representatives of the Dominion bureau of statistics and delegates of the provincial registrars general, and of other institutions interested in the subject, was held at the offices of the bureau on Wednesday and Thursday, the 19th and 20th instant, when the following members were present:—Mr. R. H. Coats, Dominion statistician; Mr. E. H. St. Denis, secretary; Mr. E. S. Macphail, superintendent of compilation, and Mr. E. H. Godfrey, editor, (Dominion bureau of statistics); Mr. A. J. Campbell, (bureau of vital statistics, Halifax, N.S.); the Hon. Wm. F. Roberts, M.D., (member of the executive council, Fredericton, N.B.); Captain Herbert H. Smith, Fredericton, N.B.; M. G. E. Marquis (chief, bureau of statistics, Quebec); Dr. J. W. Bonnier, (statistician, superior board of health for province of Quebec, Montreal); Lt.-Col. J. W. S. McCullough, M.D., (deputy registrar general for Ontario, Toronto); Mr. S. J. Manchester, (registrar general's department, Toronto, Ontario); the Hon. J. W. Armstrong, (provincial secretary, Winnipeg, Manitoba); Dr. M. M. Seymour, (commissioner of public health, Regina, Sask.); Mr. Donald Mackie, (acting deputy registrar general, Edmonton, Alberta); Dr. W. H. Davis, (chief statistician for vital statistics, United States census bureau, Washington); Mr. E. Blake Robertson, (assistant superintendent, department of immigration and colonization, Ottawa); Dr. P. H. Bryce, (chief medical officer, department of immigration and colonization, Ottawa); Mr. G. D. Finlayson, (superintendent of insurance, Ottawa); Mr. A. D. Watson, (actuary, insurance department, Ottawa); Major D. L. McKeand, M.C., (board of pension commissioners, Ottawa); Mr. M. J. Patton, (commission of conservation, Ottawa); Dr. H. B. Small, (Canadian medical association, Ottawa); Mr. H. J. Ross, (union of Canadian municipalities, Montreal); Mr. D. E. Kilgour, Montreal; Mr. Hugh H. Wolfenden, Ottawa; Mr. Arthur H. Wood, Montreal, (Actuarial Society of America), and Mr. Robert E. Mills, city department of public health, Toronto.

Sir George Foster (minister of trade and commerce) opened the proceedings with a brief address of welcome to the delegates, in the course of which he said that vital statistics had to do with the human element and with life and its progress, a knowledge of which was necessary as a basis for the work of social reformers and of legislation. In the negotiations which had preceded the conference they had been met by the provincial governments in the broadest and most generous spirit of good will and desire to co-ordinate. There were differences in jurisdiction and in policies, but difficulties of this kind could always be overcome by a reasonable method of co-operation; so that each could retain its own powers and yet all work together for the same purpose.

On the motion of Dr. Bryce, seconded by Major McKeand, Mr. R. H. Coats, Dominion statistician, was elected chairman of the conference, and read a brief paper dealing with the general subject of vital statistics, and the problems that awaited solution.

The conference then went into committee and spent most of the two days, Wednesday and Thursday, in discussing, clause by clause, the provisions and schedules of a model bill which it was proposed should be recommended by the conference for enactment by each of the provincial legislatures so far as local conditions might admit.

Bill to be Prepared.

In the course of the discussion, it was resolved that the model bill and schedules should be referred to a committee consisting of representatives of the nine provinces with instructions to give effect to the principles agreed upon by the conference and to submit the bill as finally settled to the respective provincial governments.

Resolutions were also adopted in favor of: (1) the omission of mortuary statistics from future censuses of the Dominion government, and (2) the organization of a system of vital statistics to include births, marriages and deaths, to be on an annual basis, and to be collected, compiled and published in a manner that will permit of comparison between different localities and provinces throughout the Dominion and between Canada as a whole and other countries, such statistics to be secured by Dominion and provincial co-operation following the procedure indicated by sections 9 and 34 of the Statistics Act, 1918.

The proceedings then closed with the customary votes of thanks.

INTERSTATE COMMERCE COMMISSION

Relations of Commerce Commission With Railroad Administration on the Rate Question

The following announcement has just been made by Mr. George B. McGinty, secretary of the Inter-State Commerce Commission of the United States.

"The act for the Federal control of railroads and certain recent orders of the Director General have raised questions regarding the status of some of the cases before the commission attacking rates not initiated by the United States Railroad Administration. Inquiry has arisen how far the existence of rates initiated under section 10 of the Federal Control Act will limit or preclude the commission from making lawfully effective orders in proceedings brought prior to such initiation of rates.

"The commission has always lent its active assistance to the settlement of complaints and difficulties between carriers and shippers through informal adjustment. Thousands of complaints and difficulties have been thus disposed of. There seems every reason why under Federal control this policy should be continued with reference to complaints involving rates initiated by the United States Railroad Administration. Such action on our part would seem to be mandatory under section 8 of the Federal Control Act, and we intend to accord our advice, assistance and co-operation to that end wherever possible. We understand that the Director General is in accord with this plan of composing difficulties as regards rates initiated by the United States Railroad Administration.

"Failing such efforts to compose difficulties or settle causes of complaint informally, the commission is required under section 10 of the Federal Control Act upon complaint to enter upon a hearing concerning the justness and reasonableness of so much of any order made thereunder as establishes or changes any rate, fare, charge, classification, regulation, or practice of any carrier under Federal control. Save for the applicable provisions of this statute the jurisdiction of the commission remains what it has been in the past. The commission has not made and can not make any commitment which will preclude its full exercise of the jurisdiction vested in it.

"A rate initiated by the United States Railroad Administration can not be lawfully altered by the commission, except on complaint after hearing at which the United States Railroad Administration is entitled to be heard. It follows that inasmuch as a new freight rate structure becomes effective June 25th next, some of these rates might conflict with orders which the commission might enter prescribing rates for the future, even though the orders were entered on the basis of the records in complaints now pending before us. It seems, however, that in certain cases the commission can make lawfully effective orders in proceedings brought prior to such Federal initiation of rates. Thus any pending complaint, where the complainant desires to use the finding of the commission as a possible basis for a suit at law for reparation, will be disposed of on the present record so far as that matter is concerned. The same is true of cases pending in so far as they seek reparation for damage from rates unlawfully exacted. Allegations of discrimination may, in certain cases, be disposed of on the records now before us. We do not prejudge the question which has been raised whether by amendment to pleadings in pending cases the United States Railroad Administration may be made a party against which a lawfully effective order may be entered.

"The commission will, as of course, continue consideration and reach conclusions as above indicated in pending cases; where it is possible to make a lawfully effective order without amendment of the pleadings that will be done; and, so far as is possible, the records heretofore built up will be made available for the determination of the issues. The dockets in pending cases will be analyzed, and where it appears that doubt exists whether, without amendment or supplemental hearing, the commission can enter a lawfully effective order, the parties will be so notified.

"Such appropriate changes as the Federal Control Act may render necessary will be made in the commission's rules of practice."

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TORONTO HYDRO-ELECTRIC SYSTEM

Large Surplus Has Been Earned in Spite of the High Costs of Operation

According to the seventh annual report of the Toronto Hydro-Electric system for the year ended December, 31st, 1917, a surplus of $34,467 was earned. The result of the operations for the year was as follows:—

The gross income amounted to the sum of	$2,049,382
The cost of electric current and the expenses of operation and management, including repairs and maintenance, absorbed the sum of	1,294,022
Leaving a surplus of income on operating account for 1917 of	$ 755,360
Interest, depreciation and sinking funds	720,892
Leaving a surplus of net income of	$ 34,467

Reviewing the history of the commission for the past six years, the commissioners make the following statement:—

"At this, the close of slightly over six complete years of operation, during which time two rate reductions have taken place, it may be of interest to point out that the enterprise has fully paid its way, and earned a surplus of $75,819.30. Not a dollar has been charged to capital account that should have been charged to revenue. The system has earned sinking fund and funds for the redemption of serial debentures amounting in all to $744,036.94, and since the maintenance of the system's plant has been paid for out of revenue, and replacements have been provided for by the establishment of a depreciation reserve, it will be evident that the surplus and sinking funds together, amounting in all to $819,856.24, constitute the net earnings of the enterprise over and above all operating interest and depreciation charges for the period under consideration.

"The conditions existing during the year 1917 have been unusual, and the business of the system has undoubtedly been affected by the power shortage to which further reference is made below. Notwithstanding the fact, the gross income for the year 1917 was 20.1 per cent. in advance of that in 1916. The increase in the commercial income was 29.3 per cent. The commercial income for the year amounted to 71.8 per cent. of the total, against 67 per cent. in 1916, 66.4 per cent. in 1915, 63.9 per cent. in 1914 and 59.05 in 1913."

The average charge per kilowatt hour for service supplied by the system reached a new low record during the year. For residence lighting it was $2.70, for commercial lighting $2.16 and for commercial power 80 cents. The commissioners continue their review of the operations of the system as follows:—

Power Shortage.

"Owing to the heavy demands upon the Hydro-Electric Power Commission of Ontario, from which the power sold by the system is purchased, and the urgency of these demands due to the fact that the principal requirements are for the manufacture of war supplies, it was considered advisable during the month of October to cease canvassing for new business in order to save as much power as possible for this important national work. The situation has at times been difficult, especially during the winter months, and it has been necessary since the first of the present year to reduce the number of street lights. Stringent regulations are in force prohibiting the use of lighting for advertising and display purposes. During periods of acute shortage, preference is given to feeders carrying the largest proportion of munitions load and the balance is distributed as equitably as possible. The commissioners wish to express their appreciation of the splendid spirit shown by the customers of the system in their full co-operation with them recognizing clearly that the shortage is a consequence of the abnormal circumstances due to the war.

Capital Requirements.

"By-law No. 7875, authorizing a further issue of $736,000 debentures for the system's purposes maturing 1937, was passed by the city council and approved by the Ontario Railway and Municipal Board during the year.

"The financial position during the war is such that it is difficult to dispose of municipal debenture issues to advantage, apart from which it is the duty of all to limit capital expenditure to the utmost possible extent. The commissioners have had to make a considerable outlay during the year, particularly in connection with the large munitions contract referred to in the general manager's report, but have borne in mind the importance of making only such additions to the system's plant as were necessary for safety and proper service.

Fire at Head Office.

"On the night of September 27th, the head office of the system, at 226-8 Yonge Street was visited by a fire which destroyed the contents of the basement and ground floor, and damaged the contents of the second floor. Fortunately, the more important records of the accounting department were saved, so that the disorganization was not as great as might have been expected, and by considerable overtime work on the part of the staff, it was found possible to resume billing at a comparatively early date. Temporary premises were secured which enabled the service to the public to continue with little interruption. The financial loss was covered by insurance. This incident emphasizes the desirability of improved quarters for the system's records and staff, a matter which the commissioners have had in mind for some time, but which has been delayed on account of war conditions.

Increased Transmission Line Facilities.

"Construction has proceeded on the new line of the Hydro-Electric Power Commission from Dundas to Toronto. During the year a right-of-way was purchased within the city limits. This line, when completed, will afford increased security against interruptions.

Power Factor Charges.

"The power factor of the system, provision for the correction of which has been unavoidably delayed owing to the financial situation caused by the war, fell below the mark during the year, and a heavy power factor penalty was incurred. This is a matter difficult to explain without recourse to technicalities, but the conditions may in a few words be said to result most generally from customers having apparatus of greater capacity than they require. The system's contracts with its customers provide an extra charge for low power factor, and the necessity of observing the hydro principle of supply at cost without discrimination, as well as the power shortage, calling, as it does, for the adoption of every possible economy, has obliged your commissioners to insist on the power factor clause in the system's contracts being observed, since the use of current at low power factor unnecessarily absorbs the capacity of the generating plant and transmission lines, and is therefore equivalent to a waste of power.

Interurban Electric Company.

"The purchase of the assets of the former Interurban Electric Company, which was noted in the sixth annual report, was completed during the year 1917, and the customers were transferred with a minimum of inconvenience to the lines of the system. The system, though under no obligation to do so, maintained a 60-cycle supply for some months after taking over the assets in question. This involved considerable expense, but it was felt that a sudden discontinuance of the 60-cycle supply would result in undue hardship to a number of customers, since it would mean that to the expense of replacing their apparatus, there would have been added the inconvenience of being without service until such time as the change could be effected.

Toronto and Niagara Power Company.

"In view of its relation to the present and future interests of the Toronto hydro-electric system, your commissioners wish to call attention to a matter of great importance—viz., the question of whether the charter of the Toronto and Niagara Power Company, can be utilized to enable the Toronto Electric Light Company to maintain its poles in the streets of the city of Toronto, or to serve as a basis for establishing a new distribution system without the city's consent. The charter of this company was granted by special act of the parliament of Canada in 1902, and, if it can take over the poles and wires of the Toronto Electric Light Company, it will mean not only that the city has lost control of its streets to a company with unrestricted and perpetual powers, but that it has lost also its terminable rights under the agreement with the Toronto Electric Light Company to purchase the assets of that company in 1919, and to prevent the amalgamation of that company with any other. Your commissioners visited Ottawa with the hydro delegation early in the

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The Bank of Montreal, The Canadian Bank of Commerce, The Merchants Bank of Canada, The Royal Bank of Canada, The Canada Life Insurance Company, The Great-West Life Assurance Co., The Hudson's Bay Co., The Massey-Harris Co., Limited.

W. J. BOWSER, K.C. R. L. REID, K.C. D. S. WALLBRIDGE
A. H. DOUGLAS J. G. GIBSON
Bowser, Reid, Wallbridge Douglas & Gibson
BARRISTERS, SOLICITORS, ETC.
Solicitors for Bank of British North America
Yorkshire Building, 525 Seymour St., Vancouver, B.C.

J. S. CARMICHAEL
FINANCIAL AGENT
Estates Administered. Valuations Made. Properties Managed
SASKATOON, SASK.

L. COFFEE & CO.
GRAIN MERCHANTS
THOMAS FLYNN Established 1845 Board of Trade Building, Toronto, Ontario

COLLECTIONS
R. G. DUN & CO.
ESTABLISHED 1841
Dominion Bank Building, Toronto, Canada

present year and made a special appeal to the government to safeguard the rights of the city in this matter.

"In common with all other business institutions, the system has lost during the year the services of certain members of its staff due to the enforcement of the Military Service Act. Owing, however, to the fact that most of the system's original employees liable for military service had already volunteered, and the policy which had been followed, wherever possible, of engaging only those unsuited for military service (giving special preference to returned soldiers), the numbers of men subject to the draft amounted to a small percentage of the whole.

"Substantial outlays have again been necessitated during the past year by way of allowances to employees on active service and their dependants."

DISPUTE WITH CIVIC EMPLOYEES

The city of Toronto is having a dispute with some of its employees on the question of wages. The employees involved are chiefly those of the works and garbage commissioners' departments. A wage increase was granted within the past year, and it is maintained by some members of the council that the men are now receiving more than the wages paid for similar labor in private industry. Some members of the council were in favor of having a board of conciliation appointed. On Thursday, the 20th inst., the council met four representatives of the union, but no satisfactory agreement was arrived at.

STATUS AND PROSPECTS OF LIFE INSURANCE

An Australian view of the present position and future prospects is outlined in the address of Mr. Selby P. Wood at a recent meeting of the Australian Provincial Assurance Association. The speech was made on the occasion of the removal of the association into the premises until lately occupied by the Commonwealth Bank of Australia, Sydney, N.S.W. Since the organization of the Australian Provincial Assurance Association in 1912, two changes in office accommodation have been necessary as a result of rapidly-growing business.

Mr. Wood spoke as follows:—

"Many people consider that after the war things are going to be bad. There are always pessimists, but I am an optimist, and I feel confident that when the war is over there will be an awakening of spirit and a relaxation of feeling, and such a general rebound that things will be brighter and better than ever they were before.

"We are sometimes inclined to talk about the good old days, but would we return to them? The good old days, when a meal could be bought for sixpence, but in those days the sixpence was very hard to earn. Better have a meal at half-a-crown and have the half-crown to pay for it, and something over. The good old days, when education was a matter of secondary importance, and which compares very unfavorably with the present day, when the poorest and humblest in the land can receive a sound education free of charge. It is possible in these days of modern educational opportunities for the humblest parent to say that it is possible his child may one day fill an important position in the State. The good old days, when sanitation was comparatively unknown. I think we would not like to return to these things.

"From an insurance point of view, in the good old days people were very ignorant, and even superstitious, about insurance business. There has been a long, gradual and general education in this respect, and the pioneers of the old insurance companies have fought our battles for us, and educated the people of the Commonwealth as to the benefits desirability, and almost the necessity for life assurance.

"The general increased educational facilities also contribute to the popularity of life assurance, as the more intelligent and educated people are, the greater the adherents of life assurance.

"After the war is over, I think the lot of the workingman is going to be brighter and better than ever before. I do not think the world will ever be content to return to the pre-war conditions. As far as Australia is concerned, I think the only thing that will retard its progress is bad seasons, and this is something over which we have no control. After the war I feel confident we are going to do incalculably better than ever before."

WAR PRISONERS IN TURKEY AND BULGARIA

The following announcement has been made by the post-office department at Ottawa:—

A notification has been received from the British authorities to the effect that the parcel post service for prisoners of war in Turkey or Bulgaria is at present suspended. Until this service is resumed no parcels can be forwarded to prisoners of war in Turkey or Bulgaria, and persons desiring to help prisoners of war in these countries are advised to forward remittances to them. These can be sent by means of post-office money orders, which are issued free of commission. Particulars as to how to proceed may be obtained from postmasters of accounting offices. Any parcels for prisoners of war in these countries which may be intercepted in the course of transmission will be returned to the senders, providing the name of the senders is given on the parcel

PROMOTION OF COMPANIES

The Blue Sky legislation of the United States has, it is pointed out, fallen short in some ways of its purposes. There are some states which have not as yet enacted legislation of this kind, and these states have become centres of promotion. Included among them are Oklahoma and Colorado, which have for a long time been noted as centres of oil promotion. The object of the laws in states which have passed legislation has, moreover, been defeated by sales campaigns on the part of companies incorporated in other states which have no such legislation. The national vigilance committee of the Associated Advertising Clubs of the World has recently called the attention of the press to this matter and requested their co-operation in meeting the spirit of the legislation. Reference is also made to a resolution passed by a session of the Blue Sky commissioners of the various states, which reads as follows:—

"That we stand ready to co-operate in the fullest measure with the publishers of the United States in the interest of clean advertising, and that the publishers be requested to co-operate with the various states to the extent of refusing to publish advertising matter concerning stocks and securities offered for sale by any corporation, or on its behalf, contrary to the Blue Sky laws of the state in which such advertising is offered."

SASKATCHEWAN GENERAL TRUSTS CORPORATION

In spite of the active competition of other trust companies, the Saskatchewan General Trusts Corporation, Limited, has attained remarkable success during its eight years of business. The corporation was organized in 1910 by Saskatchewan men. The shareholders are all Saskatchewan people, and the directors are Saskatchewan business and professional men of high standing. The company has also been financed with Saskatchewan capital, and the profits have been derived from within the province and dividends distributed there. A dividend of 5 per cent. on the stock has been paid for three years. This provincial characteristic has, no doubt, been in some degree responsible for the company's progress, and, combined with a policy of careful management, the business has grown to such an extent that further capital is considered necessary. The details regarding the price, etc., are not yet announced, but it is evidently the intention of the company to do the further financing within the province. The paid-up stock now outstanding is $101,430. There is also a reserve of $30,000.

The amount of estates and trusts under administration is $530,570, which is a very creditable total for a young company operating only in the province of Saskatchewan. During the past three years, in addition to paying the dividend of 5 per cent., amounts have also been transferred to reserve or carried to profit and loss account, at the credit of which there is now $4,581. The books of the company are audited by Rooke, Grant, Wilkinson and Company, chartered accountants. Mr. W. T. Mollard, president, and Mr. E. E. Murphy, general manager, have been in charge of the company's affairs since it began business. The other directors are: George H. Barr, K.C., J. A. McBride, Esq., Charles Willoughby, Esq., J. A. M. Patrick, K.C., David Low, M.D., William H. Duncan, Esq., Herbert E. Sampson, K.C., LL.B., William Wilson, Esq., A. L. Gordon, K.C.

DIVIDENDS AND NOTICES

PROVINCIAL PAPER MILLS CO., LIMITED

Notice is hereby given that dividends of One and Three-Quarters (1¾%) per Cent. on Preferred Stock and One (1%) per Cent. on Common Stock of this Company have been declared for the current quarter, both payable July 2, 1918, to shareholders of record at the close of business June 15th, 1918.

By Order of the Board.
S. F. DUNCAN,
Secretary-Treasurer.

Dated Toronto, June 4th, 1918.

CITY OF SASKATOON, SASKATCHEWAN

DEBENTURE INTEREST, DUE JULY 1st, 1918

Holders of City of Saskatoon Debentures, payable at the Union Bank of Canada in Toronto and Montreal, are requested to present their interest coupons, due July 1st, 1918, for payment at the Bank of Montreal in either of the above-mentioned cities.

J. C. OLIVER,
City Treasurer.

Saskatoon, Sask., June 7th, 1918.

DOMINION POWER AND TRANSMISSION COMPANY, LIMITED

Notice is hereby given that Dividend No. 38, at the rate of seven per cent. (7%) per annum on the Cumulative Preference Stock of this Company, has been declared for the half-year ending June 30th, 1918, and that the same is payable on July 15th, 1918, to shareholders on record on the 30th day of June, 1918.

The Transfer Books for the Preference Stock of the Company will be closed from the 20th day of June, 1918, to the 1st day of July, 1918, both dates inclusive.

By order of the Board of Directors.
WM. C. HAWKINS,
Secretary.

Hamilton, Ont., June 19th, 1918.

NIPISSING MINES COMPANY, LIMITED

165 Broadway, New York

The Board of Directors has to-day declared a regular quarterly dividend of **Five Per Cent.**, payable July 20th, 1918, to shareholders of record as of June 29th, 1918. The transfer books will close June 29th, 1918, and reopen July 18th, 1918.

P. C. PFEIFFER,
Treasurer.

June 20th, 1918.

Central Canada Loan & Savings Co.

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO AND ONE HALF PER CENT. (2½ p.c.) for the three months ending June 29th, 1918, at the rate of TEN PER CENT. (10 p.c.) per annum, has been declared upon the Capital Stock of this Institution, and the same will be payable at the Offices of the Company, Toronto, on and after Tuesday, the second day of July, 1918. The Transfer Books will be closed from the 17th to the 29th of June, both days inclusive.

By order of the board,
E. R. WOOD,
President.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A dividend of one and three-quarters per cent. (1¾%) on the Preferred Stock of the **Dominion Textile Company, Limited**, has been declared for the quarter ending **30th June, 1918**, payable July 15th to shareholders of record **June 29th, 1918.**

By order of the Board,
JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 10th June, 1918.

NOVA SCOTIA STEEL AND COAL CO., LIMITED

DIVIDEND NOTICE

A dividend of two per cent. on the Preferred Shares of the Company for the quarter ending June 30th, 1918, has been declared payable July 15th, 1918, to shareholders of record of June 29th, 1918.

By order of the Directors,
THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, June 14th, 1918.

NOVA SCOTIA STEEL AND COAL CO., LIMITED

DIVIDEND NOTICE

A dividend of one and one-quarter per cent. on the Ordinary Shares of the Company has been declared, payable on July 15th, 1918, to shareholders of record of June 29th, 1918.

By order of the Directors,
THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia, June 14th, 1918

PENMANS, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and one-half per cent. has been declared on the Preferred Shares of the capital stock of this Company for the quarter ending July 31st, 1918, payable August 1st, 1918, to shareholders of record of July 20th, 1918; also a Dividend of one and one-half per cent. on the Common Shares for the quarter ending July 31st, 1918, payable August 15th, 1918, to shareholders of record of August 5th, 1918.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.

Montreal, June 19th, 1918.

THE REAL ESTATE LOAN CO. OF CANADA, LTD.

DIVIDEND No. 63.

Notice is hereby given that a Dividend at the rate of three and one-half per cent. for the half-year ending 30th inst., has been declared upon the Capital Stock of the Company, and that the same will be payable at the Office of the Company in Toronto, on and after 2nd July, 1918. The Transfer Books of the Company will be closed from 22nd to 29th June, both days inclusive.

By Order of the Board
E. L. MORTON, Manager.

Toronto, 20th June, 1918.

(For further Dividends see page 40.)

INDUSTRIAL RECONSTRUCTION ASSOCIATION

Comprehensive Programme Outlined for Present and After-the-War Period

The Canadian Industrial Reconstruction Association, of which Sir John Willison is president, has issued the first report of its executive committee, as follows:—

"The executive committee recommends for consideration:—

"(1) That in order to stimulate national unity and in recognition of the advantages of a good understanding between Quebec and the English-speaking provinces five scholarships in French for students from the English provinces be established in Laval University and five scholarships in English for students from Quebec in the University of Toronto, and that in connection with such courses the English students be maintained for one year in France and the French students for one year in Great Britain.

"(2) That the association by appeal and argument encourage groups of industries which have common problems to follow the example of the tanners, the textile industries and the pulp and paper makers in order that through co-operation in scientific research in processes of manufacture and in methods of marketing the advantages of large capital and practical experiments may be obtained and greater economy and efficiency in production assured.

"(3) That the association by appeal to financial and industrial interests and private capitalists and to the federal and provincial governments, endeavor to have graduate research facilities established in the universities of McGill and Toronto, where training can be had equal to that secured in the great American universities. It seems to be clear that such faculties will be a vital requirement when the National Research Institute is established by the Dominion government. If the industries are to avail themselves fully of the facilities for research which it is the intention of the national advisory council for scientific and industrial research to provide the universities must supply the trained experts to conduct necessary experiments.

"(4) That a postgraduate scholarship or fellowship be offered in the departments of economics of McGill, Toronto and Manitoba universities, successively, open to women graduates of any Canadian university, for the purpose of carrying on research work of an economic character in the industrial or home-making occupations of women.

"(5) That a matriculation scholarship be offered at various Canadian universities, open to girl matriculants from high schools, collegiate institutes and women's colleges, for the best essay on the economic importance from the national standpoint of household buying or on the training of girls for skilled employment.

"(6) That by arrangement with the ministers of education in the different provinces, prizes be offered for essays by school children on national industries or on the value of trade training in finding advantageous employment.

"(7) That the executive committee of the association consult with Hon. Frederic Nicholls, with the object of assisting in the movement which he has inaugurated to interest the Dominion government in the vital problem of export markets and in organizing the industries of the country for an efficient partnership with the administration in finding, extending and developing trade in other countries, particularly during reconstruction in Europe, in confidence that such trade once secured will be held to the common advantage of Canada and the other countries concerned.

"(8) That the association through its executive committee endeavor to arrange for a conference with the mayors of western towns and cities with the object of obtaining more accurate knowledge of conditions in the western provinces, the extent and character of their natural resources and the opportunities for establishing new industries or branches of eastern industries in favorable locations.

"(9) That delegates representing agriculture, the commercial and industrial interests and the universities and newspapers of Western Canada be invited to visit the industrial communities of Eastern Canada, as the guests of the association, with the understanding that an invitation to members of the association to visit the West would be accepted and that the sole purpose of such deputations should be to acquire more exact knowledge of national conditions and problems.

"(10) That the association try to arrange conferences with the Railway Brotherhoods and the Great War Veterans' Association for mutual consideration of problems of reconstruction and to ensure co-operation as far as may be found practicable between the business interests and those bodies, in devising and supporting measures which may seem to be necessary to maintain stability and prosperity.

"(11) That the association undertake to organize or co-operate in the organization of a national conference to consider primary education in relation to the duties of citizenship and to which distinguished educationists from Great Britain and the United States would be invited.

"(12) That the executive committee have a pamphlet prepared, showing what steps are being taken in other countries to improve relations between employers and workmen and what regulations or agreements affecting particular industries are being tested or are under consideration.

"(13) That the association issue an appeal to employers and industrial companies to have conferences with their workmen in order that the staffs of manufacturing and other business enterprises may have fuller knowledge of conditions affecting raw materials, available markets, the character and the degree of competition to which they are exposed and the problems of readjustment when peace is restored.

"(14) That the executive committee also have pamphlets prepared for publication in newspapers or periodicals or by direct publication under the auspices of the association as may be convenient or desirable on the following subjects:—

"(a) Democracy and public credit; (b) lessons of the French Revolution; (c) irresponsible government in Russia; (d) combination, co-operation and efficiency; (e) debt and taxation before and after the war; (f) relation of the banks to agriculture, industry, and national development; (g) waste in local works and public buildings; (h) sources and incidence of taxation in Canada and the United States; (i) British agricultural and commercial policy; (j) the relation of wage earners to Japan and the United States; (k) state aid for industry; (l) federal and provincial assistance to agriculture in Canada; (m) advantages of local markets; (n) farm products produced, exported, and consumed in Canada; (o) The national advantage of importing factories and exporting finished products; (p) the partnership of women in industry; (q) the home, the shop and the factory; (r) taxation of incomes and profits."

LABOR AND LABOR UNIONS

Since the entrance of the United States into the great world war, union labor has utilized its political power to secure for itself advantages in the way of increased wages, decreased hours and other regulations which, under ordinary circumstances, would be regarded as economically impossible. Furthermore, the Socialist idea of government control of industry now appeals to labor, which seeks to utilize that control in order to make its own position better. Union labor, in fact, is reaching out for all kinds of alliances and within the past few months has sought to unionize negroes and also to unionize unskilled labor and women workers. There is a distinct purpose in all these plans.

The advantages which labor really has gained has led to a very definite programme which contemplates no failure in the future and a consolidation of all organizations which may strengthen its position. It has already been announced by union labor leaders that what they have secured in the war they intend to retain, and, no matter what the economic circumstances may be, they are prepared to defend the high wages, shortened hours and the peculiar privileges which they have been able to obtain through the quasi-Socialistic situation which necessarily exists because of the war—that is, the apparent control and direction of industry by the government.—"American Industry."

The Union Casualty Company, of Winnipeg, recently purchased the Western Canada Accident Company. The company is licensed to do business in all three prairie provinces, and has a paid-up capital of over $75,000.

For July Investment

OUR "INVESTMENT SUGGESTIONS"
for June contains the following five attractive issues:

Canada's Victory Loan
5-10-20-Year BONDS
Denominations :
$50, $100, $500 and $1,000
Price 99½, yielding 5.54%

Government of Newfoundland
(Britain's Oldest Colony)
6½% Ten-Year BONDS
Due June 30, 1928
Price 100 and Interest, yielding 6½%
Denominations :
$100, $500 and $1,000

City of Calgary
7% Ten-Year GOLD DEBENTURES
Due June 1, 1928
Denominations :
$500 and $1,000
Price 100 and Interest, Yielding 7%

City of Montreal
6% Five-Year BONDS
Due May 1, 1923
Price 100 and Interest, yielding 6%
Denominations :
$100, $500 and $1,000

Province of Saskatchewan
6% Twenty-Year GOLD BONDS
Due June 1, 1938
Price 96.62 and Interest yielding 6.30%
Denominations :
$100, $500 and $1000

We will make reservations of the above securities while our supply lasts—for delivery on or after July 1st to meet your convenience, and we extend to you the facilities of our Partial Payment Plan in making purchases if desired.

Address Dept. G 2

Greenshields & Co.

Members Montreal Stock Exchange
Dealers in Canadian Bond Issues

17 St. John Street - Montreal
Central Chambers, Ottawa

The Canadian Appraisal Company
Limited

Expert detailed presentation of the facts with respect to present values for war tax purposes.

Auditors appreciate the necessity of having the permanent or fixed assets established on the basis of a Certified Appraisal by a recognized authority.

TORONTO
Royal Bank Bldg.

MONTREAL
17 St. John St.

Throughout Manitoba, Saskatchewan and Alberta

FARM LAND APPRAISALS

LAND BOUGHT AND SOLD
ON BEHALF OF CLIENTS

UNITED GRAIN GROWERS SECURITIES COMPANY, LTD.

WINNIPEG REGINA CALGARY

The Northern Trusts Co

Executor, Administrator, Trustee

No moneys on deposit; No Bonds or Debentures issued

The clause in the Company's Charter enabling it to include in its activities the acceptance of moneys on deposit and the issue of Bonds and Debentures was, at the special request of the original Directorate, struck out.

Sole liability to the public represented by Guaranteed Mortgage Investments to an amount not exceeding the paid-up Capital of the Company, and secured in each instance by improved Farm and City Property to the value of more than double the amount of the mortgage investment.

Head Office .. Winnipeg

A Newspaper Devoted to Municipal Bonds

THERE is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.

THE BOND BUYER

25 West Broadway New York, N.Y.

Montreal and Toronto Stock Transactions

Stock Prices for Week ended June 26th, 1918, and Sales.

Montreal figures supplied to *The Monetary Times* by Messrs Burnett & Co., St. Sacrament St., Montreal. Toronto quotations "and interest."

Montreal Stocks	Opened	Closed	Sales
Abitibi com.	....	....	....
Ames-Holden com.	22½	21	2995
" pref.	62	....	288
Asbestos Corporation	20	....	....
" pref.	55	...	20
Bell Telephone	130	....	....
British Columbia Fishing & Packing	....	....	....
Brompton	56	55½	229
Brazilian	34½	33¾	278
Canada Car com.	32½	....	735
" pref.	74	....	140
Canadian Converters	....	41	40
Canada Cement com.	61½	61¾	1213
" pref.	....	90¾	85
Canada Cottons	61½	....	5
" pref.	....	....	45
Canadian Con. Rubber pref.	....	....	....
Canadian Pacific Railway	149½	147	....
Canadian Locomotive	58½	58	60
" " pref.	....	....	4
Canada Steamship Lines com.	40¾	40	178
" " " pref.	76	....	12
Can. Forgings	157	154	150
Civic Investment	....	....	....
Civic Power com.	....	....	....
Cons. Mining and Smelting	25	....	25
Consumers Gas com.	....	....	....
Dominion Coal pref.	....	94¼	....
Dominion Iron pref.	92	91	20
Dominion Steel Corporation com.	61¾	61⅛	950
" " " pref.	....	....	....
Dominion Textile	90	....	40
" pref.	....	100	....
Goodwins Ltd.	....	....	....
Hillcrest	....	15	....
Howard Smith Paper	....	....	50
Lake of the Woods Milling com.	133	132½	120
" " " pref.	....	100	50
Laurentide Co.	167½	165¾	635
Lyall Const. com.	78	74	....
Macdonald	14	13½	25
Mackay Cos. com.	....	....	....
Maple Leaf Milling com.	108	106	25
" " " pref.	....	....	....
Montreal Tel.	....	120	....
Montreal Tramway	150	....	....
" " deb.	72¾	....	100
Montreal Light, Heat and Power	....	....	158
Montreal Cotton com.	57	53½	30
" pref.	....	....	....
Ogilvie Flour Mills	....	170	50
Ontario Steel com.	30	25	....
Ottawa L. H. & P.	....	....	25
Penmans	75	73	45
Sherwin-Williams	....	....	....
" " pref.	....	....	1
Riordan Paper	118⅛	117¼	840
" pref.	....	93	....
Quebec Railway, Light, Heat & Power	20¾	19	120
Shawinigan Water & Power	....	....	22
" " " rights	....	....	....
Spanish River com.	13	....	727
" pref.	....	..	215
Steel Co. of Canada	65⅞	65¾	2798
" " " pref.	93	92½	2
St. Lawrence Flour Mills com.	78	77	745
Toronto Railway com.	60	....	....
Wabasso Cotton	43	....	....
Woods	....	....	165
Bank of British North America	....	....	....
Bank of Commerce	185½	....	137
Bank of Montreal	210	....	2
Bank of Ottawa	201	....	....
Bank of Toronto	....	....	....
Bank d'Hochelaga	....	....	....
Banque Nationale	....	....	....
Bank of Nova Scotia	248	....	....
Dominion Bank	202	....	9
Merchants Bank	167	....	20
Molsons Bank	179¾	....	....
Quebec Bank	....	....	....
Royal Bank	208	....	....
Standard Bank com.	....	....	....
Union Bank	....	150	12
Imperial Bank	....	....	....

Montreal Bonds	Opened	Closed	Sales
Asbestos	....	....	....
Bell Telephone	....	....	1000
Canadian Car.	....	....	....
Canada Cement	....	....	2000
Canadian Converters	....	82	....
Canada Felt	....	....	....
Cedars Rapids	....	83	1700
Dominion Coal	....	88¾	....
Dominion Cotton	....	....	....
Dominion Iron and Steel	....	84	....
Dominion Textile A	....	....	2000
" " B	....	....	....
" " C	....	....	....
" " D	....	....	....
Inter. Coal	....	....	100
Lake of Woods Milling	....	....	....
Lyall Construction Co.	....	....	....
Montreal Light, Heat & Power	....	....	....
Montreal Tramways	....	....	....
National Breweries	....	....	2000
Nova Scotia Steel	....	....	....
Ogilvie A	....	....	....
" B	....	....	....
" C	....	....	....
Penmans	....	....	....
Price Bros.	....	....	....

Montreal Bonds (*Continued*)	Opened	Closed	Sales
Quebec Railway, Light and Power	60	57	....
St. Lawrence Flour Mills pref.	....	....	150
Steel of Canada	....	92¾	18000
First Dominion War Loan	96¼	95½	4500
Second Dominion War Loan	95½	94¾	21500
Third Dominion War Loan	93⅞	93⅝	79100
Wabasso Cotton	....	....	....
Wayagamack	76	75½	500

Toronto Stocks	Asked	Bid	Sales
Ames-Holden	23	22½	....
" pref.	63	61	5
American Cynamid	....	32	....
Bell Telephone	....	....	....
Barcelona	9¾	9½	....
British Columbia Fish	47	....	....
Brazilian	34	33¾	450
B. C. Packers	....	....	....
Canada Bread	19	18¾	....
" pref.	....	....	....
Canadian Car & Foundry	32½	31½	....
" " " pref.	62	61½	....
Canadian Canners	....	....	....
" pref.	....	....	....
Canadian General Electric	103	101½	25
" " " cum div. pref.	....	....	....
Canada Landed & National Investment	148¾	....	....
Canadian Locomotive	50	57	25
" pref.	....	83¾	....
Canadian Pacific Railway	....	....	14
Canada Permanent	....	162½	....
Canada Steamship	41	40½	460
" " pref.	75	74½	25
Can. Salt	....	....	....
Cement com.	62	61½	265
"	....	....	....
City Dairy	....	40	25
" pref.	85	82	....
Coniagas	300	275	100
Confederation Life	....	....	....
Consumers Gas	....	144½	....
Crows Nest	....	50	50
Dome	750	700	100
Dominion Canners pref.	38	33	....
Dominion Iron com.	....	....	....
Dominion Steel Company	61	60¼	255
Dominion Savings	....	....	....
Duluth Sup	41	....	....
F. N. Burt	....	....	....
" pref.	84½	....	10
Hamilton Provident	137	133	....
Huron & Erie com.	....	204	....
La Rose com.	50	41	....
Mackay Companies	75	74½	23
" pref.	65½	64½	123
MacKinley Darragh com.	....	....	....
Maple Leaf Milling	107	106	370
" " " pref.	98	95½	25
Monarch	16	41	....
" pref.	80	....	....
Nat. S. Car	8½	7½	....
" pref.	37	30	....
Nipissing	905	900	200
Nova Scotia Steel	66	....	....
" " " rights	....	....	....
Pacific Burt	34	....	....
" pref.	77½	....	....
Prov. Paper	50	....	....
Penmans com.	75	73½	....
Petroleum	1500	1400	....
Porto Rico	....	....	1
Quebec L. H. & P.	20	19	....
Riordon	119	118	....
Rogers com.	....	....	....
Russell Motor	80	75	....
" pref.	80	79	39
Sawyer-Massey	15	....	....
" pref.	40	....	....
Spanish River	15	13½	....
" pref.	....	....	....
Cons. Smelters	24¾	....	....
Standard Reliance Loan	....	....	....
Standard Chemical	....	....	....
" " pref.	57	....	....
Steel Company of Canada	66	65½	505
" " " pref.	93½	91½	10
Toronto General Trust	....	200	....
Toronto Paper	....	....	2
Toronto Railway	60	....	....
Trethewey S. Mines com.	22½	21	200
Tucketts	18½	....	....
" pref.	....	....	....
Winnipeg Electric	48	....	31
Twin City	....	40	25
Bank of Commerce	....	....	108
Bank of Ottawa	201	....	4
Bank of Hamilton	....	....	....
Bank of Montreal	....	....	....
Bank of Nova Scotia	248	....	4
Bank of Toronto	187	....	....
Dominion Bank	202	....	....
Imperial Bank	185	....	7
Merchants Bank	....	....	....
Molsons Bank	....	....	....
Royal Bank	208	....	....
Standard Bank	200	....	6
Union Bank	....	150	20

Toronto Bonds	Asked	Bid	Sales
Canada Bread	....	....	....
Canada Locomotive	....	88	....
Colonial Loan	....	....	....
Electrical Development	....	80	3000
Penmans	....	85	....
Steel Company of Canada	92	92¼	10300
First War Loan	96	95½	32600
Second War Loan	95	94¾	34900
Third War Loan	93⅞	93¾	21700

Atlantic Sugar Refineries Limited

Report of the President and Directors for the Year Ending April 30th, 1918.

To the Shareholders,—

REPORT OF THE DIRECTORS.

ATLANTIC SUGAR REFINERIES, LIMITED.

Your Directors take pleasure in presenting herewith the third Annual Statement of your Company for the year ending April 30th, 1918.

The Profits for the year, as you will see from the Profit and Loss Account, amount to $462,676.50. From the Profits have been deducted the following amounts:—

Bond Interest	$88,700.00
Bank Interest and Exchange	90,882.66
Proportion of Deferred Charges	33,991.22
Proportion of Discount on Bonds	2,321.06
Depreciation Reserve	40,000.00

leaving a net profit for the year of $206,781.56. The balance of $116,657.55 brought forward from the previous year, added to the above, makes a total of $323,439.11 at the credit of Profit and Loss Account.

It will be noted that Bank Interest and Exchange have been very heavy and this is accounted for by the fact that during the greater portion of the period New York funds, in which payment for raw sugar purchases must be made, have been at a high premium.

The Total business for the year amounted to over $10,000,000, showing an increase over the previous year of over 25 per cent. A portion of the year's business was for export to Great Britain and France, but the domestic business showed a gratifying increase over the previous year.

The net profits amount to about 2 per cent. on sales or about 15 cents per 100 pounds.

The Refinery was operated steadily throughout the year, with the exception of the necessary shut-downs owing to non-arrival of raw sugar. The plant has been maintained at the highest degree of efficiency, and additions and betterments to the value of $50,220.78 have been made and added to Capital Account.

The shortage of raw sugar which occurred during the last three months of 1917; the scarcity of tonnage to move the sugar crop; the curtailment of supplies for Canada, and the fixing of prices by the International Sugar Commission have all been factors in limiting profits.

In October, 1917, a limiting factor was placed on the amount of business the company may do by the formation of the International Sugar Commission in New York to control and allocate all supplies of raw sugar in North America. All of the Allied Countries submit to the ruling of this Board, and the quantity is allocated to the various Canadian Refiners by the Sugar Division of the Canada Food Board in New York, and the business of each Company is therefore limited to the extent of its allocation. Under the circumstances your Executive and Directors find it necessary to conduct the business of the Company on a modest scale, notwithstanding the constant and increasing demand of the trade.

The distribution of the Company's product extends from Halifax to Calgary, and the Goodwill of the Company is being constantly fostered and extended with very satisfactory results.

On July 1st, 1917, the Company redeemed outstanding Bonds amounting to $50,000, in accordance with the terms of the Trust Deed.

Taking into consideration all the difficulties that the sugar business has had to contend with during the past nine months, your Directors consider the statements herewith presented satisfactory.

Respectfully submitted,

D. LORNE McGIBBON,
President.

June 21st, 1918.

BALANCE SHEET AS AT APRIL 30, 1918.

ASSETS.

Lands, Buildings, Wharfs, Plant equipment, etc.	$4,120,259.58	
Franchises, Leases, Goodwill, Trademarks, etc.	3,000,000.00	
		$7,120,259.58
Cash	$ 56,698.84	
Accounts Receivable	89,207.20	
Bills Receivable	1,579.63	
Inventories	573,958.85	
		721,444.52
Expenditures made on account of future business		76,205.08
		$7,917,909.18

LIABILITIES.

Capital Stock—Authorized—			
30,000 7% Cum. Con. Preferred Shares of $100 each		$3,000,000.00	
35,000 Common Shares of $100 each		3,500,000.00	
Issued and fully paid:—			
25,000 7% Cum. Con. Preferred Shares of $100 each		$2,500,000.00	
35,000 Common Shares of $100 each		3,500,000.00	
			$6,000,000.00
NOTE—Dividend on Preference Stock cumulative from 1st July, 1914.			
Bonds—Authorized:—			
$2,000,000 First Mortgage 6% Bonds.			
Issued:—		$1,570,000.00	
Less Redeemed, July 1, 1916	$50,000		
Less Redeemed, July 1, 1917	50,000		
		100,000.00	
			1,470,000.00
Accounts payable		$ 35,070.07	
Bond Interest Accrued		29,400.00	
			64,470.07
Reserve for depreciation of Plant.			60,000.00
Profit and Loss Account			323,439.11
			$7,917,909.18

Contingent Liability for Bills under Discount, $237,714.

These Bills have since matured and were paid.

Approved on behalf of the Board.

D. LORNE McGIBBON, } Directors.
L. R. WILSON,

To the Shareholders of the Atlantic Sugar Refineries, Limited.

We have examined the Accounts of the Atlantic Sugar Refineries, Limited, for the year ended 30th April, 1918, and have obtained all the information and explanations required by us. We hereby certify that the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and explanations given to us, and as shown by the Books of the Company.

(Signed) **MACINTOSH, COLE & ROBERTSON,**
Chartered Accountants.

Montreal, 11th June, 1918.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDING APRIL 30th, 1918.

Net Profits for Year before providing for undernoted charges		$462,676.50
Less:—		
Bond Interest for year	$88,700.00	
Bank Interest and Exchange	90,882.66	
Deferred Operating Charges	33,991.22	
Proportion of Discount on Bonds	2,321.06	
		$215,894.94
		$246,781.56
Written off:—		
Reserve for Depreciation of Plant		$ 40,000.00
		$206,781.56
Add balance of April 30th, 1917		116,657.55
		$323,439.11

NEW INCORPORATIONS

Chemical Company With Capital of $1,000,000 Receives Charter

The largest company incorporated during the past week was the Commonwealth Chemical Corporation of Canada, Limited, with a capital stock of $1,000,000, and head office at Toronto, Ont.

The following is a partial list of charters granted during the past week in Canada. The head office of the company is situated in the town or city mentioned at the beginning of each paragraph. The amount noted is the authorized capital, and the persons named are the provisional directors:—

Unity, Sask.—Standard Machinists, Limited, $20,000.

North Battleford, Sask.—Fullerton's, Limited, $10,000.

Regina, Sask.—Northwest Cattle Company, Limited,

Moose Jaw, Sask.—Meldrum and Martin, Limited, $20,000.

Saskatoon, Sask.—National Lumber Yards, Limited, $50,000.

Mazenod, Sask.—Mazenod Farmers Elevator Company, Limited, $15,000.

Victoria, B.C.—Placer Development Company of America, Limited, $450,000.

Bagotville, Que.—La Compagnie Pouliet, Limitée, $15,000; A. Trèmblay, A. Pouliet, A. Fortin.

Holmfield, Man.—Holmfield Rural Credit Society, $20,000; S. Fletcher, C. Stone, R. Whiteside.

St. John, N.B.—British Colonies Transportation Company, Limited, $750,000; M. E. Sweetman, A. W. Holmested, L. B. Campbell.

Hamilton, Ont.—Dominion Sheet Metal Corporation, Limited, $500,000; J. R. Marshall, H. A. Burbidge, A. B. Turner. Bowron Brothers, Limited, $50,000; A. E. Bowron, R. S. Bowron, J. E. Dodson.

Winnipeg, Man.—Canadian Sundries, Limited, $10,000; F. A. Johns, W. P. Fillmore, S. E. Richards. Canadian Security and Mortgage Company, Limited, $100,000; D. S. Martin, R. H. Couch, W. J. Falconer.

Montreal, Que.—S. H. Ewing and Sons, Limited, $500,000; A. Beaudry, B. McDougall, A. Malo. Ostigny and Fils, Limitée, $100,000; C. O. Ostigny, E Ostigny, P. Ostigny. Viger Garage, Limited, $10,000; A. Meunier, L. E. Beauregard, A. Brunet.

Vancouver, B.C.—G. G. Heather and Company, Limited, $10,000. Amalgamated Film Company, Limited, $25,000. Travis and Fotheringham, Limited, $10,000. Newcastle Fishing Company, Limited, $25,000. Anthony A. Rerrie Lumber Company, Limited, $20,000. Sentry Manufacturing Company, Limited, $10,000. Nippon Club, Limited, $10,000.

Toronto, Ont.—Commonwealth Chemical Corporation of Canada, Limited, $1,000,000; M. E. Cherrier, J. F. Boland, W. J. Boland. N. Brenner and Company, Limited, $50,000; N. Brenner, M. Brenner, K. Brenner. W. E. Irons and Company, Limited, $25,000; G. A. Ronan, S. J. Palmer, J. R. Roaf. Marshall Ventilated Mattress Company, Limited, $50,000; F. R. James, H. W. Fielden, J. Colbourne. Superior Mines, Limited, $500,000; J. H. Spence, G. Cooper, L. M. Heal.

DOMINION SAVINGS BANKS

BANK	Deposits for Mar. 1918	Total Deposits	Withdrawals for Mar. 1918	Balance on Mar. 30th, 1918.
	$ cts	$ cts.	$ cts.	$ cts.
Manitoba:—				
Winnipeg	4,077.00	512,070.84	3,807.20	508,263.64
British Columbia:—				
Victoria	26,103.81	1,122,987.72	21,036,55	1,098,951.17
Prince Edward Island:—				
Charlottetown	57 452.00	1,850,753.36	30,311.93	1,820,441.43
New Brunswick:—				
Newcastle	1,864.00	239,830.65	7,977,83	231,852.82
St. John	67,835.44	4 649,370.68	71,534.82	4,577,835.86
Nova Scotia				
Amherst	....	....	....	....
Barrington	145.00	102,267.19	404.85	101,862.34
Guysboro'	1,311.00	96,318.03	1,165.67	95.152.36
Halifax	51,113.02	2 379,705.90	35,775.22	2,343,930.68
Kentville	3,149.00	240,703 23	6,013 62	234,689.61
Lunenburg	3,072.00	138 715.74	10,292.81	128,422.93
Pictou	....	....	....	....
Port Hood	541.00	71,941 45	25.00	71,916.45
Shelburne	1,360.86	219,895.75	2,745.12	217,150.63
Sherbrooke	289.10	79,077.91	561.68	78,413.23
Wallace	....	....	....	....
Totals	178,313.23	12,003 638 45	194,755 30	11,808,883.15

POST OFFICE SAVINGS BANKS

Dr. FEBRUARY, 1918 Cr.

	$ cts		$ cts.
BALANCE in hands of the Minister of Finance on 31st Jan., 1918..	39,820,625.66	WITHDRAWALS during the month.........	677,389.91
DEPOSITS in the Post Office Savings Bank during month.......	791,123.56	Difference (short) between *estimate* of interest and amount actually accrued and made principal to 31st March, 1917:	
TRANSFERS from Dominion Government Savings Bank during month:—			
PRINCIPAL.........			
INTEREST accrued from 1st April to date of transfer...	....	Estimate. $1,120,370 15 Actual.....1,118,952 23	1,417 92
DEPOSITS transferred from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada	4,480.11		
INTEREST accrued on Depositors accounts and made principal on 31st March, 1917 (estimate)	....		
INTEREST allowed to Depositors on accounts closed during month.....	8,414.58	BALANCE at the credit of Depositors' accounts on 28th Feb., 1918.........	39,918,836.05
	40,627,643.91		40,627,643 91

UNLISTED SECURITIES

Quotations furnished to The Monetary Times by A. J. Pattison Jr., & Co., Toronto
(Week ended June 26th, 1918.)

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abitibi Power.......com.	43	48	Can. Mortgage	....	83	Home Bank..............	60	65	North-Amer. Pulp	2.25	3
" ....pref.	78	88	Can Salt............. 6's	92.50	....	Imperial Oil..............	270	290	N. S. Steel, 6% deb.......	82.50	87.50
Alta Pacific Grain..pref.	82	89	Can. Starch ....com.	10	15	" Trust..........	....	36.50	Ont. Pulp.......... 6's	76.50	80.50
Amer. Sales Book....6's	90	....	Can. Westinghouse......	105	118	Inter. Mill ....pref.	82.50	87.50	People's Loan............	80	90
Atlantic Sugar.......com	10.50	17.50	Carter Crume.......pref.	....	70	Lambton Golf	350	395	P L. Robertson Screw..	....	40
" " ......pref.	40	50	Chapman Ball Bearing..	22.50	29	London Loan & Savings.	90	105	Rosedale Golf	....	310
" " ....6's	80	86	Cockshutt Plow.....pref.	72.50	82.50	Maple Leaf Con. Milk pf.	50	....	Sterling Bank.	76	82
Belding Paul........com.	12	15	Consumers Cordage pref.	75	85	Maritime Coal......com.	20.50	25	Sterling Coal........com.	15	18
" " ....pref.	76	83	Continental Life.........	16	25	Massey Harris...........	110	140	" " ....6's	71	75.50
Black Lake............6's	28	30.50	Dom. Fire...............	18	23	Matthew-Blackwell com.	42.50	50	Temple Theatre.....com	....	65
" .... pref.	5	7	Dom. Glass ....com.	35	39	Matthew Laing.......6's	93.50	97.50	Toronto Carpet.....com	88	....
Brandram-Henderson 6's	94	....	" ....pref.	76.50	82.50	M'Donald ....pref.	76	81.50	Toronto Paper........6's	85	90
Can. Cons. Felt.....com.	3.75	6	Dom. Linseed...... ...	70	....	Milton Pressed Brick....	20	31	Toronto Power 5's 1924..	79	83
Can. Fairbanks .....pref.	85	92.50	Dom. Power ....pref.	91	96.50	Mississauga Golf	42.50	57.50	Toronto York Rad 5's 1919	92	97
Can. Machinery........6's	74.50	80	" " ....5's	80	85	Morrow Screw........6's	85	92.50	West. Assurance	7.25	8.75
" " com.	14	....	" " ....com.	50	58	National Life.............	37	....	Wt. Can. Flour.... com.	100	125
" " pref.	48	54	Dunlop Tire.........pref.	85	93.50	National Potash.........	....	1.20	....	....	....
Can. Marconi...........	1.15	2.10	Eastern Car ....6's	89	94	....	....	....	....	....	....

ALFRED WRIGHT
President

ALEX. MACLEAN
Manager & Secretary

LONDON &
LANCASHIRE
GUARANTEE &
ACCIDENT
C°

Personal Accident
Employers' Liability
Fidelity Guarantee
Teams' Liability
Sickness
Workmen's Compensation
Elevator Insurance
Plate Glass
Automobile Insurance

Head Office
Company's Building, 61-65 Adelaide Street East
TORONTO

BRANCHES—Quebec and Maritime Provinces......MONTREAL
Manitoba and Saskatchewan............WINNIPEG
British Columbia and Alberta..... ...VANCOUVER

ACCOUNT BOOKS
LOOSE LEAF LEDGERS
BINDERS, SHEETS and SPECIALTIES
Full Stock, or Special Patterns made to order
PAPER, STATIONERY, OFFICE SUPPLIES
All Kinds, Size and Quality, Real Value
THE BROWN BROTHERS LIMITED
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THE DOMINION OF CANADA
GUARANTEE & ACCIDENT INS. CO.
Accident Insurance   Sickness Insurance   Plate Glass Insurance
Burglary Insurance   Automobile Insurance   Guarantee Bonds
The Oldest and Strongest Canadian Accident Insurance Company
Toronto   Montreal   Winnipeg   Calgary   Vancouver

P. R. REED,
resident

T. B. REDDING,
Vice-President.

B. M. WHITLEY,
Secretary-Manager

Canada Security Assurance Company
HAIL DEPARTMENT
CALGARY - ALBERTA

LONDON
GUARANTEE AND
ACCIDENT COY.
Limited
ESTABLISHED 1869
Head Office for Canada:
TORONTO

Employer's Liability   Personal Accident   Sickness
Elevator   Fidelity Guarantee   Court Bonds
Contract   Internal Revenue   Teams and Automobile

AND FIRE INSURANCE

The Imperial
Guarantee and Accident
Insurance Company
of Canada
Head Office, 46 KING ST. W., TORONTO, Ont.
IMPERIAL PROTECTION
Guarantee Insurance, Accident Insurance, Sickness Insurance, Automobile Insurance, Plate Glass Insurance.
A STRONG CANADIAN COMPANY
Paid up Capital - - - $200,000.00.
Authorized Capital - - - $1,000,000.00.
Subscribed Capital - - $1,000,000.00.
Government Deposits - - $111,000.

Merchants Casualty Co.
Head Office: Winnipeg, Man.
The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments Embracing the entire Dominion of Canada.

SALESMEN NOTE
Our accident and health policy is the most liberal protection ever offered for a premium of $1.00 per month.

MERCHANTS C° CASUALTY

Covers over 2,500 different diseases.
Pays for Five Years Accident Disability and Life Indemnity for illness.
Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.

Good Openings for Live Agents
Eastern Head Office...1 Adelaide St. E., Toronto
Home Office .. ...Electric Railway Chambers, Winnipeg, Man.

Saskatchewan General Trusts
Corporation, Limited
Head Office: Regina, Sask.
Executor   *Administrator*   *Assignee*   *Trustee*
Special attention given Mortgage Investments, Collections, Management of Properties for Absentees and all other agency business.

BOARD OF DIRECTORS:
W. T. MOLLARD, President   O. H. BARR, K.C., Vice-President
H. E. Sampson K.C.   A. L. Gordon, K.C.   J. A M. Patrick, K.C.
David Low, M.D   W. H. Duncan   J. A. McBride
Chas. Willoughby   William Wilson
E. B. MURPHY, General Manager

Official Administrator for the Judicial District of Weyburn

THE HOME BANK OF CANADA

Statement of the result of the business of the Bank for the year ending 31st May, 1918.

PROFIT AND LOSS ACCOUNT.

Cr.

Balance of Profit and Loss Account 31st May, 1917	$140,238.68
Net Profits for the year after deducting charges of management, interest due depositors, payment of all Provincial and Municipal taxes and rebate of interest on unmatured bills	228,963.19
	$369,201.87

CAPITAL PROFIT ACCOUNT.

Premium on Capital Stock received during the year	208.54
	$309,410.41

Which has been appropriated as follows:—

Dr.

Dividend No. 43, quarterly, at the rate of 5 per cent. per annum	$24,338.31	
Dividend No. 44, quarterly, at the rate of 5 per cent. per annum	24,339.69	
Dividend No. 45, quarterly, at the rate of 5 per cent. per annum	24,342.17	
Dividend No. 46, quarterly, at the rate of 5 per cent. per annum	24,342.23	
		$ 97,362.40
Government War Tax on Note Circulation		19,316.90
Reserved for Depreciation of Securities and for Contingencies.		90,000.00
Written off Bank Premises Account		10,000.00
Donation to Patriotic Fund		2,000.00
Balance carried forward		150,731.11
		$369,410.41

General Statement, May 31st, 1918.

LIABILITIES.

To the Public—		
Notes of the Bank in circulation		$ 1,758,180.00
Deposits not bearing interest		4,143,264.31
Deposits bearing interest, including interest accrued to date of statement		11,539,486.62
Deposits by and balances due to Dominion Government..		3,151,326.54
Balances due to other Banks in Canada		1,589.54
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		654,434.65
Acceptances under Letters of Credit		3,087.50
		$21,251,369.16
To the Shareholders—		
Capital (subscribed $2,000,000) paid up	$1,947,430.98	
Rest Account	300,000.00	
Dividends unclaimed	1,900.20	
Dividend No. 46 (quarterly) being at the rate of 5 per cent. per annum, payable June 1st, 1918	24,342.23	
Balance of Profit and Loss Account	150,731.11	
		$ 2,424,404.52
		$23,675,773.68

ASSETS.

Gold and other current coin	$ 123,454.89	
Dominion Government Notes	3,129,010.50	
		$ 3,252,465.39
Deposit with the Minister of Finance as security for note circulation		105,000.00
Notes of other Banks		192,862.86
Cheques on other Banks		524,118.52
Balances due by other Banks in Canada		112,259.18
Due from Banks and Banking Correspondents in the United Kingdom		31,325.37
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		716,525.52
Dominion and Provincial Government Securities (not exceeding market value)		1,548,211.89
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities, other than Canadian		2,727,332.01
Railway and other Bonds, Debentures and Stocks not exceeding market value		923,172.17
Call and Short (not exceeding 30 days) Loans in Canada on Bonds, Debentures and Stocks		939,909.91
		$11,073,182.82
Other current Loans and Discounts in Canada, less rebate of interest	$11,307,680.47	
Other Loans and Discounts elsewhere than in Canada	29,226.26	
Loans to cities, towns, municipalities and school districts	147,720.55	
Liabilities of Customers under Letters of Credit, as per Contra	3,087.50	
Overdue debts	34,782.41	
Real Estate other than Bank premises	74,995.37	
Mortgages on Real Estate sold by the Bank	77,112.13	
Bank Premises, at not more than cost, less amounts written off	871,393.52	
Other assets not included under the foregoing	56,592.65	
		$22,602,590.86
		$23,675,773.68

M. J. HANEY,
President.

J. COOPER MASON,
Acting General Manager.

BRITISH TRADE CONNECTIONS

Mr. Fred. W. Field, British trade commissioner in Canada, is desirous of getting in touch with manufacturers' agents who wish to obtain the Ontario agencies of United Kingdom firms, either now or after the war. He would also be pleased to discuss with agents and importers any obstacles to the encouragement of British trade in Ontario of which they may be aware, aside from war conditions. Samples of German or Austrian merchandise sold in Ontario prior to the war would also be useful to him; many agents now, no doubt, have no further use for samples of this kind.

In his office in the Confederation Life Building, Toronto Mr. Field has now been engaged for some time in the work of encouraging closer trade connections between Canada and the United Kingdom. Just at present the work is rather of a preparatory nature, with a view to greater activity after the war.

The steamship "Porsanger," considered to be the largest ocean-going steamer yet built in this country, was launched the other day in Montreal. It was built mostly of Canadian materials, although the plates were imported from the United States.

YIELDS ON INVESTMENTS IN STOCKS AND BONDS

The following table of investment yields of stocks and bonds has been compiled for *The Monetary Times* by Messrs. Morrow & Jellett, Members Toronto Stock Exchange, 103 Bay Street Toronto:—

June 26th, 1918.

	Div. Rate	Price about	Yield about
Preferred:			
Canadian Locomotive	7	85	8.23
Canada Cement	7	91	7.69
Canada Steamships	7	75	9.33
Mackay Companies	4	65	6.15
Penmans	6	82	7.31
Steel of Canada	7	94	7.44
Maple Leaf Milling	7	98	7.14
Common:			
Bell Telephone	8	130	6.15
B. C. Fishing and Packing	5	46	10.75
Canada Cement	6	62	9.67
Canadian Locomotive	6	59	10.17
Canadian General Electric	8	103	7.76
Consumers' Gas	10	145	6.89
Consolidated Mining and Smelting	2½	25	10.00
Dominion Foundries & Steel	8	80	10.00
Maple Leaf Milling	10	107	9.25
Canadian Pacific Railway	10	148	8.75
Ottawa Traction	6	70	8.57
Penmans	6	75	8.00
Dominion Steel Corporation	5	61	8.19
Steel Co. of Canada	6	66	9.09
Mackay Companies	6	75	8.00
Toronto Railway	4	60	6.68
Bonds:			
Canada Bread	8	92	6.52
Canada Cement	6	96	6.25
Canada Steamships	5	80	6.25
Canadian Locomotive	6	89	6.74
Penmans	5	87	5.74
First War Loan, 1925	5	96	5.67
Second War Loan, 1931	5	95	5.51
Third War Loan, 1937	5	93½	5.52
Victory Loan, 1937	5½	99½	5.62
....	....	....	....
....	....	....	....

DIVIDEND NOTICE

DOMINION LINENS, LIMITED

NOTICE TO SHAREHOLDERS

Notice is hereby given that the dividend at the rate of 3½% for the six months ending June 30th, 1918, being at the rate of 7% per annum, has been declared upon the Preferred Stock of **Dominion Linens, Limited**, same being payable on July 15th next to shareholders of record at close of business June 30th. The stock register will not be closed.

H. A. HIGNELL,
Guelph, June 25, 1918. Treasurer.

(For further Dividends see page 33.)

CONFEDERATION LIFE
ASSOCIATION

Issues LIBERAL POLICY CONTRACTS
ON ALL APPROVED PLANS.

OFFICERS AND DIRECTORS:
President: J. K. MACDONALD, ESQ.
VICE-PRESIDENT AND CHAIRMAN OF THE BOARD:
W. D. MATTHEWS, ESQ.
Vice-President
SIR EDMUND OSLER, M.P.

John Macdonald, Esq.	Lt.-Col. J. F. Michie
Joseph Henderson, Esq.	Peleg Howland, Esq.
Lt.-Col. A. E. Gooderham	Lt.-Col. The Hon. Frederic Nicholls
Thos. J. Clark, Esq.	John Firstbrook, Esq.
Gen. Supt. of Agencies, J. TOWER BOYD	Actuary, V. R. SMITH, A.A.S., A.I.A. Secretary, J. A. MACDONALD.

Medical Director:
ARTHUR JUKES JOHNSON, M.D., M.R.C.S. (Eng.)

HEAD OFFICE .. .. TORONTO

AGENTS' ATTENTION!

The Western Life Assurance Company

made (among others) the following remarkable increases in 1917:

NEW BUSINESS RECEIVED	INCREASE 146%
ASSURANCES, NEW AND REVIVED	INCREASE 147%
NEW PREMIUMS RECEIVED	INCREASE 166%
ADMITTED ASSETS	INCREASE 81%

The Company now has a Dominion License, and is extending its organization, and is prepared to offer advantageous terms to competent producers. Write to the

HEAD OFFICE - - WINNIPEG, MANITOBA

The Standard Life Assurance Co. of Edinburgh

Established 1825. Head Office for Canada: MONTREAL, Que.

Invested Funds	$ 66,500,000	Investments under Canadian Branch, over	$ 18,000,000
Deposited with Canadian Government and Government Trustees, over	7,000,000	Revenue, over	7,900,000
		Bonus declared	40,850,000
		Claims paid	151,000,000

D. M. McGOUN, Mgr. F. W. DORAN, Chief Agent, Ont.

A Cigar a day Costs no more than an
Endowment Policy at Life Rate in the

London Life Insurance Co.

LONDON ... ... Canada
POLICIES "GOOD AS GOLD" 6

The Western Empire
Life Assurance Company

Head Office: 701 Somerset Bldg., Winnipeg, Man.

BRANCH OFFICES
REGINA MOOSE JAW CALGARY EDMONTON

District Managers Wanted

In Western Ontario Cities. If you would like to improve your position, and grow with a strong, progressive Canadian Life Insurance Co. write in confidence

H. A. KENTY, Superintendent of Agencies

THE CONTINENTAL LIFE INSURANCE CO.
TORONTO, ONTARIO

Here is Your Opportunity

The success which has attended the operations of the North American Life throughout its history has made association with the Company particularly inviting.

The year 1918 promises to be bigger and better than any heretofore. Some agency openings offer you an opportunity at this time.

Correspond with
E. J. HARVEY, Supervisor of Agencies.

North American Life Assurance Co.
"SOLID AS THE CONTINENT"

HEAD OFFICE - TORONTO, CANADA

A Practical Pointer on Salesmanship

It is of first importance in good salesmanship to select a worthwhile article to sell, something about which you can become enthusiastic with a reason—a reason that will last. In Life Insurance Salesmanship, for instance, a discriminating agent would naturally select the policies of the Mutual Life of Canada because—first, the Company is well-established—Second, it has an unblemished record—Third, it has a continental reputation as a dividend payer—Fourth, it is a democratic organization—Fifth, it is a wonderfully successful going concern—and lastly, being the only Canadian Policyholders' Company its contracts find a ready market. Where a company is so favorably known one half of the trouble of making the sale is avoided. If you get the best goods in your line and go to it, success is certain. Last year our agents placed $20,000,000 paid-for business.

The Mutual Life Assurance Co. of Canada
Waterloo Ontario

CHARLES RUBY, General Manager B. P. CLEMENT, K.C., President

TO SPEND THE BEST YEARS

of one's life in acquiring property and leave it all in jeopardy when it might be secured by Life Insurance is, to say the least, unbusinesslike.

A sufficient Life Policy has kept intact many an estate which would otherwise have gone to ruin for want of ready cash at the right time

The Great-West Life issues Insurance on most attractive terms.

Rates on request.

The Great-West Life Assurance Co.
DEPT. "F"

HEAD OFFICE : WINNIPEG

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

Union Mutual Life Insurance Co.
Portland, Maine

ARTHUR L. BATES, PRESIDENT HENRI E. MORIN, SUPERVISOR

For Agencies in the Western Division, Province of Quebec and Eastern Ontario, apply to WALTER I. JOSEPH, Manager, 502 McGill Building, Montreal.

For Agencies in Western Ontario, apply to E. J. ATKINSON, Manager, 107 Manning Chambers, 72 Queen St. West, Toronto

LIFE INSURANCE MORE NECESSARY THAN EVER

We know very well that the familiarity with the usual stock reasons for insuring life, and limb as well, often act in a way rather to hinder those reasons from receiving in numerous cases the real thought and attention that they certainly merit. Still, it must be very clear to every thoughtful mind that the reasons why a man should insure his life are really unanswerable and absolutely convincing, that to do so is only a duty and nothing less. Death, however, often postponed, is certain in the end, and then, in the vast majority of cases, with the death of the family man, there generally comes terrible reduction in income, even when that income does not cease altogether. In the course of nature, children survive their parents, and the great majority of women outlast men, especially men in the great active business arenas of the competitive world. In fact, we here deal with certainties, not mere suppositions, as everybody knows. For one highly important thing, to insure your life is actually to commence the creation of capital. How can men of marked ability, earning fair, and even large incomes, fail to know very well that, forced by circumstances too powerful to be resisted, their death will see most of that income dissipated? Then, indeed, if the individual had his time over again, a way would have been found to avert disaster to the survivors. It is very difficult to conceive any case much worse than for a family living in full comfort, with not a little luxury added, to be abruptly precipitated into what is to them a social inferno whence there is no visible escape. But it has been justly said that insurance is in a way able to create capital, and how many thousands of really able, clever men, though generally successful in their particular lines of active life, find it virtually impossible to accumulate capital? Obviously, to the extent to which the amount assured exceeds the premiums paid, it is clear that we have a creation of capital. It is by that excess just so much money never earned, and money that could never come to a man's beneficiaries in any other way. Many a man borrows money just to provide a home for his family, but we know that besides interest thereon that loan must eventually be paid in full, and certainly there is no capital left out of that transaction. Now, in life assurance, and in that alone, do we find this most invaluable element. It is not present in any other form of financial business projected into futurity. Then, again, consider the wonderful security of the funds forming the security for paying according to promise. All other financial undertakings are liable to vicissitude capable under certain extreme conditions of reducing, and even of extinguishing their value altogether. Even banks, as we all know, are not absolutely safe, but the insurance company alone stands forth positively proof against all conceivable financial shocks and altogether certain to fulfil to the very letter every promise made. Why, then, one asks with a natural surprise, do so many otherwise clever men hang back from taking insurance, and especially why do the young just entering on life hang back when commonsense should warn them that later on in all probability they will be but too thankful to take insurance on a much more expensive lease than when youth was in itself a fine asset in such transactions. But in the present case we think that all insurance agents, as insurance men generally, might very aptly direct attention to the certainty of life being much harder when peace comes again, certainly for a time, and when those covered well by insurance will most decidedly have a great advantage over those who have not been so prudent. Further, the very consciousness of being thus protected cannot fail to inspire confidence and courage, and those properly covered will have a far better chance of success in the battle of life than such as have refused to take warning by past experience when hard times come to stay. It is pretty certain that a greatly disordered national finance and a hundred other evil legacies from so destructive a war cannot fail to induce a period of trouble for thousands only less evil than the war itself!—Insurance and Finance Chronicle.

The new building of the Sun Life of Canada in Montreal has been almost completed. It occupies a corner overlooking Dominion Square, and is seven stories high, but is so constructed that ten more stories could be added. The exterior is of grey granite on a frame of structural steel. A fireproof vault, built on separate foundations, runs upward through all floors. The building also includes a dining-room and lounge-rooms.

UNION OF CANADIAN MUNICIPALITIES

The eighteenth annual convention of the Union of Canadian Municipalities will be held in Victoria, B.C., on Tuesday, Wednesday and Thursday, July 9th, 10th and 11th. It is expected that delegates will be present from all over Canada, and representatives of the Dominion Civic Improvement League will also attend. A large number of subjects are to be discussed at the meetings, and the following special papers will be read: "The Maintaining of Montreal Credit," by Thomas Bradshaw, commissioner of finance, Toronto; "The Consolidated Railway Act; Contest over Fundamental Municipal Rates," by W. D. Lighthall, K.C., honorary secretary-treasurer, Union of Canadian Municipalities; "Present Position of Uniform Municipal Accounting and Statistics," by H. J. Ross, chairman of the special committee; "National and Municipal Housing," by Thomas Adams, town planning adviser, Commission of Conservation; "Municipal Responsibility in Regard to Economic Development of the Land," by J. N. Bayne, deputy minister of municipal affairs, Regina, Sask.

The previous conventions have been held in the following cities:—

Toronto, Ont.	August, 1901
Montreal, Que.	September, 1902
Ottawa, Ont.	September, 1903
London, Ont.	September, 1904
Winnipeg, Man.	July, 1905
Halifax, N.S.	August, 1906
Fort William, Ont.	August, 1907
Port Arthur, Ont.	August, 1907
Montreal, Que.	July, 1908
Medicine Hat and Calgary, Alta.	July, 1909
Toronto, Ont.	August, 1910
Quebec, Que.	August, 1911
Windsor, Ont.	August, 1912
Saskatoon, Sask.	July, 1913
Sherbrooke, Que.	August, 1914
Montreal, Que.	August, 1916
London, Ont.	August, 1917

Mr. W. D. L. Hardie, mayor of Lethbridge, is president for the year 1917-18. Mr. Robert Ryan, alderman of Three Rivers, Que., is vice-president. There are also special committees for each province to deal with questions more of a local nature.

The union lays down the following rules:—

(1) The Canadian people shall not be ruled by any irresponsible monopoly.

(2) They shall not submit to methods of fraud or corruption.

(3) There must be no perpetual franchises.

(4) Our heritage of natural resources affecting municipalities must not be sold, but leased, if not publicly operated.

(5) One generation cannot legislate away the rights of another.

(6) Municipalities must control their streets.

(7) Each Canadian shall have a fair deal from all who are granted corporated or other public privileges.

(8) Some court or council must always exist, free and equipped to enforce the fair deal.

(9) The life of the poorest citizen must be made worth living through his share of the best civic conditions and services.

The advantages of the union are explained as follows:—

1. Intercourse of a mutually profitable character between municipal authorities of all kinds, from the Atlantic to the Pacific, resulting in the stimulus derived from broad experience and knowledge, and also in the encouragement which comes from a spirit of fraternity.

2. The immense increase of power derived from combination and co-operation, which is at the service of the individual municipality when required for its protection and improvement.

3. A patriotic spirit is fostered by intercommunication.

4. The bureau of information is possessed of central facilities not easily brought together elsewhere.

5. Communication with and respectful attention by foreign bodies are facilitated and increased.

6. Enormous sums of money and money values are annually saved to the municipalities.

Solid Growth

UP-TO-DATE business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years and have more than trebled in the past eleven years.

To-day, they exceed by far those of any Canadian Life Assurance Company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

The Fastest Route to Big Production

Is via the Training, the Service and the Co-operation given through our own

FREE SALES COURSE
PROSPECT BUREAU
BULLETIN SERVICE,
ADVERTISING and
ALL ROUND SUPPORT

YOU { Travel without expense,
Are better equipped for the journey,
Sure of getting there, with the

CANADA LIFE
ASSURANCE CO.
Home Office - Toronto

THE PRUDENTIAL has a large force of Canadian employees at work in every large city in the Dominion selling Gibraltar-like life insurance policies and industriously paying death claims in afflicted homes day after day. The Prudential has throughout the United States and Canada Fifteen Million Policies in Force, equal to nearly twice the population of the Dominion, and indicating the popularity of this big American Company.

AGENTS WANTED.

The Prudential Insurance Co. of America

Incorporated under the laws of the State of New Jersey.
FORREST F. DRYDEN, President. Home Office, NEWARK, N.J.

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SECURITY AND SERVICE
HEAD OFFICE - WINNIPEG.

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A SQUARE DEAL IN LIFE ASSURANCE

"First in the Northwest."

Do YOU know anything about "loadings" ? ? ?

When the average Life Assurance Actuary figures out your premium he first finds the "net" premium, then adds to it a percentage called a "loading" to provide for expenses.

This method has been condemned by world famous actuaries for over half a century.

The Northwestern is the only Canadian Life Company that uses a scientific method of providing for expenses, and this results in

LOWER PREMIUMS

Write for our circular entitled "Life Assurance Rates" exposing the unsound methods generally followed and justifying our claim to be

Canada's only scientific Life Company.

The Northwestern provides the highest reserves of any Canadian Company.

The Northwestern Life
Assurance Company
WINNIPEG CANADA

RECENT FIRES

The Monetary Times' Weekly Register of Fire Losses and Insurance

Aromocto, N.B.—June 22—Business section of the town was damaged. Estimated loss, $35,000.

Courtenay, B.C.—June 15—The Dykes sawmill, situated between Comox and Courtenay, was damaged. Estimated loss, $25,000.

Hamilton, Ont.—June 19—Rolling mills plant of the Steel Company of Canada was damaged. Estimated loss, $12,000.

June 23—Plant of the Toronto and Hamilton Sewerpipe Company, Terra Cotta Avenue, was damaged.

Ingersoll, Ont.—June 20—Two-story brick house on the farm of Samuel Somers, near Folden's Corners, was damaged.

Macleod, Alta.—June 13—Outbuildings on the farm of S. G. Gillespie were damaged.

Nalsberry, Sask.—June 19—The British-American Elevator was damaged after struck by lightning.

Ottawa, Ont.—June 18—The rag, paper and junk factory of Sach Brothers, corner of Broad and Queen Streets, was damaged. Estimated loss, $7,000.

Port Maitland, Ont.—June 24—Fish house, garage and ice house of E. Martin were damaged.

Redan, Ont.—June 26—Residence of Wm. Moore was damaged.

Sceptre, Sask.—June 12—The barn, granaries, a quantity of implements, a team of Shetland ponies, some sheep, poultry and other things were destroyed on the farm of Albert Bossy. Estimated loss, $3,500.

Simcoe, Ont.—June 20—Farm outbuildings of J. J. Moore were damaged. Insurance carried $3,500.

South Vancouver, B.C.—June 18—Store of Mr. McCannell, on the corner of Fraser Avenue and Marine Drive, was damaged. Estimated loss, $1,000.

St. Boniface, Man.—June 17—Factory of the Constant Macaroni Company was damaged. Estimated loss, $10,000.

St. Catharines, Ont.—June 22—Canadian Crocker-Wheeler factory was damaged. Cause by two live wires crossing.

Stamford, Ont.—June 25—House of G. Embleton was damaged. Estimated loss, $5,000.

Strome, Alta.—June 13—Business section of the town was damaged. Estimated loss, $15,000.

Toronto, Ont.—June 25—Home of Mrs. G. B. Patterson, 76 Albert Street, was damaged. Estimated loss, $2,000. Two residences on Seaton Street were damaged. Estimated loss, $2,500.

June 26—The Hughes Electric Company's warehouse at 364 Richmond Street W., was damaged. Caused by voltage of drying machine being too heavy. Estimated loss, $300.

June 27—Residence of Miss Humphrey, 619 College Street, was damaged. Caused by over-heated iron. Estimated loss, $25.

Warner, Alta.—June 19—The town was almost completely wiped out. Estimated loss, $250,000.

Welland, Ont.—June 23—Some small buildings on Main Street near the river were destroyed. The property damaged was Mr. R. Cooper's straw shed, R. Moore and Son's auto repair shop, and Round's lumber store. Estimated loss, $7,000.

Windsor, Ont.—June 23—Three houses on Montmorenci Street were damaged. Cause reported as incendiarism. Estimated loss, $4,000.

ADDITIONAL INFORMATION CONCERNING FIRES ALREADY REPORTED

Vancouver, B.C.—Fire Chief Carlisle submits the following report for the month of May to *The Monetary Times*:—

The total damage resulting from fire for that period, excluding figures in connection with the Coughlan loss of May 15th, the adjustment of which has not as yet been completed, was $10,208, of which amount $5,751 was covered by insurance, leaving the property loss above insurance at $4,457. The total value of the property involved by fire for the month (excluding Coughlan's property valuation) was $1,861,995.

The following shows the cause of fires for the month: Backfire (carburetter), 2; bush fires, 27; carelessness with cigarettes, matches, etc., 3; chimney fires, 9; defective chimney, 2; electrical origin, 2; fire breaking out again, 1; firewood drying in oven, range, etc., 2; flying sparks from chimneys, burners, smokestacks, etc., 18; gasoline (lighted match near), 1; hot ashes placed in wooden receptacles near wooden doors, sheds, etc., 3; lighted pipe left in coat pocket, 1; overheated furnace-pipes falling down, 1; overheated pressing iron, 1; overheated stove, 1; overheated stovepipes, 1; shingles thrown near furnace door, 1; spontanous combustion, 2; and unknown causes, 3.

ADVANCE IN AMERICAN EXCHANGE

New York exchange made a still further advance during the week just ended. Quotations were as high as 2⅜ to 2 7/16 per cent. premium, and one transaction at 2½ per cent. premium took place. During the same period last year, the premium was only one-sixteenth of 1 per cent. The advance is to some extent due to the finance minister's announcement that no arrangement had been made for a Canadian loan in New York.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	2 7-16	2 15-32	....
Mont. funds	Par	Par	⅛ to ¼
Sterling—			
Demand	$4.86.70	$4.87	$4.89
Cable transfers	4.88	4.88.20	4.90

Sterling demand in New York, $4.75 5-16.
Bank of England rate, 5 per cent.

HALIFAX SHIPBUILDING PROGRESS

The executive of Halifax Shipyards, Limited, has been announced as follows: James Carruthers, president; J. W. Norcross, vice-president and managing director; Roy M. Wolvin, vice-president; M. J. Haney, treasurer; F. S. Isard.

Plans have been completed for the commencement of the work and the site of the plant and the drydock have been fully inspected.

"When our plant is completed," said Mr. Norcross, "we will have established at Halifax one of the finest shipyards in America. We have chosen the best site available, a site which is admirably suited. Adequate arrangements for procuring the steel plates necessary to ship construction have been made. All the labor available at Halifax will be used first. Some 3,500 men will be required at the plant."

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railways for the first three weeks of June:—

Canadian Pacific Railway.

	1917.	1918.	Inc. or dec.
June 7	$2,927,000	$2,846,000	— $ 81,000
June 14	3,165,000	2,914,000	— 251,000
June 21	2,939,000	2,849,000	— 90,000

Grand Trunk Railway.

June 7	$1,333,194	$1,383,669	+ $ 50,475
June 14	1,348,185	1,541,392	+ 193,207
June 21	1,441,424	1,621,993	+ 180,569

*Canadian Northern Railway.

June 7	$ 908,700	$ 847,100	— $ 61,600
June 14	916,800	853,100	— 63,700

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*Two weeks.

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The Monetary times

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